

WHAT'S AT STAKE FOR OLDER ADULTS AND PEOPLE WITH DISABILITIES

10 FEDERAL POLICY PROPOSALS AND WHAT EACH ONE MEANS FOR YOUR HEALTH CARE

Over time, Congress has proposed and enacted changes that reshape Medicare and Medicaid. Here's what these policies mean for the people who rely on them.

1

Medicaid Cuts

HR 1 cuts around \$1 trillion from Medicaid over 10 years, stripping coverage from an estimated 5.2 million people through eligibility cuts, red tape, and costs shifted to states. 1.3 million dually eligible enrollees will also lose coverage.

2

Medicaid Financing

Medicaid is financed and administered through a federal-state partnership. State-directed payments allow states to draw down additional federal matching funds. HR 1 cuts \$149 billion by limiting state-directed payments, shifting massive costs to states.

3

Affordable Care Act

The ACA protects up to 84% of adults ages 55–64 — about 31 million people — with pre-existing conditions from being denied coverage. Without key ACA tax credits, Marketplace premiums already spiked 114% on average for 2026.

4

Raising the Medicare Eligibility Age

70% of adults oppose raising the eligibility age. Raising the eligibility age from 65 to 67 or higher would force many to pay more or go without. Half of people who retire between 55–64 do so involuntarily. One study projects \$3.7 billion more in out-of-pocket costs for 65- and 66-year-olds alone.

5

Medicare Means Testing

Higher earners already pay more via IRMAA. Proposals to limit Medicare benefits based on income would create a coverage "cliff" where a few dollars' difference determines access to care. One 2023 proposal would have added surcharges for incomes starting at just \$55,000.

6

Medicaid Waivers

Section 1115 waivers allow states to impose work requirements, higher cost sharing, and lockout periods. In the one state that fully implemented work requirements, thousands lost coverage — many because they couldn't meet onerous reporting rules.

7

Administrative Barriers

An estimated 40% of people eligible for Medicare Savings Programs never enroll, leaving thousands of dollars in assistance unclaimed. HR 1 halted enrollment streamlining rules, adding more red tape for the people who can least afford it.

8

Inflation Reduction Act

The IRA capped Part D out-of-pocket costs and enabled drug price negotiation. HR 1 rollbacks are projected to lead to at least \$5 billion more in Medicare spending and resulting in higher costs for beneficiaries.

9

Premium Support / Vouchers

Voucher proposals would replace Medicare's guaranteed benefit with a fixed payment that would not keep pace with rising costs. Nearly 6 in 10 people with Medicare could face higher premiums for the exact same coverage they receive today under a voucher system.

10

Private Contracting

Allowing more providers to charge beyond Medicare rates through private contracting would erase cost predictability for beneficiaries and create a two-tier system. Today, 96% of people with Medicare report reliable provider access — a protection now at risk.