### ■ FACT SHEET

# SNAP & Medicaid Cuts: What Is at Stake for Children, Seniors, & Rural Communities?

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The Supplemental Nutrition Assistance Program (SNAP) and Medicaid are lifelines for millions, providing food and health coverage that stabilize families and strengthen communities.

- SNAP is the most effective tool available to prevent hunger in America, helping over <u>42 million people</u> afford food each month.
- Medicaid provides health coverage to nearly 72 million people—more than 20 percent of the U.S. population.
- SNAP <u>lifts millions of Americans above the poverty line</u> each year, playing a key role in stabilizing families and communities and preventing deeper hardship.
- Medicaid supports millions of families with essential care, covering over 40 percent of all births in the U.S. and paying for more than 44 percent of long-term care services.

Cuts to core public benefits programs will hit children, seniors, and people in rural communities particularly hard.

While cuts to Medicaid or SNAP would each be harmful on their own, slashing both will compound hardship and deepen poverty for the millions of people who rely on both programs. The overlap is significant: 60 percent of SNAP recipients are also enrolled in Medicaid, and 40 percent of Medicaid participants receive SNAP. An estimated 12.7 million children and 2.5 million seniors use both Medicaid and SNAP.<sup>1</sup> Any broad-based cuts will have deeply negative impacts on the effectiveness of the programs, the states administering them, and the people they serve—especially seniors, children, and people in rural communities.

## What's at Stake for Seniors?

Medicaid and SNAP are essential for supporting the health and well-being of 7.2 million and 5.9 million seniors, respectively. Adults over the age of 60 make up 18 percent of SNAP participants and adults over 65 make up 10 percent of Medicaid participants. Cuts to Medicaid and SNAP put the health, nutrition, and economic security of seniors across the country at risk.

# **SENIORS WILL BE LESS HEALTHY & MORE HUNGRY**

Cuts to SNAP and Medicaid funding are likely to lead to <u>poorer health</u> and <u>nutritional outcomes</u> for aging adults, particularly for <u>those with chronic diseases</u>. For example, the cuts could lead to <u>decreased access to preventive care</u> and care <u>not covered by Medicare</u>, including dental, vision, and long-term care beyond 100 days. This can worsen <u>often costly chronic health conditions</u> and may lead to <u>increased emergency room visits and hospitalizations</u>.

<sup>1</sup> Georgetown Center on Poverty and Inequality estimation using the fiscal year 2023 SNAP Quality Control Household Characteristics data, the most recent data available, to calculate the number of SNAP participants by age (15.6 million under 18 and 5.5 million 65 years and older). To estimate the share of those individuals who also participated in Medicaid, GCPI used the Census Bureau's Current Population Survey and American Community Survey data for calendar year 2023. We averaged together the Medicaid and SNAP overlap estimates by age from those two surveys and applied them to the SNAP Characteristics data.

## SENIORS WILL LOSE FINANCIAL STABILITY

Cuts to Medicaid and SNAP will result in higher out-of-pocket costs for <u>food</u> and <u>health care</u>, increasing financial strain and precarity for seniors. SNAP makes healthier, fresher foods more affordable for older adults, <u>many of whom are on fixed incomes and tight budgets</u>, and <u>reduces food insecurity and hunger</u>. Medicaid helps reduce out-of-pocket health expenses for <u>7.2 million seniors</u> who are covered under both Medicaid and Medicare. Medicaid cuts will take that support away from the many seniors who already have difficulty affording their <u>prescriptions</u> or <u>other basic necessities</u>.

#### SENIORS WILL LOSE SUPPORT NEEDED TO STAY IN THEIR HOMES

Seniors and caregivers <u>rely on Medicaid</u> for long-term care, especially <u>home and community based services</u> (HCBS) that <u>enable many seniors to remain in their homes</u> instead of moving to an institution for long-term care. Medicaid is the <u>largest payer of HCBS</u>, and massive cuts to Medicaid would force states to <u>reduce reimbursement rates</u>, <u>cut services</u>, <u>or find other revenue sources</u> to maintain services. Without sufficient coverage for HCBS, out-of-pocket costs for the support seniors need to remain in their homes are likely to become out of reach for many.

## What's at Stake for Children?

Adequate nutrition and health care are essential for child development and growth. SNAP and Medicaid play key roles in securing enough food, medicine, and health care for children to meet their <u>immediate needs</u> and <u>ensure their long-term development and well-being</u>. Nearly <u>30 million children</u> had health care coverage through Medicaid<sup>2</sup> in 2024 and over <u>16 million children</u> participated in SNAP in 2023. Major cuts to SNAP and Medicaid will negatively impact child <u>health outcomes</u>, <u>educational achievement</u>, and <u>overall well-being</u>.

#### MORE CHILDREN WILL GO HUNGRY

The research is clear: SNAP works for kids. SNAP reduces hunger and poverty and is linked to improved child health. Children make up nearly 40 percent of all SNAP participants, so a decision to cut SNAP is choosing to directly take food away from children's plates. Cuts to SNAP significantly increase the risk of child food insecurity, as shown by the expiration of pandemic-induced emergency SNAP allotments in 2023, which resulted in a spike in child hunger. Families with young children whose SNAP benefits are reduced or eliminated face much higher odds of food hardship than those with stable SNAP benefits. The proposed cuts are likely to have similar impacts.

#### CHILD WELL-BEING WILL DETERIORATE

Cuts to SNAP and Medicaid put children at risk of <u>malnutrition</u>, <u>obesity</u>, and <u>chronic disease</u>. Research shows that children are more likely to experience <u>developmental delays and poorer health</u> outcomes when SNAP benefits end abruptly. Without Medicaid, uninsured children are more likely to be left without a <u>regular health care provider</u>, <u>well-child visits</u>, <u>dental exams</u>, <u>or vision screenings</u> compared to their insured peers.

An additional 7 million children receive health coverage through the Children's Health Insurance program, or CHIP. CHIP is a federal-state partnership program like Medicaid that was created as a health insurance option for families with low and moderate incomes above Medicaid's eligibility levels. Many states have combined their CHIP and Medicaid programs by increasing eligibility levels through Medicaid expansion. Medicaid and CHIP are both facing cuts by the House Energy and Commerce Committee and Senate Finance Committees, but this fact sheet focuses on cuts to Medicaid only.

### **HUNGER & HEALTH IMPACTS WILL HAVE A GENERATIONAL IMPACT**

Proper health and nutrition for children are investments in the future, setting children up for well-being and success in adulthood. Research shows that adults with access to SNAP as children have stronger long-term health outcomes and children with access to Medicaid are more likely to be employed in early adulthood and less likely to utilize public benefits. Whereas unstable access to basic necessities in childhood drives poorer educational, health, and employment outcomes in adulthood. Deep cuts to SNAP and Medicaid will hurt children now and do long lasting damage into the next generation.

## What's at Stake for Rural Communities?

Rural communities face <u>higher poverty rates</u> and more <u>persistent health disparities</u> than metropolitan areas, and Medicaid and SNAP provide access to quality health care and nutrition crucial for rural communities to thrive. During moments of economic downturn, expanding eligibility for Medicaid and <u>SNAP</u> has shown to <u>stimulate rural economies</u> and <u>improve access to health care</u>. Pending cuts to Medicaid and SNAP threaten to worsen health outcomes, damage local economies and jobs, and deepen poverty in rural communities.

#### HEALTH OUTCOMES WILL WORSEN FOR PEOPLE IN RURAL COMMUNITIES

Cuts to Medicaid are likely to worsen existing provider shortages in rural areas, leaving communities with fewer providers, and leading to poorer health outcomes and increased medical debt. Medicaid covers over 18 percent of adults in rural areas and, in six states, covers over 50 percent of children in rural areas. Rural health providers operate with thin profit margins and rely significantly upon Medicaid reimbursements to keep their doors open. Considering the disparate geographic distribution of providers, closures of rural hospitals or clinics can be debilitating for residents' access to care.

#### JOBS WILL BE LOST & RURAL ECONOMIES WILL BE HARMED

Program cuts will strain overburdened state budgets and likely hit rural economies particularly hard. Diminishing federal spending on SNAP and Medicaid would lead to an estimated loss of more than 1 million jobs nationwide, with nearly half of those job losses occurring within the health care sector. Hospitals account for about 10 percent of rural employment, and any closures resulting from Medicaid cuts could lead to the loss of thousands of jobs in rural areas. People losing SNAP benefits buy less food and make different consumption choices, which can lead to further negative ripple effects across rural labor markets, especially in the agriculture and food industries. Job loss reduces people's ability to spend on basics like rent, food, and transportation and will have larger implications for state economies. For example, in Texas, the state with the highest rural population, a decrease in SNAP and Medicaid funding would contribute to the loss of over 67,000 jobs—a blow to the state's economy as well as small businesses and local economies in the state's rural areas.

## **RURAL POVERTY WILL INCREASE**

SNAP and Medicaid go a long way in reducing poverty and health disparities in rural areas. Medicaid provides health care coverage for nearly 12 million people in rural areas and sustains health care facilities that create jobs for rural workers. SNAP effectively reduces poverty rates in rural areas, particularly among children. Cuts to Medicaid and SNAP would result in even deeper poverty and increased hardship in rural communities.