



State Health Flexibility Act – H.R. 4160

Just the Facts

Quick Facts on the Current State of Medicaid

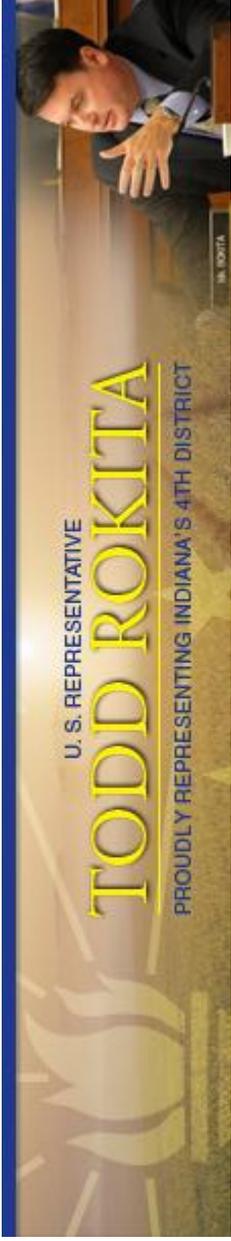
- Medicaid costs are growing even faster than Medicare. States now spend more on Medicaid than anything else, including K-12 education programs.
- Reports of Medicaid fraud are on the rise, even as Medicaid-participating doctors become harder to find. If participants can find a doctor, the quality of care they receive is often substandard.
- States have to design their programs to satisfy a one-size-fits-all welfare bureaucracy in Washington. It can take months or years for states to get permission to enact their own reforms.

Overview of the State Health Flexibility Act

- Because states understand the needs of their citizens better than the federal government, they will have sole authority to determine eligibility, benefits, and provider reimbursement rates.
- Based on the model set of the successful welfare reforms of 1996, federal funding for Medicaid and Children's Health Insurance Program (CHIP) will be set at current levels for the next ten years. This change will encourage state innovation and reform while saving \$1.8 trillion compared to current law under ObamaCare (see [chart](#)).
- States will be free to set their own funding at whatever level they choose.
- Congress will retain the ability to temporarily or permanently adjust federal funding levels to account for changing needs. Spending will no longer simply increase on auto-pilot.
- As state reforms reduce dependence on government assistance, those affected are more likely to enter the workforce, get insurance, and lift themselves up the economic ladder.
- Current-law will be maintained regarding pro-life protections, health care services for illegal aliens, and discrimination based upon disability, sex, race, color, or national origin.

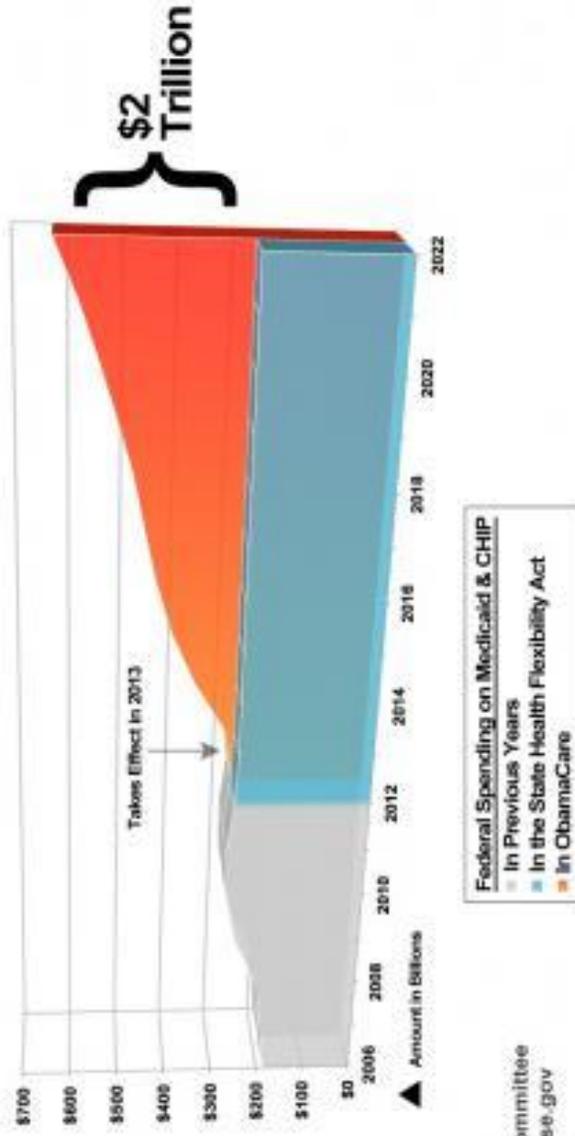


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The State Health Flexibility Act More Accountable, More Affordable, Better Care

- Doesn't cut a penny from current Medicaid & CHIP spending.
- Doesn't spend \$2 Trillion we don't have on programs that don't work like they should.



Republican Study Committee
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