

Congress' budget bill will result in almost 600,000 Pennsylvanians losing health insurance and cost Pennsylvania billions of dollars.

The bill will make it harder for Pennsylvanians to get and keep Medicaid and Marketplace coverage.

New Medicaid work reporting and renewal requirements for 750,000 Pennsylvanians could cause over 300,000 people to lose Medicaid.

- More than **95%** of these people are already working and reporting their work as part of their Medicaid cases, going to school, caring for children or an aging family member, retired, or have a serious health issue. Everyone in this group would need to either re-report their work or report their reasons for not being able to work. This requirement penalizes people who lose their job and creates wasteful red tape that will push eligible people off Medicaid.
- Adding more frequent renewals will push eligible Pennsylvanians off Medicaid, worsening an existing problem: **nearly 1.5 million eligible people already lose Medicaid every year**, primarily due to paperwork mistakes and delays at the County Assistance Offices (CAOs). Most reapply and get back on, but only after months without healthcare access and incurring medical debt. This bill would require Pennsylvanians to go through that renewal process twice instead of once per year and could require even more paperwork between those two renewals per year. This huge increase in paperwork and workload at CAOs will put **all** eligible people at increased risk of being cut off Medicaid.
- County Assistance Offices are already overwhelmed and understaffed. The state will need at least **\$55 million per year** to make the staffing and resource changes needed to keep up with these new work reporting and renewal requirements.
- PA estimates that **over 300,000 people will lose Medicaid** access because of the bill's new work reporting and renewal requirements. Those who lose Medicaid for this reason will also be locked out of access to affordable ACA Marketplace health insurance, ensuring their complete loss of health care access.

An estimated 270,000 people will lose their ACA Marketplace health insurance coverage – called Pennie in Pennsylvania -- due to new hurdles to enrolling in and keeping coverage, elimination of coverage for many lawfully present immigrants, and insurance becoming unaffordable. The bill eliminates automatic renewals and requires more paperwork from individuals, even for those whose eligibility Pennie has verified using federal data sources. The window in which people can enroll annually will also be shortened, further reducing access. The bill also strips access to affordable coverage on Pennie for many people with lawful immigration statuses.

The bill delays implementation of federal rules that were intended to reduce the number of people losing Medicaid and CHIP because of paperwork problems, including older adults on Medicare. These rules would have streamlined enrollment and renewals for Medicaid, CHIP and the Medicare Savings Programs; reduced unnecessary paperwork; and allowed individuals to receive Medicaid without having to apply for early Social Security benefits at age 62 (which locks them into a lower benefit amount for life). Delaying these federal rules creates unnecessary red tape for older adults and people with disabilities trying to keep Medicaid or access programs that help make Medicare more affordable. Nationwide, 1.3 million Medicare enrollees would lose Medicaid-funded assistance with their Medicare costs if these rules are postponed.

The bill significantly reduces funding for Pennsylvania's Medicaid program, destabilizing the state's health care system for everyone.

Pennsylvania stands to lose an estimated \$39 billion in federal Medicaid funding over ten years. The bill freezes health care provider taxes (a key mechanism most states use to fund Medicaid) at current levels, hamstringing states' ability to meet their funding obligations over time, and to meet the new unfunded mandates imposed by the bill. The combination of widespread health insurance coverage losses with stagnant or reduced provider reimbursement rates would put huge new financial burdens on hospitals. If rural hospitals in Pennsylvania — half of which are already losing money — can't keep up with the cost of care that uninsured people aren't able to pay for, entire communities could lose critical health services.

The bill cuts billions in federal funds to 39 states, including Pennsylvania, that provide health insurance to eligible immigrants. Pennsylvania has only ever provided Medicaid to people with eligible immigration statuses. The bill would penalize Pennsylvania for following the law and ensuring health care access for Pennsylvanians with eligible statuses. Nearly \$1 billion of federal funds per year is at stake for Pennsylvania.

The bill makes health coverage worse and more expensive for Pennsylvanians.

By reducing the three-month Medicaid retroactive coverage period to only one month, the bill makes it impossible for people experiencing a significant health event to cover large medical bills. This includes pregnancy, birth (Medicaid covers [1/3 of all PA births](#)), and entry into a nursing facility because of an urgent need for full time care, ultimately resulting in increased medical debt for individuals and additional financial loss to the institutions providing care.

This bill requires states to impose co-pays up to \$35 per visit for some Medicaid expansion enrollees. Increasing out-of-pocket costs for low-income people [results](#) in people forgoing needed care, worse health outcomes, and financial burden.

Health insurance through Pennie, Pennsylvania's ACA marketplace, will become unaffordable for many. Because of provisions in the bill and Congress's unwillingness to extend enhanced premium tax credits, individuals will face steep premium hikes, with many seeing monthly premiums more than double. Cost sharing – deductibles and copays – are also projected to increase, making affording care even harder for those able to keep their coverage.

Loss of significant federal funding will put care at risk for individuals with complex medical needs, older adults, and people with disabilities who could see new eligibility restrictions, reductions to in-home services, and fewer providers accepting Medicaid. This is because Pennsylvania has no way to make up the billions of dollars in federal funding it will lose for its Medicaid program without raising taxes (which is unlikely), or changing Medicaid eligibility, benefits, and provider reimbursement rates.

The bill bars Medicaid and CHIP from covering gender-affirming medical care for adults and youth. The bill also excludes gender-affirming care as an “essential health benefit,” which could limit such treatment through ACA Marketplace plans.

The bill reduces access to primary care and reproductive health services by defunding Planned Parenthood. For many low-income and medically underserved communities that rely on Planned Parenthood health centers as their only affordable provider, this would eliminate access to a wide variety of primary and reproductive health services, including prenatal and postpartum care, care for pregnancy loss, birth control, breast and cervical cancer screening, STD testing and treatment, and well-woman visits.