Protect Medicaid: Medicaid's Key Role in Addressing the Opioid Crisis

The Problem

- The U.S. is losing more than 100,000 people a year — or nearly 300 people a day — to drug overdose. States in the Appalachian region and parts of the South, including West Virginia, Kentucky, Tennessee, and Louisiana have been hit the hardest.
- Approximately 48.5 million adults in the U.S. were affected by substance use disorder (SUD) in 2023. 21% of adults with any SUD were covered by Medicaid in 2020.

Stacia T./Cottonwood, Arizona

Stacia suffered from substance use disorder and coinciding mental health symptoms for many years, which eventually caused her to lose her home, custody of her children, and almost her life. After hitting rock bottom, Stacia checked herself into a facility that treats substance abuse and mental health issues holistically. Medicaid covered Stacia's stay as she worked to recover from years of addiction.

Stacia graduated and has stayed sober. Two years later, she was hired by the facility that helped save her life. Now the lead behavioral health worker, she helps patients through the same challenges that she overcame.

Medicaid is Essential: The Facts

- Medicaid is the single largest funder of mental health and SUD care in the country.
- Expanding Medicaid eligibility resulted in a significant increase in coverage for people with opioid use disorder (OUD). Hospitalizations for uninsured patients dropped by 79 percent from 13.4 percent in 2013 (before expansion) to just 2.9 percent two years later in states that expanded Medicaid.
- States with particularly high overdose mortality rates – West Virginia, Maine, Ohio, New Mexico and Kentucky – have benefited from increased SUD treatment availability due to Medicaid eligibility expansion. Medicaid spending on prescription drugs to treat OUDs, the gold standard evidence-based treatment for OUD, more than doubled between 2011 and 2016. More recently, two-thirds of Medicaid enrollees with OUD received medications for OUD, in 2021.
- Research shows expanding Medicaid eligibility has had significant effects on reducing arrests, crime rates, criminal-legal system involvement, recidivism, and state expenditures.
- Adults with OUD are almost twice as likely to receive treatment if they have Medicaid, compared to being uninsured or on private insurance.
- 80% of Americans think that SUD treatment should be readily available and accessible to all, and Medicaid coverage can achieve that goal.

Oppose All Cuts to Medicaid!!!

Protect Medicaid: Work Requirements Would Severely Harm Access to Needed Care

Work reporting requirements would lead to coverage losses, reducing access to life saving treatment for people with mental health (MH) conditions and substance use disorders (SUD). This would lead to increased use of costly emergency departments and poorer health outcomes, including **more deaths by suicide and overdose**.

- In Arkansas, work reporting requirements did not increase employment among the targeted population and resulted in significant coverage losses (18,000 people) while the requirements were in effect in 2018, increasing the uninsured rate from 10.5 percent to 14.6 percent.

- In 2021, 91 percent of adults on Medicaid were working, or were not working due to an illness, caregiving responsibilities, or school attendance (typically exempted from work requirements).

- Work requirements would be **particularly harmful for nearly 1:3 working age adults who have an arrest or conviction record and already face stigma and discrimination,** including significant barriers to employment that threaten their stability and wellbeing.

- Under Georgia's work reporting requirement that has been operational for more than a year, 6,503 people (less than three percent of people in the coverage gap) have been able to access coverage as of January 2025.

- During the administrative process of Medicaid unwinding following the end of the Public Health Emergency, 69 percent of people who lost coverage did so for procedural reasons –such as missing paperwork or deadlines - rather than ineligibility. **Adding unnecessary red tape to the enrollment process simply blocks access to life saving care for low-wage workers, people with MH conditions or SUD or the roughly 40% of people with chronic medical illness who also have MH conditions or SUD.**

- Medicaid supports low-wage workers by providing affordable access to health care, which allows people to get the care they need to remain healthy enough to work. A study of Montana's Medicaid eligibility expansion and voluntary Medicaid work support program found a 4-6 percentage point increase in labor force participation compared to higher-income non-Medicaid Montanans and to the same population in other states.

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Protect Medicaid: Impact of Federal Medicaid Funding Cuts on States

Efforts to cut Medicaid funding — whether in the form of per capita caps, reductions in federal matching funds, implementation of work requirements, etc. — will shift costs to states, putting significant pressure on **state budgets** and force state officials to make impossible choices.

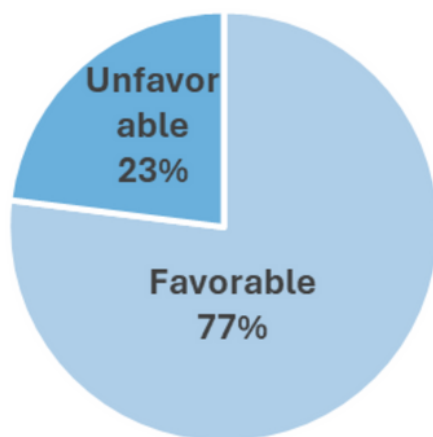### Medicaid Provides Economic Stability States Need
- The federal government provides more underlined funding assistance to states with lower per capita incomes like AL, AR, DC, ID, GA, KY, LA, MI, MS, NM, OK, SC, and WV.
- Medicaid is the primary payer for institutional and home and community-based long-term care — as Medicare's coverage is limited and few affordance options exist in the private market.
- Medicaid is a major source of funding for hospitals, community health centers, physicians, and nursing homes.
- Almost one-third of Medicaid spending (32%) goes towards health care for Medicare enrollees.

Over three-fourths of the public holds favorable views of Medicaid

Unfavorable 23%

Favorable 77%

Impact of Cuts to Federal Medicaid Funding

Several policy options are being considered by Congress that would significantly cut Medicaid funding available to states, leaving states with limited options for addressing resulting budget gaps:

- Raise revenue by increasing taxes
- Cut funds for other essential services, like K-12 and higher education
- Eliminate Medicaid coverage for certain populations, which could include parents, people with chronic medical conditions and/or substance use or mental health conditions, people leaving incarceration, veterans, and others
- Reduce access to health care services, including essential services like home and community-based care for seniors and people with disabilities
- Cut reimbursement rates for doctors, hospitals and other providers; and/or
- Reduce payments to managed care plans, which would lower provider rates and/or employ other practices to limit access to care

Oppose All Cuts to Medicaid!!!