

## Medicaid Matters: To People, Our Economy and the Health Care System

Medicaid provides vital health insurance to almost 80 million Americans — 1 in 5 people living in the United States<sup>1</sup> — and serves as a core financial backbone of the health care system, including for the clinics and hospitals on which we all rely. Medicaid is a lifeline of coverage and care for so many: children and low-wage working families, veterans, people working to overcome substance use disorder, vulnerable seniors and people with disabilities.

**Medicaid must be protected from any attempts to cut or cap funding or otherwise cause Americans to lose essential care and coverage.** Any cut to Medicaid is a direct attack on the health and financial security of the American people. The majority of the public — 71% of voters — want Congress to continue to guarantee coverage for low-income people through Medicaid.<sup>2</sup>

### MEDICAID STABILIZES THE ECONOMY

**Medicaid dollars support state budgets.** Medicaid is the largest source of federal funding to states,<sup>3</sup> directly ensuring states do not need to deplete resources for other essential services, including public safety, education and transportation.

**Medicaid keeps rural hospitals open.** Medicaid is a critical funding source for many hospitals and especially helps rural hospitals keep their doors open. Since 2010, 74% of rural hospital closures have been in states that did not extend Medicaid coverage to all low-income adults.<sup>4</sup>

**Medicaid improves access to care and reduces burdens on the health system.** Compared to those without insurance, people with Medicaid are more likely to use preventive care (checkups and screenings), be connected to a primary care provider, and receive regular care for chronic conditions. All of this keeps health care costs low: When people receive care in the physician’s office, they avoid expensive hospitalizations and the need to use overburdened, understaffed emergency rooms for routine care.

### PROTECTING MEDICAID MEANS:

CHILDREN	FAMILIES	SENIORS
Miss fewer school days, are more likely to attend college and earn more as adults.	Have less risk of medical debt and eviction and can buy groceries or pay rent.	Are more able to stay healthy and receive needed care in their homes and communities.

### BIPARTISAN LEADERS SUPPORT MEDICAID

**Leaders in red, blue and purple states support Medicaid.** Since 2014, 41 states and D.C. have opted to extend Medicaid to low-income adults (including 21 states won by Trump and 20 states won by Harris).<sup>5</sup> Since 2022, 47 states and D.C. have expanded Medicaid coverage to pregnant women for up to 12 months postpartum to help address our nation’s maternal health crisis. In 2023, Congress passed a bipartisan bill to allow children to remain continuously enrolled in Medicaid for a full 12 months.

# MEDICAID PROVIDES HEALTH INSURANCE TO:



Ensuring coverage and financial security to rural Americans where residents are less likely to have health insurance through their job.



Giving kids what they need to stay healthy: check-ups, behavioral health care and more. Medicaid fills in the gaps left by private insurance for kids with chronic health conditions such as congenital heart defects and asthma.<sup>8</sup>



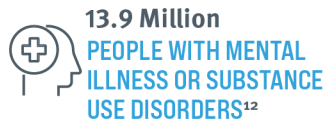
Supporting low-income seniors (including those with Medicare coverage) with medical equipment, transportation to medical appointments and other services that can help seniors live comfortably in their homes.



Reducing out-of-pocket costs for seniors who rely on skilled nursing care and rehabilitation.



Providing coverage to the 2 in 3 non-elderly Medicaid enrollees who work. Many low-wage jobs do not offer health insurance, leaving millions of working Americans without access to affordable health insurance. Medicaid enrollees that do not work most often have a disability, are caring for family members, or are attending school.



Covering treatment and community services and supports, and offering critical funding to states and communities, to address our nation's behavioral health crisis.



Building on Social Security financial assistance, which does not cover health care costs, by providing essential services and support for people with disabilities to work, attend school and live in their communities.



Giving access to affordable care for veterans with complex health needs, such as post-traumatic stress disorder, traumatic brain injury and chronic pain.<sup>15</sup> While veterans can go to Veterans Health Administration facilities, they need insurance to pay for their care. Medicaid keeps low-income veterans from being uninsured.

## THE BOTTOM LINE: MEDICAID MATTERS TO EVERYONE

**Cutting Medicaid would make our country's affordability crisis much worse.** Americans from all backgrounds just voted for economic security, imploring their representatives to lower costs on everyday needs like groceries, gas and health care. Any cut to federal Medicaid funding would ignore voters and directly threaten health and financial well-being for the 80 million Americans who rely on Medicaid for health insurance. Congress has the responsibility to stand with our nation's families by protecting Medicaid and opposing any attempts to weaken this essential program.

For more information or to connect with the Families USA team, please contact [healthpolicy@familiesusa.org](mailto:healthpolicy@familiesusa.org).

To read the full publication with endnotes, please visit [familiesusa.org/Medicaid101](https://familiesusa.org/Medicaid101)

