# Regis President's Lecture Series on Health: Potential Impacts of a Second Trump Administration

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# Roadmap

- Power
- Basics (Medicaid, ACA)
- Trump 1.0
- Trump 2.0
- The Soul of the Medicaid Program
- Fraud, Waste and Abuse
- Take away message

# **Power**

## **President (Execute the laws)**

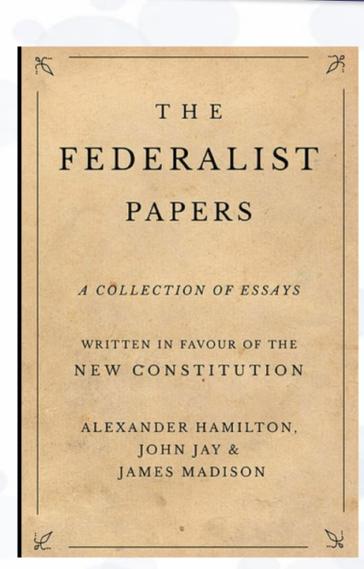
- Executive Orders
- . Administrative Action (rulemaking, prioritization, personnel)
- . Veto
- . Waivers

## Congress (Make the laws)

- Pass laws
- Slim Republican Majorities
- Budget Reconciliation (50 votes in the Senate)

### **Courts (Interpret the laws)**

Protect the Constitution and mediate power between the branches



# **Basics**

#### **Medicaid:**

- Covers over **85 million** people in the U.S.
- Covers most vulnerable. Over 40% of all births, 60% of all nursing home costs.
- Funded jointly by federal and state governments; federal share varies (50%-78%), with states covering the remainder.
- Massachusetts Medicaid (MassHealth) covers over **2.3 million** residents and expanded under the ACA to include more low-income adults.

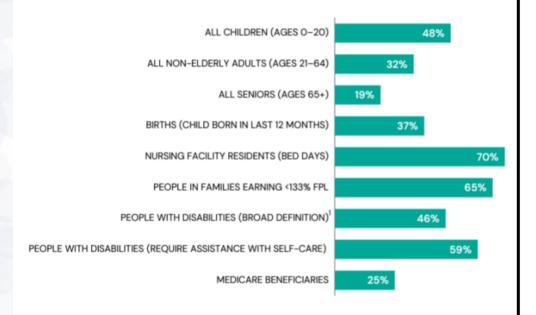
#### **Affordable Care Act (ACA):**

- Expanded health coverage to over **40 million** people through Medicaid expansion, marketplace subsidies, and other provisions.
- Federal government pays 90 percent of the costs
- Biden considerably expanded subsides and affordability but they expire at the end of 2025

# Reminder: MassHealth 101, Coverage

MassHealth is important to many population groups, covering nearly one in three state residents — over 2 million people — including low-income children, seniors, pregnant people, and people with disabilities.

PERCENT OF SELECT MASSACHUSETTS POPULATIONS COVERED BY MASSHEALTH



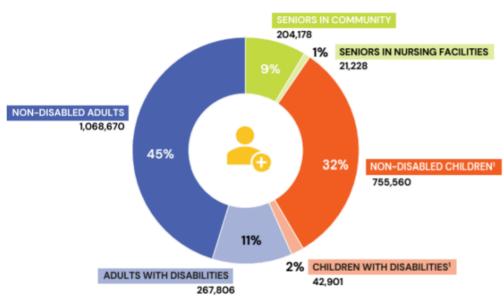
<sup>&</sup>lt;sup>1</sup>Deaf or serious difficulty hearing; blind or serious difficulty seeing; cognitive, ambulatory, self-care, or independent living difficulty.

Chart Data: Authors' calculations using the 2018-2022 American Community Survey (ACS) 5-Year Estimates, CHIA 2020 Nursing Facility Cost Reports, and MassHealth Budget Office Data Request, March 2024.

Source: MassHealth Basics Report, October 2024.

Potential Threats and Strategies to Protect Subsidized Health Insurance Coverage in Massachusetts | Manatt Health

PERCENT OF TOTAL MASSHEALTH ENROLLMENT (2.36 MILLION)<sup>3</sup>, SFY 2023



<sup>&</sup>lt;sup>1</sup> Children defined as under age 21.

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<sup>&</sup>lt;sup>2</sup> When members have primary insurance that does not provide coverage for all MassHealth-covered benefits, MassHealth provides these members with access to the added MassHealth benefits.

<sup>3</sup> Excludes 13,000 members in a temporary eligibility category, which does not distinguish by age or disability.

# **Trump Action In First Term**

- Repeal individual mandate
- End cost sharing subsidies
- Encourage cross state plans
- Reduce marketing
- Limit enrollment period
- State flexibility waivers (work requirements, get rid of essential benefits)
- Choose not to defend in court





# **Policy Implications**

## **Welfare Program**

- Work requirements
- Redeterminations
- Cost sharing
- Asset tests
- Detailed applications
- Time limits
- Minimal benefits
- Waitlists

## **Solid Safety Net**

- Income based eligibility
- Presumptive eligibility
- No out of pocket
- No asset tests
- Streamlined application
- Annual enrollment
- Generous benefits
- Transitions

# **Medicaid Options**

- Reduce federal share of funding to states
  - 90% match for ACA expansion (cost MA \$1.4 billion a year)\*\*
  - Eliminate FMAP floor (minimum match) MA would go from 50% to 40% (cost MA \$2.4 billion per year)\*\*
- Cap total funding
  - Block Grant (2025-2034 est. cut federal spending btw \$459 and \$642 billion)\*\*
  - Per capita cap (2025-2034 est. cut federal spending btw \$588 and \$893 billion)\*\*
- Policy change (benefits, copayments, work requirements, etc.)
- Supplemental state payments



# **Take Away**

- Power: Republicans in swing states will be key to protecting Medicaid
- ACA enhanced subsidies are gone
- Trump 1.0: Administrative orders will again weaken the ACA
- Trump 2.0: Fraud waste and abuse could gut program
- The soul of Medicaid is in question
- Federalism and state actions may be key to safeguarding democratic institutions