



## What is Project 2025

In April 2023 the Heritage Foundation, a conservative think tank in Washington, D.C., published "[Mandate for Leadership, the Conservative Promise, Project 2025.](#)"

The 900-page policy blueprint provides a policy roadmap for a second Trump Administration, should he be elected in November. It was developed by a number of former Trump administration officials, and it reflects input from over 100 conservative organizations.

Project 2025 would dramatically reshape the federal government by placing the entire Executive Branch of the U.S. government under direct presidential control, eliminating the independence of the Department of Justice, the Federal Bureau of Investigations, the Federal Communications Commission and all other federal agencies, as well as potentially firing thousands of federal government employees.<sup>1</sup>

Of particular concern to older Americans, Project 2025 would make dramatic cuts and changes to Medicare, increase the price of prescription drugs, and allow states to eliminate or reduce Medicaid coverage for nursing home care.<sup>2</sup>

### Medicare

The Project 2025 plan would make Medicare Advantage (MA) the default enrollment option for people who are newly eligible for Medicare. One problem with this is that when Medicare Advantage was created, insurance corporations argued that they could deliver more benefits to consumers at a lower cost to the government, yet this has not happened. In fact, the Kaiser Family Foundation found that in 2019 Medicare spending for MA enrollees was \$321 higher per person than if enrollees had instead been covered by traditional Medicare.<sup>3</sup>

Additionally people with chronic conditions or severe health needs face challenging pre-authorization requirements or difficulties to stay in-network under MA plans. For example, one may face numerous obstacles if it is necessary to see multiple specialists and obtain referrals for each appointment or appeal denials from the MA plan.

Moreover, for those who live in rural areas, where there are fewer doctors and hospitals, narrow MA plan networks may be a barrier to getting necessary care. And according to a study in the journal Health Affairs, people living in rural areas were nearly twice as likely to leave a MA plan for original Medicare as those living in urban or suburban areas.

## Prescription Drugs

The Project 2025 plan would increase the cost of prescription drugs for Medicare beneficiaries and hurt the solvency of the Medicare Trust fund by repealing the Inflation Reduction Act (IRA).<sup>3</sup>

Medicare would lose the ability to negotiate lower prices for prescription drugs.. Drug corporations would not be subject to financial penalties for raising the price of a drug more than the rate of inflation.

Under the Project 2025 proposal, seniors would pay more out of pocket for prescription drugs. The current \$35 per month out of pocket cap on insulin prices would be eliminated and recommended vaccines would no longer be free for beneficiaries. The \$2,000 out of pocket cap on prescription drug spending would also be eliminated for Medicare Part D and Medicare Advantage prescription drug beneficiaries.

## Medicaid

Medicaid is the largest payer of long term care and nursing home services with 3 million vulnerable seniors relying on it to help pay for care each year. Project 2025 would eliminate mandatory benefits in Medicaid, which would allow states to drop coverage of nursing home care.<sup>4</sup>

It would also allow states to increase premiums and cost-sharing on beneficiaries while eliminating existing federal Medicaid beneficiary protections and requirements. States could set time limits on Medicaid coverage and impose lifetime caps on benefits.

With regard to Long-Term Services and Supports (LTSS), the plan proposes to allow states to redesign "eligibility, financing and service delivery" and permit states to eliminate coverage of nursing home care and other LTSS services for some of those who now spend down their assets to become eligible under current law.

### Sources

1. Project 2025, Section 1, pages 19-85.
2. Project 2025, Section 3: General Welfare. Chapter 14, Department of Health and Human Services, pages 449-503, specifically 462-469 on the Centers for Medicare and Medicaid Services.
3. Project 2025, pages 462-469.
4. Project 2025, pages 466-469.