

Republicans move forward with plan to cut an estimated \$715 billion in Medicaid funding

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13 May 2025

In a massive attack on the working class, on Sunday, House Republicans confirmed that their main proposal for offsetting some of their planned \$4.5 trillion in tax breaks for the ultra-wealthy and mega-corporations will come in the form of at least \$880 billion in cuts to social programs, centered on Medicaid.

Medicaid is a vital social program and the principal insurer for the elderly and youth in the US, providing healthcare coverage for nearly 60 percent of all nursing home residents. The US government spent \$618 billion on the Medicaid program in 2024—less than Social Security, Medicare or the US war budget.

As of 2024, roughly 37 percent of Medicaid enrollees were children under the age of 19. Medicaid coverage is even higher among the poor, with over 8 in 10 children in poverty covered by the program, according to the Kaiser Family Foundation. Medicaid also provides coverage for millions of non-elderly adults, who are paid poverty wages, as well as those with and without disabilities.

The 160-page proposal released Sunday night by the House Energy and Commerce Committee mandates cutting \$715 billion from Medicaid over the next decade, resulting in an estimated 8.7 million people losing coverage this year and an additional 7.6 million more uninsured people over the next decade, according to the Congressional Budget Office. Currently, some 71.3 million people—roughly one in five Americans—are enrolled in Medicaid.

The proposal is part of an ongoing effort by Republicans to push through the annual budget without support from the Democratic Party, in a process known as reconciliation. President Donald Trump has called for “one big beautiful bill” that will include making his 2017 tax cuts permanent and cuts to Medicaid.

Medicaid was created in 1965 as part of Lyndon B. Johnson’s “Great Society” agenda, which included the Medicare Act—together known as the Social Security

Amendments of 1965. Medicare provided health insurance for persons aged 65 and older, while Medicaid provided health insurance for the poor.

These programs were created in response to upheavals from workers in the 1930s and the strike waves in the 1940s and 1950s. Terrified of social upheaval at home and the challenge posed by the Russian Revolution, the US ruling class gave up a portion of its unearned wealth to temporarily save its historically bankrupt system.

Prior to 1965, healthcare coverage for the elderly and poor workers in capitalist America was extremely limited; the 1950 census showed that two-thirds of older Americans—8 million people—had incomes of less than \$1,000 annually, and only 8 percent of seniors had hospital insurance in 1950.

After Medicaid was signed into law, healthcare coverage was extended to millions of low-income children, their parents, the elderly and the disabled. By 1968, nearly 20 million people were enrolled in the program. In addition to providing access to hospitals and physicians for the poor, the program hastened desegregation in the South—in order to receive funding from the federal government, hospital facilities were required to comply with civil rights laws.

At the onset of the COVID-19 pandemic, Congress increased federal funding to the program, allowing people to remain continuously enrolled, leading to around 94 million people receiving some coverage as of 2023.

As part of the ruling class’s normalization of mass death and infection from COVID-19, that year the federal emergency for COVID-19 was ended, and the federal government began disenrolling millions of eligible people, including children. In roughly a year, 20 million people were kicked off the program as part of the “great unwinding” of Medicaid under the Biden administration.

As of 2025, over a decade after its passage, 40 states and the District of Columbia had implemented Medicaid

expansion, while 10 states had not. The cuts proposed in the Republican plan would not only halt any expansion but result in some 8.7 million more uninsured Americans over the next decade, according to an analysis by the Congressional Budget Office.

The proposed cuts are not in the form of actual reductions in benefits but in mandating work requirements and updating renewal periods, both of which will lead to kicking people off the program, leaving them with no coverage.

In a section titled “Increasing Personal Accountability,” the bill requires able-bodied recipients to participate in “community engagement compliance” to receive insurance. This requires individuals to engage in “80 hours” of “work,” a “work program,” “community service” or be enrolled in an educational program “at least half-time.”

Work requirement rules have already been instituted by some states. In 2018, Arkansas implemented work requirement rules for Medicaid beneficiaries in their 30s and 40s. Despite 95 percent of the population meeting the work requirements, over 17,000 people have lost their benefits since the program was implemented. This is due in large part to the Byzantine system the government requires people to use to properly report their work. Medicaid enrollees without access to the internet are especially vulnerable to removal.

Another aspect of the bill aimed at denying people insurance is a new requirement that recipients must go through “eligibility redeterminations” every six months, as opposed to once a year. Like the “work requirements” benefit, eligible people will be removed from the program due to bureaucratic hurdles purposely placed in their path.

Keeping in line with Trump’s fascist attacks on immigrants, the bill would reduce federal funding to states that provide Medicaid coverage to immigrants and their beneficiaries without verified citizenship or immigration status.

The bill also prohibits using Medicaid funding to provide “coverage of gender transition procedures as an essential health benefit.”

In addition to Medicaid, the bill proposes amending the Food and Nutrition Act of 2008 to block immigrants from accessing the Supplemental Nutrition Assistance Program (SNAP). In 2023, over 42 million people participated in SNAP monthly, although it is unclear how many were non-citizens, refugees and green card holders.

At this point, it is unclear if the exact proposal revealed will become law. Several House Republicans and Senate

Republicans have already voiced their opposition to the bill, with fascist Senator Josh Hawley warning in a *New York Times* opinion piece that backing the current iteration of the bill is “politically suicidal.”

In his own op-ed in the *Wall Street Journal*, Wisconsin Senator Ron Johnson (Republican) proposed going back to a two-bill reconciliation process, with the first bill centered on funding Trump’s border police expansion, military expenditures and social cuts, with the follow-up bill focused on extending “current tax law to prevent the automatic 2026 increase.”

As Republicans prepare to enact one of the largest transfers of wealth in recent memory, Democrats are predictably doing nothing to stop the onslaught. In a post on her X account Tuesday, New York Representative Alexandria Ocasio-Cortez called on her 13 million followers to “Hit the phones to save Medicaid.”

She wrote that Republicans “on the committee are in tight districts. Call + pressure ARE effective here.”

Trump and the increasingly fascist Republican Party will not be swayed by calls or postcards. Decades of billions spent on imperialist war and bank bailouts for the oligarchy must be paid for one way or another. Seeking to extricate itself from \$36 trillion in debt, the US ruling class is cutting social programs and pumping up the military budget in preparation for a “strategic conflict” against its rivals, chiefly China.

The fight to save social programs earned in past struggles—and to use the wealth created by the working class for the enrichment and health of all, not for tax cuts for the wealthy and imperialist war—requires a frontal assault on the capitalist system and its defenders.



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