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## **PRESIDENT’S MEDICAID BUDGET SHIFTS HUGE FINANCIAL BURDEN TO STATES**

### ***\$45 Billion Medicaid Cuts Will Devastate Seniors, Children, and the Sickest People in the Program***

*The following is the statement of Ron Pollack, Executive Director of Families USA, about President Bush’s proposed budget:*

“The President’s cuts of at least \$45 billion in federal Medicaid payments is huge and will shift enormous costs to the states, an ill-conceived move that will add to the financial burden states are already experiencing. As a result, many seniors, children, and the sickest people in Medicaid will be devastated by a loss of health coverage.

“The enormity of the proposed \$45 billion cutback is evident from the number of seniors and children who could be covered with the money eliminated by the Bush Administration’s proposal. The dollar amount lost *in the fifth year of the proposal alone* is the equivalent of providing health coverage for over 345,000 seniors. It is also the equivalent of giving health coverage to almost 1.8 million children.

“The greatest damage will be done to the sickest, oldest, and most vulnerable people now receiving health coverage through Medicaid—seniors in nursing homes, people with catastrophic and costly illnesses, and millions of children. These people, who are misleadingly labeled “optional” beneficiaries, are the people who need health care the most.

“The President is clearly making the wrong moral choice—slashing necessary health care services for our most vulnerable people while extending tax cuts for the wealthiest Americans. Not only does his proposal put more financial pressure on already overburdened states, but it tramples underfoot those who rely on Medicaid the most.”

**Please note:** *Attached are three tables: (1) the state-by-state amount of federal Medicaid funds that will be lost over the next ten years under the President’s budget proposal based on the current portion of Medicaid funds received by each state; (2) the state-by-state number of seniors who could be covered with the amount of money taken away from the states in the fifth year of the budget; and (3) similar state-by-state numbers for children.*

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*Families USA is the national organization for health care consumers. It is nonprofit and nonpartisan and advocates for high-quality, affordable health care for all Americans.*