



MEDICAID MATTERS

*Reject Any Legislative Proposal
to Cut, Cap, or Block Grant the Program*

Lutheran Services in America is a faith-based network of health and human service providers dedicated to advancing health and opportunity in 1,400 communities across the country. We recognize the essential role Medicaid plays in supporting working families, rural communities, older adults, people with disabilities, and others.

We urge policymakers to protect Medicaid from harmful cuts to the program in any form — including direct cuts, caps, or block grants — that would threaten access to care and financial security for millions of people in America. These measures would lead to **millions of people losing access to health insurance.**

Other proposed changes such as **work (reporting) requirements, more frequent income reporting requirements for enrollees, limiting states' ability to use provider taxes to support Medicaid, and reducing the federal contribution for Medicaid expansion populations** would also lead to major losses in coverage.

This would **shift significant costs and risks to states**, leading to the depletion of resources otherwise available for other essential services and to worse health outcomes for children, working parents, and others.

Medicaid provides health insurance to almost 80 million people including:

- 7.2 million older adults, among them 756,000 nursing home residents;
- 36.8 million children;
- 14 million rural residents; and
- 8.4 million adults with disabilities.

Medicaid supports hardworking families

- Cutting Medicaid would place a **huge financial burden on hardworking Americans**, many of whom work in sectors without employer-sponsored health insurance.
- Medicaid benefits are more comprehensive than private insurance at a significantly lower out-of-pocket cost to many hardworking, middle class, and low-income beneficiaries.
- Protecting Medicaid means children miss fewer school days and are more likely to earn more as adults; families have less risk of medical debt and can afford to buy groceries and pay rent; and seniors are more able to stay healthy and receive needed care.

Medicaid strengthens rural America

- Medicaid is a critical funding source keeping rural hospitals open. Since 2010, **74% of rural hospital closures have been in states that have not expanded Medicaid.**
- Cuts to Medicaid directly threaten the ability of rural hospitals, skilled nursing facilities and clinics to retain doctors, nurses, and healthcare professionals.
- Protecting Medicaid keeps emergency care available, supports rural economies, and maintains access to care for families, farmers, and small business owners in rural communities.
- When Medicaid funding is reduced, rural healthcare providers face even greater financial strain, further exacerbating existing staffing shortages, leading to longer wait times for services for patients seeking care.

Medicaid work reporting requirements threaten to strip healthcare coverage from hardworking Americans

- **Most adults under 65 on Medicaid are already working.** Among those not receiving SSI, SSDI, or Medicare, 64% are employed; others are not working due to caregiving (12%), illness/disability (10%), or school attendance (7%).
- Access to affordable health insurance has **positive impacts on people's ability to obtain and maintain employment**, while poor health is associated with risk of job loss.
- Medicaid work reporting requirements are costly and inefficient. Georgia's "Pathways" program has cost over \$40 million (through June 2024), with nearly 80% of funds spent on administrative overhead and consulting fees instead of providing healthcare services.

Medicaid has a deep economic impact

- The majority of the public (**74% of voters**) have a favorable view of Medicaid and **69% of voters** oppose making spending cuts to the program.
- Cutting Medicaid funding would **make our country's affordability crisis much worse**. Cutting federal Medicaid funding would directly threaten health and financial well-being for the 80 million people in America who rely on Medicaid for health insurance.
- Federal Medicaid funding cuts would force states to either raise taxes or reduce access to care by limiting program eligibility, cutting covered benefits, or lowering provider reimbursement rates.

Medicaid block grants and per capita caps threaten access to care

- Proposals for a per capita cap or block grant would strip Americans of essential health coverage and benefits, shift financial burdens to states, and destabilize healthcare providers.
- Capping Medicaid funding would force states to cut provider rates, reduce benefits, or limit eligibility – leaving many without access to necessary care. Lower provider payments would drive doctors and hospitals out of Medicaid, reducing healthcare options and forcing families to face unaffordable out-of-pocket costs.
- Block grants and per capita caps would weaken states' ability to respond to public health emergencies by restricting funds and flexibility, making it harder to scale services, deploy needed resources, and protect vulnerable populations during crises, pandemics, and natural disasters.

Medicaid prevents costly illnesses

- Medicaid provides cost-effective, preventative care that **reduces burdens on the health system**.
- People with Medicaid are more likely to use preventive care than individuals without insurance, be connected to a primary care provider, and receive regular care for chronic conditions, which keeps health care costs low.

Lutheran Services in America urges policymakers to protect Medicaid by opposing any legislation that seeks to cap, cut, or block grant Medicaid funding, or that creates undue administrative hurdles for enrollees or for states.

Lutheran Services in America is one of the nation's largest national networks of health and human service providers with a mission to cultivate caring communities that advance health and opportunity for all. With 300 nonprofit organizations across 1,400 U.S. communities, the Lutheran Services in America network advances health outcomes for children, youth and families, improves independence and choice for older adults, champions meaningful services and support for people with intellectual and developmental disabilities, and strengthens stability and purpose for veterans, and other special populations. Formed in 1997, Lutheran Services in America brings together a network of leaders, partners and funders to catalyze innovation, and strengthen organizational capacity.

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Here We Stand For People. For Care. For Medicaid.

MEDICAID FAQ

Q1: What is Medicaid, and who does it serve?

Medicaid is the largest source of health coverage in the United States, serving more than 80 million people — that's one in four Americans. It covers children, older adults, people with disabilities, caregivers, and working families who fall through the cracks of the private insurance system. It is the main funder of long-term care, the largest payer of mental health services, and a critical support for rural hospitals and home health programs.

For Lutheran Services in America members, Medicaid isn't just a funding stream. It is the backbone of community-based care. Our members use it every day to deliver high-quality, nonprofit services to people who might otherwise go without. When Medicaid is weakened, the impact is immediate. Care disappears, and the most vulnerable members of our communities are left behind. That's why this program matters so deeply to our organization and our members.

Q2: Isn't Medicaid just for people who don't work?

That's a common misconception. Most adults on Medicaid are working, caregiving, or managing health issues that keep them from working full-time. In fact, many of the people our members care for, and many of the caregivers themselves, rely on Medicaid to stay healthy enough to do their jobs. Medicaid supports the workforce behind our care system, especially in faith-based and nonprofit settings where resources are limited.

Q3: Does Medicaid really cover children?

One in three children in the U.S. is covered by Medicaid. It helps with early screenings, things like asthma treatment, and developmental support during the most critical years of life. Medicaid funds care in schools, supports children with disabilities, and ensures families can access pediatricians, mental health services, and dental care that might otherwise be out of reach.

Lutheran Services in America members know that healthy children are more likely to succeed in school, avoid costly hospital visits, and grow into thriving adults. We also see the deeper reality: children who lack care fall behind, academically, socially, and physically. Medicaid is one of the most effective tools we have to break cycles of poverty and give every child a fair shot. For our organization, ensuring this commitment to our youngest Americans is a moral imperative.

Q4: Why do seniors need Medicaid if they already have Medicare?

Medicare covers medical treatment like doctor visits and hospital stays, but it does not pay for long-term services like nursing home care, in-home assistance, or adult day programs, the kinds of support that many older adults need to remain safe, healthy, and independent. That's where Medicaid comes in. It is the largest payer of long-term care in the country.



For older adults who have exhausted their savings or outlived their retirement, Medicaid is often the only option. It covers the care that allows people to remain in their homes or access the residential services they need with dignity. Lutheran Services in America members provide that care every day, from home health support to full-time skilled nursing.

When Medicaid is cut or restricted, the impact is immediate. Older adults lose access to essential services. Families are forced to take on impossible caregiving roles. And providers are pushed to the brink. Medicaid is not a luxury for older adults; it is essential infrastructure that allows them to age with support and respect.

Q5: Is Medicaid financially sustainable?

Medicaid is one of the most efficient public programs in the country. It has low administrative costs and strong oversight at both the state and federal levels. For Lutheran Services in America members, Medicaid is cost-effective and allows us to deliver high-quality, nonprofit care in communities large and small.

Q6: What happens when Medicaid is cut?

When Medicaid is cut, the costs don't go away, they shift. Families pay out of pocket, hospitals absorb the strain, and states are left to cover services they can't afford. The idea that states can take on this burden is simply false.

Lutheran Services in America members see the fallout right away. Staff are lost. Programs close. People go without care until a crisis hits. In rural areas, one closure can eliminate access for an entire region. In cities, older adults may lose the services that help them stay safely at home.

Federal cuts to Medicaid push essential services to the brink. Community-based providers are forced to scale back or shut down altogether. These decisions weaken the entire system of care that communities rely on, resulting in people moving away from their own communities (hometowns) and away from family and friends.

Q7: What role do nonprofit and faith-based providers play in the Medicaid system?

Lutheran Services in America members are mission-driven providers who reinvest every dollar back into care, not profits. We often serve people who have nowhere else to turn, in both urban and rural areas. Medicaid is what allows us to keep those doors open and provide services tailored to the unique needs of each community.

But we don't do this work alone. Our members often combine Medicaid funding with charitable contributions, philanthropic support, and local partnerships. That makes Medicaid one of the most effective public-private investments we have. It allows trusted, community-based organizations to stretch every dollar further and deliver care that is responsive, accountable, and rooted in local relationships. This is a smart model and one worth protecting.

Q8: How does Medicaid impact caregivers?

Many caregivers, especially those caring for aging parents or children with special needs, rely on Medicaid-funded services for support. Others are direct care workers who themselves qualify for Medicaid because of low wages. Supporting Medicaid means supporting the caregiving backbone of this country, something Lutheran organizations have done for generations.

**Q9: What about fraud and abuse in Medicaid?**

Like any large system, Medicaid needs strong oversight, and it has it. But when we talk about cutting \$880 billion, we're not talking about cracking down on fraud. We're talking about eliminating care for people who need it. Lutheran Services in America believes in accountability, but we also believe that you don't fix a system by hollowing it out.

Q10: What's wrong with adding work requirements to Medicaid?

The majority of adults on Medicaid are already working, caregiving, going to school, or living with health conditions that make it hard to work full-time. Work requirements may sound reasonable in theory, but in practice they punish people for navigating complex lives. People lose coverage not because they're unwilling to work, but because of paperwork errors, missed deadlines, or job instability. We've seen caregivers, home health aides, and hourly workers lose their access despite doing everything right.

These policies create more bureaucracy without improving care or accountability. For Lutheran Services in America members, the bottom line is clear: work requirements don't help people get healthy, they make it harder for them to stay healthy by adding paperwork and other administrative tasks for employers that also go uncompensated.

Q11: Why is Medicaid important to rural communities?

In many rural areas, Medicaid is the main source of funding for local hospitals, clinics, and nursing homes. When that funding disappears, those services often shut down. Lutheran Services in America members serve in some of the most rural parts of the country, where Medicaid is the difference between access and abandonment.

Q12: Why should people who don't use Medicaid care about it?

Medicaid is one of the quiet foundations of community stability. It keeps hospitals open, supports local health care jobs, and ensures that children, older adults, and people with disabilities can get the care they need before a crisis hits.

You may not use Medicaid, but chances are someone in your neighborhood, your workforce, or your family does. When Medicaid is strong, children stay in school, older adults remain in their homes, and caregivers can keep working. When it's cut, those systems begin to fail and the costs show up in overwhelmed emergency rooms, school absences, and lost productivity.

This program is not just for "other people." It's a pillar of public health and economic stability. Everyone has a stake in protecting it.

Here We Stand Campaign – Spokesperson Q&A**Q13: What is the purpose of the Here We Stand campaign?**

The purpose of Here We Stand is to speak with one voice about the value of Medicaid and the people it serves. As Lutheran Services in America members, we see the human impact of policy decisions every day — and we know what's at stake when Medicaid is weakened. This campaign gives us a shared platform to elevate those stories, push back against misinformation, and call on leaders to protect the care systems that hold communities together.



Q14: What does the tagline “Here We Stand. For people. For care. For Medicaid.” actually mean?

Here We Stand is a statement of conviction rooted in who we are as a faith-based network. It reflects a long Lutheran tradition of public witness, where people of faith have stepped forward to speak clearly and act boldly when lives and dignity are on the line.

Here We Stand is not about slogans. It is about showing up for people. We stand for the individuals and families our members serve every day. We stand for care that is compassionate, community-based, and focused on what helps people thrive. And we stand for Medicaid because it is the foundation that makes this work possible across the country.

Q15: Why is Lutheran Services in America leading this effort?

Lutheran Services in America represents over 300 nonprofit and faith-based providers across the country. Our members are embedded in their communities, delivering care, building trust, and serving people who often have no other options. That gives us a unique voice in this conversation. We’re not here to score political points. We’re here to protect what works and speak up for the people we serve.

Q16: How is this campaign different from other advocacy efforts?

Here We Stand is different because it is not a short-term reaction or a one-page policy memo. It is a long-term commitment to speak with moral clarity about what is at stake for the people and communities we serve.

This campaign is grounded in shared values and lived experience. It gives Lutheran Services in America members a consistent, coordinated way to advocate, whether they are in a meeting with a legislator, writing an op-ed, or sharing a message on social media. It is a unified voice backed by local credibility, built to last beyond one legislative cycle.

Q17: Why is it important to speak with one voice right now?

Here We Stand is about more than messaging. It’s about unity in a moment of risk. The people who depend on Medicaid are facing real threats and when Lutheran Services in America members speak together, we carry the credibility of thousands of frontline workers and community leaders.

Speaking with one voice helps cut through the noise, combat misinformation, and remind policymakers that we are not alone, and we are not silent.

Q18: Why does storytelling matter in this moment?

Facts and data are important, but stories change hearts and minds. Here We Stand helps lift the voices of caregivers, parents, older adults, and community leaders who know what’s at stake when Medicaid is cut. These stories make the impact real. They remind policymakers that behind every budget decision is a person, a family, and a future.

Q19: How does this campaign connect to Lutheran faith and values?

Our commitment to stand for people, for care, and for Medicaid is rooted in Lutheran values of service, dignity, and community. We are called to care for those who are vulnerable, to protect systems that promote justice and healing, and to speak out when lives are at risk. This campaign



reflects that responsibility. It puts our mission into action not just through the services we deliver, but through the voice we bring to the national conversation.

Q20: What do you say to those who think this is too political?

We understand that health care can be a politically charged issue, but Here We Stand is not about partisanship. It's about people. Medicaid has long had bipartisan support because it works and because the need for care crosses every district, every state, and every ideology. We're not choosing sides. We're standing for what we know is right, based on what our members see every single day.

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TAKE ACTION TO PROTECT MEDICAID

- **Telephone calls** have the greatest impact with federal lawmakers right now, well beyond emails or online petitions
- **Identify your Senators and Representative** by searching your address in [our directory](#). You will get results allowing you to click through and easily find the phone numbers for both their D.C. and district offices.
- **When You Call**
 - **Speak to the Right Staff Member:**
 - When calling the DC office, ask for the staff member handling concerns related to Medicaid. If transferred, great! If not, ask for their name and continue talking to whoever answers.
 - District offices are less likely to have dedicated staff for this issue, so speak with whomever answers the phone.
 - In all cases, always provide your address so they can mark it down.
 - **Make It Personal and Demonstrate Impact:**
 - Share personal stories or concerns (e.g., "I voted for you and I'm worried about...", "As a nonprofit employee, I am focusing on...", "Cuts to Medicaid have this impact on our community...").
 - **Be Clear on Your Message:**
 - Clearly state your position: "I urge the Senator/Representative to protect Medicaid and oppose cuts and caps."
 - **Consider using other information from our suggested talking points below.**

Suggested Talking Points:

1. On behalf of **[YOUR ORGANIZATION]**, **I am deeply concerned about massive cuts to Medicaid that are being considered.** The budget resolution proposed in the House of Representatives directs the Energy and Commerce Committee to cut at least \$880 billion in spending—which would almost certainly come out of Medicaid funding. **If you support this budget resolution, you are locking in massive cuts to Medicaid.**
2. **The size of these cuts leaves no doubt that millions of people will lose their health care coverage and providers will close, further harming access to care and burdening the healthcare system.** Medicaid provides coverage to more than 70 million people, including low-income families, older adults and people with disabilities. The program covers services ranging from mental healthcare, long-term care and medications that many people could not otherwise afford.
3. Data specific to the lawmaker:
 - In our state, ## people are covered by Medicaid [[state specific data available from the Modern Medicaid Alliance](#)]
 - In our Congressional district, ## people are covered by Medicaid/CHIP [[Congressional district specific data from Georgetown University](#)]

4. **Medicaid improves access to care and reduces burdens on the health system**
because people with Medicaid are more likely to see a doctor before they are really sick, be connected to a primary care provider, and receive regular care for chronic conditions. All of this keeps health care costs lower.
5. **The services my organization provides allow people to move forward in their daily lives,** and keeps people healthy to attend work and school: protecting Medicaid means children miss fewer school days and are more likely to earn more as adults; families have less risk of medical debt and can afford to buy groceries and pay rent; seniors are more able to stay healthy and receive needed care.
6. **Medicaid coverage also impacts the availability of current and future workers:** healthier people are more available to work, and children who succeed in school are more likely to receive the future education and training needed to fill gaps in the workforce.
7. **Share a story of impact, reminding lawmakers that these are your family members, neighbors, frontline healthcare workers.**