

How the government shutdown is hitting the health care system – and what the battle over ACA subsidies means

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Most contentiously, these rollbacks to Medicaid cuts would reverse restrictions that made immigrants who are generally present in the country legally, such as refugees and asylum-seekers, ineligible for Medicaid and ACA coverage. These restrictions, which were included in the budget bill, could lead to the loss of insurance for about 1.4 million lawfully present immigrants, the Congressional Budget Office has estimated.

Republicans have balked at these demands, taking particular issue with the prospect of restoring Medicaid benefits to immigrants. Some Republicans – and Trump himself – have misconstrued the Democrats' position, saying they are seeking free health care for immigrants in the country illegally.

What kinds of health services might be affected?

Most obviously, large-scale staff reductions would interfere with a wide range of health-related services not considered essential during the shutdown. This includes everything from surveying and certifying nursing homes to assisting Medicaid and Medicare beneficiaries and overseeing contracts or extra payments to rural ambulance providers.



If the shutdown becomes protracted, health care services may be affected.

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Some seniors may face an immediate impact as two programs have now lost funding without a new budget in place. One expanded access for seniors to telehealth services. The other allowed people to receive services at home that are generally provided in a hospital.

Crucially, most seniors will continue to receive Social Security payments. However, providers might be hesitant to schedule patients covered by Medicare if the shutdown drags on over a long period of time. This is because payments to medical providers would likely be delayed.

What health services will continue to function?

The Centers for Medicare and Medicaid Services has indicated that there is enough funding for Medicaid, the government program that primarily provides health services to low-income Americans, to support the program through the end of the calendar year. If the shutdown lasts beyond that, states may have to decide whether to temporarily fund the program on their own or whether to reduce or delay provider payments. However, no previous shutdown has ever lasted more than 34 days.

Community health centers are generally expected to receive some funding, at least for now. These providers offer nonemergency medical services for about 34 million Americans each year. Many also provide important services across the nation's schools. However, if the standoff continues for more than a few days, those centers may struggle to keep their doors open.

Health and Human Services has also indicated that it will use all available funding to maintain "minimal readiness for all hazards" and will maintain certain medical services, such as the Indian Health Service. The Veterans Health Administration will also stay open. One of the agencies most affected by previous layoffs, the Food and Drug Administration, has indicated that it would be exempt from further cuts.

A longer-term view

Ultimately, the severity of the shutdown's effects on health care will depend on how long it lasts.

It will also depend on whether Trump makes good on his stated intention to use the shutdown as "an unprecedented opportunity" to reshape the federal bureaucracy. The White House announced plans for potential mass firings of workers, particularly those at "Democrat Agencies."

Whether this threat is simply a bargaining tactic remains to be seen, and it's unclear whether health-related workers and agencies are in the crosshairs. But given that previous layoffs specifically targeted health programs, more permanent reductions in programs that affect health care may be on the way.

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