

# ***Our Health Care Is at Risk***

## **Protect Medicaid by increasing "F-MAP"**

### **State Budget Shortfalls Threaten Medicaid**

Medicaid is the nation's most important health care program for low-income people, as well as for many seniors and people with disabilities. It serves more than 47 million people. The program is jointly funded by the federal government and the states, but Medicaid is under threat because of the severe budget crisis our state is facing. If Medicaid is cut, children could lose their health care coverage, seniors may not get the nursing care they need, people with illnesses like cancer or heart disease may no longer be able to afford their life-saving drugs, and hospitals and clinics that communities rely on could become overcrowded or forced to close.



### **Congress can protect Medicaid by increasing FMAP**

#### **What is FMAP?**

FMAP is the federal medical assistance percentage for Medicaid. It represents the portion that the federal government pays for each state's Medicaid program. Each state receives between 50% and 75% of its Medicaid budget from the federal government. The percentage a state receives depends on the proportion of low income people in the state. States with a higher proportion of low-income people receive a higher match rate than states with a lower proportion of low-income people.

#### **How will an increase in FMAP help our state?**

In 2002, 45 states cut their Medicaid programs in response to budget shortfalls. Our state continues to be in severe fiscal crisis and more cuts to Medicaid are very possible. Temporarily increasing FMAP would provide states with needed fiscal relief by infusing the Medicaid program with additional funds. The U.S. Senate is considering providing states with between \$10 and \$15 billion – or more – in increased FMAP funds. These additional funds would be shared by the states, and would alleviate much of the pressure on state budgets and help avert Medicaid cuts.

#### **What You Can Do**

Call your members of Congress and tell them not to leave Washington, D.C. before passing a temporary FMAP increase.