Medicaid 101

Robin Rudowitz

Associate Director, Kaiser Commission on Medicaid and the Uninsured

Kaiser Family Foundation

for

Alliance for Health Reform

Washington, DC

March 1, 2013



Medicaid has many roles in our health care system.

Health Insurance Coverage

31 million children & 16 million adults in low-income families; 16 million elderly and persons with disabilities

Assistance to Medicare Beneficiaries

9.4 million aged and disabled— 20% of Medicarebeneficiaries

Long-Term Care Assistance

1.6 million institutional residents; 2.8 million community-based residents

MEDICAID

Support for Health Care System and Safety-net

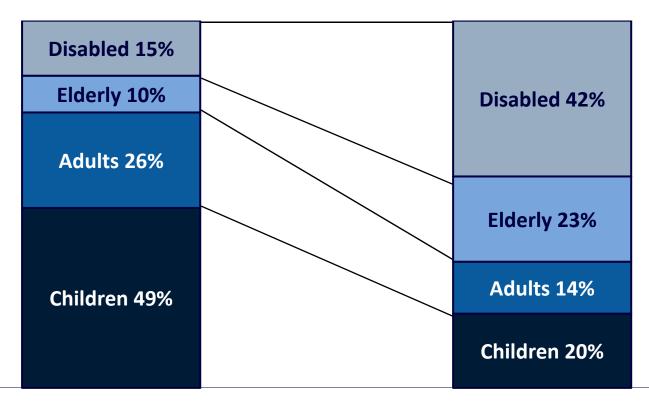
16% of national health spending; 40% of long-term care services

State Capacity for Health Coverage

Federal share can range from 50 - 83%; For FFY 2013, ranges from 50 - 73.4%



The elderly and disabled account for the majority of Medicaid spending.



Enrollees

FFY 2009 = 62.7 million

Expenditures

FFY 2009 = \$346.5 billion

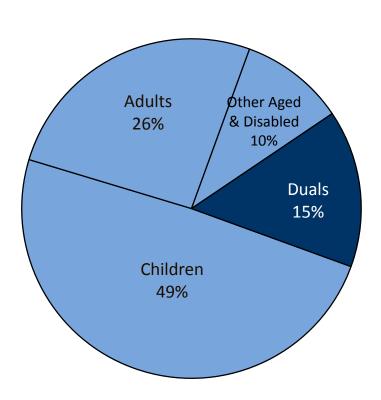
NOTE: Percentages may not add up to 100 due to rounding.

SOURCE: KCMU/Urban Institute estimates based on data from FFY 2009 MSIS and CMS-64, 2012. MSIS FFY 2008 data were used for PA, UT, and WI, but adjusted to 2009 CMS-64.



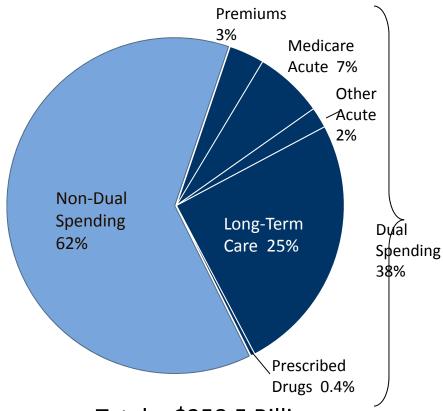
Dual eligible beneficiaries account for 38% of Medicaid spending.

Medicaid Enrollment



Total = 62.7 Million

Medicaid Spending



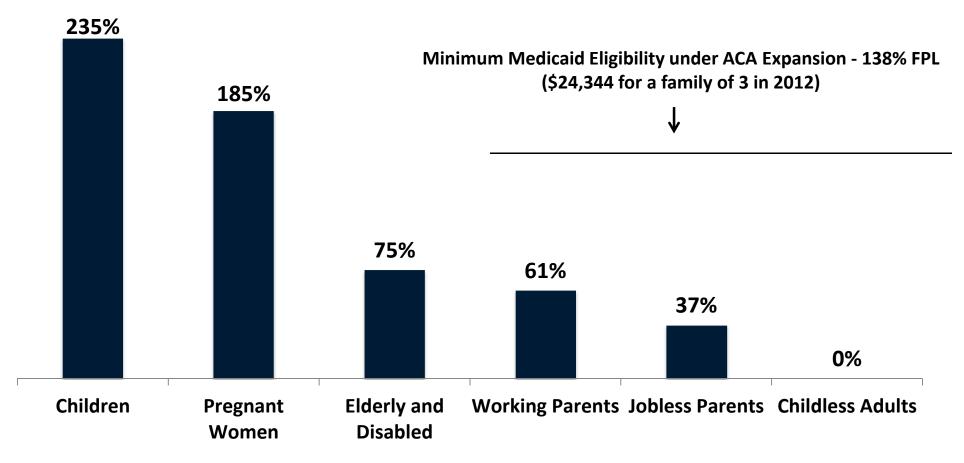
Total = \$358.5 Billion

Source: Kaiser Commission on Medicaid and the Uninsured and Urban Institute estimates based on data from FFY 2009 MSIS and CMS-64 reports, 2012. 2008 MSIS data was used for PA, UT, and WI, because 2009 data were unavailable.



Medicaid eligibility for adults lags far behind that for children.

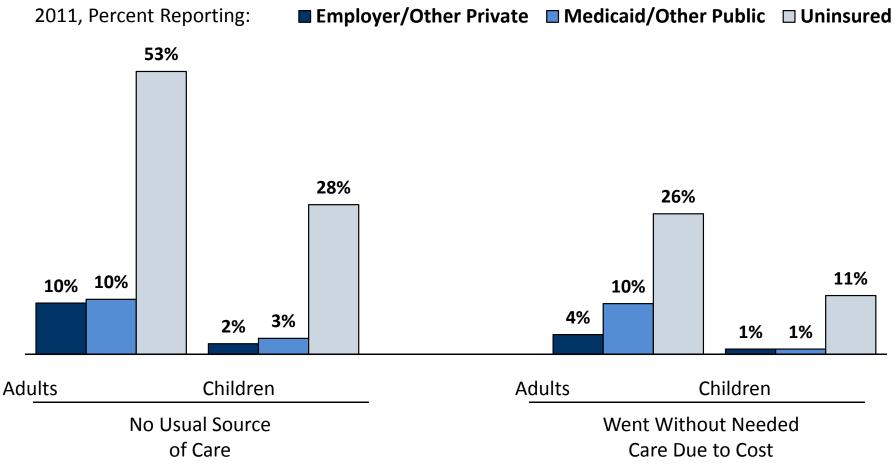
Median Medicaid/CHIP Eligibility Thresholds, January 2013



SOURCE: Based on the results of a national survey conducted by the Kaiser Commission on Medicaid and the Uninsured and the Georgetown University Center for Children and Families, 2013.



Medicaid provides access to care that is comparable to private insurance and better than access for the uninsured.

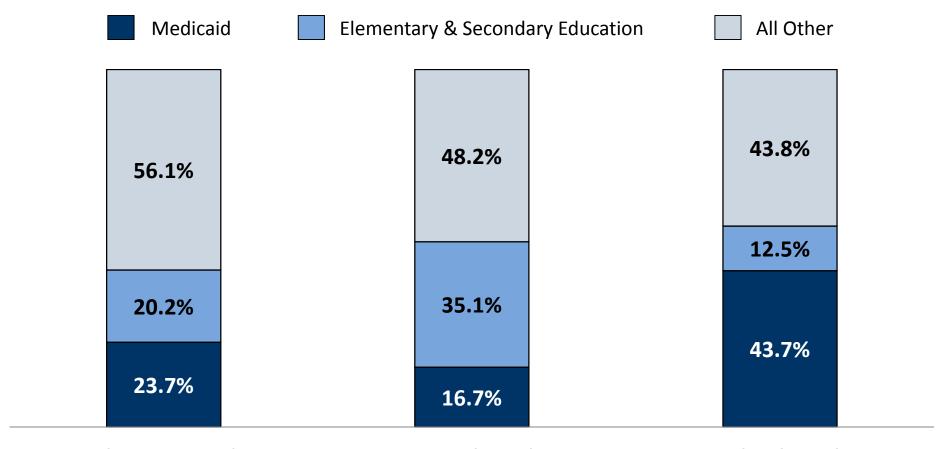


In past 12 months

Questions about dental care were analyzed for children age 2-17. All other questions were analyzed for all children under age 18. MD contact includes other health professionals. Respondents who said usual source of care was the emergency room were included among those not having a usual source of care. All differences between the uninsured and the two insurance groups are statistically significant (p<0.05). SOURCE: KCMU analysis of 2012 NHIS data.



Medicaid is a budget item and a revenue item in state budgets.



Total State Spending

\$1.66 Trillion

General Funds

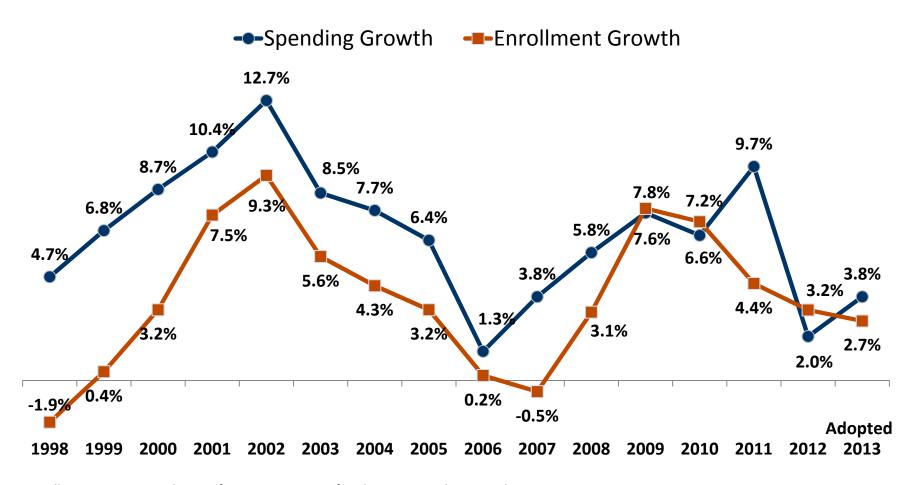
\$635.5 Billion

Federal Funds

\$565.9 Billion



Medicaid enrollment and spending growth is accelerated during economic downturns.

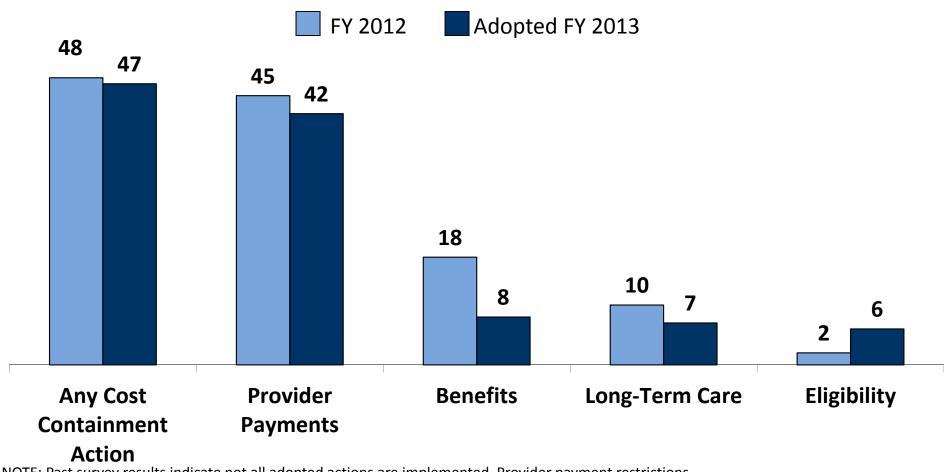


NOTE: Enrollment percentage changes from June to June of each year. Spending growth percentages in state fiscal year.

SOURCE: *Medicaid Enrollment June 2011 Data Snapshot*, KCMU, June 2012. Spending Data from KCMU Analysis of CMS Form 64 Data for Historic Medicaid Growth Rates. FY 2012 and FY 2013 data based on KCMU survey of Medicaid officials in 50 states and DC conducted by Health Management Associates, October 2012.



State budget pressures have resulted in Medicaid cost containment efforts, but eligibility is protected.



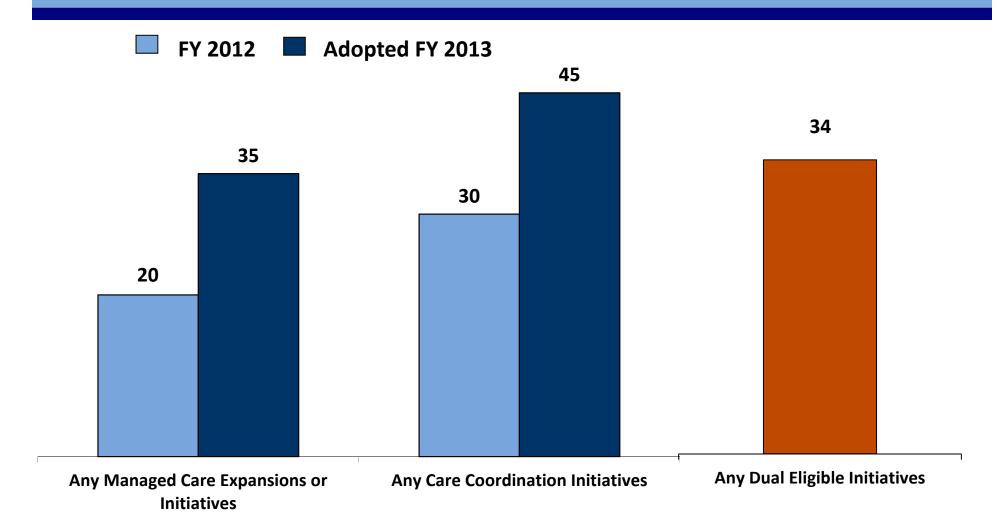
THE KAISER COMMISSION ON

Medicaid and the Uninsured

NOTE: Past survey results indicate not all adopted actions are implemented. Provider payment restrictions include rate cuts for any provider or freezes for nursing facilities or hospitals. Survey was conducted in July and August 2012.

SOURCE: KCMU survey of Medicaid officials in 50 states and DC conducted by Health Management Associates, October 2012.

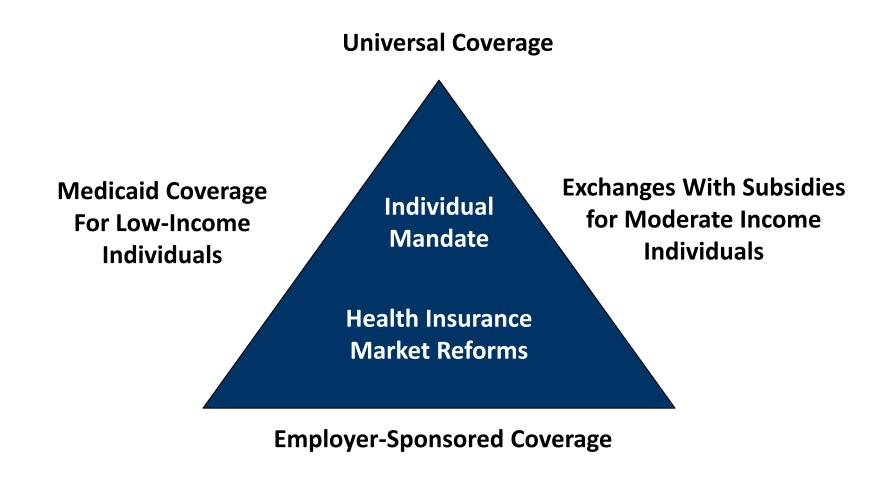
States are implementing a number delivery system and payment reforms, including initiatives focused on dual eligible beneficiaries.



NOTES: States were asked to report new initiatives in these areas. These counts for care coordination are not exclusive, some initiatives are counted in multiple areas. SOURCE: KCMU survey of Medicaid officials in 50 states and DC conducted by Health Management Associates, October 2012.

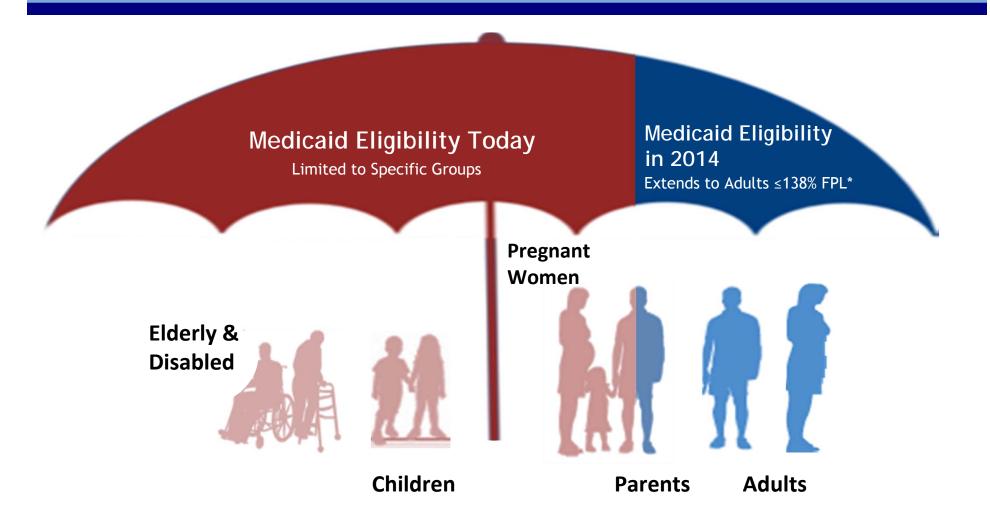


Expanding Medicaid is a key element of the ACA.



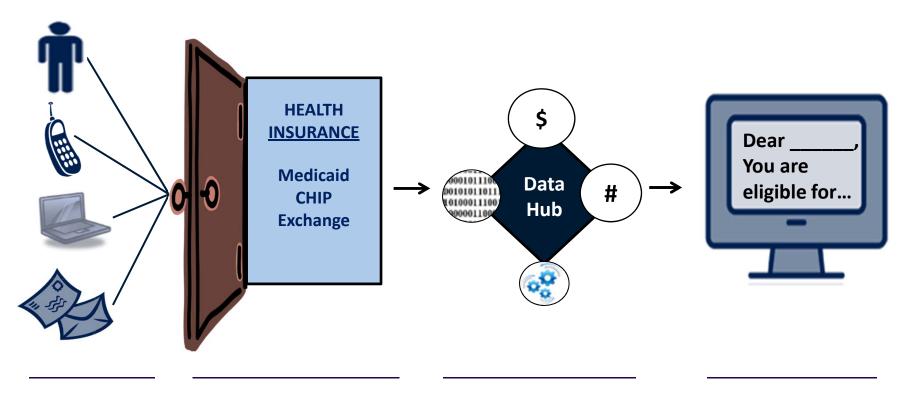


The ACA expands Medicaid eligibility to fill current gaps in coverage for adults.





The ACA streamlines enrollment processes to make it easier to obtain coverage.



Multiple Ways to Enroll

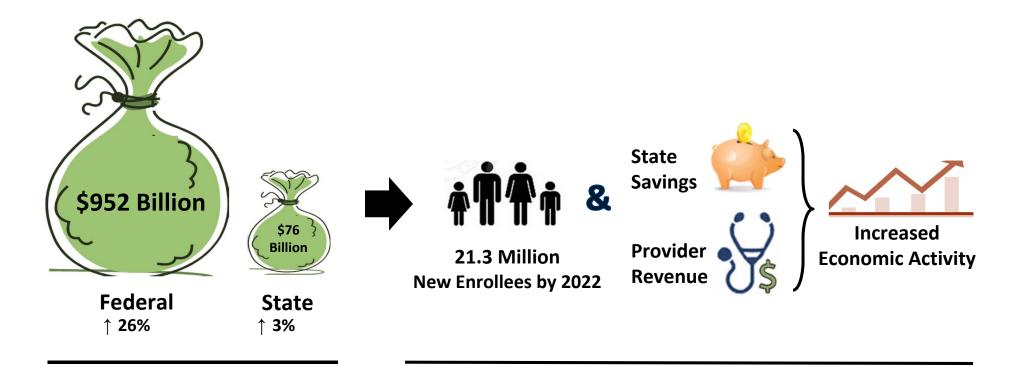
Single Application for Multiple Programs

Use of Electronic Data to Verify Eligibility

Real-Time Eligibility
Determinations



The federal government will fund the vast majority of Medicaid expansion costs.

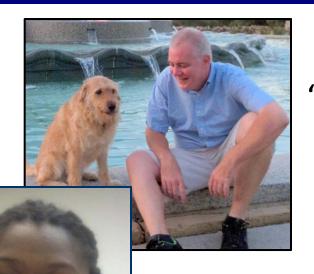


Cost (2013-2022)

Impact



Obtaining Medicaid enables individuals to access care for unmet needs and preventive care, which improves their health and lives.



"Now...you can go to your doctor." -Matthew

"[My doctor] helped me...to be knowledgeable about what hypertension is and how to prevent it." -Nicole

"That's a huge support system for me to...look for a job."

"With my daughter now, I can play soccer with her." -Salvador



Looking Ahead: Key Things to Watch in 2013

1. Affordable Care Act

- How many states will implement the Medicaid expansion?
- What will these decisions mean for coverage and costs?
- What progress will states make in transforming enrollment systems over the next year?

2. <u>Delivery System Reforms</u>

- How will managed care and other care coordination initiatives continue to develop?
- Will these initiatives improve care and save money?
- How many more states move forward with initiatives for dual eligible beneficiaries?

3. <u>State and Federal Fiscal Issues</u>

- What Medicaid policy changes will be included in state budgets for state fiscal year 2014?
- Will the automatic federal spending cuts go into effect?
- How will alternative federal deficit reduction efforts affect Medicaid and state budgets?

