Protect and Strengthen Medicaid during COVID-19

During this pandemic and recession, Medicaid is a lifeline for Mainers who need to stay safe and well, as well as providers and hospitals under financial strain.

Our public health and our workforce are deeply interconnected, and Medicaid is a critical support for low-income Mainers, as well as our state’s hospitals and medical practices. Around 309,000 people, or one in four Mainers, are counting on Medicaid to afford doctor’s visits, prescriptions, and other health care services in this uncertain moment.

With many workers losing their jobs or experiencing a reduction in their work hours, the need for Medicaid coverage is steadily rising. In just two months, Maine saw a 6.2% increase in Medicaid enrollment, and a 20% increase in enrollment among Mainers who qualified for Medicaid expansion.

Congress should increase Medicaid funding for states

We have not faced an economic and health crisis like this since the Great Depression, and we need action that both matches the scope and scale of the crisis and addresses the deep racial and economic inequities it is exposing.

Medicaid is a partnership between federal and state government; each pay a proportion of the cost of providing care and running the program. In times of crisis, the federal government needs to increase its share (the Federal Medical Assistance Percentage, or FMAP), to help states cover health care costs. Congress should increase the FMAP to at least 14% of the regular amount of the federal share, and that increase must stay in place until the economy recovers.

Studies of previous recessions when Congress increased support for states show it helped states avoid cuts to eligibility, services, or provider rates.

A key support for rural providers

Like other states, Maine is grappling with a deep loss of revenue during the economic recession and needs federal support to avoid cuts to provider rates. Maine’s home health care, community based services, mental health and services for people in recovery, and other industries were already struggling prior to the pandemic. Providers and hospitals are dealing with higher costs for seeing patients and declining revenue. It’s critical that Maine not lose any more rural providers than it has in recent years.