What is Medicaid and Medicaid expansion?
Medicaid plays a central role in our health care system.

- Health Insurance Coverage For 1 in 5 Americans
- Assistance to 10 million Medicare Beneficiaries
- > 50% Long-Term Care Financing

Support for Health Care System and Safety-Net

State Capacity to Address Health Challenges
The basic foundations of Medicaid are related to the entitlement and the federal-state partnership.

**Entitlement**
- **Eligible Individuals** are entitled to a defined set of benefits
- **States** are entitled to federal matching funds

**Federal**
- Sets core requirements on eligibility and benefits

**State**
- Flexibility to administer the program within federal guidelines

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

Enrollees
Total = 80.7 Million

- Children 43%
- Adults 34%
- Elderly 9%
- Disabled 14%

Expenditures
Total = $462.8 Billion

- Children 19%
- Adults 19%
- Elderly 21%
- Disabled 40%

NOTE: Totals may not sum to 100% due to rounding.

SOURCE: KFF estimates based on analysis of data from the FFY2014 Medicaid Statistical Information System (MSIS) and CMS-64 reports. Because FFY2014 data was missing some or all quarters for some states, we adjusted the data using secondary data to represent a full fiscal year of enrollment.
Medicaid enrollment and spending growth peaked during economic downturns and with implementation of the ACA.

NOTE: Spending growth percentages refer to state fiscal year (FY).

SOURCE: FY 2018-2019 spending data and FY 2019 enrollment data are derived from the KFF survey of Medicaid officials in 50 states and DC conducted by Health Management Associates, October 2018; historic data from various sources including: Medicaid Enrollment June 2013 Data Snapshot, KCMU, January 2014. FY 2014-2018 are based on KFF analysis of CMS, Medicaid & CHIP Monthly Applications, Eligibility Determinations, and Enrollment Reports and from KFF Analysis of CMS Form 64 Data.
Medicaid is a budget item and a revenue item in state budgets.

NOTE: The June 2012 Supreme Court decision in National Federation of Independent Business v. Sebelius maintained the Medicaid expansion, but limited the Secretary's authority to enforce it, effectively making the expansion optional for states. 138% FPL = $16,743 for an individual and $28,676 for a family of three in 2018.
37 states (including DC) have adopted the ACA Medicaid expansion.

NOTES: Current status for each state is based on KFF tracking and analysis of state activity. Expansion is adopted but not yet implemented in NE. (See link below for additional state-specific notes).

Figure 9

Gap in Coverage for Adults in States that Do Not Expand Medicaid Under the ACA

**Figure:**

- **MEDICAID**
  - Limited to Specific Low-Income Groups
  - 0% FPL: Childless Adults
  - 40% FPL: $8,532 for Parents in a Family of Three
  - 100% FPL: $12,490 for an Individual
  - 400% FPL: $49,960 for an Individual

- **NO COVERAGE**

- **MARKETPLACE SUBSIDIES**

**Median Medicaid Eligibility Limits as of January 2019**
Who could gain coverage under Medicaid expansion in MO?
37% of MO’s uninsured adults would become eligible for Medicaid if MO expanded, most of whom are childless adults.

If MO expanded Medicaid, 37% of the state’s current uninsured nonelderly adult population would become eligible for coverage.

76% of those who would become eligible are childless adults, a group historically excluded from Medicaid eligibility.

NOTE: Data is from 2018 and 2019 and thus does not account for effects of COVID-19 job loss as detailed on previous slides.

Who are the uninsured adults who would become eligible for Medicaid if Missouri expanded?

- More than 3 in 4 are adults living below poverty.
- More than 7 in 10 are White, non-Hispanic.
- Nearly 8 in 10 are in a family with at least one worker.

NOTE: Data is from 2018 and 2019 and thus does not account for effects of COVID-19 job loss as detailed on previous slides.

Nonelderly Uninsured Adults Who Would Be Eligible for Medicaid if MO Expanded in 2021 Before Effects of COVID-19

Currently Eligible for Medicaid: 27,000 (11%)

Currently in the Coverage Gap: 134,000 (52%)

Currently Eligible for Marketplace Coverage: 94,000 (37%)

Total = 255,000 Nonelderly Uninsured Adults

The “100%-138% FPL” category presented here uses a Marketplace eligibility determination for the lower bound (100% FPL) and a Medicaid eligibility determination for the upper bound (138% FPL) in order to appropriately isolate individuals within the range of potential Medicaid expansions but also with sufficient resources to avoid the coverage gap. Totals may not sum due to rounding.

SOURCE: Data will be published in a forthcoming brief from KFF
Figure 14
Nonelderly Adults Who Became Uninsured Due to Pandemic Job Losses and Would Be Eligible for Medicaid if MO Expanded, 2021

Total = 242,000 Nonelderly Uninsured Adults

- Currently Eligible for Medicaid: 50,000 (21%)
- Currently in the Coverage Gap: 119,000 (49%)
- Currently Eligible for Marketplace Coverage: 73,000 (30%)

The “100%-138% FPL” category presented here uses a Marketplace eligibility determination for the lower bound (100% FPL) and a Medicaid eligibility determination for the upper bound (138% FPL) in order to appropriately isolate individuals within the range of potential Medicaid expansions but also with sufficient resources to avoid the coverage gap. Totals may not sum due to rounding. Includes pandemic job losses from March 1 through May 2, 2020.

SOURCE: Data will be published in a forthcoming brief from KFF
What does the literature suggest about the effects of Medicaid expansion?
Evidence from over 400 studies suggests that the Medicaid expansion has positive effects for beneficiaries and states.

<table>
<thead>
<tr>
<th>Coverage Metrics</th>
<th>Majorities of studies found:</th>
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<tbody>
<tr>
<td>• Medicaid enrollment and coverage</td>
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<td>• Coverage for specific populations</td>
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<td>• Uninsured rate</td>
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<td>• Coverage disparities</td>
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Mixed findings on effects on:
• Rates of private coverage

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<tr>
<th>Access Metrics</th>
<th>Majorities of studies found:</th>
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<tbody>
<tr>
<td>• Access to care</td>
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<td>• Utilization of care</td>
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<td>• Health care affordability</td>
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<td>• Financial security</td>
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<td>• Self reported health</td>
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Mixed findings on effects on:
• Provider capacity |
• Quality of care |
• Positive health outcomes

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<thead>
<tr>
<th>Economic Metrics</th>
<th>Majorities of studies found:</th>
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<tbody>
<tr>
<td>• Health of state economy</td>
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<tr>
<td>• Provider financial wellbeing</td>
<td></td>
</tr>
<tr>
<td>• Medicaid-covered provider visits</td>
<td></td>
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<tr>
<td>• Uninsured provider visits</td>
<td></td>
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<tr>
<td>• Uncompensated care costs</td>
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Mixed findings on effects on:
• Employment

Studies find that Medicaid expansion has positive coverage, access, and economic effects for cancer patients & providers.

Coverage
- Increases in Medicaid coverage among cancer patients
- Decreases in uninsured rate among cancer patients
- Reductions in disparities in coverage by race, sex, age, income, and education

Access
- Higher rates of cancer screening and diagnosis rates
- Increased utilization of surgery to treat cancer
- Increased affordability of health care for cancer patients

Economic
- Increases in hospital admissions for cancer with Medicaid as payer
- Decreases in hospital admissions for cancer with no insurance coverage

Recent studies find that expansion improves health care affordability and other measures of financial stability.

- **Estimated catastrophic healthcare expenditure risk for trauma patients in WA**: -12.4 percentage point
- **Rate of evictions per 1000 renter-occupied households**: -1.15 percentage point
- **Health-inclusive poverty measure (HIPM) rate for individuals under 65**: -1.7 percentage point
- **Very low food security among low-income childless adults**: -2.2 percentage point

Recent studies also find an association between expansion and population-level mortality rates.

For example:

-0.132 percentage point Annual mortality among near-elderly adults in one July 2019 study

19,200 averted deaths in the first 4 years of expansion

15,600 preventable deaths that could have been averted had all states expanded

Figure 20

Key considerations for expansion and COVID-19

• **Enrollment:** Expected increase in total spending and enrollment due to job and income loss.
  – More people will be eligible for coverage in expansion states / more uninsured in non-expansion states as people fall into the coverage gap
  – Unlike other health coverage, there are no open enrollment periods
  – Coverage increases access and utilization of care which can be critical during the pandemic

• **Spending:** State costs for Medicaid are expected to go up as Medicaid enrollment goes up; at the same time revenues are expected to decline.
  – Medicaid FMAP serves as automatic adjuster – as costs go up, so do federal matching funds
  – Federal legislation provided a temporary increase in the match rate of 6.2 percentage points – not for expansion)
  – The federal match will continue to be 90% for costs for the expansion group
  – Some cost increases may be offset by reductions in utilization for certain services
  – Without expansion states / providers could see increased costs for uninsured who may also need to access health services due to COVID