

Breaking the Beltway Mentality: Billions in New Spending Is Not a 'Cut'



Under the healthcare bill currently being considered by the Senate, spending on Medicaid, the healthcare program that covers 75 million Americans, would increase from \$393 billion this year to \$464 billion in 2027—and that's adjusting for inflation.

Yet Democrats are claiming this is a “cut” to the program. Only in Washington would anyone have the nerve to claim an 18 percent increase in government spending on top of inflation is a “cut.”

The reality is that the Senate's healthcare bill, like the legislation passed by the House of Representatives, strengthens and reforms Medicaid.

Medicaid has seen out of control spending growth: twenty years ago, spending on the program was under \$200 billion annually; within a decade, it is expected to top \$1 trillion in total spending.

The Senate bill would refocus the program on the people it was designed to serve, who need the most help: the disabled, the elderly, and pregnant mothers and their children. It would give states the flexibility they need to serve those populations and come up with cost-saving, quality-improving innovations. It would also fix the flawed incentives that have driven out of control spending on Medicaid, while ensuring states have the resources they need to protect their vulnerable populations.