



Here We Stand For People. For Care. For Medicaid.

Lutheran Services In America

HERE WE STAND: A UNIFIED MESSAGE FOR CONGRESS

Here We Stand Principles in Action

- Medicaid is a critical lifeline that keeps people connected to care, work, and stability.
- Medicaid is a core pillar of the U.S. healthcare system, keeping people healthier and preventing higher costs for everyone.
- Addressing fraud, waste, and abuse has always been a core function of Medicaid.
- Lutheran Services in America members support strong program integrity and believe every dollar should go to eligible people receiving covered, medically necessary services.
- Policymakers can draw on established partnerships with our members who are deeply rooted in their communities, accountable to stakeholders, and have been delivering care for decades, some centuries, to advance and safeguard Medicaid integrity.
- Medicaid must be strengthened to ensure consistent access to quality care - including through smart investments like home- and community-based services (HCBS) - for older adults, people with disabilities, and children and families across our communities.

Who We Are

Lutheran Services in America is one of the nation's largest networks of health and human service providers in the U.S., with nearly **300 nonprofit organizations** operating in **1,400 communities** across **46 states, Washington, D.C., and the U.S. Virgin Islands**.

- Together, our network reaches **more than 7 million people each year** and is powered by over **250,000 employees** delivering care and services nationwide.
 - Across the country, our members help strengthen families, support independence for older adults, and expand access to critical services for people with disabilities.
- **Medicaid is a critical foundation for our work and supports both the people our members serve and the providers delivering important care.**
 - We see the real-world consequences of funding cuts on access to care every day. They take the form of unnecessary hospital admissions, school absences, and lost wages.

Medicaid: What It Is And Why It Matters Now

Good health is foundational to everything we do. Medicaid supports millions of people through real challenges, including illness, caring for loved ones with complex needs, living with disability, and helping children grow up with the security of consistent care. It also fills gaps other programs do not cover, particularly long-term services and supports.

- **Nearly 80 million¹ people in the U.S. rely on cost-effective care covered by Medicaid, including:**
 - 7.2 million² older adults, including 756,000³ in nursing homes
 - 37 million⁴ children
 - 16.1 million⁵ rural residents
 - 15 million⁶ people with disabilities.
- **Behind every Medicaid statistic is a real person with a real story.**
 - In districts across the country, Medicaid supports children getting care, seniors aging safely at home, and families managing complex health needs.
 - The consequences of cutting Medicaid funding are real: missed treatments for those who need it most, preventable emergencies, and families pushed to the financial brink.
- **Medicaid works: it helps people stay healthy, strengthens families, and supports more resilient communities.**
 - Medicaid supports local providers, strengthens care delivery, and helps people stay connected to services they rely on.
 - The biggest beneficiaries of Medicaid are children, who gain access to medical care they otherwise wouldn't have.
- **Medicaid is a critical lifeline and one of the most effective tools that keeps people connected to care, work, and stability.**

Healthcare Access in Your District is What's at Stake

Medicaid funding directly supports access to care through hospitals, clinics, and home- and community-based providers that serve your constituents every day. More than 20 million⁷ people have already lost Medicaid coverage, and up to 10.1 million⁸ more could lose Medicaid coverage in the next few years due to federal policy changes. Now is not the time for cuts that would further limit coverage or put care at risk.

- **Reductions in Medicaid funding lead to real challenges in accessing care.**
 - Challenges include fewer services, longer wait times, and increased strain on families and caregivers.
 - Rural and underserved communities, where provider options are already limited, are often impacted first.

¹ Medicaid.gov:

<https://www.medicaid.gov/medicaid/national-medicaid-chip-program-information/medicaid-chip-enrollment-data/december-2025-medicaid-chip-enrollment-data-highlights#>

² Medicaid.gov: <https://www.medicaid.gov/medicaid/eligibility-policy/seniors-medicare-and-medicaid-enrollees#>

³ American Health Care Association:

<https://www.ahcanca.org/News-and-Communications/Press-Releases/Pages/Just-The-Facts-Medicaid-Critical-Component-Long-Term-Care-System.aspx#>

⁴ Children's Hospital Association:

<https://www.childrenshospitals.org/news/cha-blog/2025/04/by-the-numbers-medicaid-is-vital-to-kids>

⁵ American Hospital Association:

<https://www.aha.org/fact-sheets/2026-03-02-medicaid-coverage-supports-rural-patients-hospitals-and-communities>

⁶ KFF: <https://www.kff.org/medicaid/5-key-facts-about-medicaid-coverage-for-people-with-disabilities/>

⁷ KFF: <https://www.kff.org/medicaid/kff-survey-of-medicaid-unwinding/>

⁸ Robert Wood Johnson Foundation and Urban Institute:

<https://www.rwjf.org/en/insights/our-research/2026/03/millions-could-lose-health-coverage-due-to-new-rules.html>

- **The long-term effects of further Medicaid cuts extend beyond individual patients and are difficult to reverse.**
 - Providers in your community face greater strain, weakening the stability of local healthcare systems.
 - Communities lose access points that are difficult and costly to restore once reduced or closed.
 - Service reductions create lasting gaps in care that local systems struggle to rebuild.

You Can Cut Medicaid But Not Costs

Cutting Medicaid funding does not remove costs from the system. Instead, it causes communities, providers, and families to foot costlier bills down the line.

- **Cost shifting creates new challenges.**
 - Your constituents are facing increased financial strain managing care with fewer resources.
 - Providers in your community absorb uncompensated care and families take on greater financial burden.
- **When access to preventive and community-based care is reduced, higher-cost care often follows.**
 - Delayed treatment can lead to more complex and expensive interventions later.
 - Reductions in care also increase overall pressure on local hospital systems and institutions.

Critical and Ongoing Efforts to Address Fraud, Waste, and Abuse

Because Medicaid is one of the nation's largest public programs, addressing fraud, waste, and abuse in the system has always been a priority and remains an ongoing and essential function of Medicaid supported by Lutheran Services in America members.

- **It's important to ground the conversation around fraud, waste, and abuse in facts.**
 - The reality is, the full extent of fraud and abuse is inherently difficult to measure.
 - According to the Medicaid and CHIP Payment and Access Commission (MACPAC), a non-partisan legislative branch agency that provides policy and data analysis on Medicaid, what is known is that confirmed cases of fraud and abuse account for less than 1% of total annual Medicaid spending.
 - This underscores a key point for policymakers: oversight should remain targeted and effective, without creating new administrative burdens that risk limiting access to care for eligible individuals or driving up costs for local healthcare systems and communities.
 - Additionally, not all "improper payments" reflect fraud.
 - Many transactions identified as "improper payments" are tied to documentation or administrative complexity, not intentional misuse, underscoring the need for smarter, more streamlined oversight.

- **Medicaid is one of the most closely monitored public programs at both the federal and state levels.**
 - Systems designed to address improper activity while maintaining access for eligible individuals include:
 - Federal and state program integrity units.
 - Regular audits and investigations by the U.S. Government Accountability Office, Centers for Medicare & Medicaid Services, and Department of Health and Human Services Office of Inspector General.
 - Provider screening, enrollment safeguards, and claims review systems.
- **When administrative burden becomes excessive, time and resources are diverted away from patient care and toward paperwork.**

Protect Medicaid Integrity And Access to Care

Medicaid integrity can be improved in ways that protect access while strengthening efficiency and accountability. Lutheran Services in America members reinvest resources directly into care, staff, and community services.

- **Home- and community-based services (HCBS) are one of the smartest investments policymakers can make, and protecting them avoids higher costs and worse outcomes down the line.**
 - HCBS allow seniors and people with disabilities to live safely at home.
 - Limiting HCBS doesn't make costs disappear; instead, it pushes the burden onto families and communities already stretched thin as everyday expenses rise.
 - HCBS growth reflects decades of bipartisan federal and state efforts to strengthen community-based care that provides options for independence and choice.
- **We support policies that protect Medicaid funding to maintain access to care, support the workforce, and strengthen care coordination.**
 - We urge Congress to oppose any further cuts to Medicaid in future budget reconciliation bills that would reduce access to care and increase costs for all Americans.
 - [The Protecting Healthcare and Lowering Costs Act of 2025 \(S. 2556 /H.R. 4849\)](#) helps states avoid costly, resource-intensive requirements that strain systems and risk health care coverage losses by restoring funding and repealing key provisions of H.R. 1. That includes:
 - The requirement for eligibility redeterminations every 6 months that will double the current staff effort and increase costs.
 - Work reporting requirements and related documentation needs that require the state to create an entirely new administrative oversight mechanism, which will be burdensome and costly.
 - Work reporting requirements can increase “churn” as individuals struggle to submit new documentation and lose coverage, even if they are experienced with Medicaid eligibility requirements.
 - Such gaps in coverage drive up costs as individuals seek care at emergency departments rather than in primary care settings.

- Rapid or blunt measures that change services and/or benefits are costly and disruptive.
 - Such measures risk interrupting delivery of medications, personal care hours, or durable medical equipment (DME) for eligible people.
- **We support policies that align Medicaid reimbursement with the true cost of care to sustain providers and reward high-quality health outcomes.**
 - [The HCBS Relief Act of 2025 \(S. 2076/H.R. 4029\)](#) temporarily boosts the Federal Medical Assistance Percentage (FMAP) for certain approved home- and community-based services in FY2026-FY2027.
- **We support policies that strengthen the care workforce by reducing regulatory barriers, expanding training pathways, and supporting a stable, job-ready pipeline.**
 - [The Healthcare Workforce Innovation Act \(H.R. 935\)](#) supports workforce training and education initiatives across health professions.
 - [The Dignity Act of 2025 \(H.R. 4393\)](#) expands the pool of legally authorized workers through visa modernization and per-country cap reforms.
 - Reintroducing **The Ensuring Seniors' Access to Quality Care Act** would remove an unnecessary two-year penalty that blocks workforce development.

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