August 3, 2026

The Honorable Ron Johnson
Chairman
Committee on the Budget
United States Senate
624 Dirksen Office Building
Washington, DC 20510

The Honorable Jeff Merkley
Ranking Member
Committee on the Budget
United States Senate
624 Dirksen Office Building
Washington, DC 20510

Re: Statement for the Record - "Medicaid: The Reality"

Chairman Johnson, Ranking Member Merkley, and Members of the Committee:

Thank you for the opportunity to submit this statement for the record regarding implementation of H.R. 1 and its implications for the millions of Americans who rely on Medicaid and the Children's Health Insurance Program (CHIP). Our organizations represent patients and families affected by serious and chronic illnesses and are committed to ensuring access to affordable, comprehensive health coverage and timely, medically necessary care.

Medicaid is a cornerstone of the nation's healthcare system. It provides coverage for nearly one in five Americans with low incomes, finances a substantial share of long-term services and supports and behavioral healthcare, and serves as a critical source of coverage for children, older adults,

people with disabilities, and individuals living with serious or chronic illnesses. The program also supports hospitals, physicians, community health centers, and other providers that deliver care in communities across the country.

H.R. 1 made the largest ever cuts to this critical program, which will result in coverage losses for millions of patients, including those represented by our organizations. While it is impossible to fully protect patients from these devastating cuts, Congress has an important responsibility to evaluate not only the law's fiscal effects, but also how its provisions are affecting patients, providers, and state Medicaid programs. For us, the outlook is deeply alarming. Early implementation of H.R. 1 has already presented significant operational challenges for states while creating uncertainty for many individuals and families who depend on Medicaid. Independent analyses project that millions of people will lose coverage over the coming years. All of this underscores the importance of careful oversight throughout the implementation process.

For patients with serious illnesses, continuity of health insurance coverage is essential. Interruptions in coverage can delay diagnoses, disrupt treatment, increase financial burden, and make it more difficult for patients to access specialists, prescription medications, diagnostic testing, and other medically necessary services. Even temporary lapses in coverage can have significant consequences for individuals managing complex or life-threatening conditions.

Many projected coverage losses are expected to result not because individuals are no longer eligible for Medicaid, but because new administrative requirements make it more difficult for eligible people to enroll in or maintain coverage. More frequent eligibility determinations, expanded documentation requirements, and reporting obligations increase administrative complexity for beneficiaries and state Medicaid agencies alike. Experience from previous state demonstrations shows that paperwork and reporting requirements will cause eligible individuals to lose coverage despite remaining eligible for the program.

The Interim Final Rule (IFR) implementing Medicaid work reporting requirements is especially ripe for this oversight. We are deeply concerned that several provisions of the IFR depart from both the text and intent of the statute, creating unnecessary administrative barriers that dramatically increase the number of eligible individuals likely to lose health coverage while simultaneously increasing burdens on states, providers, and beneficiaries. This overreach risks denying or delaying access to care for eligible individuals with serious and chronic health conditions while increasing uncompensated care, administrative costs, and implementation challenges for states. These outcomes are inconsistent with both the statutory framework enacted by Congress, the available evidence from previous Medicaid work reporting requirement demonstrations, and the repeated assurances that were made by members of Congress to our organizations during the legislative debate.

Medicaid remains a foundational source of health coverage for millions of Americans and an essential component of the nation's healthcare infrastructure. While our organizations ultimately urge Congress to reverse these devastating cuts, Congress has an important oversight responsibility to monitor the law’s effects on patients, providers, and state Medicaid programs. We encourage the Committee to continue evaluating implementation with particular attention to accurate statutory interpretation, continuity of coverage, administrative feasibility, patient access to medically necessary care, and the long-term stability of the Medicaid program. Where implementation challenges or unintended consequences emerge, policymakers should work collaboratively with states, providers, and patient organizations to

identify practical solutions that preserve access to affordable, comprehensive coverage for the individuals and families who depend on Medicaid.

Thank you for the opportunity to submit this statement for the record. If you have any questions or would like any additional information, please contact Katie Berge, Senior Director of Federal Government Affairs at katie.berge@bloodcancerunited.org.

Sincerely,

AiArthritis
American Cancer Society Cancer Action Network
American Diabetes Association
American Heart Association
American Lung Association
Arthritis Foundation
Asthma and Allergy Foundation of America
Blood Cancer United
Cancer Nation
Crohn's & Colitis Foundation
Cystic Fibrosis Foundation
Diabetes Patient Advocacy Coalition
Epilepsy Foundation of America
EveryLife Foundation for Rare Diseases
Hypertrophic Cardiomyopathy Association
Legal Action Center
Lupus Foundation of America
Lutheran Services in America
Muscular Dystrophy Association
National Alliance on Mental Illness (NAMI)
National Bleeding Disorders Foundation
National Health Council
National Multiple Sclerosis Society
National Patient Advocate Foundation
National Psoriasis Foundation
NORD
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