



ASHA
American
Speech-Language-Hearing
Association

August 3, 2026

The Honorable Ron Johnson
Chair
Committee on the Budget
United States Senate
Washington, DC 20510

The Honorable Jeff Merkley
Ranking Member
Committee on the Budget
United States Senate
Washington, DC 205150

RE: Medicaid: The Reality

Dear Chairman Johnson and Ranking Member Merkley:

On behalf of the American Speech-Language-Hearing Association (ASHA), I write regarding the Committee's upcoming hearing, "Medicaid: The Reality." ASHA remains opposed to any additional Medicaid funding cuts or program changes that would further limit access to care for vulnerable populations.

ASHA is the national professional, scientific, and credentialing association for 247,000 members, certificate holders, and affiliates who are audiologists; speech-language pathologists (SLPs); speech, language, and hearing scientists; audiology and speech-language pathology assistants; and students. Audiologists specialize in preventing and assessing hearing and balance disorders as well as providing audiologic treatment, including hearing aids. SLPs identify, assess, and treat speech, language, swallowing, and cognitive communication disorders. The services provided by ASHA members are medically necessary, evidence-based, and essential to the health and independence of Medicaid beneficiaries across the lifespan.

ASHA understands the Committee's interest in preventing fraud in Medicare and Medicaid. However, past precedent and recent experience demonstrate that such initiatives often limit access to the critical care audiologists and SLPs provide. We urge the Committee to ensure that such efforts to address fraud do not further restrict access to medically necessary services.

Medicaid is a lifeline for the 76 million Americans who rely on it for health care, including seniors, children, and people with disabilities.¹ For many of these individuals, audiology and speech-language pathology services are fundamental to supporting communication, cognitive function, and participation in activities of daily life. Prior to passage of the One Big Beautiful Bill Act (OBBBA (P.L. 119-21), ASHA members already faced significant and well-documented barriers to serving Medicaid beneficiaries. According to ASHA's most recent advocacy priorities survey, audiologists and SLPs cite low reimbursement rates, prior authorization challenges, and slow response times from Medicaid managed care plans as serious obstacles to delivering timely, necessary care.²

During drafting of OBBBA, many lawmakers focused on improper payments in Medicare and Medicaid.³ Based on a fact sheet from the Centers for Medicare & Medicaid Services (CMS) released in January 2026, those improper payments often include services provided with insufficient documentation.⁴ According to CMS data from fiscal year 2025, 77% of improper Medicaid payments were the result of insufficient documentation, which according to CMS is "generally not indicative of fraud or abuse." CMS' Payment Error Rate Measurement (PERM) program specifies that improper payments are not measures of fraud or intentional wrongdoing, but measures of compliance error.^{5,6}

State Medicaid agencies are under extreme financial pressure due to several factors, including OBBBA-related funding reductions, rising long-term care costs, and more individuals entering Medicaid.⁷ They are also responsible for investigating fraud, waste, and abuse as a condition of federal funding. Chronic understaffing and rising administrative costs make these investigations increasingly difficult.

For example, during a recent Joint Legislative Oversight Committee on Medicaid hearing in the North Carolina General Assembly, North Carolina Department of Health and Human Services staff reported that North Carolina Medicaid receives approximately 375 fraud reports per month but has the capacity to investigate only 50.⁸ Increased Medicaid funding would allow states like North Carolina to investigate all reports of fraud through existing, proven mechanisms.

OBBBA will continue to exacerbate existing Medicaid funding challenges as implementation proceeds. The law requires federal work requirements as a condition of Medicaid coverage beginning January 1, 2027; mandates more frequent eligibility checks; imposes higher out-of-pocket costs for adults in Medicaid expansion populations; and eliminates enhanced federal funding for states that choose to expand Medicaid. These changes will reduce federal Medicaid spending by more than a trillion dollars over the next decade.

These provisions, however well-intentioned, are already forcing states to make difficult decisions that harm patients and providers. For example:

- Colorado has announced Medicaid provider payment reductions, including the rollback of a needed 1.6% rate increase from 2024. Combined with other cuts, this totals a nearly \$90 million reduction to Medicaid reimbursement for clinicians in the state.⁹
- North Carolina has implemented Medicaid payment cuts ranging from 3% to 10% for all providers. State officials cited projected funding shortfalls caused by OBBBA and warned that the cuts will affect access to health services across hospitals, outpatient clinics, and specialty care settings.^{10,11}
- Idaho reduced Medicaid reimbursement rates by 4% for numerous providers, including audiologists and SLPs, shortly after the passage of OBBBA, directly reflecting anticipated reductions in federal funding.¹² The state has since announced a new prior authorization policy for speech-language pathology services while Governor Brad Little's 2027 state budget had proposed to eliminate Medicaid coverage of such services entirely.¹³

These are the direct results of Medicaid funding cuts and unfunded mandates OBBBA imposed on states, which has forced legislatures around the country to determine whether or how to meet their obligations to program participants while balancing state budgets. The result has already reduced resources available to clinicians who serve some of the most vulnerable patients in their communities. The magnitude of these cuts and program changes make it financially difficult for audiologists and SLPs to accept Medicaid patients—directly reducing access to care for the people Medicaid is designed to protect.

OBBBA's community engagement requirements further illustrate the disconnect between policy and real-world practice. Most Medicaid enrollees already work or have documented reasons they cannot, including caregiving responsibilities, disability, or school enrollment. Evidence from states that previously implemented work requirements demonstrate that such policies do not achieve their stated goal of increasing employment. Instead, they create bureaucratic barriers that cause eligible individuals to lose coverage and forgo needed care. When Arkansas implemented work requirements in 2018, the policy failed to increase employment and

significantly reduced access to health care. Those who lost coverage experienced harmful health consequences and economic hardship.

ASHA supports ensuring that taxpayer resources designated for Medicaid are used appropriately. CMS should address credible instances of Medicaid fraud so that misused funds can be redirected to necessary health care to the people who need it most. Protecting taxpayer dollars and preserving patient access to care are not mutually exclusive—they are inextricably linked. A Medicaid program that functions efficiently and reimburses providers appropriately attracts qualified clinicians who deliver high-value care. Those clinicians, including ASHA members, reduce long-term taxpayer costs associated with hearing, balance, speech, language, swallowing, and cognitive-communication disorders.

ASHA urges the Committee not to direct the Senate Finance Committee to find savings within programs under its jurisdiction to pay for unrelated policies. Doing so would likely result in additional unwarranted Medicaid funding cuts, further eroding access to medically necessary care for low-income individuals and people with disabilities who rely on this critical safety-net program. These cuts would further erode access to medically necessary care for low-income individuals and those with disabilities who depend on this critical safety net program.

If you have questions or would like additional information, please contact Josh Krantz, ASHA's director of federal affairs for health care, at jkrantz@asha.org.

Sincerely,



Linda I. Rosa-Lugo, EdD, CCC-SLP
2026 ASHA President

¹ KFF. (2026, March 27). *Medicaid Enrollment and Unwinding Tracker*. KFF.

<https://www.kff.org/medicaid/medicaid-enrollment-and-unwinding-tracker/>

² American Speech-Language-Hearing Association. (n.d.). *ASHA's 2025 Advocacy Priorities Survey*.

<https://www.asha.org/siteassets/advocacy/2025-advocacy-priorities-survey-summary-report.pdf>

³ The White House. (2025, June 29). *Myth vs. Fact: The One Big Beautiful Bill*.

<https://www.whitehouse.gov/articles/2025/06/myth-vs-fact-the-one-big-beautiful-bill/>

⁴ Centers for Medicare & Medicaid Services. (2026, January 15). *Fiscal Year 2025 Improper Payments Fact Sheet*. <https://www.cms.gov/newsroom/fact-sheets/fiscal-year-2025-improper-payments-fact-sheet>

⁵ Centers for Medicare & Medicaid Services. (n.d.). *Payment Error Rate Measurement (PERM)*.

<https://www.cms.gov/data-research/monitoring-programs/improper-payment-measurement-programs/payment-error-rate-measurement-perm>

⁶ Mathers, J., Hinton, E., & Rudowitz, R. (2026, February 13). *A Look at the Medicaid Payment Error Rate Measurement (PERM) Program and Upcoming Changes and Impacts*. KFF.

<https://www.kff.org/medicaid/a-look-at-the-medicicaid-payment-error-rate-measurement-perm-program-and-upcoming-changes-and-impacts/#11a16a40-85c6-47cb-9e5a-a35e5ca2191c>

⁷ Jasemi, N. (2025, June 16). *Top Five Medicaid Budget Pressures*. National Association of Medicaid Directors. <https://medicaiddirectors.org/resource/top-five-medicicaid-budget-pressures-for-fiscal-year-2025/>

⁸ North Carolina General Assembly. (n.d.). *Joint Legislative Oversight Committee on Medicaid*.

<https://www.ncleg.gov/Committees/CommitteeInfo/NonStanding/6660/Documents/23217>

⁹ Thurber, R. B. & Hemme, B. E. (2025, August 29). *Colorado Budget Cuts Hit Home for Medicaid Providers*. Polsinelli.

<https://www.polsinelli.com/publications/colorado-budget-cuts-hit-home-for-medicicaid-providers>

¹⁰ Kingdollar, B. (2025, August 13). *North Carolina to cut Medicaid rates by 3% across all providers in October*. NC Newsline. <https://ncnewsline.com/2025/08/13/north-carolina-cut-medicaid-rebase-by-3-percent-all-providers-october-sangvai/>

¹¹ American Speech-Language-Hearing Association. (2026, February 23). *NC SLP Spotlighted as Medicaid Cuts Impact Practices: ASHA Continues Push for Reimbursement Fixes*. <https://www.asha.org/news/2025/nc-slp-spotlighted-as-medicaid-cuts-impact-practices-asha-continues-push-for-reimbursement-fixes/>

¹² Little, J., Matlock, H., & Alker, J. (2025, September 17). *Medicaid Cuts Kick in Quickly and Quietly in Idaho*. Georgetown University McCourt School of Public Policy, Center for Children and Families. <https://ccf.georgetown.edu/2025/09/17/medicaid-cuts-kick-in-quickly-and-quietly-in-idaho/>

¹³ American Speech-Language-Hearing Association. (2026, March 12). *Idaho Medicaid Announces New Prior Authorization Policy as State Budget Proposes to Eliminate Medicaid Coverage of Essential Services*. <https://www.asha.org/news/2026/idaho-medicaid-announces-new-prior-authorization-policy-as-state-budget-proposes-to-eliminate-medicaid-coverage-of-essential-services/>