

Medicaid Cuts Would Rip Away Health Coverage from Millions of Americans, Disproportionately Harming People of Color





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At a glance

Key Congressional Republicans are proposing budget reconciliation legislation to enact sweeping cuts to Medicaid that would devastate the health and financial security of more than 70 million Americans, their communities and our shared economy. In last year's election, candidates from both parties promised to lower the costs of everyday necessities like health care. Instead, some Republicans in Congress are poised to drive up consumers' health care costs by terminating their health insurance, moving vast sums of taxpayer money out of Medicaid and into enormous tax breaks that primarily benefit the very wealthy.

The House Budget Resolution would commit Congress to making [by far the largest cuts to Medicaid in the program's history](#), endangering the health and financial security of tens of millions of children, people with disabilities, older adults and low-wage workers in urban and rural communities alike. Families of all races and ethnicities would be devastated, but communities of color are especially at risk. Nearly a third of all people of color — 42 million human beings — use Medicaid for health care, including half of all children of color and more than a fourth of adults aged 65 and older. They include:¹

- 20.3 million Latinos.
- 13.3 million African Americans.
- 3.5 million Asian Americans.
- 700,000 Native Americans.
- 200,000 Native Hawaiians and Pacific Islanders.

On the campaign trail last year, elected officials from both parties proclaimed their support for working people, including working families of color. While most Medicaid beneficiaries are children, people with disabilities and older adults, 17 million Medicaid beneficiaries are part of the labor force and lack a college degree, which is often needed to get a well-paying job with health benefits. More than half of them, 10 million people, come from communities of color. Lawmakers who value them as constituents and supporters should not agree to Medicaid cuts that would place their health coverage squarely on the chopping block, denying access to essential medical care and leaving them stuck with ruinous medical bills no longer covered by insurance.

Medicaid is personal; for [nearly two in five people, Medicaid covers them or someone in their immediate family](#). [Poll](#) after [poll](#) after [poll](#) confirms that the American people overwhelmingly oppose Medicaid cuts. To protect their constituents' health, limit their health care costs and respect their will, members of Congress must reject proposed Medicaid cuts.

¹ Several reports from the HHS Assistant Secretary for Planning and Evaluation used different data sources to find higher numbers of Native Americans and Asian Americans, Native Hawaiians, and Pacific Islanders (AANHPI) than are shown in the American Community Survey (ACS) data upon which we based this report's estimates: namely, [4.5 million AANHPI Americans](#) covered through comprehensive Medicaid coverage, and [more than a million Native Americans](#) enrolled in Medicaid and the Children's Health Insurance Program. This may reflect the widely acknowledged undercount of Medicaid coverage in ACS data, suggesting that the numbers in our report may underestimate the impact of Medicaid cuts on communities of color.

Key Republicans in Congress are proposing massive cuts to Medicaid

With Republicans controlling the White House and both chambers of Congress, they plan to use budget reconciliation to pass legislation via straight-line party vote to enact priorities, such as:

- Large tax cuts that primarily benefit the very wealthy and large corporations, including through the [continuation of tax breaks enacted in 2017](#).
- Large cuts to federal programs that millions of people use to obtain health care, food and other necessities.
- Measures to increase immigration enforcement and address energy issues.

The House has passed a Budget Resolution that would define the parameters of a follow-on Budget Reconciliation bill. To help finance [\\$4.5 trillion in tax breaks](#) that would primarily benefit extremely wealthy people and large corporations, the Budget Resolution would cut [at least \\$880 billion](#) from Medicaid over 10 years.

This would be, by far, the [largest Medicaid cut ever enacted](#). Eliminating \$880 billion of the federal government's Medicaid investments would be the [equivalent of](#):

- Taking health care away from 31 million children, the total covered by Medicaid;
- Terminating coverage for all adults age 65 and older who use Medicaid to obtain essential health care; or
- Ending more than 75% of all Medicaid funding for nursing home services or home- and community-based care for older adults and people with disabilities.

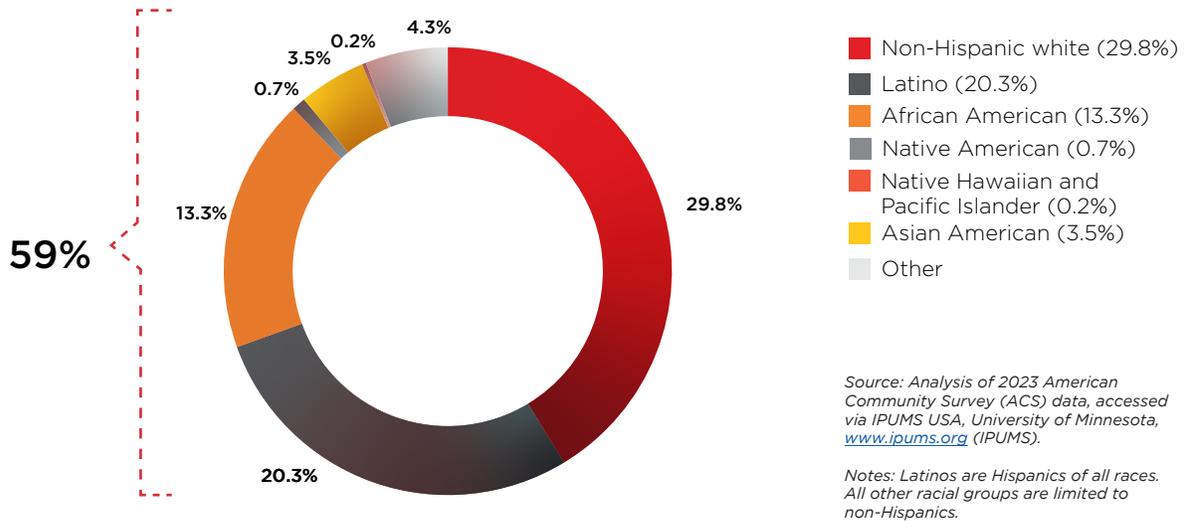
The Republican majority has not revealed the precise cuts that it will deploy to implement this budget design. But [each potential cutback under consideration](#) would devastate the families who use Medicaid for health care. For example, proposals to terminate Medicaid for people who do not meet work documentation requirements would put coverage at risk for [more than 30 million people](#), including people with disabilities and people caring for their children or parents. Proposals to rigidly cap federal funding per beneficiary would put tens of millions of people in serious jeopardy of becoming uninsured, which would increase medical debt, bankruptcies and overall financial insecurity. Each proposed cut would have the effect of ending health care coverage for millions of Medicaid families.

These cuts would devastate communities of color

People of all races and ethnicities use Medicaid as their sole source of health coverage and are thus at risk if Medicaid is targeted for major cuts. But for communities of color, the dangers are particularly acute. Longstanding, historic injustices mean that people from these communities are especially likely to have low incomes and to work at jobs without health benefits.

Of 72 million people covered through Medicaid in 2023, 42 million, or nearly 60%, were people of color (Figure 1).

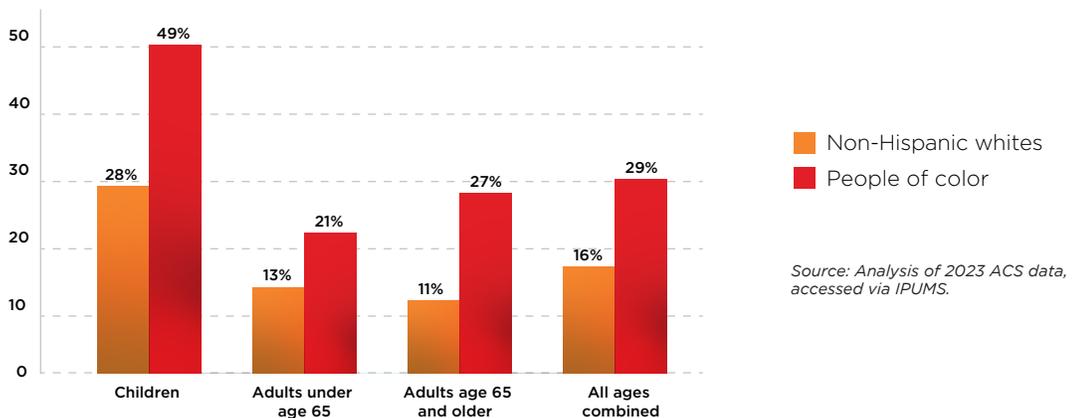
Figure 1. Medicaid beneficiaries, by race and ethnicity: 2023 (millions)



Medicaid plays a central role protecting communities of color. Nearly 30% of people of color secure their access to health care through Medicaid — far more than among non-Hispanic whites (Figure 2). Discrepancies are particularly striking at both ends of the lifespan:

- Medicaid serves almost half of all children of color, compared to slightly more than a quarter of non-Hispanic white children (49% vs 28%).
- More than one in four older adults of color obtains health care through Medicaid compared to roughly 1 in 10 non-Hispanic, white older adults (27% vs. 11%).

Figure 2: Percentage of people who utilize Medicaid for health care by age, race and ethnicity: 2023



Medicaid plays a crucial role in each individual community of color. The program covers (Table 1, Figure 3):

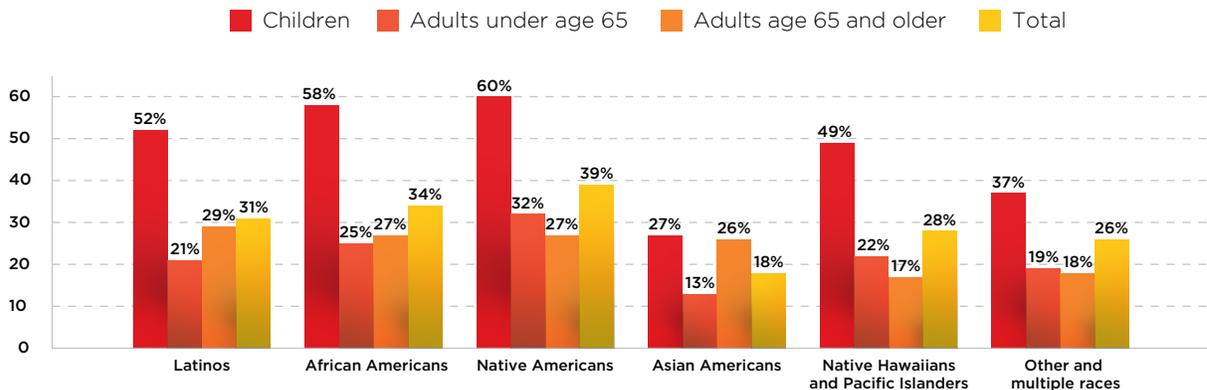
- 20.3 million Latinos, including half of all Hispanic children and nearly 3 in 10 Hispanic adults aged 65 and older.
- 13.3 million African Americans, including almost 60% of all Black children and more than a third of older African American adults.
- 3.5 million Asian Americans, including over a quarter of children and adults aged 65 and older.
- 700,000 Native Americans, including 60% of all Native children and two in five older adults.
- 200,000 Native Hawaiians and Pacific Islanders (NHPI), including half of NHPI children and more than one in five NHPI adults under age 65.

Table 1. Number of people of color who use Medicaid for health care by age, race and ethnicity: 2023

	Children age 0-18	Adults under age 65	Adults age 65 and older	All ages combined
Latinos	10,600,000	8,100,000	1,600,000	20,300,000
African Americans	5,700,000	6,100,000	1,500,000	13,300,000
Native Americans	300,000	300,000	100,000	700,000
Asian Americans	1,000,000	1,700,000	800,000	3,500,000
Native Hawaiians and Pacific Islanders	100,000	100,000	n/a	200,000
Other and multiple races	2,300,000	1,700,000	300,000	4,300,000
Total	19,900,000	18,100,000	4,200,000	42,300,000

Source: Analysis of 2023 ACS data, accessed via IPUMS.
Notes: Latinos are Hispanics of all races. All other racial groups are limited to non-Hispanics. "N/a"=sample size too small to yield reliable estimates.

Figure 3. Percentage of people of color who rely on Medicaid for their health care by age, race and ethnicity: 2023



Source: Analysis of 2023 ACS data, accessed via IPUMS.
Notes: Latinos are Hispanics of all races. All other racial groups are limited to non-Hispanics.

In both parties, elected officials have constituents and supporters who would be endangered by Medicaid cuts. [More than half of Medicaid beneficiaries](#) are children, people with disabilities, or older adults — groups of people whom voters and officials across the political spectrum would be loath to harm. But recently, the two parties have competed to win the support of workers without college degrees who earn low wages, including those in communities of color. In 2023, 17 million Medicaid beneficiaries without a college education were part of the labor force. Nearly 60% of them — 10.2 million people — were people of color, including 5 million Latinos, 3 million African Americans, 900,000 Asian Americans, Hawaiian Natives and Pacific Islanders, and almost 200,000 Native Americans.² If they truly value these hard-working Americans, members of Congress must reject proposed Medicaid cuts.

For many families, losing Medicaid would cause grim results

People who are uninsured rather than covered by Medicaid experience [great harm](#).³

- **Uninsured people are far more likely to go without essential care due to cost.** Such care includes primary and preventive services, medicine prescribed to treat chronic illness and doctor visits to diagnose and address emerging health problems. Going without needed care because of cost is more than three times as likely for adults without health insurance as for Medicaid beneficiaries: 22.6% rather than 7.7%. For children, the impact is even greater: the proportion of children unable to access care because of cost rises more than nine-fold, increasing from 1.0% of children with Medicaid to 9.5% among children who are uninsured.
- **By foregoing essential care, many people who are uninsured rather than covered by Medicaid experience severe damage to their health.** They are more likely to be hospitalized for avoidable health problems; more likely to die in the hospital after admission; more likely to have conditions like cancer diagnosed at later stages, when treatment is more difficult; and more likely to have chronic disease worsen after a failure to receive treatment, increasing their risk of death from cancer, cardiovascular disease, maternal mortality and other conditions.
- **Without health insurance, families' healthcare costs skyrocket.** Families who are uninsured rather than covered by Medicaid are more than twice as likely to have problems paying for health care (49% vs. 21%) and [40% more likely to have medical debt](#) (62% vs. 44%). When people lose Medicaid, the resulting financial problems are so serious and widespread that the [likelihood of eviction](#) rises by more than 25%.
- **Childhood insurance gaps have profound, lifelong effects.** [When children are uninsured](#), they are more likely, in adulthood, to become disabled and to die prematurely. They are also less likely to be economically self-supporting and more likely to rely on public assistance.

In sum, significant Medicaid cuts would take a profound and terrible toll on people of all backgrounds, with particularly widespread damage in America's communities of color.

² Analysis of 2023 ACS data, accessed via IPUMS.

³ Except as otherwise indicated, this section relays results of KFF's literature summary that primarily compares the uninsured to people enrolled in Medicaid. Some of this research analyzes the impact of Medicaid expansion on population health and financial security. Other research focusing specifically on Medicaid terminations finds that very serious financial and health harm can result, including an increase in [debt and bankruptcy and drop in credit scores](#); a 20% increase in the number of days when [health problems prevent work](#); in one state, an [increase in mortality rates by more than 40%](#) among adults terminated from Medicaid who were neither pregnant nor people with disabilities; a worsening of [mental illness among previously diagnosed men](#) that was so significant that it increased incarceration rates by more than 20%; and, in a classic [set of studies](#) from the 1980s, an average rise in blood pressure among hypertensive men associated with a 40% increased risk of death.

Conclusion

The American people overwhelmingly oppose Medicaid cuts. Ever since Congress attempted such cuts within legislation to “repeal and replace” the Affordable Care Act, the vast majority of Americans have supported Medicaid. [Three-fourths](#) of voters consistently report a favorable opinion of the program, including two-thirds of Republicans. [Multiple polls](#) show that [fewer than 20%](#) of Americans believe Medicaid spends too much money, and at least two-thirds of voters from each party agree that Medicaid spends the right amount or needs additional resources.

Many people’s commitment to Medicaid comes from personal experience. [For almost two in five Americans](#), including 38% of people who voted for then-candidate Trump, Medicaid covers them or someone in their immediate family.

Despite strong public support for Medicaid, the House Budget Resolution would make major cuts that take away health care from millions of children, seniors, people with disabilities, and workers with low-wage jobs. They would shift enormous sums of money out of Medicaid to help finance huge tax breaks that primarily benefit very wealthy individuals and large corporations.

Medicaid cuts threaten people of all races and ethnicities, but the danger is particularly stark for communities of color. Such cuts would deepen already severe health inequities. Congress should follow the will of the American people and reject cuts to Medicaid that would raise costs and damage the health of tens of millions of everyday families.