

Proposed Medicaid Cuts Would Harm Millions of Latinos and Other Americans

Medicaid is a lifeline for millions of people, including Latinos

People of all races and ethnicities rely on Medicaid for health care. Medicaid [covers](#):

- Four in ten American children, including eight in ten children who live in poverty and nearly half of all children with special health care needs.
- More than two in five births.
- Five in eight nursing home residents.
- [17 million low-wage workers](#), who typically have jobs that do not provide health benefits.

Because Latinos often work at low-wage jobs without health benefits, Medicaid is an especially important source of health coverage in the Latino community. In 2023, 20.3 million Latinos, or nearly a third of all Latinos, relied on Medicaid for their health care.¹ They included more than half of all Latino children (52%), almost three in ten Hispanic elders, age 65 or older, and [nearly 60% of pregnant Latinas](#).

People who lose Medicaid often suffer serious harm

People who are uninsured rather than enrolled in Medicaid are [far more likely to go without essential services](#), including preventive care and treatment of chronic illness. Compared to adults covered through Medicaid, uninsured adults are more than three times as likely to go without necessary care because of cost: 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.

Unable to obtain essential care, many people who are uninsured rather than covered by Medicaid experience [serious 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 inability to receive essential treatment. As a result, their [total risk of death](#) rises, including from cancer, [cardiovascular disease](#), and other conditions.

Without health insurance, families' health care costs can 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 go into 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%.

¹ Source: UnidosUS analysis of 2023 American Community Survey data, accessed via IPUMS USA, University of Minnesota, www.ipums.org.

Congressional leadership is proposing huge Medicaid cuts that would harm Latinos and other Americans

The House is now considering a Budget Resolution that would commit Congress to enormous Medicaid cuts. In its original form, it required \$880 billion in cuts from Medicaid and other programs under the Energy and Commerce Committee's jurisdiction. But under the terms of a deal between Republican Leadership and the far-right Freedom Caucus, Congress cannot renew President Trump's 2017 tax package unless Congress enacts an additional \$500 billion in cuts from Medicaid and other sources. Enactment of the Budget Resolution would commit Congress to making enormous cuts through fast-track Budget Reconciliation legislation. Medicaid proposals under discussion include:

- **Ending Medicaid if families do not repeatedly document employment or inability to work.** In theory, such work requirements appeal to many policymakers. But in practice, they have been a disaster. When states have tried this, [more than 90% of the people losing Medicaid were actually working](#) or exempt from work requirements. They lost their health care due to nothing more than unmanageable paperwork imposed by the state. Two-thirds of the money spent on these programs has gone to administration by private contractors, not people in need. These policies have not increased employment. They just created large, wasteful bureaucracies that took away health care from working families.
- **Rigidly capping total federal Medicaid funding per person**, regardless of how much health care costs rise. Such caps would [put tens of millions of people in serious jeopardy](#) of becoming uninsured, significantly increasing medical debt and bankruptcies and overall financial insecurity. Those results would be particularly harmful for Hispanic families. Even though [labor market participation and employment levels are higher for Latinos](#) than for any other racial or ethnic group, many Latinos are economically vulnerable. Compared to non-Hispanic whites, [median income is 33% lower](#) and [median wealth is 80% lower](#) for Latinos.
- **Ending states' longstanding right to finance their share of Medicaid by taxing insurance companies and hospitals.** [All states except Alaska](#) impose such taxes, which have been [used since the 1980s](#), which already receive considerable federal oversight, and which provide up to 30% of all state funding for Medicaid. Cutting back states' access to these revenues would mean that states also lose matching federal dollars. States would have no choice but to make massive cuts to eligibility, to eliminate services, and to limit access to care by cutting provider payments. Such steps would endanger Latinos and others who rely on Medicaid for health care.

The vast majority of Americans strongly support Medicaid and oppose cuts, according to [poll](#) after [poll](#) after [poll](#). And for good reason: health care costs are too high, and necessary health care is often hard to get. Cuts would make these problems much worse.

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