

February 14, 2025

The Honorable John Thune
U.S. Senate Majority Leader
S-221 Capitol Building
Washington, DC 20510

The Honorable Chuck Schumer
U.S. Senate Minority Leader
S-230 Capitol Building
Washington, DC 20510

The Honorable Mike Johnson
Speaker of the U.S. House of Representatives
H-232 Capitol Building
Washington, DC 20515

The Honorable Hakeem Jeffries
U.S. House of Representatives Minority Leader
H-204 Capitol Building
Washington, DC 20515

Oppose cuts in funding for Medicaid and the imposition of “work requirements” because they would increase homelessness and make it more difficult to move people with serious behavioral health issues off the streets of our communities.

Dear Speaker Johnson, Minority Leader Jeffries, Majority Leader Thune and Minority Leader Schumer:

The National Alliance to End Homelessness (“the Alliance”) is a nonpartisan, nonprofit organization which is dedicated to ending homelessness in the United States. We use research and data to find solutions to homelessness; we work with federal and local partners to create a solid base of policy and resources that support those solutions; and then we help communities implement them.

On behalf of the Alliance, I strongly urge you to oppose cuts in funding for Medicaid that would reduce the program’s capacity to serve our nation’s most vulnerable Americans, including people experiencing homelessness. The House budget resolution would likely result in Medicaid, a program relied on by nearly 80 million Americans, being cut by at least \$880 billion over ten years, or more than one-half of all the spending cuts called for in this measure. It is not yet clear how these cuts would be accomplished, but history shows that there is no way to make cuts of that magnitude without millions of Americans losing access to health care.

In addition to serving as an essential health insurance program for low-income families, children, older adults, and people living with disabilities, Medicaid also helps to address a range of social determinants of health.

The number of Americans experiencing homelessness—in shelters or on the streets—is higher than ever, more than 770,000 people on any given night. At the same time, the number of

homeless veterans is at an all-time low. Although the homelessness programs of the U.S. Departments of Housing and Urban Development (HUD) and Veterans Affairs (VA) are run along similar lines, the VA programs benefit from higher per capita funding and America's largest integrated health care system. The collaboration between housing and healthcare services is mutually beneficial: stable housing has proven to reduce health care costs and access to consistent care can allow individuals to remain stably housed.

Increasingly, states are using Medicaid to replicate the VA's approach:

- Florida, for example, is using Medicaid proceeds to help people experiencing homelessness by paying for mobile crisis management--“intensive on-site intervention to recipients experiencing a behavioral health crisis provided by a team of behavioral health professionals who are available 24/7/365.”
- Montana provides pre-tenancy and tenancy support services for people who have been homeless with a serious mental illness or substance use disorder.
- Medicaid helps Utah provide supported living services to people experiencing homelessness, including mental health services, substance abuse services, case management and crisis intervention.

Many other states are helping to reduce homelessness by using Medicaid proceeds that either save money or are at least budget neutral. In 2024, more than 150,000 people experienced chronic homelessness—which means they had been homeless for more than a year, sometimes several years, and suffer from one or more disabilities—a physical ailment, a mental illness, a substance use disorder. Often these individuals generate the highest emergency services costs to communities between emergency health care, corrections, and repeated law enforcement involvement. To effectively house this subpopulation of individuals with complex needs, communities require continued and expansive funding for Medicaid.

Finally, the Alliance urges you to oppose the imposition of work requirements.

[Research on work requirements in healthcare programs](#) shows that they do not lead to more employment and instead often result in employed people losing coverage. Any short-term savings that come from beneficiaries losing coverage because they are not able to meet bureaucratic paperwork requirements are reversed when those individuals turn to [hospital emergency rooms for uncompensated care](#). In rural areas, this can lead to hospitals closing due to the increased rate of emergency services without compensation. The House Budget Committee estimates that work requirements will reduce costs by \$100 billion over ten years by taking away access to healthcare from the poorest Americans and creating further strains on the healthcare system.

Further, research shows that approximately 40 percent of people experiencing unsheltered homelessness have jobs. Unfortunately, most do not earn enough to afford housing, and may not have the means, such as a laptop, consistent Wi-Fi access, or transportation, to [submit the reports required](#) to document their work or volunteer activity. Worse, these requirements put vulnerable people at risk of gaps in or even long-term losses of access to health care, which [fosters unemployment, poor health, and homelessness](#).

A robust Medicaid program can improve both health outcomes and housing stability for people experiencing homelessness.

Cutting funding for Medicaid and imposing work requirements, however, would increase homelessness. Already under-resourced local homelessness systems are strained if not overwhelmed by the inflow of people into homelessness for the first time. Surely, we can expect that Congress won't take decisions that would make homelessness worse by cutting funds for Medicaid or imposing work requirements. Thanks for your consideration. Please contact the Alliance's John Threlkeld (jthrelkeld@naeh.org) if you have any questions.

Sincerely,



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