

Most Americans Oppose Cuts to Medicaid

*New Survey Shows That Senate's Health Care Bill Likely to be Unpopular
If It Includes Deep Cuts to Medicaid*

July 2017

A new survey sponsored by the American Cancer Society Cancer Action Network (ACS CAN) gives insight into how Americans feel about potential changes to the Medicaid program. The Senate Republicans' new health care bill – much like the House Republicans' bill introduced in March – calls for substantial changes to how Medicaid is funded that could leave millions of low-income Americans without insurance. A national survey of 1,098 adults, conducted June 15-18, 2017 by the non-partisan research firm PerryUdem, explores Americans' feelings about Medicaid and the proposed changes.

Specifically, the new Senate bill would convert Medicaid to a “per capita cap” system which basically gives states a set amount to spend per person rather than the Federal government's current open-ended funding commitment. Overtime, this means states will get significantly less money to run Medicaid. The ACS CAN survey results suggest that once Americans understand that the new bill will substantially cut the program, they are unlikely to support it.

Key findings from the survey include:

1. **More than three-quarters of Americans (77%) have a favorable opinion of Medicaid.** This is a much-verified finding in other polls and helps to explain why so many survey respondents resist cutting the program. Importantly, favorability of Medicaid crosses party lines with majorities of Democrats (88%), Independents (69%), and Republicans (66%) having favorable views of the program.
2. **Only 1 in 10 (11%) favors cutting Medicaid.** Rather, most Americans want to either increase Medicaid funding (41%) or keep it at current levels (47%). Once again, this is true across party lines. Democrats are most likely to want to keep Medicaid funding at its current levels (43%) or increase it (54%). However, large

¹ The survey was a nationally representative Omnibus survey of n=1,098 adults ages 18 years and older. The survey was conducted from June 15 to 18, 2017, and the margin of error was ± 3.9 percentage points.

majorities of Independents (46% keep, 44% increase) and Republicans (54% keep, 20% increase) also oppose cutting Medicaid.

3. **Most would likely oppose the Senate health care bill if it includes deep cuts to Medicaid.** In fact, more than 8 in 10 (81%) say they would oppose the Senate bill if it cuts \$834 billion from Medicaid over the next ten years (as the CBO projected the House bill would do.) Majorities also oppose changes that would result in higher premiums for older Americans, or remove protections for those with pre-existing conditions.
4. **They are initially torn on per capita caps.** When the idea is explained in neutral language and without mentioning any potential consequences, voters are evenly split (49% favor vs. 49% oppose). We saw this in focus groups too – on the surface, research participants do not initially see that per capita caps would result in deep cuts to Medicaid.
5. **Once they learn more, they turn against per capita caps.** Support drops from 49% to just 27% when they consider that per capita caps could limit a state’s ability to respond to unexpected challenges like Zika or the Opioid crisis. After hearing this, seven in ten adults (71%) oppose changing Medicaid to per capita caps, with 40% strongly opposing this change.
6. **Most do not support their states cutting either services or categories of people from Medicaid if there is a budget shortfall.** If there is less funding for Medicaid, most Americans would oppose their states limiting access to certain high-cost drugs or treatments such as cancer treatments (81% oppose); limiting access to preventive screenings and diagnostic tests such as mammograms, colonoscopies, MRIs (80% oppose); or cutting Medicaid eligibility based on income, for example, like kicking off people earning more than \$12,000 a year (73% oppose).
7. **Most Americans do not want someone with cancer to either lose coverage or to be denied access to treatments as part of Medicaid cost-saving efforts by states.** Nine in ten adults (90%) agree that “someone with cancer should be able to remain enrolled in Medicaid all the way through his or her treatments and follow-up care regardless of what changes the state makes to the program.” And, eight in ten adults think that low-income patients with Medicaid should be able to “get the most effective care and medications they can to help manage or treat their disease, even if it is expensive.” Fewer than 1 in 5 Americans think cancer patients with Medicaid should face any limits.

These findings and more details can be found on the following pages.

DETAILED FINDINGS

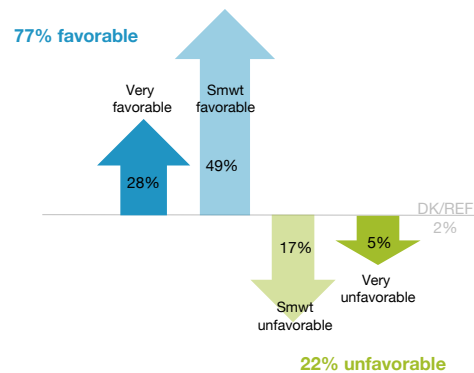
Most Americans view Medicaid positively.

More than three-quarters of Americans (77%) have a favorable opinion of Medicaid, with 28% feeling “very favorable” about the program. Only 1 in 5 Americans (22%) have an unfavorable opinion of Medicaid. (Figure 1) This finding is consistent with other polls and helps to explain why so many survey respondents resist cutting the program. Importantly, favorability of Medicaid is high across party lines. While Democrats have the most positive opinion of Medicaid (88% favorable), majorities of Independents (69%) and Republicans (66%) also have positive views of Medicaid.

Figure 1: Majorities of Americans have a favorable view of the Medicaid program

Medicaid is a safety-net health insurance program for low-income children and adults, pregnant women, seniors in nursing homes, and people with disabilities. Medicaid is run by the state and is jointly paid for by the state and the federal government. States must follow federal guidelines that outline who can qualify and what services should be provided, but beyond that the state has a lot of flexibility in how it designs and runs its own Medicaid program.

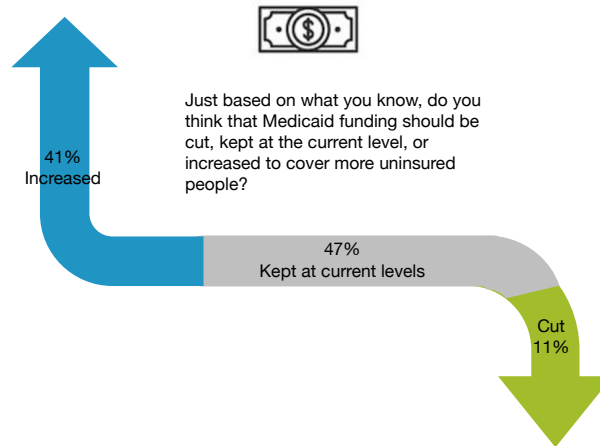
Do you have a favorable or unfavorable opinion of the Medicaid program?



There is widespread opposition to Medicaid cuts.

Most Americans do not support cutting Medicaid funding. In fact, 88% want to either keep funding at current levels (47%) or increase funding for the program (41%). Opposition to cuts again crosses party lines. In fact, 97% of Democrats, 90% of Independents, and 74% of Republicans prefer to keep Medicaid funding at current levels or increase funding for the program.

Figure 2: Americans oppose Medicaid cuts



There is strong opposition to a health bill with deep Medicaid cuts.

Most Americans say they would likely oppose a Senate health care bill if it includes deep cuts to Medicaid. In fact, more than 8 in 10 (81%) say they would oppose the Senate bill if it “cuts \$834 billion from Medicaid over the next ten years” (as the CBO projected the House bill would do). Only 19% of Americans say they would support a bill that implements these cuts. Again, opposition to Medicaid cuts is strong across the political spectrum. Large majorities in each party would oppose a health care bill that includes these large cuts – Democrats (94% oppose), Independents (82% oppose), and Republicans (62% oppose).

Americans also say they will oppose any health care bill that raises insurance premiums for older individuals (89%) or allows insurance companies to charge people with pre-existing conditions more for their care (84%).

When no consequences are mentioned, Americans are torn on per capita caps.

In the poll, when the idea of per capita cuts is explained in neutral language and without mentioning any potential consequences, voters are evenly split on the idea (49% favor vs. 49% oppose). We see this in focus groups too – on the surface, research participants do not initially understand that per capita caps are essentially a cut to Medicaid funding that could cause millions of low-income Americans to lose their health insurance. Instead, per capita caps just look like states being given more control over Medicaid. (Figure 3)

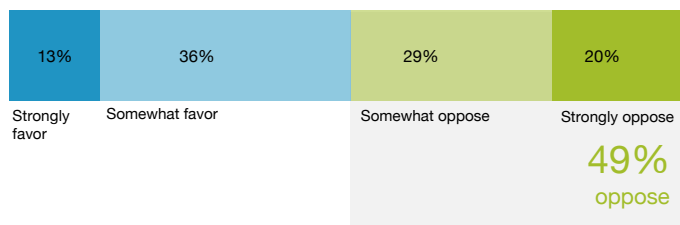
Opinion about per capita caps breaks along party lines. Democrats are most likely to oppose per capita caps when they first learn about them, with 58% against this proposal

(and 39% favoring it). However, Independents (54% favor, 44% oppose) and Republicans (58% favor, 39% oppose) initially favor per capita caps.

Figure 3: Initially split on per capita caps

Congress is currently considering proposals that could make major changes to the Medicaid program. These proposals would change the way the federal government pays for Medicaid. Today, the federal government gives states nearly 60 cents for every dollar that the state spends to provide health care to people covered by Medicaid. So, federal funding is provided to states in "response" to a state's Medicaid spending needs. Under the proposed plans, the federal government would calculate the average cost to provide health care to each group of people enrolled in Medicaid (i.e. a specific amount for pregnant women, children, seniors, the disabled), and each year they would give states a lump sum payment equal to the average cost. This lump sum payment, also known as a "per capita cap," is fixed and the funding level would not change if state spending were higher.

Do you favor or oppose the federal government giving states a lump sum (or per capita cap) to run Medicaid?



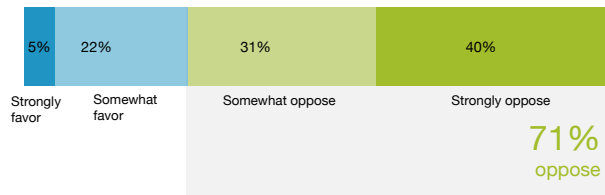
However, after hearing about potential consequences of per capita caps, more Americans shift against the idea.

When Americans consider that per capita caps could limit a state's ability to respond to unexpected challenges in the future like Zika or the Opioid crisis (because they can no longer go back to the federal government to ask for more funding), support drops from 49% to just 27% (decrease of 22 points). Seven in ten adults (71%) now oppose changing Medicaid to per capita caps, with 40% strongly opposing this idea. (Figure 4)

Figure 4: After more information, most oppose per capita caps

Under this new proposal, spending on Medicaid would be capped or limited and if a natural disaster occurred or public health crisis arose (like Zika or the opioid crisis), the state would only be able to cover as many people as the annual lump sum calculated before the crisis would allow. Medicaid would no longer be a safety net program, with the federal government providing funding in response to state spending needs. Instead, states would have to come up with money themselves to cover any additional costs, turn people away, or make cuts to the people covered by the program.

Based on this information, do you favor or oppose changing Medicaid to a lump sum (or per capita cap) system?



Americans across the political spectrum shift against per capita caps once they learn how they might limit a state's ability to respond to public health crises. Again, Democrats are most inclined to oppose this change (84% oppose). But, after learning more, Independents and Republicans also move against caps. Seven in ten Independents (69%) oppose this

change, while only 28% favor it. And, most Republicans end up opposing per capita caps after learning this information (54% oppose, 44% favor).

Most Americans oppose states cutting Medicaid services or eligibility in order to save money.

Once Americans consider what “cuts” to Medicaid might look like in their states, their opposition grows. Specifically, a majority of Americans oppose their state limiting access to certain high-cost drugs or treatments such as cancer treatments, Hepatitis C drugs, or oral chemotherapies (81% oppose). They also are against limiting access to preventive screenings and diagnostic tests such as mammograms, colonoscopies, and MRIs (80% oppose). Additionally, cutting Medicaid eligibility, for example kicking off people earning more than \$12,000 a year, faces widespread opposition (73%).

Americans overwhelmingly want cancer patients to be protected.

Most Americans do not want someone with cancer to lose coverage or to be denied access to treatments as part of cost-saving efforts by states stemming from any changes to Medicaid. Nine in ten adults (90%) agree that “someone with cancer should be able to remain enrolled in Medicaid all the way through his or her treatments and follow-up care regardless of what changes the state makes to the program.”

This question emerged from the focus groups. We saw that when research participants thought about someone who is seriously ill on Medicaid, they resisted any cuts or changes to the program that would limit this person’s ability to get the treatments and care they needed to get well.

This was verified in the survey. Eight in ten Americans (81%) indicated that cancer patients with Medicaid should be able to “get the most effective care and medications they can to help manage or treat their disease, even if it is expensive.” Fewer than 1 in 5 think cancer patients with Medicaid should face any limits.

Conclusions

This survey shows that Americans value the Medicaid program and do not want it to be cut. A large majority say they will oppose a health care bill from Congress that would deeply cut Medicaid.

While “per capita caps” are unfamiliar to most Americans, they turn against the idea when they understand this will lead to large cuts in Medicaid funding and could limit their state’s ability to respond to public health crises. More importantly, when forced to think about what cuts to Medicaid could actually look like in their state, they resist even more. They do not want to limit access to important medications and treatments nor do they want to cut low-income people from the program.

When they envision how someone with cancer who is enrolled in Medicaid might fare under per capita caps, they grow even more concerned. They do not want someone with cancer to face limits on the services and treatments they can access nor do they want them to lose their health coverage as a result of cuts to Medicaid.

For more information about this survey, please contact Mike Perry at mike@perryundem.com.