



Medicaid funding is under threat. Congress is currently considering massive cuts to the federal Medicaid program. These cuts pose severe threats to Nebraska patients and caregivers.

Medicaid is a major source of health care coverage. The Medicaid program currently provides health care coverage to one in five Americans -- more than 70 million people. The Medicaid program is the largest single source of health care coverage in the United States, covering nearly half of all children, over 40% of births, many low-income elderly and disabled individuals, and working adults in low-wage jobs that do not offer affordable coverage.

Medicaid is a major source of health coverage for rural areas. Over 12 million Medicaid enrollees live in rural areas. Medicaid pays for nearly 50% of all births in rural communities.

Medicaid is a major source of health care coverage for Nebraskans in rural areas. Nearly half of all Nebraskans enrolled in Medicaid live in rural counties. 55 of Nebraska's rural counties surpass the state's average Medicaid enrollment. In our rural hospitals, Medicaid pays for 26% of all emergency room visits, 33% of all births, 43% of all behavioral health services and 44% of all services provided to kids.

Medicaid is a major source of health care coverage for children and families in Nebraska. Fifty-three percent of the Medicaid population in Nebraska is children.

Medicaid is an important source of support for the health care system. The impact of cuts to Medicaid would not be limited to just Medicaid beneficiaries. It would stress the availability of health care services for everyone. Today, hospitals that serve disproportionately high rates of Medicaid and other public-payer patients routinely operate with negative margins and are often forced to terminate service lines or close entirely. Reductions in federal support for Medicaid would exacerbate these pressures, which could strip essential health care services for an entire community.

Federal health care cuts would harm rural hospitals in Nebraska that are already struggling to stay open. Rural hospitals are operating on razor-thin margins. In Nebraska, 54% of rural, independent critical access hospitals are operating at a loss. The average operating margin was only 1.4% for rural hospitals, well below a sustainable operating margin. These tough financial conditions have forced more than 20% of Nebraska hospitals to reduce or eliminate services in the past two years – vital services like labor and delivery and behavioral health.

Medicaid cuts would have a devastating impact in Nebraska. Even a small portion of the proposed reductions could have wide-ranging negative consequences for the health and well-being of both Medicaid enrollees and the broader health care system. We urge Congress to reject reductions to the Medicaid program that would not only strip access to health care from some of the most vulnerable populations but also destabilize hospitals and health systems, leading to a loss of services that would impact patients and communities across the state.