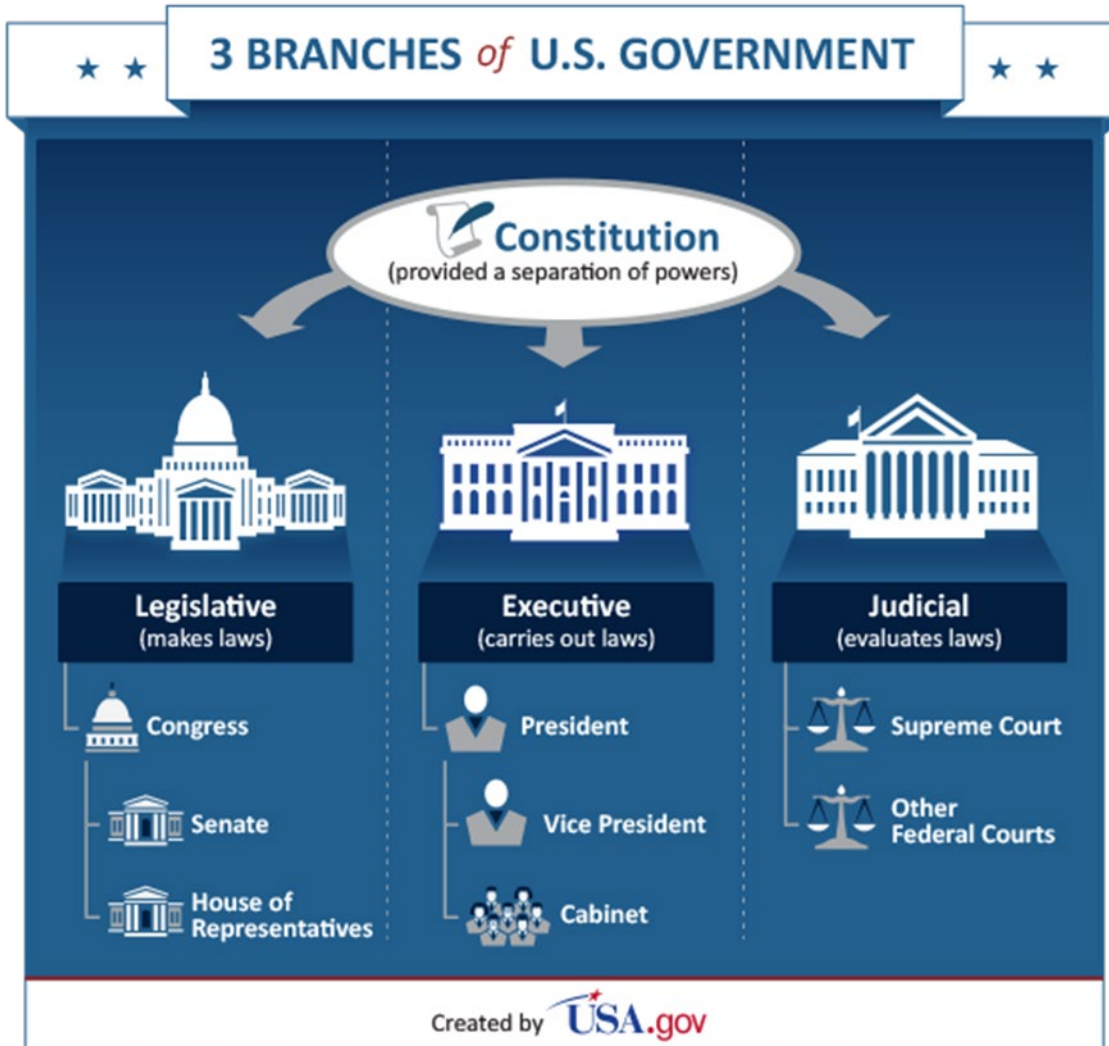# NASEM: Standing Committee on Primary Care
Medicaid Presentation
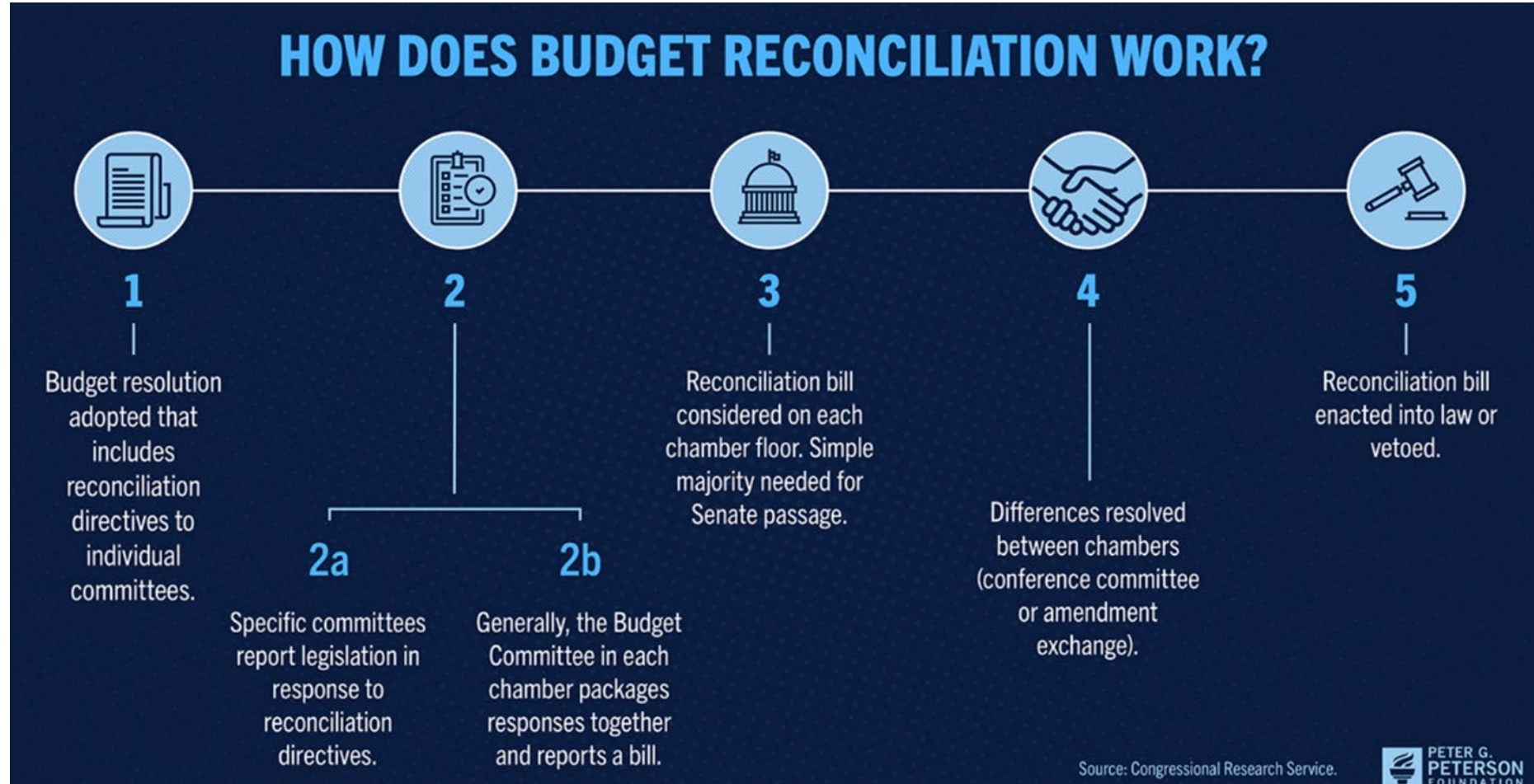
Eve Shuman, Children's National Hospital
Federal Government Affairs Manager
May 30, 2025

CHILDREN'S NATIONAL HOSPITAL

Snapshot of FY25 Budget Reconciliation Process

3 BRANCHES of U.S. GOVERNMENT

- Legislative Branch
  - Senate – 53 Republicans, 47 Democrats
  - House – 218 Republicans, 214 Democrats
- Executive Branch
  - Republican Administration
  - 15 Executive Agencies
- Judicial Branch
  - Supreme Court – 6 Conservative Justices, 3 Liberal Justices

Snapshot of FY25 Budget Reconciliation Process

HOW DOES BUDGET RECONCILIATION WORK?

1 Budget resolution adopted that includes reconciliation directives to individual committees.

2

2a Specific committees report legislation in response to reconciliation directives.

2b Generally, the Budget Committee in each chamber packages responses together and reports a bill.

3 Reconciliation bill considered on each chamber floor. Simple majority needed for Senate passage.

4 Differences resolved between chambers (conference committee or amendment exchange).

5 Reconciliation bill enacted into law or vetoed.

Source: Congressional Research Service.

PETER G. PETERSON FOUNDATION

DC FMAP: Under Threat

- **Background:**
  - The Federal Medical Assistance Percentage (FMAP) determines the amount of federal funding that states and territories receive for Medicaid programs
  - FMAP can vary across states and territories based on factors such as per capita income or whether a state has enrolled into Medicaid expanded access
  - The DCFMAP rate is set at 70% because of the District's limited taxing authority

- **The Issue**
  - To reduce the overall cost of Medicaid, the House has proposed a measure to cut the DCMAP from 70% to 50%

- **Impact to CNH:**
  - This would have a devastating impact on Children's National Hospital. Nearly 54% of our patients are Medicaid beneficiaries. This potential loss of funding would be catastrophic to Children's and could have significant consequences for the care we provide for over 250,000 children and families each year.

CHILDREN'S NATIONAL HOSPITAL

Advocacy In Action

- **<u>Meetings with Members of the Regional Delegation</u>**
  - ○ To ensure continued support of the organization, Children's National met with members of the regional Congressional delegation.

- **<u>Bi-Cameral Regional Delegation Letter</u>**
  - ○ Congressman Steny Hoyer (D-MD) and Senator Chris Van Hollen (D-MD) led a bi-cameral delegation letter to the chairs and ranking members of the House E&C and the Senate Finance Committees, sharing the impact of the DC FMAP reduction on the District and Children's National, requesting that changes not be made to the program.

- **<u>Meetings with House Committee on Energy & Commerce</u>**
  - ○ Children's National CEO and members of Children's leadership met with key E&C committee staff, and members of the subcommittee on health.

- **<u>Meetings with Senate Finance Committee</u>**
  - ○ Children's National also met with staff of key committee members of Senate Finance.

- **<u>Partnerships with Mayor Bowser and DCHA</u>**
  - ○ As a reduction to the DC FMAP is an issue that would specifically impact the District of Columbia and its hospitals Children's National worked closely with Mayor Muriel Bowser and the DC Hospital Association in crafting a message and tackling the issue.

"One Big Beautiful Bill"

- **It does not include the proposed cut in the DC FMAP.**
- It does include a ban on Medicaid and CHIP funding for gender transition procedures for minors and adults.
- It proposes a 10 percent FMAP cut for states that offer health insurance coverage to noncitizens, such as the DC Healthcare Alliance.
- It prohibits states from using Medicaid to fund certain reproductive health clinics.
- It freezes each state's provider tax to the date of implementation, which would prohibit a state from increasing its provider tax should it need to in the future.
- It places a moratorium on new state directed payment programs and limits states from making changes to their current programs.
- It proposes new eligibility requirements and verification rules, especially for the expansion population. Starting at the end 2026.
- It requires states to establish Medicaid community engagement requirements (work requirements) for able bodied adults. 80 hours per month. Starting at the end of 2026.

What's Next For Government Affairs

- Monitor and analyze current and proposed policies for impact.

- Continue building relationships with key stakeholders.

- Develop and disseminate messaging that will resonate with new political leaders.

- Establish a proactive crisis communication strategy.

- Position clinical and administrative experts as thought leaders on pediatric health care policy.

How can you help?
- Keeping your government affairs team informed!
- Work with your associations

Children's National®

Thank You!