

## Medicaid and Indiana—Fast Facts Indiana-O5

## Across the country Medicaid...

- Provides health insurance for nearly 40% of all kids.<sup>1</sup>
- Pays for the majority of home-and community-based long-term services that enable seniors and those with disabilities to live as independently as possible at home or in their communities.<sup>2</sup>
- Covers six in ten nursing home residents.<sup>3</sup>
- Supports schools that provide individualized education programs (IEPs) and other health and mental health services to kids.<sup>4</sup>
- Provides health insurance for 15 million working adults who have low-wage jobs that do not offer other affordable coverage.<sup>5</sup>
- Helps more than 10 million seniors afford their Medicare premiums, and covers some health costs for low-income people enrolled in Medicare.<sup>6</sup>
- Is the largest payer for mental health services in the U.S., including treatment for substance use disorder.<sup>7</sup>

## Impact of Medicaid cuts on Indiana-O5

There are 192,381 people in Indiana-O5 enrolled in Medicaid.<sup>8</sup> They are our friends, neighbors, co-workers and patients.

For 60 years, states and the federal government have shared responsibility for Medicaid. In Indiana, federal dollars for Medicaid total approximately \$13.1 billion and pay for about 75% of the program costs,<sup>9</sup> with the state covering the rest.

Now some people are talking about cutting federal payments to states by as much as \$2.5 trillion over the next ten years in order to pay for tax cuts—about one-third of expected federal dollars over the period.

To absorb this loss, Indiana will have to cut services for people who depend on them, reduce payments to hospitals and other providers, and likely borrow from other parts of the budget, affecting support for vital services such as schools, housing, and child care.



<sup>&</sup>lt;sup>1</sup>KFF, Health Insurance Coverage of Children 0-18

<sup>&</sup>lt;sup>2</sup> KFF, Medicaid Home & Community-Based Services

<sup>&</sup>lt;sup>3</sup> KFF, https://www.kff.org/infographic/medicaids-role-in-nursing-home-care/

<sup>&</sup>lt;sup>4</sup> MACPAC, School-Based Services for Students Enrolled in Medicaid

<sup>&</sup>lt;sup>5</sup> KFF, <u>Understanding the Intersection of Medicaid & Work</u>

<sup>&</sup>lt;sup>6</sup> KFF, https://www.kff.org/medicaid/issue-brief/medicaids-role-for-medicare-beneficiaries/

<sup>&</sup>lt;sup>7</sup> Medicaid.gov, <u>Behavioral Health Services</u>

<sup>&</sup>lt;sup>8</sup> Association for Community Affiliated Plans, *The Medicaid Voter*, pg 18, September 2004

<sup>9</sup> KFF, Federal and State Share of Medicaid Spending (2023)