South Dakota Medicaid State Advocacy Guide

# Introduction

The American Association of People with Disabilities (AAPD) has created this State Advocacy Guide to empower people with disabilities, their families, friends, and allies to effectively advocate against harmful budget cuts proposed in federal budget reconciliation legislation. Specifically, this guide is designed to help you engage with your U.S. Representatives and Senators and urge them to **REJECT harmful cuts to Medicaid.**

# Why This Matters

Medicaid is a vital resource for people with disabilities. It provides essential services such as healthcare, Home- and Community-Based Services (HCBS), employment supports, and school-based care, including preventive health screenings and physical, occupational, and speech therapies.

Right now, the system is already strained:

* There is a **severe shortage of care workers**.
* Over **700,000 people with disabilities** are on waiting lists for HCBS, most of which are delivered through Medicaid I/DD waivers.
* Proposed cuts of **$880 billion** would further endanger access to critical services and deepen our current healthcare crisis.

# We Need Your Voice

AAPD **NEEDS YOU** to contact your Representatives and Senators, request a virtual meeting online via Zoom or at their DC or local district offices, and **share your personal story** about how Medicaid cuts would affect your life or the lives of those you care about.  
  
If setting up an in-person meeting and transportation is a barrier, **AAPD offers financial assistance** to help you get to and from these meetings. Please email Rachita Singh at [rsingh@aapd.com](mailto:rsingh@aapd.com) if you need help paying for transportation.

# How to Use This Guide

This State Advocacy Guide provides everything you need to take action, including:

* Medicaid FAQs – Understand the basics and importance of Medicaid.
* State-Specific Medicaid Information – Learn how Medicaid impacts your state with Medicaid data and talking points for congressional meetings for each of the 50 states.
* [AAPD Advocacy Guide](https://www.aapd.com/advocacy-guide/) – A general guide for all advocates, including tips and step-by-step instructions for setting up and having a productive meeting.
* [Medicaid One-Pager](https://www.aapd.com/medicaid-one-pager-reject-harmful-cuts-to-medicaid/) – A handout you can leave with your elected officials.

# Medicaid FAQs

**What is Medicaid?**

Medicaid is a government-funded healthcare program for millions of Americans with low income, including people with disabilities and older adults. It is jointly funded by federal and state governments, with states managing the program. Medicaid is vital for disabled Americans, covering essential medical expenses like long-term care, medical services, and rehabilitation therapy.

**Why Is Medicaid Important for Disabled Americans?**

For many disabled individuals, Medicaid is the primary source of their health coverage. More than [35%](https://www.kff.org/medicaid/issue-brief/5-key-facts-about-medicaid-coverage-for-people-with-disabilities/#:~:text=Medicaid%20is%20a%20major%20source,have%20Medicaid%20(Figure%201).) of disabled people have Medicaid. It helps pay for vital services that allow disabled people to live independently, such as:

* Personal care services
* Prescription medications
* Physical and occupational therapy
* Mental health services
* Long-term care in nursing homes or at home

Without Medicaid, many disabled individuals would face insurmountable medical bills, limited access to necessary treatments, or could be forced into institutions. Medicaid helps ensure disabled Americans have access to the healthcare and support they need to maintain a good quality of life.

**What Harmful Changes to Medicaid Are Proposed?**

1. Reducing Medicaid Funding

Reducing federal funding for Medicaid could lead to states cutting services, cutting the number of eligible recipients, or limiting benefits, which would disproportionately harm people with disabilities who rely on Medicaid for critical healthcare needs.

1. Medicaid Block Grants or Per-Person Caps

There has been a push to replace the Medicaid program’s open-ended funding structure with block grants or per-person caps. This would give states a fixed amount of money for Medicaid, limiting their ability to provide services in times of increased need. Block grants or per-person caps can lead to cuts in healthcare services, which would harm people with disabilities who rely on Medicaid for essential services like home and community-based services.

1. Work Requirements for Medicaid

Many in Congress support the idea of imposing work requirements on Medicaid recipients. These requirements would force low-income individuals, including disabled people, to complete burdensome paperwork proving that they meet specific employment criteria to maintain their Medicaid benefits. The concept of work requirements is unnecessarily strict, hard to meet, and likely to exacerbate health disparities.

**How Will These Actions Affect Disabled People?**

Efforts to cut Medicaid funding, implement work requirements, and promote block grants will significantly affect disabled Americans, particularly those who rely on Medicaid for long-term care, healthcare services, and daily living support. The imposition of work requirements may cause disabled people who are unable to work, or who work unconventional schedules because of their disability or other health needs, to lose access to Medicaid coverage. Additionally, reductions in funding or the implementation of block grants may lead to reduced services, longer wait times for care, and potentially force individuals into more institutionalized settings, limiting their independence.

Moreover, Medicaid is critical in helping disabled individuals remain in the workforce by covering necessary healthcare services that allow them to work. If Medicaid is cut or restricted, it may make it even more difficult for disabled individuals to remain employed or engage in activities that support their independence.

Read on to see how this will play out on a state-by-state level.

## South Dakota

**Senators:** Majority Leader John Thune (R) and Mike Rounds (R)

**Representatives can be found here:** [https://www.house.gov/representatives](https://www.house.gov/representatives#state-california)

**Talking Points:**

* [128,701 enrolled in Medicaid in South Dakota](https://files.kff.org/attachment/fact-sheet-medicaid-state-SD)
  + 1 out of 4 working-age adults with disabilities or over 11,000 constituents
  + 2 out of 7 children
  + Half of all nursing home residents
  + 21,000 adults ages 50 and older
  + Look up district specific data using this [site](https://www.kff.org/medicaid/issue-brief/congressional-district-interactive-map-medicaid-enrollment-by-eligibility-group/) for meetings with representatives
* 27% of births in SD are covered by Medicaid
* Family caregivers benefit from Medicaid both as enrollees themselves and from the Medicaid-covered services for their care recipient. [Close to one in ten family caregivers nationally receive Medicaid coverage for their own health care](https://www.aarp.org/pri/topics/ltss/family-caregiving/caregiving-in-the-united-states/)
* Cutting funding or using block grants may result in fewer services and longer wait times for care, and could push people into more institutional settings, which would limit their independence
  + It would mean less people within the state can access healthcare, fewer benefits would be provided, and/or payments to providers would be cut
* It will also increase the burden on the state to provide funds and put other parts of the state budget at risk, like funding for K-12 education or veterans
* Medicaid cuts would really hurt South Dakota. We'd lose the benefits we've seen from expansion. Our hospitals, which have gotten stronger thanks to expansion, would struggle, and we'd probably see job losses in healthcare, which would hit local economies hard. Plus, hospitals would have to deal with more unpaid bills, and that would likely mean higher premiums for everyone with insurance in South Dakota.
  + Many Medicaid agencies are currently understaffed and underfunded, with additional repeals contributing to [higher disenrollment rates and long call center wait times.](https://www.cbpp.org/research/health/state-efforts-to-take-medicaid-health-coverage-away-from-people-likely-to-resurface)
  + Rural hospitals and residents would be hit the hardest. If closures happen due to the cuts, then [25,000 rural residents would lose health coverage](https://www.argusleader.com/story/news/2025/03/12/what-to-know-about-possible-medicaid-cuts-in-south-dakota/82276563007/)
* All of us are already struggling with higher costs of living but cuts to Medicaid will lead to cuts in services and harm your constituents’ health, along with straining both the health systems and the economic systems of the state
  + [The state GDP could shrink by over $164 million and over 1,700 jobs could be lost in 2026](https://www.commonwealthfund.org/publications/issue-briefs/2025/mar/how-cuts-medicaid-snap-could-trigger-job-loss-state-revenue)
  + If you impose work requirements the state GDP could shrink by up to [$100 million](https://www.commonwealthfund.org/publications/issue-briefs/2025/may/medicaid-work-requirements-job-losses-harm-states?utm_campaign=Achieving%20Universal%20Coverage&utm_medium=email&_hsenc=p2ANqtz-9d29p1mprNp9mUj6CQke5GFc4lNy7GaTvWY0gb5-mGkKm6ihWyyDUlIA9R6lbqoDAU_mgxA4wIvSrs9dw6uf17OO7p_g&_hsmi=359462813&utm_source=alert)
* Mandatory work requirements for Medicaid have no real positive impact - most adult beneficiaries are already working or are exempt because they are unable to work
  + The harm is very real if mandated though - [up to 5.2 million Medicaid beneficiaries could lose their coverage in 2026](https://www.commonwealthfund.org/publications/issue-briefs/2025/may/medicaid-work-requirements-job-losses-harm-states?utm_campaign=Achieving%20Universal%20Coverage&utm_medium=email&_hsenc=p2ANqtz--sxwkOlDxSEL1H567a5Xd_JVolS2J1NBmcv7TvWnLwCPdmPgWp4p77rwgz7jF5ird2suUdRzFIiQJEAvw251qoYVYuWA&_hsmi=359462813&utm_source=alert)
* We understand the thought process behind resolving waste, fraud, and abuse—no system is perfect. However, Medicaid is already the most inexpensive comprehensive healthcare program in the nation, [with lower cost per service and administrative costs and an error rate of no higher than 6%.](https://healthlaw.org/medicaid-is-even-leaner-as-accountability-improves/)
* There is strong support for Medicaid nationally - a majority of voters in states across the country, especially in battleground congressional districts, support the Medicaid program
  + In every congressional district in the U.S., less than 15% of voters support cuts to Medicaid
    - Use this [link](https://www.dataforprogress.org/blog/2025/4/23/voters-in-every-congressional-district-oppose-cuts-to-medicaid) to find the specific percentage for your district when meeting with Representatives
* Senators Thune and Rounds have emphasized the importance of education and economic development - both are connected to healthcare and Medicaid since health and wellbeing are the basis for studying, obtaining jobs, and maintaining lifestyles
* Research Senators and Representatives and the issues important to them to make connections during meetings
* Millions of people could be cut off from health coverage or lose their health care benefits if state policymakers responded with deep cuts to Medicaid. Losing health coverage could push people to take on medical debt or force people to avoid or delay care, which would harm their health.
  + This is about saving lives - [shrinking the federal medical assistance percentage (FMAP) could lead to over 19,000 more uninsured people in South Dakota and at least 60 more lives lost per year](https://www.americanprogress.org/article/congressional-republicans-proposals-to-slash-medicaid-could-cost-tens-of-thousands-of-lives/)
* **Include personal stories!**