Medicaid Cuts Put People with Cancer at Risk

In 2023 10% of adults with a history of cancer in the U.S. relied on Medicaid for their health care.[1] Access to affordable health insurance is crucial for individuals to receive necessary care, especially for those with chronic conditions like cancer.

Research consistently shows that expanding access to Medicaid increases insurance coverage rates among cancer patients and survivors, increases early-stage cancer diagnoses, improves access to timely cancer treatment and survival rates, and increases receipt of cancer screenings and preventive services.[2] For example, a recent study showed that Medicaid expansion was associated with an increase in survival from cancer at 2 years post diagnosis, and the increase was most prominent among non-Hispanic Blacks in rural areas, highlighting how expanding Medicaid can reduce health disparities.[3]

The American Cancer Society Cancer Action Network opposes cuts to the Medicaid program, as these cuts will make it harder for many people to receive preventive services and cancer screenings, cancer treatments and health care in survivorship.

Funding cuts would jeopardize essential access for people with cancer

Medicaid is funded jointly by the federal and state governments. The federal share of funding is determined by the Federal Medical Assistance Percentage (FMAP). Today, the federal government pays between 50 and 77 percent of the cost of providing most health services to most Medicaid enrollees,[4] and a higher percentage for the Medicaid expansion population.

If FMAP rates are cut, states would have to find a way to pay more from their already tight budgets or make cuts to Medicaid. One analysis of such cuts in 10 states and the District of Columbia showed that these 10 states would have to pay an additional $43 billion to maintain their current programs. **Faced with funding shortfalls, it's likely that states would reduce "optional" Medicaid benefits, like home- and community-based services or prescription drugs**.[5]

Funding caps could limit eligibility or coverage for people with cancer

The Medicaid program was designed to provide a safety net for the low-income and disabled, and to enable states to cover all individuals who meet program requirements – growing or shrinking depending on the needs of the people in the state. A block grant or cap on Medicaid spending would change this funding structure to provide a set (and smaller) amount of federal funds to state Medicaid programs. The Congressional Budget Office (CBO) has estimated that capping federal Medicaid funds would result in spending cuts of $576 to $934 billion, depending on the details of the policy.[6]

To stay within capped funding, states would likely take steps such as capping overall enrollment, cutting coverage for people in certain eligibility groups (such as some children, some people with disabilities, and many adults – including those with cancer), increasing cost sharing, and/or reducing health benefits.

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✂ Work requirements would create more bureaucracy and administrative hassle

Most adults enrolled in Medicaid already work: in 2021, 42% of adult Medicaid enrollees aged 19–64 were employed full-time, working an average of 34 hours per week. Another 23% were not working due to caregiving responsibilities, illness or disability, or school attendance.[7] Despite this fact, several state and federal policymakers have proposed conditioning Medicaid enrollment on working or volunteering a certain number of hours per week. **Whenever they have been implemented, these requirements simply add a huge burden of tracking, recording and paperwork to Medicaid offices and enrollees – and result in people inappropriately losing their Medicaid coverage.** For example, Georgia's current work requirements have resulted in only 4,500 individuals enrolling in Medicaid as of July 2023 – far short of the 25,000 participants the state expected, and the 359,000 low-income adults in Georgia who need this coverage.[8]

✂ Making it harder to enroll or stay enrolled would cut people from Medicaid - including people with cancer

Research shows that improper payments in Medicaid typically result not from fraud or abuse but instead from paperwork problems; many times they don't involve enrollment of ineligible people.[9] Yet, some policymakers have proposed measures – like adding new paperwork, limiting the use of *ex parte* renewals, and banning the use of pre-populated forms – that make it harder for people to enroll or stay enrolled in Medicaid. **These policies would increase errors and burden for everyone and make it more likely for individuals to be unable to access benefits for which they are eligible. These would include coverage of life-saving cancer screenings and treatment.**

ACS CAN opposes cuts to Medicaid and urges Congress to protect this crucial program for lower-income people with cancer, cancer survivors, and people in need of preventive services and cancer screenings.

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[6] CBO, "Establish Caps on Federal Spending for Medicaid," option from "Options for Reducing the Deficit, 2023-2032 – Volume I: Larger Reductions," December 7, 2022, https://www.cbo.gov/budget-options/58622.
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