



The Budget Bill Is Bad for Maine

The “One Big Beautiful Bill Act” terminates health coverage, drives up costs and cuts care across the country — eliminating health coverage for nearly 16 million people¹ and resulting in over 51,000 preventable deaths nationwide.² **If Congress charges ahead with either the Senate or House version of the bill, at least 40,000 Mainers will lose health coverage³ and Maine’s uninsured rate will increase by 50%.⁴**

The act threatens the health and financial security of Mainers in every community:

- **Makes the largest cut to Medicaid in history**, gutting a whopping **\$859 billion** from Medicaid⁵ and the low-income families, workers, veterans, and people with disabilities who rely on it for their care — including 392,000 children and adults in Maine.⁶
- **Drains \$349 billion from Marketplace coverage**,⁷ jeopardizing small businesses and entrepreneurs (including those covered through CoverME, Maine’s version of the Marketplace).
- **Forces another \$500 billion in mandatory cuts to Medicare** by triggering federal spending laws — on top of the Medicaid cuts that will already impact seniors and people with disabilities who are also covered by Medicare (dual-eligibles).

The act will wreak havoc on Maine’s health system and economy:

Maine will be forced to offset budget holes caused by this bill by terminating coverage for families, eliminating essential health services, and cutting provider rates so drastically that doctors and hospitals are forced to close their doors — particularly in rural communities.

Hospitals like Cary Medical Center and Northern Light A.R. Gould Hospital in Aroostook County, Northern Light Maine Coast Hospital in Hancock County and Calais Community Hospital in Washington County will be at greater financial risk of closing due to Medicaid cuts in the bill.⁸

Congress should reject these harmful cuts and instead take steps to protect health coverage programs that serve as lifelines for Mainers.

The budget bill would roll back the last decade of improvements to Maine health coverage and care

MaineCare (Maine's version of Medicaid) will face major cuts, forcing the state to make tough decisions about rolling back the services it provides — including things like dental care, prescription drugs, and mental health. The bill would also raise costs for Maine's low-income seniors and people with disabilities who have Medicare coverage but also rely on MaineCare to help pay for out-of-pocket costs and access services not covered by Medicare. These cuts undermine the core financial backbone of Maine's health care system, as MaineCare pays for a significant portion of care and services at local clinics and hospitals and serves as a critical engine for the state's economy.

MaineCare covers 392,000 children and adults:



2 in 7 Maine residents.⁹



140,000 children — half of all children in Maine¹⁰



109,700 seniors and people with disabilities in Maine.¹¹

CoverME will be undermined in its mission to provide access to health care for Mainers who do not qualify for MaineCare and do not have affordable coverage through their employers. The bill would make it harder for Mainers to buy their own health coverage through CoverME without pre-existing condition exclusions. Marketplace coverage provides comprehensive health benefits, including things like cancer screenings and treatment for diabetes and high blood pressure. The bill was also written with the assumption that Congress will allow enhanced premium tax credits to expire, which will make coverage even more unaffordable for Mainers.

CoverME provides:



Coverage for **64,000 Maine residents.**¹²



Coverage for **8,300 small business owners** in Maine and **13,000 self-employed** Maine residents.¹³



Premium tax credits to help **85% of enrollees** pay their premiums.¹⁴

The budget bill will harm Maine families, workers, and small businesses by wrapping health coverage and care in red tape, undermining critical consumer protections, and making health care unaffordable.

✓ Making public and private coverage more expensive, harder to get and keep

The bill imposes higher out-of-pocket costs and cumbersome verification procedures for both MaineCare and CoverME. It will also eliminate automatic enrollment and shorten the annual open enrollment period for the Marketplace, threatening coverage for the **35,800 people in Maine who will no longer be able to automatically re-enroll** in their CoverME plans from year to year.¹⁵ Around 3,000 additional Mainers will become uninsured if Congress fails to renew enhanced premium tax credits that help them afford plans offered through CoverME.¹⁶

✓ Kicking working people off coverage by creating bureaucratic barriers

The act will attack Maine's successful Medicaid expansion, which covers **106,500 Mainers**.¹⁷ In 2017, Mainers voted to provide Medicaid coverage to residents who earn less than \$21,597 per year.¹⁸ The act will make it hard for these Mainers to keep their coverage, requiring them to re-verify they are eligible every 6 months.

It also imposes the most **onerous work reporting requirements ever attempted** — requiring workers to prove that they have one or more jobs that meet the hourly minimum or they are exempted. Based on the experience of states that previously — and unsuccessfully — tried to implement work reporting requirements, an estimated 34,000 people are at risk of losing their coverage in Maine,¹⁹ including seasonal farm and hospitality workers, caregivers, students, and people with disabilities. **An estimated 100 avoidable deaths will occur in Maine each year when adults lose coverage because of work reporting requirements.**²⁰

✓ Rolling back consumer protections for children

For children enrolled in the Children's Health Insurance Program (CHIP), the act eliminates current bans on annual and lifetime caps, enrollment waiting periods, and lockout periods for families who miss a premium payment because they cannot keep up with the cost of coverage.

✓ Raising costs for the poorest and most vulnerable Mainers covered by Medicare

MaineCare helps about 90,000 seniors and people with disabilities afford their Medicare expenses,²¹ including premiums and out-of-pocket costs when they see a doctor or need a hospital stay. The act eliminates commonsense approaches like automatic data verification and streamlining applications that will make it harder for these Mainers to get the help they need to pay for their health care.



MAINE'S HEALTH CARE SYSTEM WILL LOSE AN ESTIMATED

\$447 MILLION

PER YEAR IN FEDERAL FUNDING

The budget bill will create a crisis for Maine's health system and state budget

With tens of thousands of Mainers set to lose access to their MaineCare and CoverME coverage, **Maine's health care system will lose an estimated \$447 million per year in federal funding**, making it nearly impossible for the state to maintain current levels of coverage, benefits, and payments to providers.²² Maine taxpayers will have to spend at least that much each year to cover additional uncompensated care costs at hospitals and clinics that provide health care services to newly uninsured residents who lack the ability to pay. **The loss of federal funding will cause at least 4,300 total job losses (including jobs outside the health care sector) and \$759 million in reduced economic output.**²³

The act also eliminates Maine's flexibility to fund MaineCare in a way that works best for the state by freezing taxes on health care providers at current rates. This will leave Maine with few options to address budget shortfalls and meet future demands resulting from hardships caused by storms, public health emergencies, and economic downturns.

- Maine's total tax base from health care providers is expected to decrease by \$40 million starting in fiscal year 2026.²⁴
- Newly proposed taxes on in-state ambulance providers currently under consideration to help fill gaps in state funding²⁵ would be prohibited under both the House and Senate version of the bill.

Cuts will make it much harder for Maine to fund:

- 2 in 5 births for Maine moms.²⁶
- 1 in 3 Maine nursing home residents.²⁷
- A significant portion of services at 33 Maine hospitals. For example, MaineCare pays for 28% of all hospital services at MaineHealth Pen Bay Hospital in Rockport and 24% of all hospital services at MaineHealth Waldo Hospital in Belfast.²⁸

The Senate should reject this ill-conceived proposal and instead vote to protect access to MaineCare, CoverME and Medicare so that:

CHILDREN IN MAINE

Have access to newborn care, checkups, care for diabetes and asthma, and more.

Stay healthy and ready to learn, miss fewer school days, are more likely to graduate, and earn more as adults.²⁹



FAMILIES IN MAINE

Have access to cancer screenings, mental health and substance use disorder treatment, and diabetes and blood pressure medications.

Have less risk of medical debt and eviction and can better afford to buy groceries or pay rent.³⁰



SENIORS IN MAINE

Have access to nursing home care, transportation to medical appointments, and home health services.

Stay healthy and receive needed care in their homes and communities.



The bill's proposed cuts to MaineCare, CoverME, and Medicare are direct attacks on the health and financial security of Maine residents and run counter to the will of the vast majority of voters from across political parties.³¹

- **92% of Maine voters** want a “strong, sustainable Medicaid program.”³²
- **73% of Maine voters** oppose cutting funding for Medicaid.³³
- **82% of adults nationwide** — including 67% of Republicans — want Congress to maintain or increase Medicaid spending.³⁴

**Congress has the responsibility to stand with families in Maine
and across the country by rejecting these cuts.**

Endnotes

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This publication was written by the following Families USA staff:

Ben Anderson, Deputy Senior Director of Health Policy

Cheryl Fish-Parcham, Director, Private Coverage

Mary-Beth Malcarney, Senior Advisor on Medicaid Policy

The following Families USA staff contributed to the preparation of this material
(listed alphabetically):

Nicholas Chang, Policy Analyst

Nichole Edralin, Associate Director, Design and Publications

Mackenzie Marshall, Senior Manager, Government Relations

Bailey Reavis, Senior Manager, Government Relations

Jen Taylor, Senior Director, Government Relations

Sophia Tripoli, Senior Director, Health Policy

Kiersten Zinyengere, Communications Manager

