How the GOP's Medicaid Reform Could Limit Access to Newer, Pricier Drugs

"When you're under per-capita caps, you're not able to be innovative."

January 31, 2017

As Republicans hash out a plan to overhaul Medicaid, patient advocates are concerned that the changes will result in less access to the newest, and often most expensive, medical treatments.

Medicaid is the state and federal health insurance for low-income people. The latest version of the GOP's plan to revise it institutes a per-capita spending cap, reports STAT. This would mean that states would receive a set dollar amount for each person eligible for the program and would have more control over who is eligible and what is covered. But it also means states would be on their own once they reached their federal spending cap and might not be able to adjust to pay for new treatments.

Medicaid programs are already trying to restrict access to expensive treatments, such as the drugs to cure hepatitis C. This practice, experts warn, could become more common in the future.

STAT reports that Medicaid has a history of covering new treatments and responding to emergency health threats, for example by providing HIV meds that helped stem the epidemic.

"It's a huge concern," Barbara Otto, CEO of Health and Disability Advocates, told STAT. "When you're under per-capita caps, you're not able to be innovative."

In addition to patient advocates, lobbyists for pharmaceutical companies are concerned about the GOP's plans because it could mean fewer people could have access to the treatments. (Currently, Medicaid gets a federally mandated discount on meds.)

Republicans are working on the overhaul now, with hopes to move forward along with their plan to repeal and replace the Affordable Care Act.

© 2026 Smart + Strong All Rights Reserved.

http://beta.docker.hepmag.com/article/gops-medicaid-reform-limit-access-newer-pricier-drugs-hiv-hepatitis-c