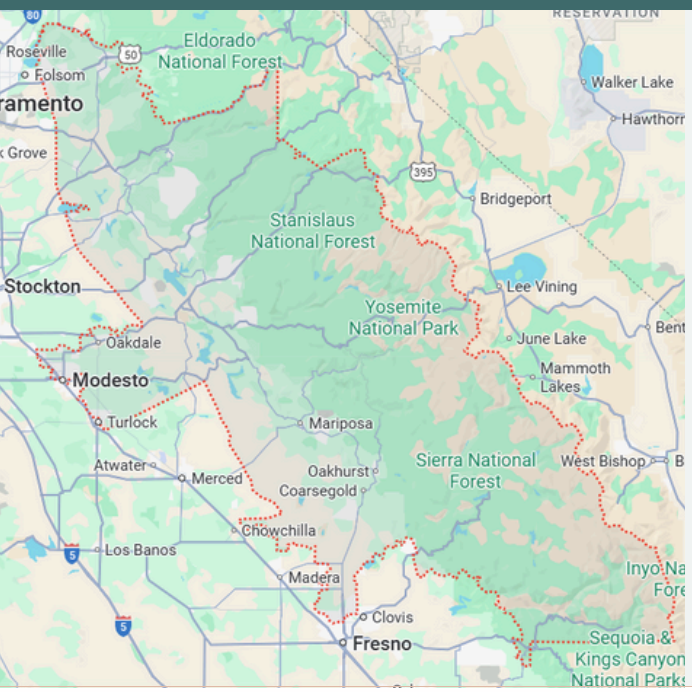
California's 5th Congressional District:
IMPACTS OF MEDICAID CUTS



President Trump's **One Big Beautiful Bill Act** (OBBB), signed into law on July 4, 2025, **will cut Medicaid spending by 15%**. William Dow, professor of health policy and management at UC Berkeley School of Public Health, described the legislation as **"the largest, most regressive cut to federal health benefits that has ever been enacted in the U.S."** Research has consistently shown that **cuts to Medicaid lead to worse health outcomes** and a greater risk of premature mortality.[1]

In CA-05, represented by Congressman Tom McClintock, the impacts of the Medicaid cuts will be wide-ranging:

- **56%** of adult Medi-Cal (California's Medicaid program) enrollees **are at risk of losing health coverage**.[2]
- **30%** of residents **receive health coverage through Medi-Cal**.[2]
- Even before the OBBB cuts, **22.6% of residents live in a designated primary care shortage area**, and 5.4% of residents under 64 do not have health insurance.[3]

These impacts extend across the Sierra Nevada region

- Many **rural community health centers and critical access hospitals in the Sierra Nevada rely financially on Medicaid funding** to serve their populations.[5]
- Due to higher poverty, Medicaid coverage rates are generally greater in rural areas, so the **OBBB cuts will disproportionately impact rural areas, causing some hospitals and clinics to close**.[5]
- **Small businesses** will be especially impacted by the Medicaid cuts. **In the West, 26% of small business owners, employees, and their children are covered by Medicaid.** One-third of Medicaid enrollees earn their living at a small business or are the family members of small business workers/owners.[6]

Rural communities already face worse health outcomes and may continue to do so because of Medicaid cuts

- Age-adjusted death rates for influenza and pneumonia are higher in rural counties compared to urban areas.[7]
- This century, the age-adjusted death rate in rural areas was 21% higher for heart disease, 15% higher for cancer, and 48% higher for Chronic Lower Respiratory Disease (CLRD), compared to urban areas.[8]
- Differences in rural and urban death rates for heart disease, cancer, and CLRD have been widening in the last 20 years.[8]

Sources: (1) UC Berkeley Public Health (2) California Budget & Policy Center (3) Congressional District Health Dashboard (4) CalMatters (5) Central California Alliance for Health (6) Georgetown University McCourt School of Public Policy (7) CDC (8) CDC

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