

U.S. Senator Maria Cantwell
Virtual Press Conference on Medicaid Cuts

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Sen. Cantwell Remarks

[[VIDEO](#)]

Sen. Cantwell: Thank you, Sophia, and thanks for everybody being on the Zoom today. I want to thank Dr. Rashad Collins, CEO of Neighborcare Health for being here, Matt Kollman, CEO of Skyline Health. Kym Clift, you're going to hear from, from TriState Health, she's CEO. Lynn Kimball, who is Executive Director at Aging & Long Term Care of Eastern Washington. And Dr. Rachel Issaka, who is with the Fred Hutchinson Cancer Research Center. And Jacqueline Blanco, who is in obstetric nursing.

We're here today to talk about the impending Medicaid cuts that if the House of Representatives and the Senate are successful, would saddle Americans with additional financial strain.

We know that more than 72 million people have access to Medicaid, making it the largest insurer in the United States, and it's also a critical part of our healthcare delivery system. Depending on the state, the federal government's partnership with your state could be anywhere between 50% and 77% of the cost of insuring people, and that is why we're so concerned about these proposed massive cuts to Medicaid.

While Medicaid is administered jointly by the federal government and the states, about two-thirds of the funding of state Medicaid programs, usually, is federal. So that means it's the largest source of funding for states, the largest component of expenditures across states, more than K-12, higher education, or transportation.

So to be fooling around with something this big and saddling the states with more cost is not the way we need to go.

The House Republicans are now trying to cobble together what I believe is a serious attack on Medicaid, and this will have impacts across our economy. It undermines the program by shifting the burden to the states and making the entire health care system more expensive.

When you think about it, if you cut Medicaid, and you cut people on Medicaid, they're not going to stop having health care needs. They're just going to go to a more expensive, unfunded setting to get that care.

Medicaid provides the critical financial support for the health care sector and for our economies to keep going every day. So taking that money out of the system is literally like taking money out of the economy, particularly at a time when we're still recovering from inflation.

The multiplier effect of Medicaid is more than \$1 for every dollar that is spent, in a multiplier effect. And Medicaid drives employment across the healthcare sector. If you don't have coverage of Medicaid, I'm sure we're going to hear from the various panelists today, not sure how they're going to provide the health care that they need for the communities writ large.

Reductions in funding, especially as large as \$715 billion, as we see in the House bill, will have a take on our states' revenue, on our jobs, and it will increase the financial burdens of families at a time when we cannot afford it.

The Medicaid recipients are part of a system that, literally, doctors, hospitals, pharmacies, and nurses depend on to serve them. If you cut Medicaid, you're literally going to cut these services, you're going to cut food supplies, you're going to cut the supply chain, and then impact the rest of the population that has to have access to those same services.

So make no mistake about it, cutting Medicaid will also hurt our economy. It will hurt federally, and it will hurt at the state level. The Commonwealth Fund estimated that collectively, states' gross domestic product could see as much as a \$95 billion reduction. That means almost \$2 billion per state could be cut out of your system, and thereby leaving the state really even no means to make up the difference.

The loss of individual business income would mean that state and local revenues from other sources related to our economy could be reduced by \$7 billion. So I'm pretty sure we all saw the news from today on what the state was doing, so I doubt we can afford either the \$2 billion more expense or the \$7 billion loss in revenue from taking money out of the system.

This plan will cost our consumers and will be costly for our hospital network. The reconciliation bill also prohibits states from enacting new provider resources. It caps the direct payment program. So basically, you're tying the hands of states as you reduce revenue.

Immediately once this bill would pass, states would be restricted in their ability to fund their Medicaid programs and would have to decrease the amount of their federal support.

In addition, the work requirements have been tried in various states, and literally have been nothing more than throwing tens of thousands of people off of Medicaid. Most states who tried it have reversed it, because it was not a successful program, and it didn't provide the necessary coverage for Medicaid outside that is so necessary to our communities.

So I'm going to stop, with that, and thank our panelists for being here. And start with Rashad Collins, CEO of Neighborcare Health. Rashad, thank you.