

The Breach 109: Gutting Medicaid to Spite the Poor

Lindsay: Welcome to The Breach, your deep dive into authoritarianism and corruption in the era of Trump. I'm your host, Lindsay Beyerstein. If you're enjoying the show, please leave us a review on iTunes. My guest today is Dr. Diane Horvath-Cosper, reproductive health advocacy fellow at Physicians for Reproductive Health.

She's here today to talk about Trump's budget, which would cut Medicaid spending nearly in half and eliminate nearly \$13 billion from the budget of the Department of Health and Human Services. The administration has given conflicting answers as to whether it wants these cuts instead of, or in addition to, the multi-billion dollar cuts envisioned by the Republicans' American Health Care Act, which passed the House this month.

Diane, welcome to the program.

Diane: Hi, thanks. Thanks for having me.

Lindsay: On the campaign trail, Donald Trump promised that he was never gonna cut Medicaid. What happened?

Diane: Well, I think the fact that you're asking makes it very clear that it's not what happened. This new proposed budget would slash Medicaid by \$800 billion over the next 10 years.

Lindsay: And that's possibly over and above anything that's in the American Healthcare Act, should it pass in anything like its current form.

Diane: That's correct.

Lindsay: So we could be looking at up to \$1.4 trillion dollars, with a T, in cuts to Medicaid alone?

Diane: You know, I'm not sure of the exact number, but I think the thing to think about is the ACA, so Obamacare, expanded Medicaid for millions of people and that resulted in people being able to get coverage when maybe they had been uninsured for five or 10 years or more.

So the fact that this just really dismantles the Medicaid system that's actually working so well is pretty terrifying.

Lindsay: And you're a practicing physician in addition to being a policy person, right?

Diane: That's correct.

Lindsay: Can you talk a bit about how Medicaid works in your practice, and how it affects the patients that you deal with every day?

Diane: So, right now I'm doing just family planning care. So I'm an OB/GYN practice, and I worked in general OB/GYN practice when I came out of residency. So I have some

experience dealing with Medicaid, this was prior to the ACA, so I have a lot of stories about people not qualifying for Medicaid because they were working two low-wage jobs, and barely scraping by, and didn't qualify under the income guidelines.

So, looking back, I had the good fortune to be able to say that some of those patients were indeed able to get coverage under the ACA, the Medicaid expansion specifically.

Now, I work mostly in abortion and contraception care, and for my patients, the place that Medicaid comes in is for people who are getting preventive health care at health centers like Planned Parenthood, and they're able to take their Medicaid there, to pay for routine primary care.

Lindsay: But it's not true that Medicaid pays for routine abortions, right?

Diane: So, federally administered Medicaid does not, that's part of the Hyde Amendment, which has been something that's very discriminatory against low-income people. States can choose to use their own Medicaid-administered funding to cover abortion services as part of routine women's healthcare.

In Maryland, abortion care is covered under a certain set of circumstances. And in other states, they have much stricter guidelines about if and how Medicaid can be used to pay for abortion care.

Lindsay: It astonished me to learn that four out of 10 children and almost half of births in the country are covered under Medicaid.

Diane: Yeah. It's a really important program, and it fills a gap in care that would really be devastating when you think about how many people would be uninsured and how many births would not be covered.

Lindsay: And it's interesting also that people have this stereotypical idea that it's for the poor, the working poor. But it also forms a nursing home social safety net for people who are now middle-class.

Diane: Sure. I think another place where we see it rounding out a system that's there but maybe not adequate, is with veterans. So 300,000-plus veterans in the United States are covered under Medicaid, either alone on Medicaid or as a supplement to other care.

Lindsay: And there's all this talk about the opioid overdose crisis, too, and even conservative Republicans are saying, "Hey wait a minute, if we cut Medicaid, how are we gonna provide drug treatment to all these people?"

Diane: Yeah. I live and work in Baltimore and DC and I think it's a huge concern. People can have the will to want to go into treatment, but if there are no beds available and mental health services aren't covered, you really have no place to turn.

Lindsay: Can you describe a bit more about the nuts and bolts of how Obamacare expanded the

Medicaid coverage?

Diane: So I'm not necessarily a Medicaid expert, but as a practicing clinician, I think that what I saw that was useful and helpful was that it actually created a fantastic incentive system for states to expand their Medicaid program. So it basically provided 90-plus percent of the funding for these expansions. So states already had a Medicaid program in place, but again, the income requirements were such that if you worked a couple of low-wage jobs, you wouldn't necessarily qualify.

So as a kind of enticement the federal government said, "We'll basically pay for these expansions," and then over the course of the next several years, the states would have to come up with a small percentage of that money in order to continue to maintain the federal funding. So I think the important thing is that the federal government is footing the bill for the vast majority of this expansion, and it was costing states very little comparatively.

Lindsay: And even conservative ideology warriors like Mike Pence, when he was Governor of Indiana, responded to that carrot.

Diane: Yeah, it really only made sense, and I think states looked at this and said, this is money we can have to do this. We have people who need care, we have a gap in coverage that we can identify. I think you can see that a vast majority of the states took the offer.

Lindsay: And how many extra people did the expansion bring on?

Diane: You know, I'm not entirely sure what the last figure was. I know that should this budget pass, and should the AHCA pass, the CBO's estimated that 23 million people will lose insurance. And not all of that is Medicaid, but several million of it is.

Lindsay: And if that were to happen, what would be the impact on just day-to-day public health, what would we expect to see in terms of unplanned pregnancy rates?

Diane: Well, I think it's really clear from both US and international studies and research, that when people have access to preventive care like contraception, the unintended pregnancy rate goes down. It seems like it wouldn't even be a question that that's the case that that happens, but we actually have data to back it up. So I think from the perspective of a family planning health care provider, this idea that we would pull money away from a program like Medicaid that does provide access to things like prescription drugs, like contraceptives and routine cancer screenings like Pap tests, it just to me, it just doesn't make sense. It doesn't make fiscal sense and it certainly doesn't make sense if we are a country that wants to take care of the people who live here.

Lindsay: Conservatives say that by paying for all this Medicaid for the expansion, that they're taking away the incentive for states to keep healthcare costs down. Does that seem like a fair criticism?

Diane: You know, I think that we obviously have a concern in this country with healthcare costs. But the analysis that I've looked at, and the numbers in most of the studies that look at the cost of administering these programs, actually show that Medicaid is administratively far more efficient than private health insurance plans. So it actually would make more sense, if they're looking to cap costs or reduce costs, to have fewer plans, to have them more centrally administered, and make them look more like Medicaid.

Lindsay: So something closer to single-payer healthcare.

Diane: Yes.

Lindsay: It strikes me as really disingenuous when Republicans talk about wanting to control healthcare costs by pushing more of the burden onto states and cutting the federal investment, when the federal government has all this leverage that it could use or already is using to actually bend the cost curve for healthcare. Whereas all states can do is just cut benefits.

Diane: Right, right. Yeah, I think that it's short-sighted. And I think people want to be able to tell their constituents, "Oh, look. We voted to have smaller government, or deregulate," or all these nice buzzwords that we talk about when what that really means is, if you live in a state that values your access to healthcare, then you're lucky. And if you live in a state maybe even 10 miles across a border, that has decided that things like maternity care is not an essential benefit, then you're looking at having astronomically higher healthcare costs, or at least the possibility of that happening.

Lindsay: And it seems also like a sneaky backdoor way of cutting benefits, where the Republicans and the federal government will say, "Oh, we're not really cutting it, we're just cutting increases to Medicaid spending." Where at the same time, if you do that and healthcare costs keep rising at the rate they're rising, there's gonna be less buying power and the states are just gonna have to cut benefits out the back door.

Diane: I think that's one of the states' only tools to keep costs down, yeah. I think that's gonna be what happens.

Lindsay: So the Republicans in Congress are hoping they won't take the electoral pain of losing services, where somebody can say, "Oh yeah, somebody in the state of Indiana took my benefits away. Now I have to give birth in a hallway because of the state of Indiana."

Diane: Well, and I think we've heard people say things like, "Well if a person doesn't get the coverage they want in a particular state, then they can just move someplace else," and I think it's flippant about the reality of people's lives, and it also again avoids the question, should your access to healthcare depend on the state you live in? And I think for those of us who see access to care as something that's a right as opposed to a privilege for the people who pay, I think that's a terrible value to uphold as a nation, that your access to healthcare depends on the ZIP code you have.

Lindsay: And it becomes so restrictive if you have both your rights curtailed by the state you live in and the kind of work you do, it just seems like Republicans are putting people in tinier and tinier boxes about how they can live and sing that it's about freedom.

Diane: Yeah, I think one of the things, especially among my colleagues in family planning, it's been like ruefully amusing to hear the rhetoric about freedom and liberty, and having choice of healthcare provider, and choice in this and that, and then having those same people vote to restrict access to one of the most basic aspects of women's healthcare, which is abortion care and contraception.

A little bit disingenuous to talk about freedom, and then limit freedoms in such a stark way.

Lindsay: What are block grants and why are Republicans so keen on them?

Diane: So my understanding of block grants is that the states would get a fixed amount of money, to administer all of their Medicaid services. So it's essentially a cap on the amount of money that a state would get from the federal government. So once they had reached an enrollment limit, then there wouldn't be any more money. And I think there's still this idea that the states now have flexibility and choice in how they allocate these funds but the fact is that there are states that have higher healthcare utilization, and more need, and a sicker population, and higher percentages of people who are older and access the system more.

So I think the idea of a block grant is basically gonna put at risk the people that are already at risk. And that thankfully benefited from the Medicaid expansion, but now they go back to being at risk, if this type of program were to go through.

Lindsay: Nick Mulvaney, the budget director, testified this week that these cuts could be effected without actually affecting any level of service at all. Is there any way that could possibly be true?

Diane: Yeah. I think that's a really optimistic, almost naïve way to look at this. There's not an unlimited amount of resources, and if you cut the budget to a state and it's less than what they have now and the population is growing or the population of people on Medicaid is growing, then I just don't see how you can make up that cost someplace else, other than to either deny people coverage or reduce the services that are offered.

Lindsay: And what do you think would happen in terms of other aspects of Trump's budgets, how do those work together in terms of the overall health picture, things like abstinence-only sex ed, which he's championing a quarter of a billion dollars for?

Diane: Yeah, so I guess if you really want to have more unintended pregnancies, and sexually transmitted infections, then funding abstinence-only education is probably the short train to get there. We know that abstinence-only program don't prevent unintended pregnancy, they don't result in any fewer adolescents becoming sexually active, they're just largely ineffective. So I think that's, again, a bone that gets thrown to some of the

people who put him in office, which were very socially conservative donors and groups.

So that's frightening. And then I think also too, this idea that people will not be able to use their Medicaid at Planned Parenthood health centers, when those are actually the clinics that are sometimes the only ones that are available to people with Medicaid in a particular community.

Lindsay: Trump back in April signed some legislation cutting off federal funds to Planned Parenthood. Can you describe how that's gonna work?

Diane: So the way that this new budget is working for Planned Parenthood funding, and I think it's very clear, this idea that Planned Parenthood should be cut off from any funding whatsoever is a really popular idea among conservatives. So it sounds like they're trying every avenue that they possibly can to make this happen. The way that the budget works would be, and obviously this is an aspirational budget, but it definitely tells us the priorities of the administration.

But the way that it would work under the budget, if it were to pass as written, is that Planned Parenthood could not participate in any HHS-administered programs. So that would include Medicare and Medicaid, so people with Medicaid or Medicare insurance would no longer be able to take it to Planned Parenthood, even though state courts have determined that Medicaid is a qualifying provider and that there's no reason a person shouldn't be able to go get a Pap test at Planned Parenthood and use their Medicaid.

Lindsay: And all Planned Parenthood's funds have totally sequestered, so there's no actual possibility that the money is gonna be used to provide abortions.

Diane: No, that is specifically prohibited by federal law. So the idea that they're taking funds away from Planned Parenthood, whether it's through not allowing them to participate in Title X family programs, which is another part of the budget, because that's an HHS-administered program. It's spiteful, it just takes care away from the people who need it most, the populations that are most vulnerable. And it also paradoxically increases the chances we're gonna have an increase in unplanned pregnancies.

I think obviously the funds are already not going to abortion care, and to limit funds at this point just tells me that they don't care if poor women have access to cervical cancer screening.

Lindsay: What percentage of abortion is Planned Parenthood's overall budget, relative to the amount that they spend of their budget on other kinds of reproductive health?

Diane: That, I don't know. That's something that I'm sure is available, probably online. I would have to look it up. People talk about, only three percent of the services are involved in abortion care. I want to say abortion is just as much an essential health service as contraception. I think this idea that we're gonna de-emphasize that Planned Parenthood is an abortion provider, I think that's silly, because abortion is just as much a part of

healthcare as birth control or cancer screenings.

But I think that the fact is, there are plenty of Planned Parenthoods that don't even provide abortion, they provide things like primary care and well woman exams, and contraception and STI testing and treatment. So I don't think there's a need to separate out in our minds, necessarily. Comprehensive reproductive healthcare includes abortion care, but I think that they're much more than just abortion care. I think that they're providing a lot of really essential services in addition to abortion care.

Lindsay: I was filming a documentary last year about abortion care access, and one of the most bizarre and telling scenes that we observed was this Planned Parenthood in the Midwest that does not provide abortion care, never has, but the anti-choicers set up with their sidewalk chalk and write, "Don't abort your baby," just so that they can harass anybody who wants to go in for a Pap smear.

Diane: Yeah, no. I think that's something we see at a lot of places. And it just kinda blows my mind. I don't really understand why a Planned Parenthood opening a clinic in a neighborhood is somehow threatening to the people in that neighborhood. People go there voluntarily, they get services voluntarily, it fills an important niche in the community. And we know from looking at capacity and the number of patient visits and things like that, that if Planned Parenthood were to close, or have to close due to funding cuts, there's not enough spaces in other clinics to take care of the patients who would be displaced.

Lindsay: What does this say about the Trump administration's professed respect for life? We keep reading that maternal mortality is rising and rising in this country.

Diane: Yeah. This is a real point of critique, I think, of the so-called pro-life movement, is that where's the outcry about the rising maternal mortality rate? And the fact that it's disproportionately impacting communities that already have difficulty accessing care, like communities of colors, immigrant families, adolescents, people who live in rural areas. So I think this idea that passing restrictions on abortion makes us pro-life is a really ridiculous thing to put forth.

Another thing that really makes me question this idea that this administration or that conservatives respect life is that the budget includes really deep cuts to things like Temporary Assistance to Needy Families, the Supplemental Nutrition Assistance Program, or SNAP. These are lifelines for families who are struggling to feed their kids. I think that the idea that you literally want to take food away from poor children, is like the most anti-life thing you could possibly do.

Lindsay: And as a doctor, you must think how short-sighted it is to be taking away money from the nourishment of children in terms of their long-term health outcomes.

Diane: Yeah. My mom is a teacher, and she spent some time teaching in a school district where a lot of the kids were hungry, there was a lot of food insecurity, and she said that there's no way kids can pay attention when they're hungry. So she used to bring snacks for

people, and I know a lot of other teachers do the same thing for their students, and it's a real sad commentary that kids literally can't learn if they haven't eaten. And we can't even meet that basic need for people.

Lindsay: It's astonishing to me, do you think this is all just political theater on the part of the Trump administration? It's often said that a presidential budget is a wishlist anyway. Do you think that this is just them dragging numbers out of the air, in order to make their larger tax cuts and military spending figures work out, knowing full well that they're never actually gonna have these cuts?

Diane: I can't even pretend to understand the rationale for some of this. I know the reports I read about the math show that that's not even correct in the budget.

Lindsay: Because they counted economic growth in the tax cuts.

Diane: Yeah, yeah. So that's a little strange. And I know it's a wishlist, it's as much a statement of philosophy and priorities as it is of actual strategy. But that's even more worrisome, to make your aspirational statement of priorities things like cutting food benefits, defunding an organization that provides cancer and primary care screenings to poor people. This is a really bad set of values to put out there.

Lindsay: What's being done to oppose this on the grassroots level?

Diane: Yeah, there's actually a lot going on. And that's one thing that I think is different about the world climate pre- and post-election, is that there's a really concerted, much more organized and coordinated effort among advocacy groups. I think you see the results of that and also just people's emotions and their anger, and their feeling of betrayal, at these town hall meetings and on call-in shows, and hearing stories about staffers on Capitol Hill who cannot keep up with the number of messages that are being left.

Every time I call my senators and representative now, you get a busy signal, or you get the voicemail, because they just don't have the staff to answer all the calls. I think that's a really good, hopeful thing and I hope we can keep up that pressure.

Lindsay: What is your org doing to oppose this?

Diane: So, Physicians for Reproductive Health is a physician-led advocacy organization and we typically focus most of our advocacy efforts on reproductive health. So things like access to abortion, access to contraception, things like the Pregnant Workers' Fairness Act, which was protections for pregnant women on the job so that they wouldn't be illegally terminated for needing a bottle of water at their work station, or needing a break to go to the bathroom.

We work in coalition with a lot of groups both at the federal and state level, who are doing a lot of this organizing. So I think there's a recognition that cuts to Medicaid are gonna disproportionately harm women and families, so that's a major reproductive issue. So we're working really closely with a lot of other communications people and

other organizations that are organizing some of these education and feedback sessions for legislators. It's a busy time.

Lindsay: If someone wants to get active against the Medicaid cuts, and they can't make it out to a town hall, or their representative won't hold a town hall, what else can they be doing?

Diane: I think that calling your officials and calling them regularly, the best advice I got was, put your elected officials' numbers into your phone. So when you're sitting at your computer and a story pops up and you think, "That's a really bad idea," you can just pick up the phone and call. And it can be as simple as, "I'm so-and-so, I live in this district, I'm calling to tell Representative so-and-so that I think this is a bad idea and here's why."

And I think keeping up that pressure and making it a really routine to call your officials, and let them know that they're not representing you, or that they are, and thank them. So I think that's one thing. I think if you have money to give, then certainly directing it into organizations that are doing meaningful work that you can support, showing up when you can. So even if it's not a town hall meeting, when you can come to a demonstration, or you can show up at an office, and actually visit your legislators in person, that's really powerful too.

Lindsay: And it's always so important, I'm glad you mentioned the importance of calling your own representatives, rather than just calling representatives in general. I think people sometimes get the misconception that calling more reps is more better?

Diane: No, I think that you know your representatives are only beholden to the people in their district or in their state, in the case of the Senate. As a constituent, you're the person that they want to hear from. And if you can make a visit to your representative or your senator's local office, if you can't make it to DC, you don't live anywhere close to there, your representatives and senators have offices in your state, maybe even in your community, and that's a really powerful place to visit as well.

Lindsay: And if people are thinking about getting organized for the midterm elections, where should they be setting their sights?

Diane: Well, I think my goal would be to have a makeup in the Senate and the House of Representatives that is gonna support things like evidence-based and science-based healthcare policy, and we know that a lot of these things are not evidence or science-based. I would love to see a progressive agenda on reproductive health, in terms of protecting the right to have an abortion, the right to access comprehensive contraception, the right to the children you may already have, in a healthy environment.

So protecting access for schools, protecting funding for the EPA. I think that's one of the most terrifying things that have come out of this, is that we're looking at places that may not have clean air and water, and don't already and are not going to get it.

So for me, I would love to see a progressive wave move through, but I also think targeting these districts that are vulnerable is a really good place to start, and to put

money and effort and time.

Lindsay: And there are a surprisingly high number of currently Republican-held districts that are quite statistically vulnerable, and there's actually data that says that they've been hurt by the controversy around Republican efforts to derail Obamacare. So I think that's momentum we could be pushing on.

Diane: Yeah, I think the AHCA, Trumpcare, really unpopular piece of legislation. I think they had a real hard time rustling up the votes to pass it, in a thing that should've been an easy sell, and it wasn't. So I think there's a lot of potential there. And I also think on the Senate level, senators have to answer to their entire state. So they don't have a gerrymandered district that they can count on, they don't have a safe seat, they answer to the entire state, and I think this is a time to let your senators know that this is unacceptable. And you will either actively be voting them out, or voting for them, depending on what they choose to do with this bill.

Lindsay: There's been a lot of chatter going around online, I don't know if you've seen it, Indivisible has been tweeting a lot about how supposedly a lot of the Republican senators has been saying that this upcoming recess is the time where they're gonna be taking the pulse of their district and seeing if there's actually support to pass their healthcare bill. Do you give credence to that, do you think they might actually withdraw it if constituents push hard enough?

Diane: I absolutely think that they might maybe not withdraw it, but just not consider it, not move it forward. There's a lot of ways that this bill could fizzle out.

Lindsay: But it's realistic to think that they might just let it die and not introduce their own counterpart to the House bill.

Diane: Yeah, they definitely could. I think that what they hear on this recess, what they continue to hear over the next couple of weeks, I think that's gonna be really telling. And the first priority beyond representing the constituents is to stay elected, and to get re-elected so you can continue to do this work. And I think the representatives and senators are really keenly aware of how that type of opposition looks. People that are upset or feel like they're not being heard are gonna tell 10 of their friends, and that's what we should be doing.

Lindsay: Diane, that's all the time we have for today. Thank you so much for coming on the program.

Diane: Thank you so much for having me.

Lindsay: On Wednesday, May 31, Rewire Radio's storytelling series CHOICE/LESS is back, with a four-part miniseries examining historical instances of healthcare injustice, and the medical advancements they helped make possible.

The first episode details the reckless birth control trials in Puerto Rico in the middle of

the 20th century. Learn how and why three women died and countless others were harmed in the pursuit of progress. Search "Choiceless" in your favorite podcast app and subscribe.

Each week on the Breach, I recommend some reading. This week's pick is an essay by Adam Serwer on The Atlantic's website. It's called "The Lesser Part of Valor," and it's a meditation on Montana congressional candidate Greg Gianforte's unprovoked body slam of reporter Ben Jacobs, and the difference between liberal and conservative views of toughness.

Right-wingers cheered Gianforte's attack as the action of a manly man and a real tough guy, even though grabbing a reporter in the middle of an interview is nobody's idea of a fair fight. Gianforte apologized, but only after he was elected, suggesting that he knew the body slam would appeal to Republican voters.

The idea of a fair fight is essential to the liberal ideal of toughness. You see it celebrated in Hollywood movies. In this view, there's nothing brave about crushing someone just because they're too weak or too surprised to call back. On the contrary, the defense of the weak is the purest expression of bravery.

The conservative idea of bravery has always been different. Serwer takes us back to 1856, when pro-slavery Senator Preston Brooks ambushed Charles Sumner in the Senate and beat the unarmed Senator unconscious before he could even get to his feet. Southern commentators hailed Brooks as a real tough guy. Serwer argues that then, as now, authoritarian conservatives saw no contradiction between being tough and punching down. On the contrary, in their view, being tough meant punching down, by controlling and indeed owning weaker people.

That's it for recommended reading.

The Breach is produced by Rewire Radio. Our executive producer is Marc Faletti, our producer is Nora Hurley, our theme music is Dark Alliance, performed by Darcy James Argu's Secret Society, and I'm your host, Lindsey Beyerstein. Tweet your suggestions, comments and questions to @beyerstein on Twitter. See you next week!