



# Health Care Cuts in the New Congress

January 7<sup>th</sup>, 2025 | 11:30 AM CT

# SPEAKERS



**D'Anelle Desire**  
Director of  
Communications



**Michele Johnson**  
Executive Director, TJC  
Co-Founder



**Gordon Bonnyman**  
Staff Attorney, TJC  
Co-Founder



**Ashlie Bell-Seibers**  
Program Director of  
Family Voices TN

# HOUSEKEEPING

- **Welcome!**
- **This webinar will be recorded. The recording and slides will be emailed to registered participants by January 10<sup>th</sup>, 2025.**
- **The last 15 minutes of this webinar will be Q&A.**
- **Please introduce yourself by putting your name, organization, and county in the chat.**

# Disclaimer

**The Tennessee Justice Center is a nonprofit, tax-exempt organization that is non-partisan and non-political. The clients we serve, and the partners with whom we work, represent the state's diversity of political affiliation. Our political analyses relate solely to the defense of health and nutrition programs and do not imply endorsement or disapproval of any party or person.**

# AGENDA

- **Welcome & Introductions**
- **Recap of planned cuts to Medicaid & Impact on TN**
- **Latest intel re. congressional developments**
- **Win with stories: Putting a human face on the issue!**
- **Q & A**
- **Call to Action**

# MEDICAID



**Gordon Bonnyman**

Staff Attorney, TJC Co-Founder



# **Congress will pay for tax cuts by slashing Safety net, primarily Medicaid**

- **Republicans' No.1 priority is Tax Cuts**
- **Congressional leaders & the Trump administration have repeatedly promised to cut taxes and slash safety net**
- **Rules require “pay-fors” to offset lost tax revenues**
- **With Medicare & Social Security protected, no cuts to other domestic programs generate enough money to pay for tax cuts.**

# **Wheels are in motion behind the scenes**

- **Congress is already in session**
- **President takes office January 20<sup>th</sup>**
- **GOP House caucus held retreat this past weekend; leaders reaffirmed intent to cut Medicaid to pay for tax cuts**



# ***“Move fast and break things”***

## **Lessons learned in 2017:**

- **Move fast before programs’ constituents can publicize the impact on ordinary people and businesses**
- **Downplay the changes to hide impact and avoid backlash**

# Budget Reconciliation Process

- **Congress adopts resolution soon, telling committees where to make cuts and how much to cut**
- **Why Congress will use Budget Reconciliation**
- **Instructions will be adopted as soon as January, no later than April**

# **WHAT IF cuts to Medicaid and/or SNAP are in the Budget Resolution?**

- **That lights a fuse that leads to program changes that will drive drastic, perhaps irreversible damage to the health care and food safety net**
- **Stopping the cuts becomes much more difficult if cuts are mandated by budget instructions**

# How will Medicaid cuts show up in TennCare? Will *my* TennCare be cut?

- Won't see details until after Congress has cut the budget.
- The state will choose among three types of cuts:
  - Cut PEOPLE – kick people off of TennCare
  - Cut CARE – stop paying for certain types of care, or reduce the amount (e.g., number of Rx per month)
  - Cut RATES – providers then refuse to take TennCare
- However they choose to cut, people will suffer!

# **They use Camouflage and Complexity**

- **Work requirements and other red tape**
- **Block grants**
- **Per capita caps**
- **Reductions in federal match**
- **Roll-back of Medicaid Expansion**
- **Limit or eliminate state provider taxes**



# **We use Simplicity & Strength**

**Don't get lost in the complexity. Focus on the bottom line:**

**Cutting Medicaid and SNAP hurts:**

- **Families**
- **Hospitals and nursing homes**
- **The economy and entire communities**
- **Fuels medical debt**

**Get thousands to repeat that message!**



# Winning with stories!



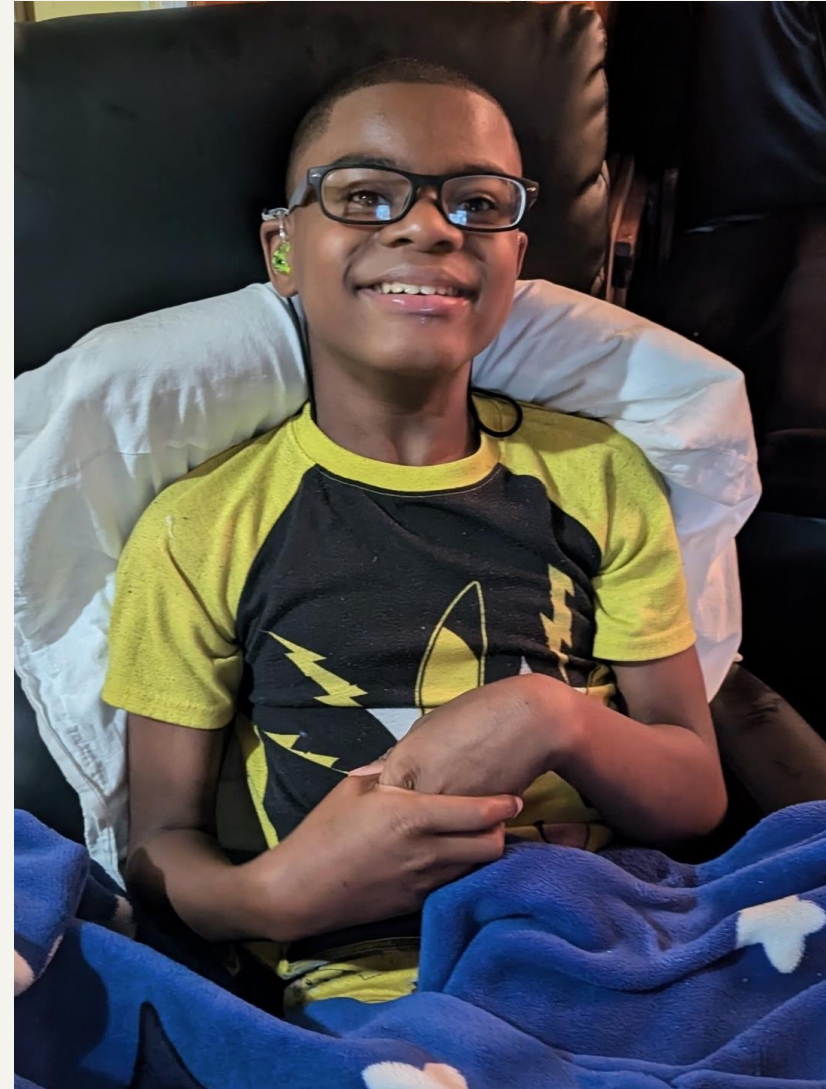
**Ashlie Bell-Seibers**

Program Director of Family  
Voices Tennessee















# Q&A

# Contact your legislators!

Help protect Medicaid and SNAP by contacting Senator Marsha Blackburn, Senator Bill Hagerty, and your other members of Congress TODAY!





# Organization Sign-on Letter

We encourage your organization to sign the following letter to defend Medicaid and SNAP. The letter will be sent to all Federal Representatives and Senators from Tennessee.

**The deadline for signatures is 12:00pm CT, Friday, January 24, 2025!**



# Share our factsheet!

## MEDICAID AND SNAP ARE IN DANGER ACT NOW TO PROTECT AMERICA'S SAFETY NET!

### What's Happening?

A budget plan with deep tax cuts will be adopted in the early part of 2025, possibly as early as January. But leaders are already developing the plan right now. To pay for those tax cuts, **they intend to slash Medicaid ("TennCare" in Tennessee) and the Supplemental Nutrition Assistance Program (SNAP, formerly known as "food stamps")**. If that budget includes cuts to Medicaid and SNAP as leaders plan, Congress will likely cripple those programs and use the savings to pay for the big tax cuts.

### Why Should I Care?

**Medicaid** is a lifeline for the most medically fragile children and adults in Tennessee. It is the principal source of funding for rural health care and drug and mental health treatment and prevention. Any cuts to Medicaid will damage our communities, impact every part of our state budget, and weaken Tennessee's economy.

**SNAP** (formerly known as "food stamps") is the most effective anti-hunger program in the United States. Cuts to SNAP would harm the state economy as well as families who rely on the program.

CRITICAL IMPACT

Every dollar spent on SNAP generates between **\$1.50 to \$1.80** in local economic activity during economic downturn.

Nearly three out of four SNAP households are families with children.

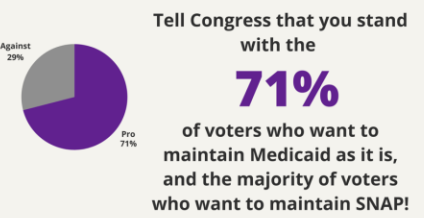


One in five Tennesseeans relies on Medicaid (TennCare) for health care and for protection from medical bankruptcy.

This includes...

half of all TN children      two-thirds of Tennesseeans in nursing homes      half of pregnant mothers

## TAKE ACTION NOW!



**CONTACT CONGRESS**  
Please scan this QR code to easily email Sen. Blackburn, Sen. Hagerty and your Member of Congress!



Updated: 12/16/2024

[or visit www.tnjustice.org/joinus](http://www.tnjustice.org/joinus)



# Financial Impact of Planned Medicaid Cuts

**TJC** TENNESSEE JUSTICE CENTER

## FINANCIAL IMPACT OF PLANNED MEDICAID CUTS IN TN

PLANS TO CUT FEDERAL MEDICAID FUNDING WILL UNDERMINE TENNESSEE'S STATE BUDGET

### Federal Medicaid Funding Changes are Imminent

The extension of the 2017 Trump tax cuts is **projected to cost \$4 trillion over the next decade**. To offset this, Republican leaders propose deep cuts to Medicaid (TennCare), SNAP, and the Affordable Care Act, transferring the burden to states to decide who and what gets cut. However, it remains unclear how states could effectively implement these reductions without causing significant harm to essential services. Congress must provide clear solutions before imposing this responsibility on states.

Using the Budget Reconciliation process, Congress is expected to adopt a budget resolution soon after January 3, 2025, setting funding cuts for each program. Congressional committees will then draft amendments to achieve those reductions. While specifics on affected people and services will emerge later, **the critical decisions on cut amounts will likely occur within weeks**.

### Background: The Important Role of Federal Medicaid Funding in Tennessee's State Budget

The total state budget for Fiscal Year 2024-2025 is \$52.6 billion. Of this amount, \$19.8 billion comes from federal funding. Federal Medicaid funding accounts for \$9.5 billion, which is **nearly half (48%) of all federal revenues in the state budget**. This funding represents 18% of the entire state budget, meaning that 18 cents of every dollar in the state budget comes from federal Medicaid funds-- this exceeds the revenue generated from *all* state franchise and excise taxes combined. Federal Medicaid funding defrays the costs of several state agencies.

### The Effects of Federal Funding Cuts on Tennessee's Budget

The nonpartisan Congressional Budget Office projects **\$7.5 trillion in Medicaid spending over ten years**. Cuts to federal Medicaid funding to pay for tax cuts would significantly impact Tennessee's budget. Applying those percentage reductions to the current amount of federal Medicaid funding in the state budget highlights the amount of annual revenues the state stands to lose:

- A \$500 billion cut to Medicaid would cost Tennessee \$636 million (6.7% of \$9.5 billion)
- A \$1 trillion cut to Medicaid would cost Tennessee \$1.2 billion (13.3% of \$9.5 billion)
- A \$2 trillion cut to Medicaid would cost Tennessee \$2.5 billion (26.7% of \$9.5 billion)

NOTE Two factors may alter the amounts of these annual reductions in state revenues:

- Depending on the ultimate shape of the cuts, Congress may distribute federal funding cuts unevenly among states, meaning Tennessee's funding losses could be higher or lower than the averages cited.
- The reductions might not be spread evenly across the ten year period. Congress would likely increase the rate of the reductions over time, so that annual losses would initially be lower than the ten-year average, followed by years in which the annual reductions would exceed that average.

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**[or visit www.tnjustice.org/joinus](http://www.tnjustice.org/joinus)**

# Share your story!

Share how TennCare has impacted you and your family. Your personal story in this healthcare system is a critical tool in changing the hearts and minds of decision-makers, and TJC is here to support you in amplifying that story.



# CONTACT US

## Gordon Bonnyman

Staff Attorney, TJC Co-Founder  
gbonnyman@tnjustice.org

## Ashlie Bell-Seiber

Program Director of Family Voices TN  
familyvoices@tndisability.org





## Michele Johnson

Executive Director  
mjohnson@tnjustice.org

## D'Anelle Desire

Director of Communications  
ddesire@tnjustice.org

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# BEFORE YOU GO...

- **Reminder: Recording will be emailed to you all by January 10<sup>th</sup>, 2025**
- **We want *your* feedback! Please complete [this post-webinar survey!](#)**
- **[Follow us on socials!](#)**



**THANK YOU!**