



## PRESS RELEASE

For Immediate Release

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### **MHPA Response to President's FY 2021 Budget Request** *Funding Reductions Undermine Financial Sustainability of State Medicaid Programs*

WASHINGTON, DC (February 12, 2020) – Medicaid Health Plans of America (MHPA), the leading association representing managed Medicaid plans, released the following statement in response to the Administration's FY 2021 Budget Request to Congress.

"MHPA has long fought for two key principles in Medicaid: (1) the program must be flexible enough for states to appropriately design and operate their Medicaid programs to best meet the needs of their state residents; and (2) the program must also be financially sustainable in order to provide access to high-quality health care for our citizens that need it most. The President's Fiscal Year 2021 Budget includes several proposals that could increase state flexibility, for example, including an option for states to provide coverage for pregnant women with Substance Use Disorders for one year. However, it also proposes over \$900 billion in Medicaid funding reductions with too few details on how federal Medicaid funding would be reduced or restructured. MHPA is concerned that reducing Medicaid funding so quickly – and by such a significant sum – would hinder state Medicaid programs, jeopardizing access for the 70+ million people who rely on it for health coverage and care.

We always welcome the opportunity to engage both the Administration and Congress on innovative ways to provide health coverage and care to vulnerable populations, but this budget proposal decreases the financial sustainability for state Medicaid programs and therefore undermines a key principle for MHPA. We look forward to working with Congress to increase flexibility and strengthen the financing for Medicaid as the budget process continues forward."

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#### **ABOUT MHPA**

Founded in 1995, Medicaid Health Plans of America (MHPA) represents the interests of the Medicaid managed care industry through advocacy and research to support innovative policy solutions that enhance the delivery of comprehensive, cost-effective, and quality health care for Medicaid enrollees. MHPA works on behalf of its 90-member health plans, known as managed care organizations (MCOs), which serve approximately 23 million Medicaid enrollees in 36 states, or about one-third of all Medicaid beneficiaries in states with managed care delivery systems. MHPA's members include both for-profit and non-profit, national and regional, as well as single-state health plans that compete in the Medicaid market. [www.medicaidplans.org](http://www.medicaidplans.org) | [@MHPA](https://twitter.com/MHPA)