

Medicaid 101

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Alliance for Health Reform

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Figure 1

Medicaid has many roles in our health care system

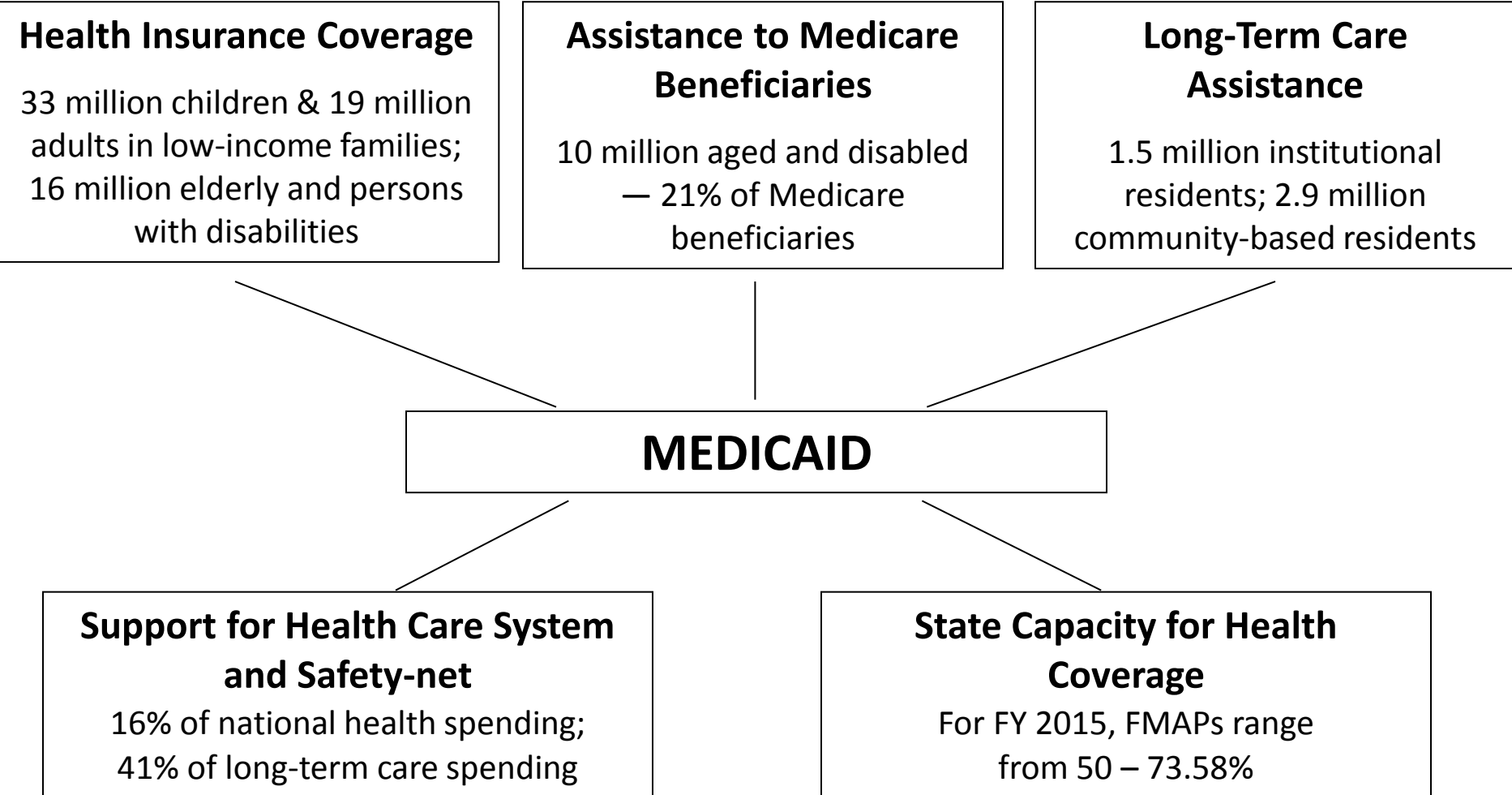
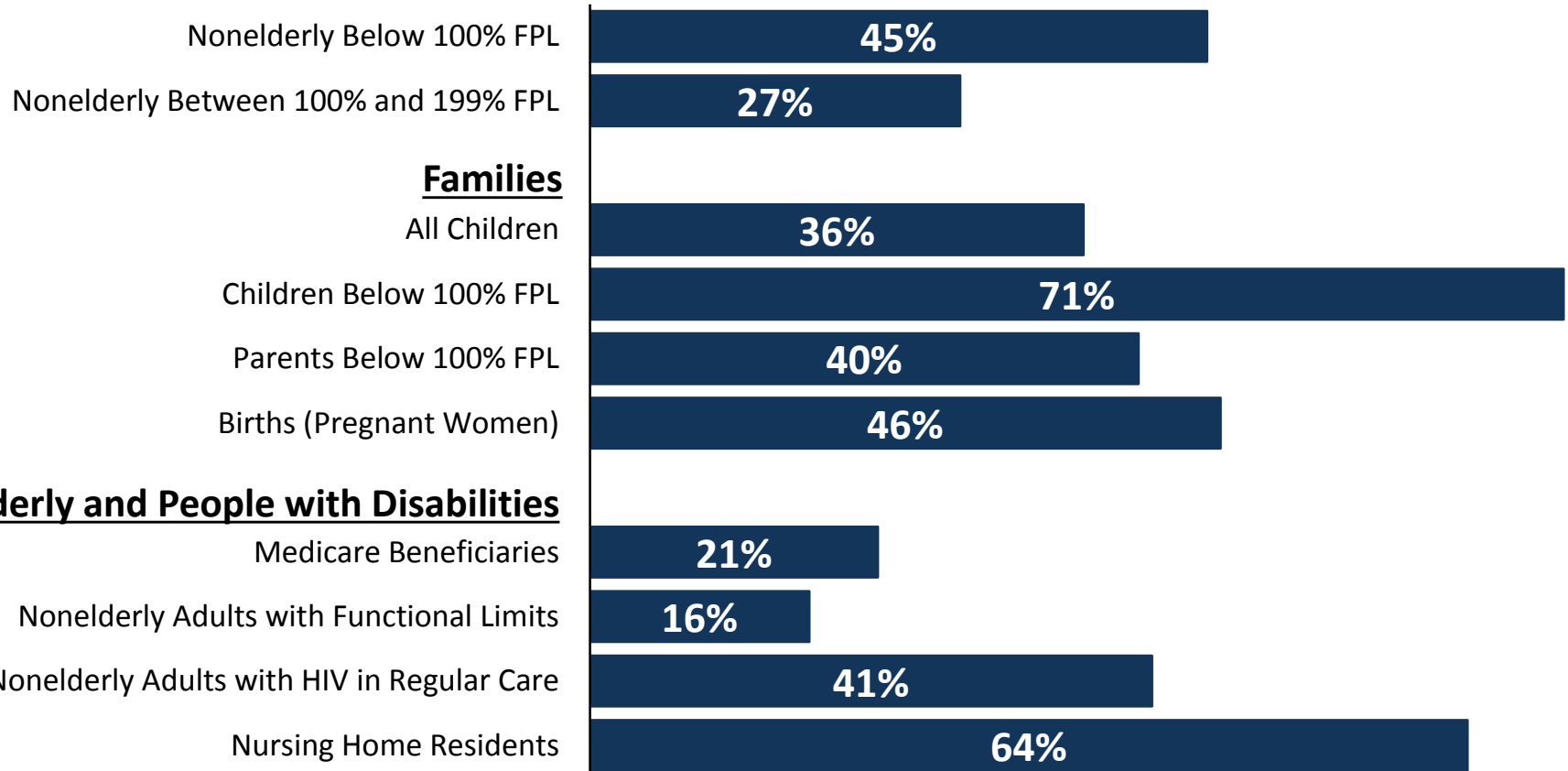


Figure 2

Medicaid plays a critical role for selected populations.

Percent with Medicaid Coverage

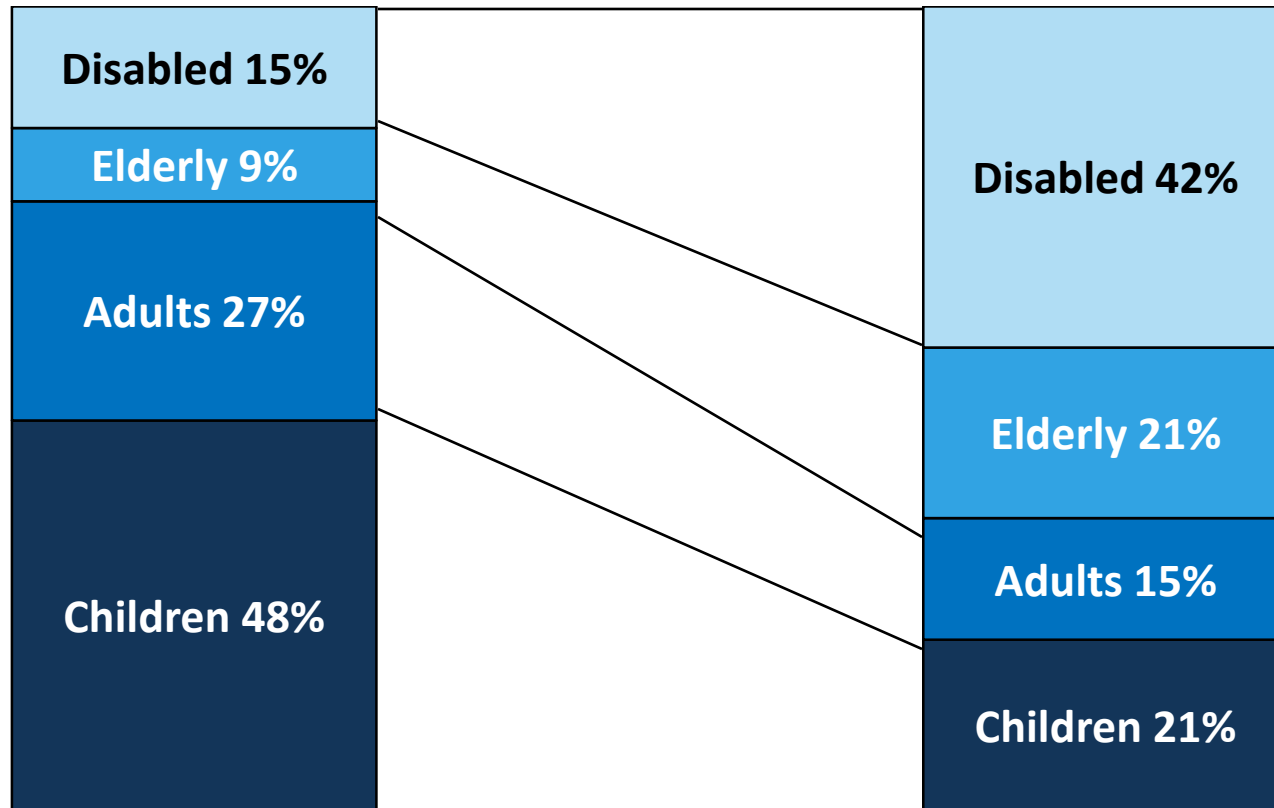


NOTE: FPL-- Federal Poverty Level. The FPL was \$23,050 for a family of four in 2012.

SOURCE: Kaiser Commission on Medicaid and the Uninsured (KCMU) and Urban Institute analysis of 2012 ASEC Supplement to the CPS; Birth data from Maternal and Child Health Update, National Governors Association, 2012; Medicare data from MCBS Cost and Use file, 2010; Functional Limitations from KCMU Analysis of 2012 NHIS data; Nonelderly with HIV from 2009 MMP; Nursing Home Residents from 2012 OSCAR data.

Figure 3

Medicaid spending is mostly for the elderly and people with disabilities.



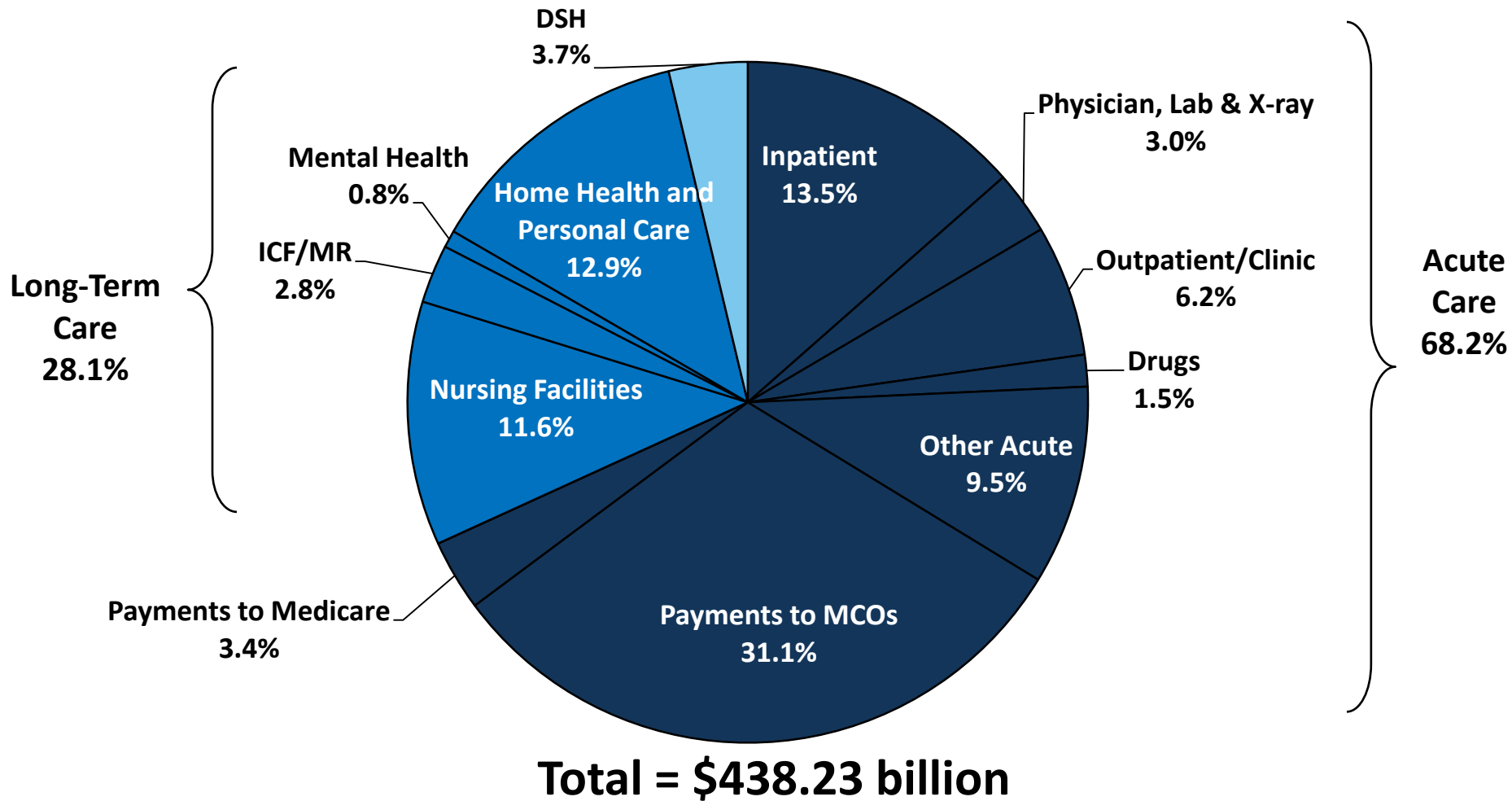
Enrollees
Total = 68.0 Million

Expenditures
Total = \$397.6 Billion

SOURCE: KCMU/Urban Institute estimates based on data from FY 2011 MSIS and CMS-64. MSIS FY 2010 data were used for FL, KS, ME, MD, MT, NM, NJ, OK, TX, and UT, but adjusted to 2011 CMS-64.

Figure 4

The majority of Medicaid expenditures are for acute care.



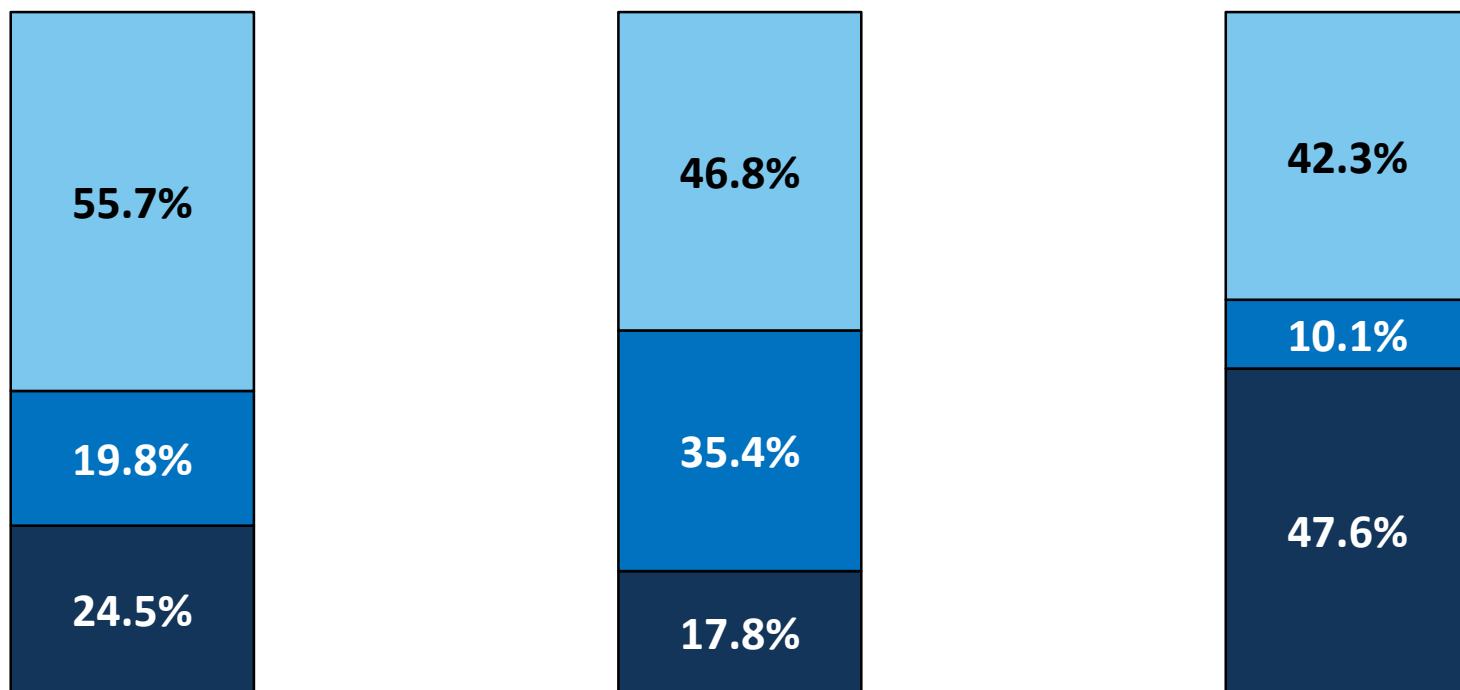
NOTE: Excludes administrative spending, adjustments and payments to the territories.

SOURCE: Urban Institute estimates based on FY 2013 data from CMS (Form 64), prepared for the Kaiser Commission on Medicaid and the Uninsured.

Figure 5

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

■ Medicaid ■ Elementary & Secondary Education ■ Other



Total State Spending
\$1.69 Trillion

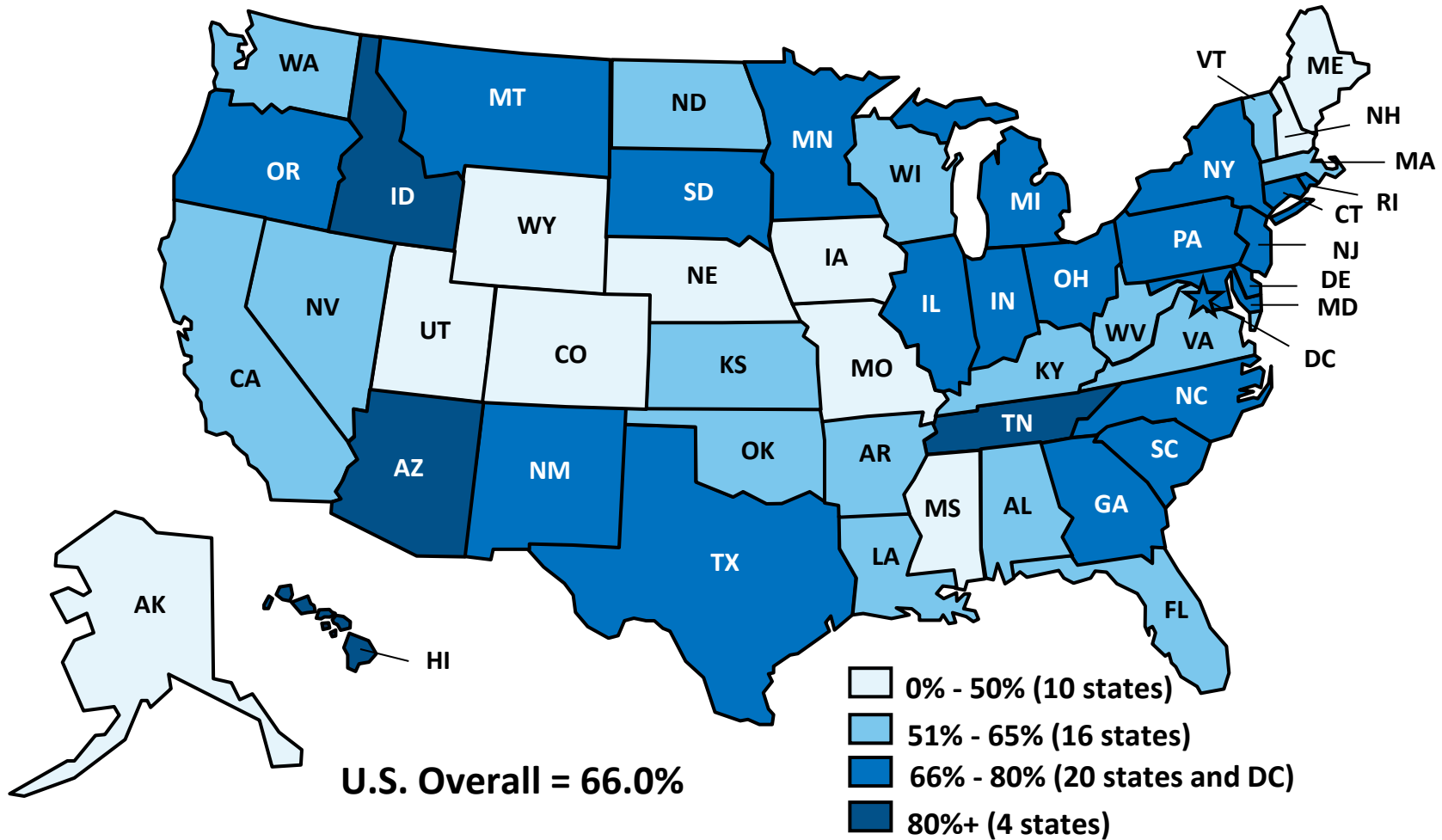
State General Funds
\$680.8 Billion

Federal Funds
\$512.5 Billion

SOURCE: Kaiser Commission on Medicaid and the Uninsured estimates based on the NASBO's November 2014 State Expenditure Report (data for Actual FY 2013.)

Figure 6

Most beneficiaries receive care through some type of managed care arrangement.

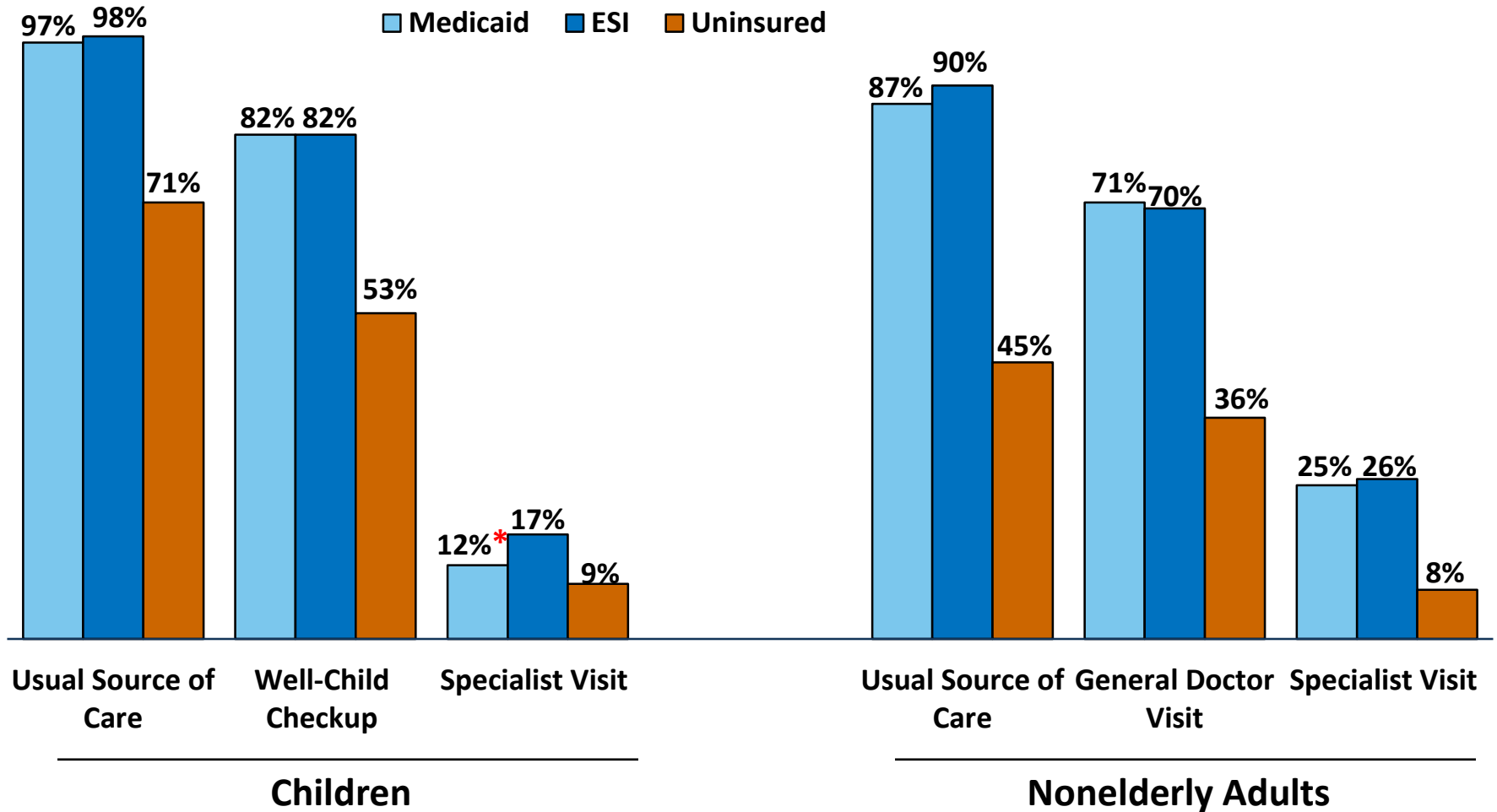


NOTE: Includes enrollment in HIO, Commercial MCO, Medicaid-only MCO, and PCCM.

SOURCE: CMS Medicaid Managed Care Enrollment Report, July 2011.

Figure 7

Compared to the uninsured, Medicaid coverage increases access to care similar to private coverage.

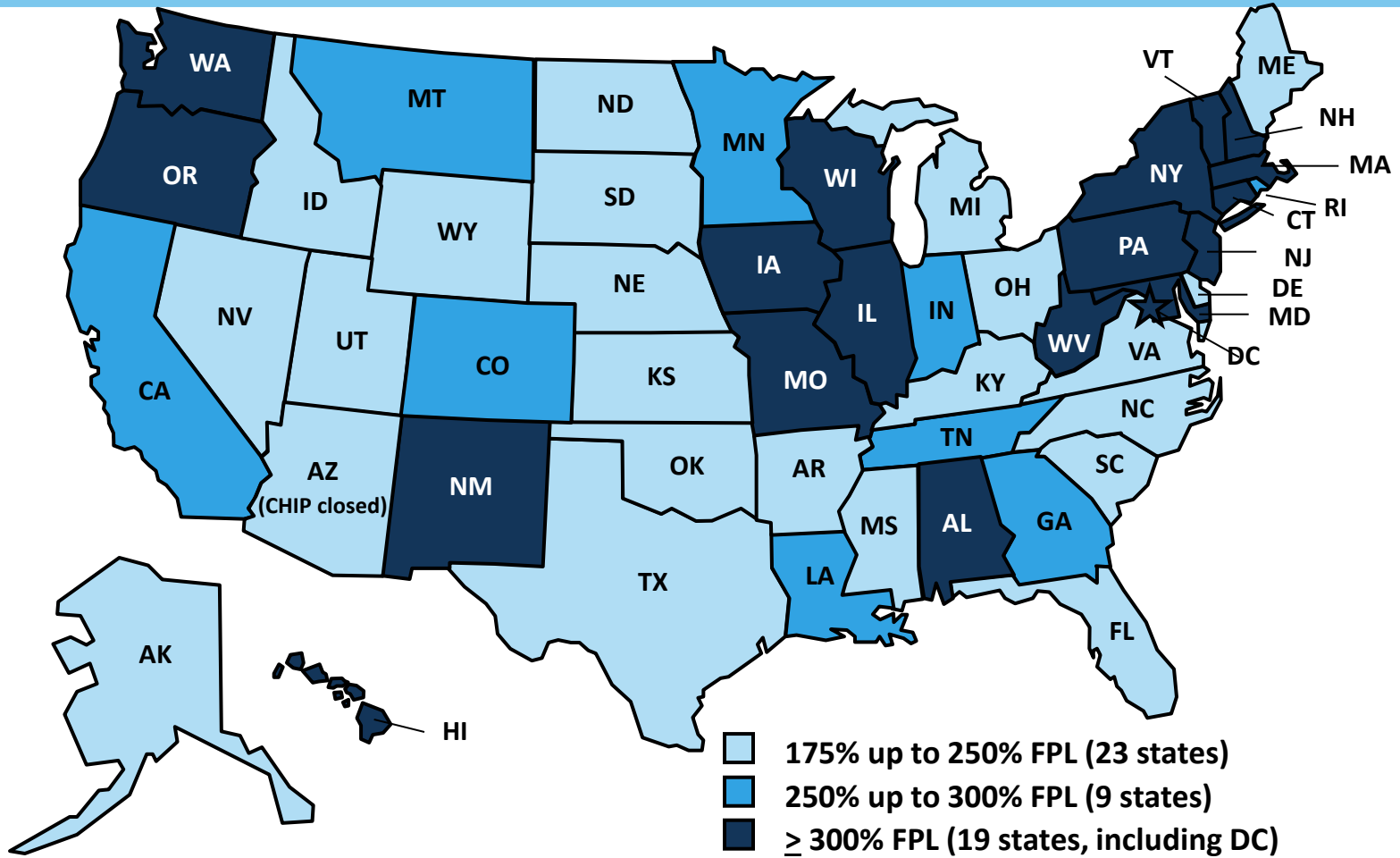


NOTES: In past 12 months. Respondents who said usual source of care was the ER are not counted as having a usual source of care. All differences between the uninsured and the two insurance groups are statistically significant ($p < 0.05$). * Difference from ESI is statistically significant ($p < 0.05$).

SOURCE: KCMU analysis of 2013 NHIS data.

Figure 8

Medicaid and CHIP already provide broad coverage for children.

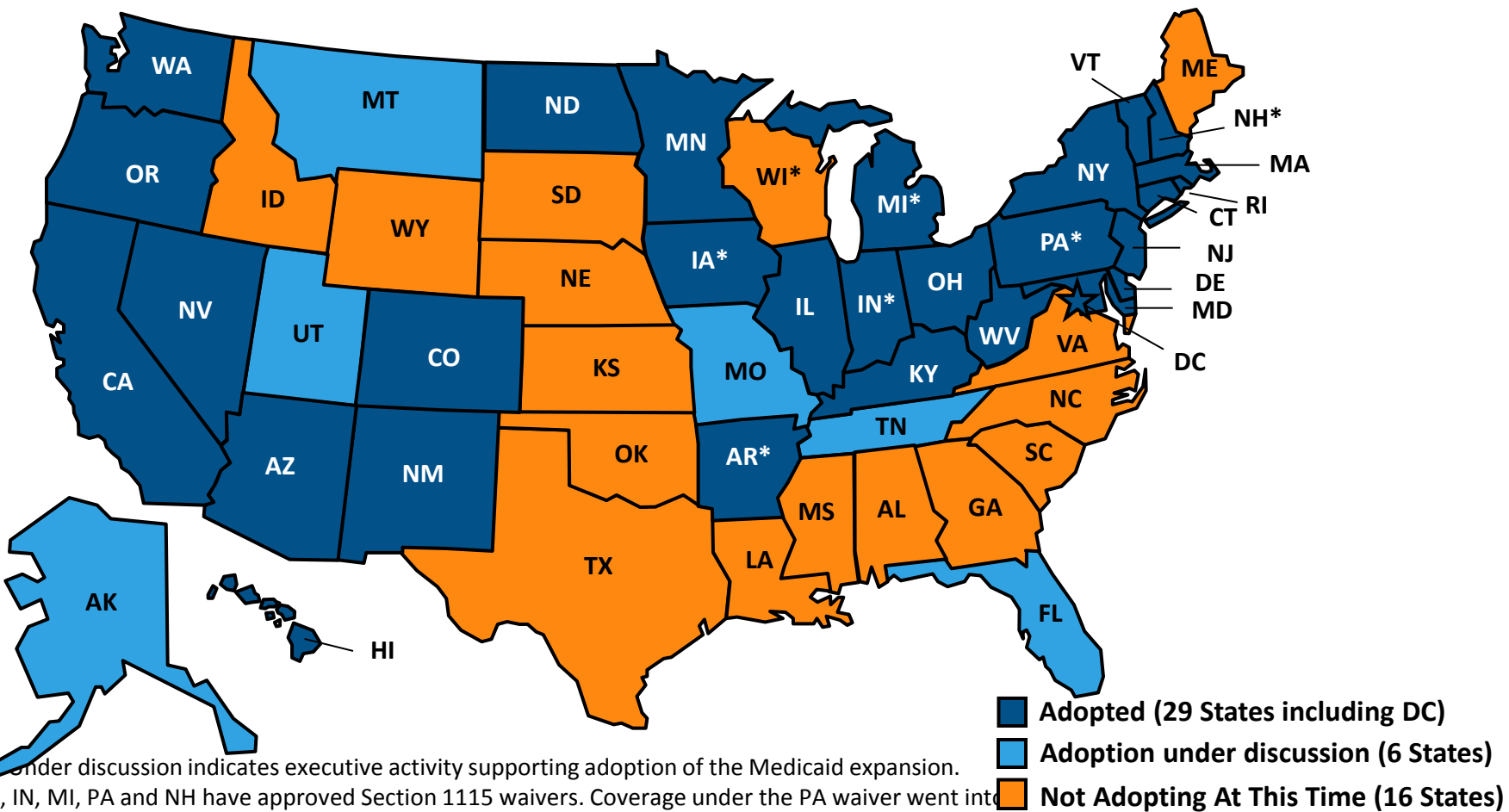


NOTE: Eligibility levels are based on 2014 federal poverty levels (FPLs) for a family of three. The FPL for a family of three in 2014 was \$19,790. Thresholds include the standard five percentage point of the FPL disregard.

SOURCE: Based on results from a national survey conducted by the Kaiser Commission on Medicaid and the Uninsured and the Georgetown University Center for Children and Families, 2015.

Figure 9

Over half of states are currently implementing the Medicaid expansion for adults.



NOTES: Adoption under discussion indicates executive activity supporting adoption of the Medicaid expansion.

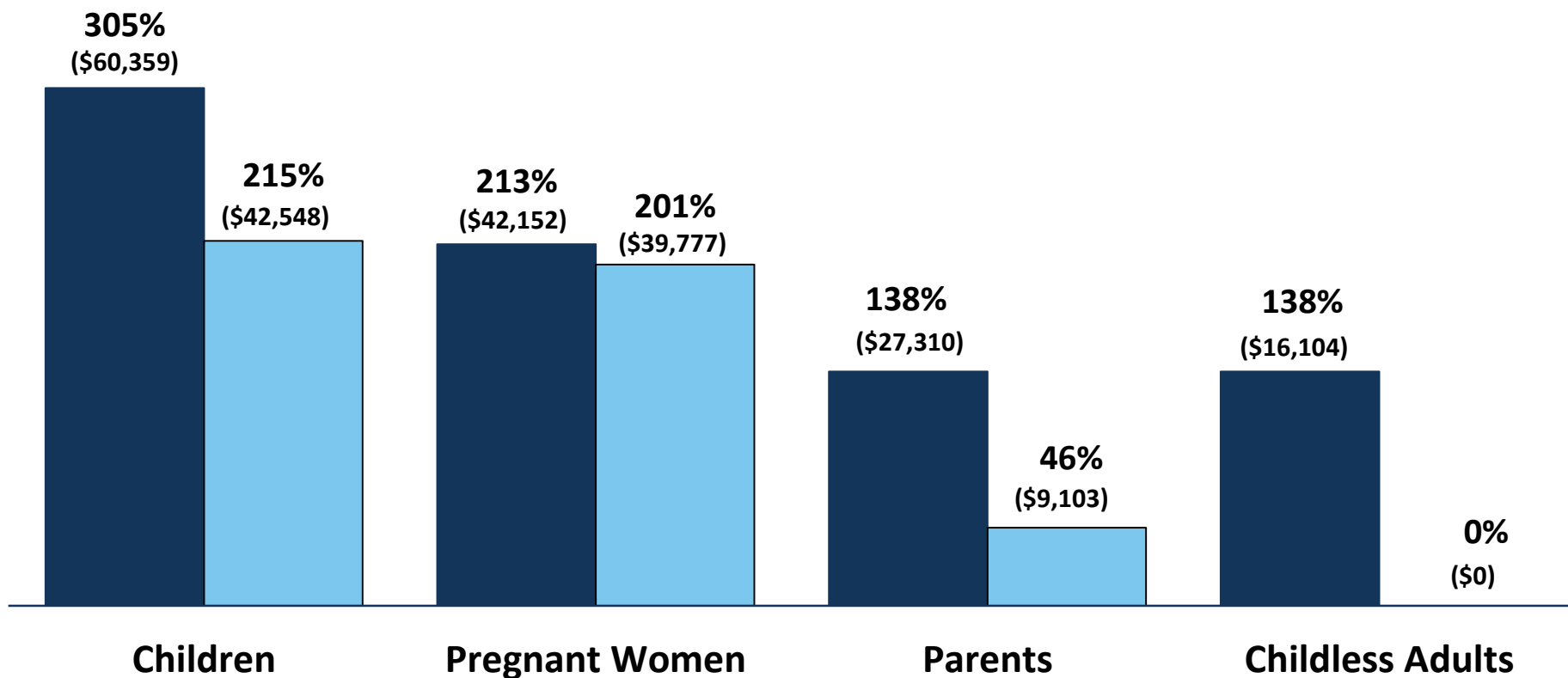
*AR, IA, IN, MI, PA and NH have approved Section 1115 waivers. Coverage under the PA waiver went into effect on 1/1/15, but the newly-elected governor has stated he will transition coverage to a state plan amendment. Coverage under the IN waiver went into effect 2/1/15. WI covers adults up to 100% FPL in Medicaid, but did not adopt the ACA expansion.

SOURCE: "Status of State Action on the Medicaid Expansion Decision," KFF State Health Facts. <http://kff.org/health-reform/state-indicator/state-activity-around-expanding-medicaid-under-the-affordable-care-act/>

Figure 10

Median Medicaid/CHIP eligibility levels are higher for states implementing the Medicaid expansion.

■ Adopting the Medicaid Expansion (29 states) ■ Not Adopting at this Time (22 states)



NOTE: Eligibility levels based on 2014 FPLs for a family of 3 for children, pregnant women, and parents, and for an individual for childless adults. 2014 FPL was \$19,790 for a family of three and \$11,670 for an individual.

Thresholds reflect the standard income disregard equal to 5 percentage points of the FPL.

SOURCE: National survey conducted by the Kaiser Commission on Medicaid and the Uninsured and the Georgetown University Center for Children and Families, 2015, with additional data updates as of March 2015.

Figure 11

The ACA modernizes the Medicaid application and enrollment experience in all states.

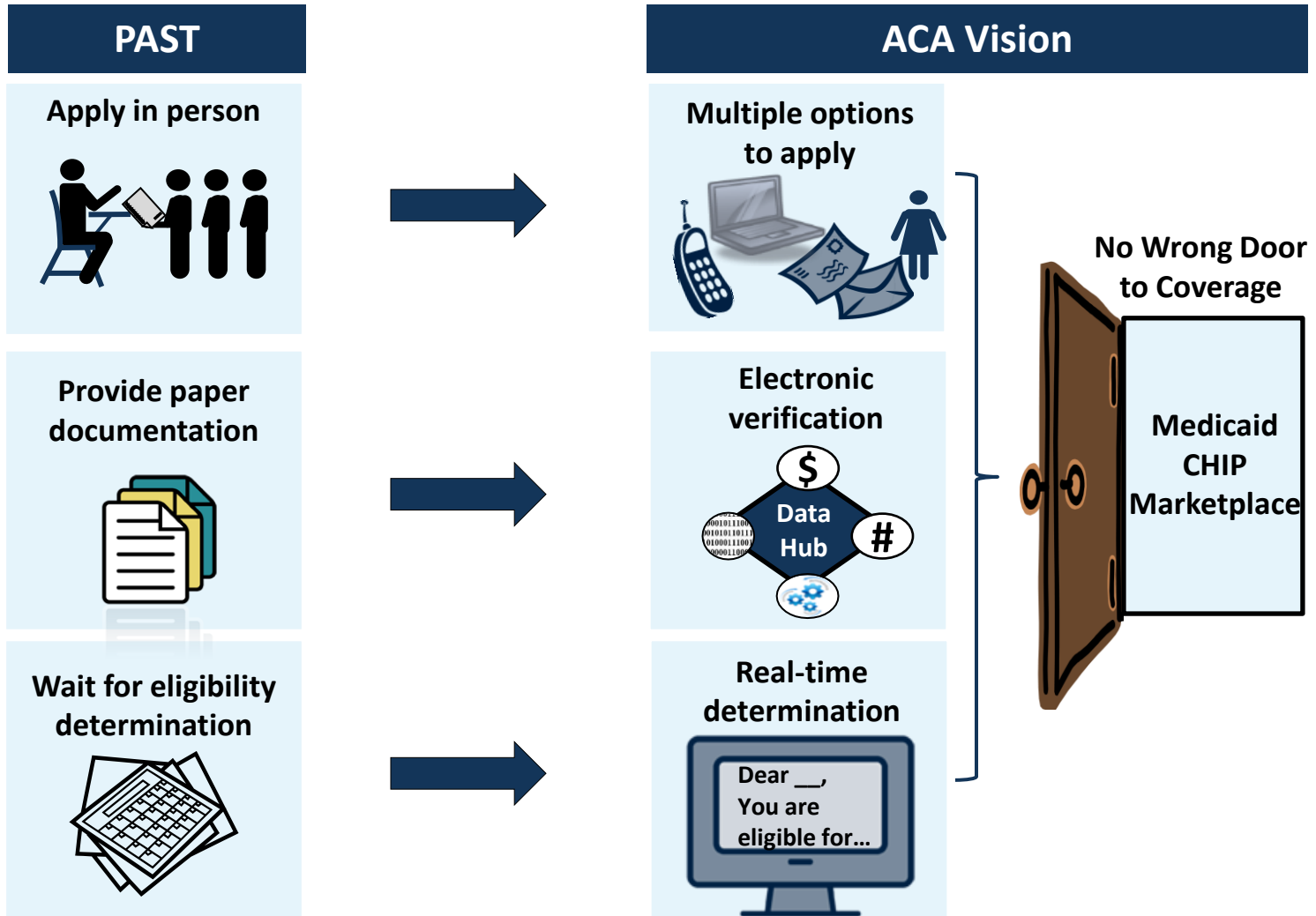
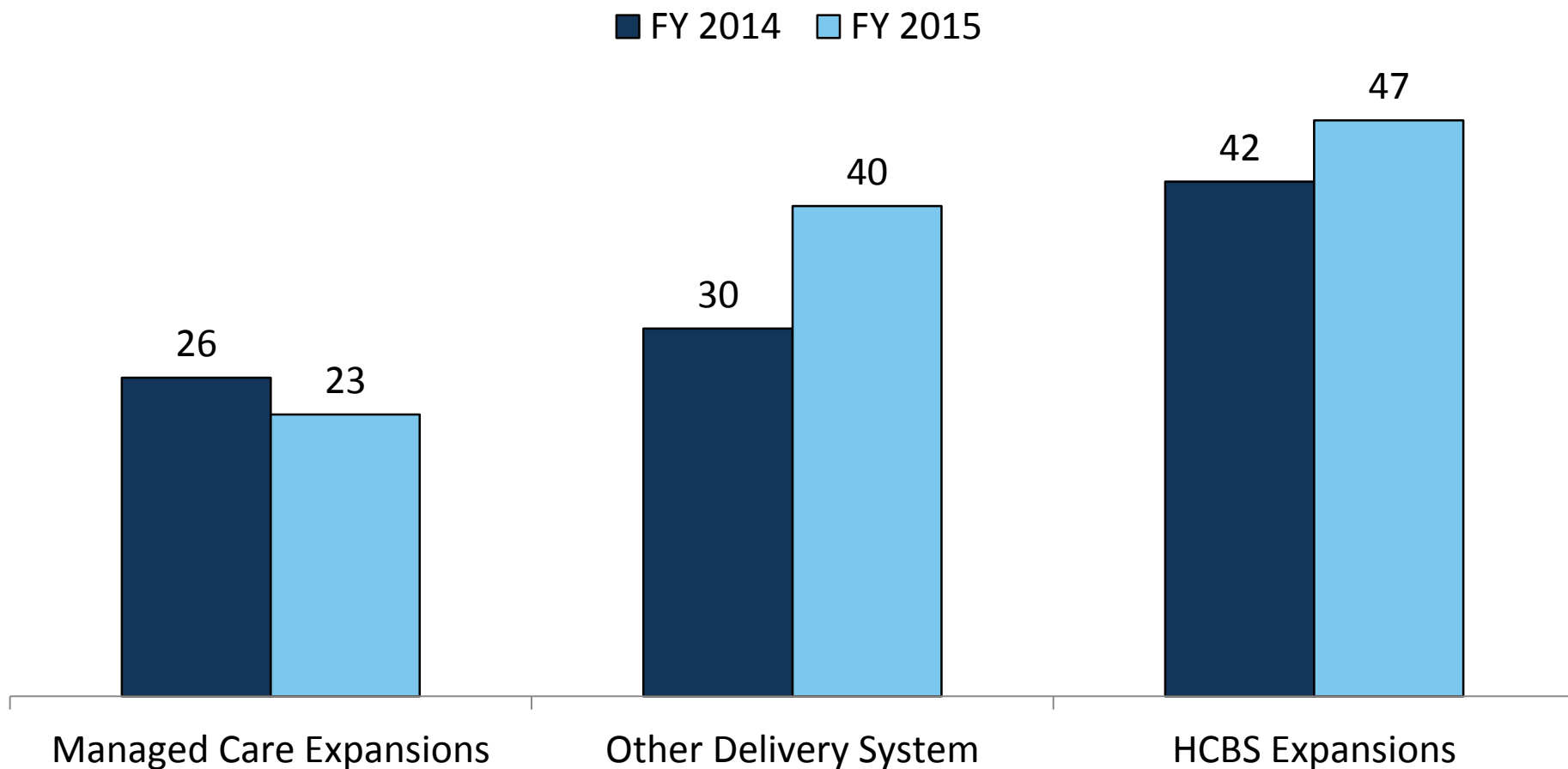


Figure 12

States are implementing an array of delivery system reforms to coordinate care and control costs.



NOTE: Managed Care Expansion refer to expansions to new groups, new regions, or the use of mandatory enrollment, and new RBMC programs. Other Delivery System Initiatives include new or expanded initiatives related to PCMH, Health Homes, ACOs and initiatives focused on dual eligible beneficiaries (both those inside and outside the CMS financial alignment demonstration.)

SOURCE: KCMU survey of Medicaid officials in 50 states and DC conducted by Health Management Associates, October 2014.

Summary and Looking Ahead:

- Medicaid has increased the number of persons served and has made significant progress in transforming the way beneficiaries can enroll in the program largely due to changes in the ACA.
- Medicaid coverage increases access to care and the large majority of beneficiaries rate experiences with Medicaid positively.
- An improving economy has allowed states to move from a focus on program cuts to program improvements and initiatives to transform the way care is delivered in an effort to achieve higher quality, improved health outcomes and lower costs.
- Approaching the 50th anniversary of the enactment of Medicaid, key issues to watch will be the trajectory of the economy, the debate around CHIP, ACA implementation and delivery system innovations.