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Protect The Health of Our Communities: Maintain Medicaid Funding

Medicaid is the nation's largest single source of health coverage, providing necessary care for more than 72 million Americans, including children, veterans and working-class families. This program provides essential services to patients, ensuring our Northeast Ohio communities have access to high-quality, 24/7 care, no matter where they live.

The Affordable Care Act expanded Medicaid coverage to nearly all adults with incomes up to 138% of the federal poverty level, which is \$44,367 for a family of four in 2025, but a U.S. Supreme Court ruling effectively made the decision to implement the expansion optional for states. Ohio is one of 41 states, including the District of Columbia, to have adopted Medicaid expansion.

Currently, the federal government pays 90% of the costs for expansion enrollees. For non-expansion, or traditional, Medicaid enrollees, the federal government pays from 50% to 70%, depending on the state's per capita income relative to the national average. In Ohio in 2025, the federal government pays 64.6%.

If states were to maintain their Medicaid expansion coverage in the wake of a federal policy change, they would need to find ways to offset the loss of federal funding. Increasing tax revenues or reducing coverage or provider reimbursement rates are the likely options. Ohio Governor Mike DeWine's budget proposal includes language that could end expansion in the state if any change is made to the 90% federal match.

A related provision of the governor's budget would implement work requirements for Medicaid recipients. The proposal, which requires a federal waiver, would apply to the Medicaid expansion population and stipulate that Medicaid enrollees must work unless they are over age 55, enrolled in school or an occupational training program, participating in an alcohol and drug addiction treatment program, or have intensive healthcare needs or serious mental illness. The Center for Community Solutions estimates up to 450,000 Ohioans could be at risk of losing coverage under such a waiver.

Many community health centers, rural clinics, and safety-net hospitals rely heavily on Medicaid reimbursements to maintain their operations. Clinics and hospitals that predominantly serve Medicaid recipients would be forced to cut costs or reduce services. Providers operating in low-income communities, many of which already struggle with limited resources, would be hit the hardest, threatening the overall stability of the public health infrastructure.

Reducing Medicaid coverage would have wide economic and public health consequences. A rise in uninsured individuals would drive up uncompensated care costs for hospitals. In states like Ohio, where many rural hospitals are already operating on slim margins, an increase in uncompensated care could push some facilities toward closure, further limiting access to healthcare for vulnerable populations.