

Medicaid Expansion Overview

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Filling the need for trusted information on national health issues.

What is Medicaid and Medicaid expansion?

Figure 2

Medicaid plays a central role in our health care system.

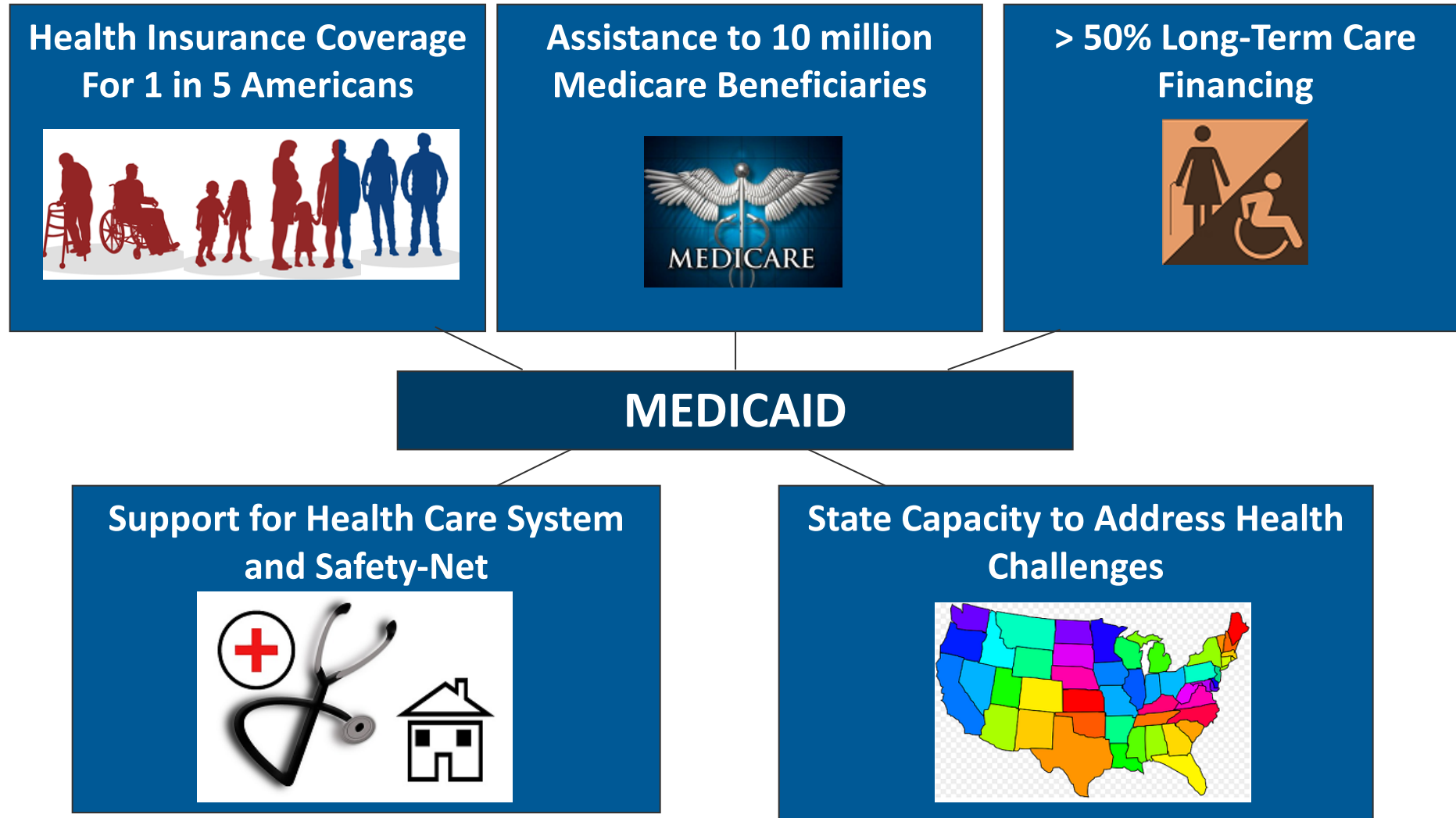


Figure 3

The basic foundations of Medicaid are related to the entitlement and the federal-state partnership.

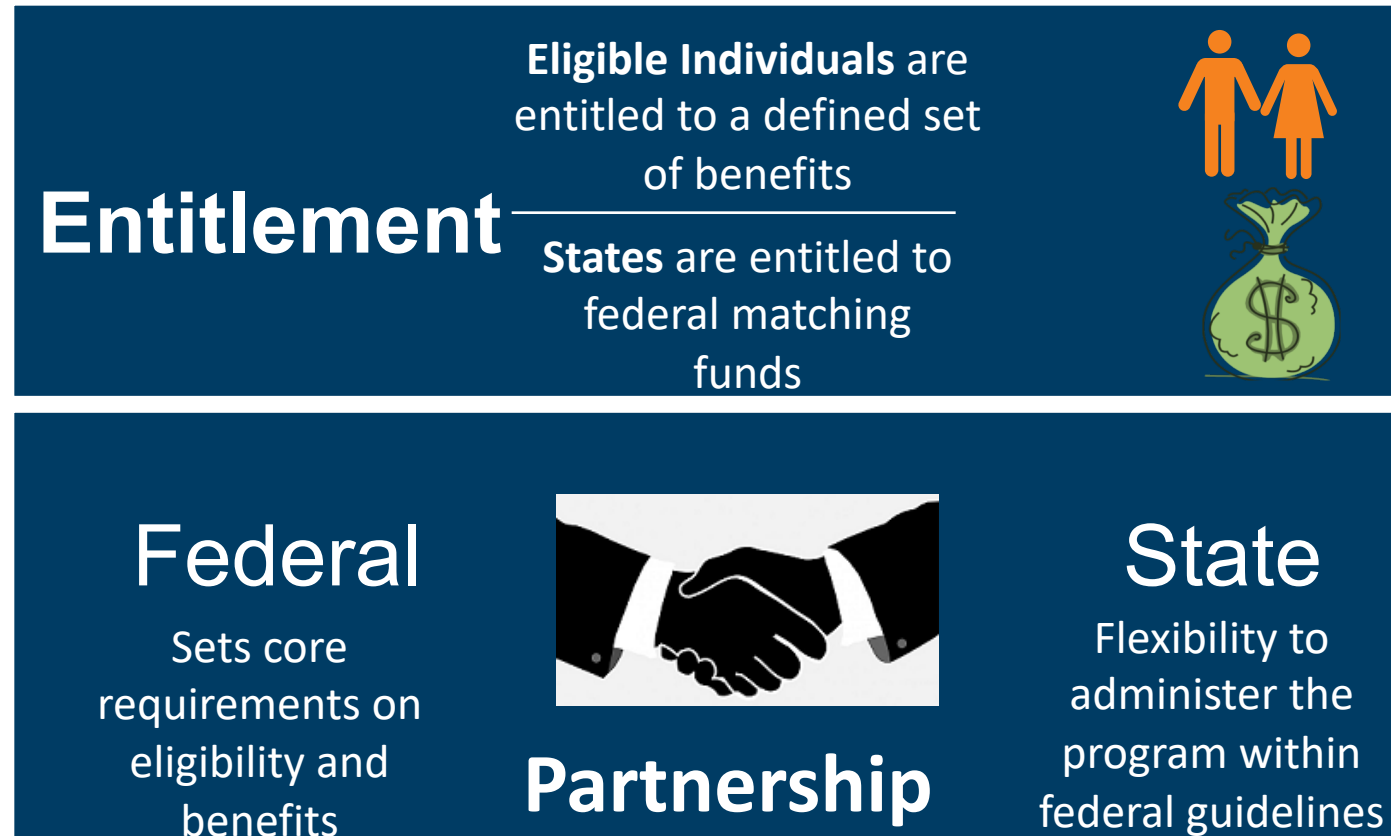
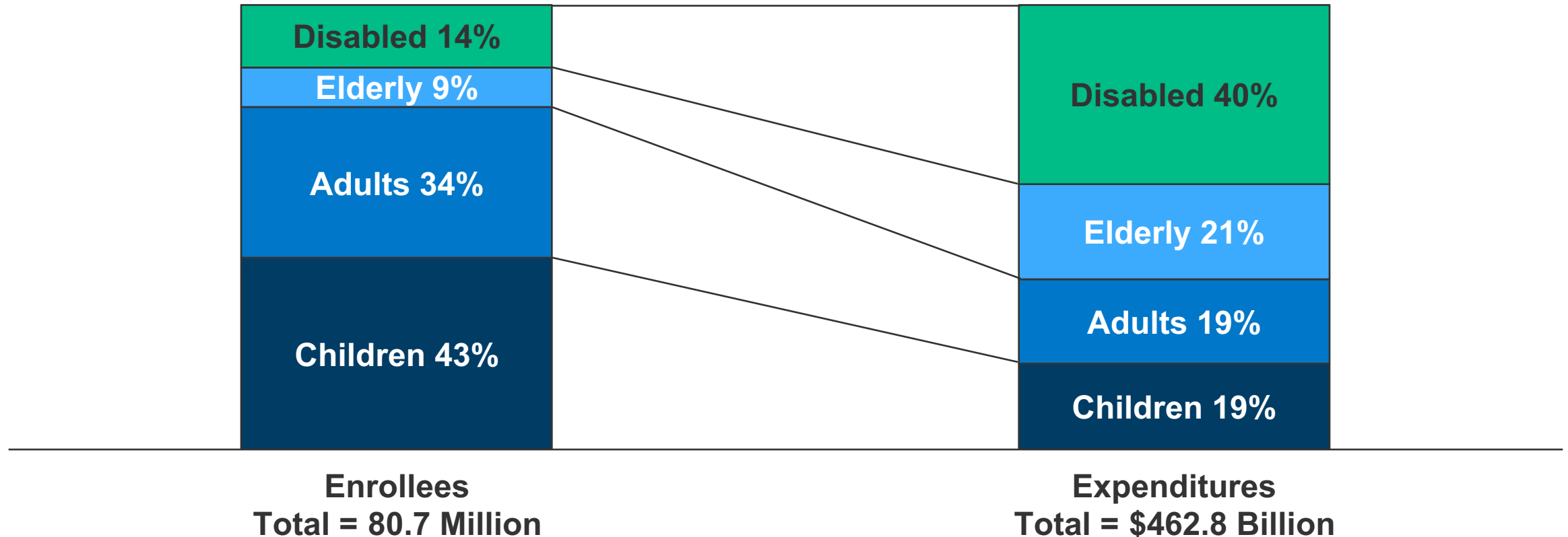


Figure 4

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

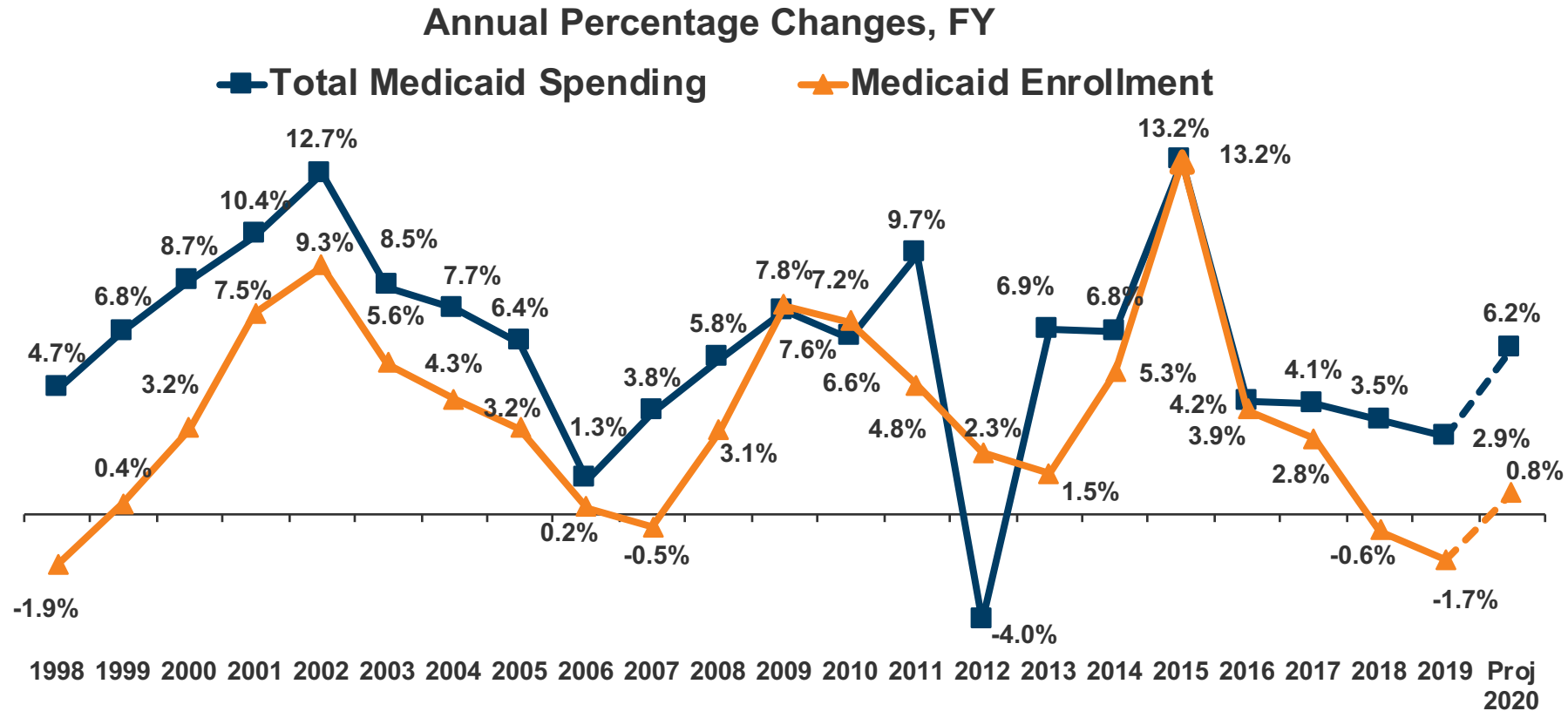


NOTE: Totals may not sum to 100% due to rounding.

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.

Figure 5

Medicaid enrollment and spending growth peaked during economic downturns and with implementation of the ACA.

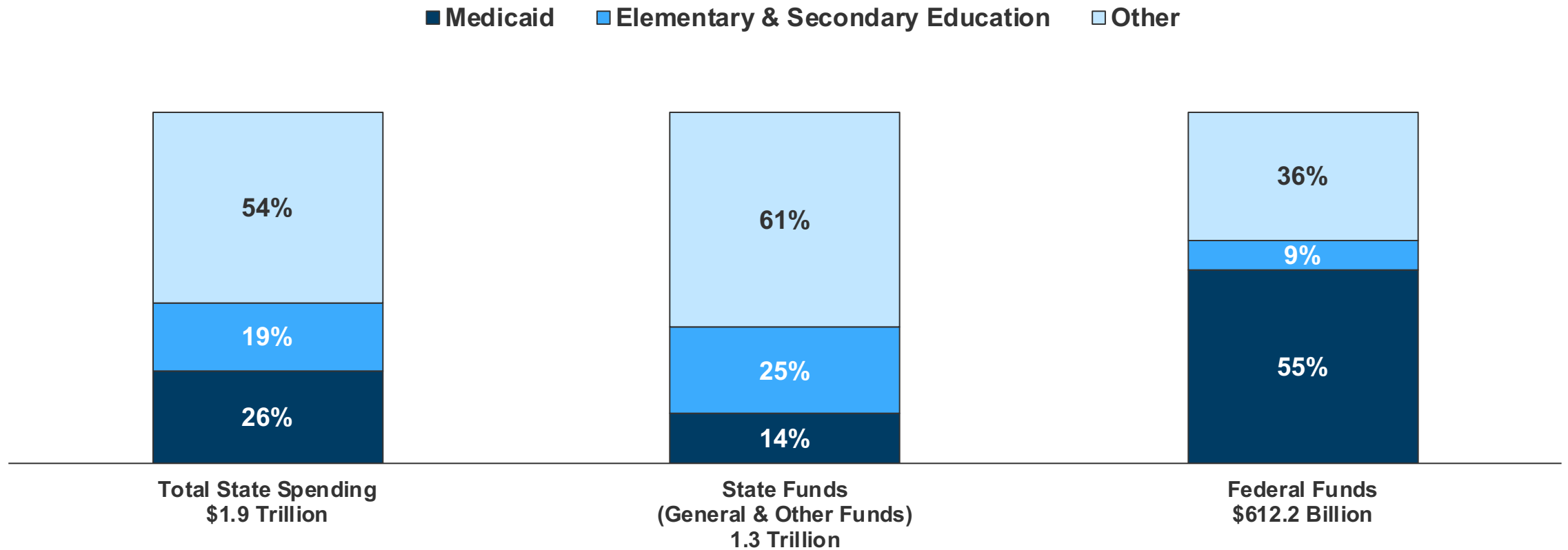


NOTE: Spending growth percentages refer to state fiscal year (FY).

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.

Figure 6

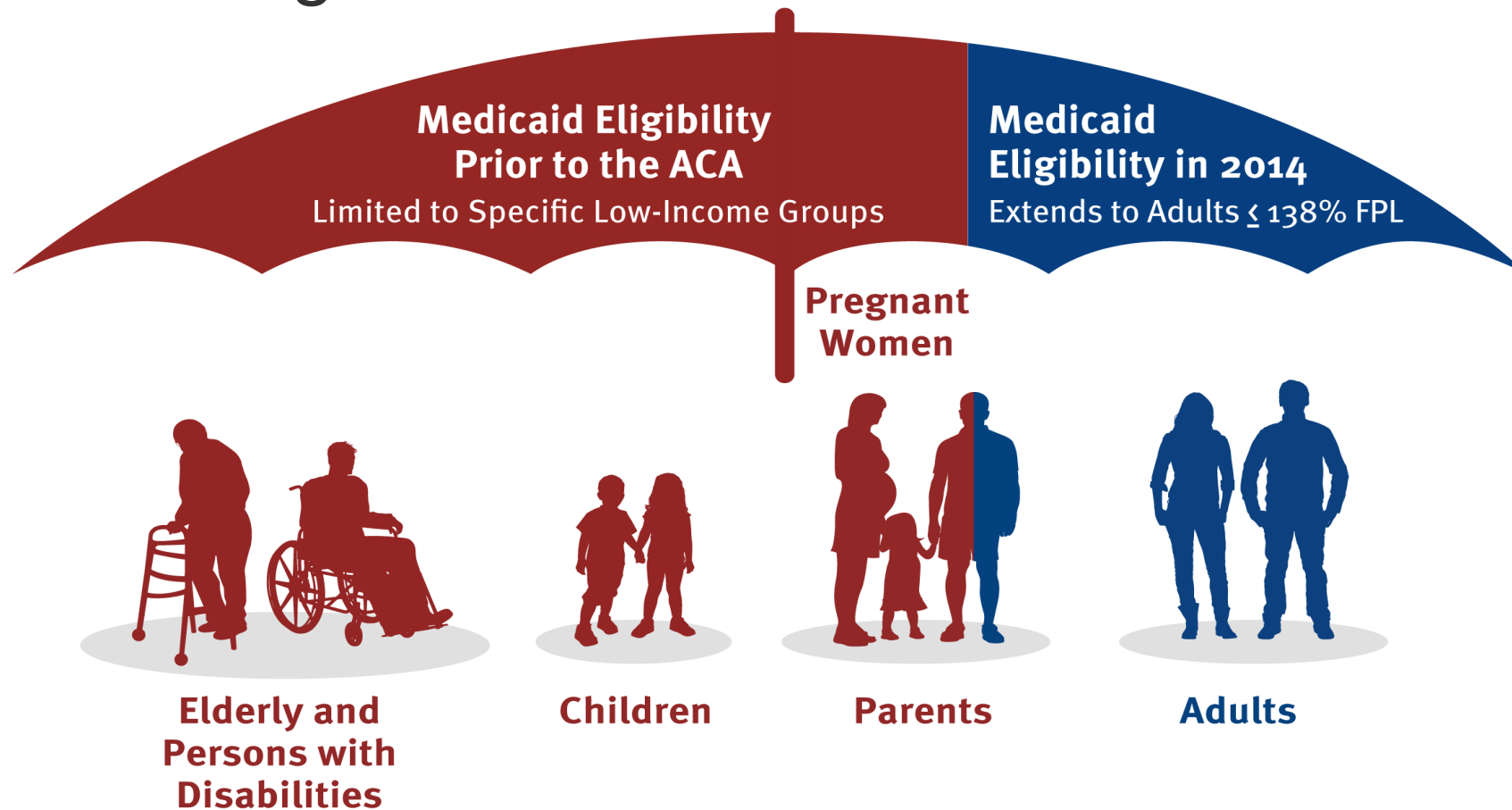
Medicaid is a budget item and a revenue item in state budgets.



SOURCE: Kaiser Family Foundation estimates based on the National Association of State Budget Officers (NASBO) 2018 State Expenditure Report: Fiscal Years 2016-2018 (data for Actual FY 2017).

Figure 7

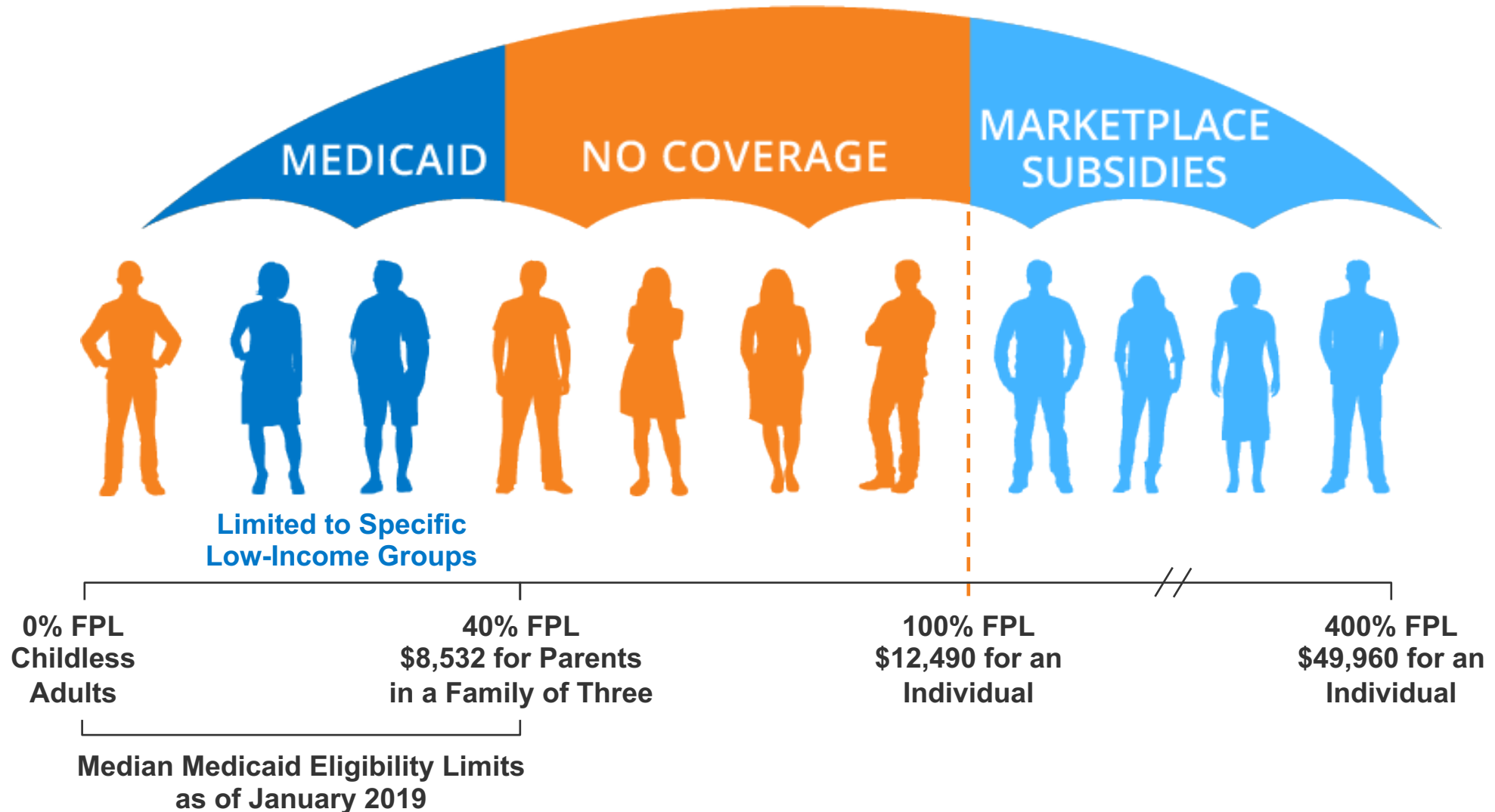
The Medicaid expansion was designed to fill the gaps in Medicaid coverage.



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.

Figure 9

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

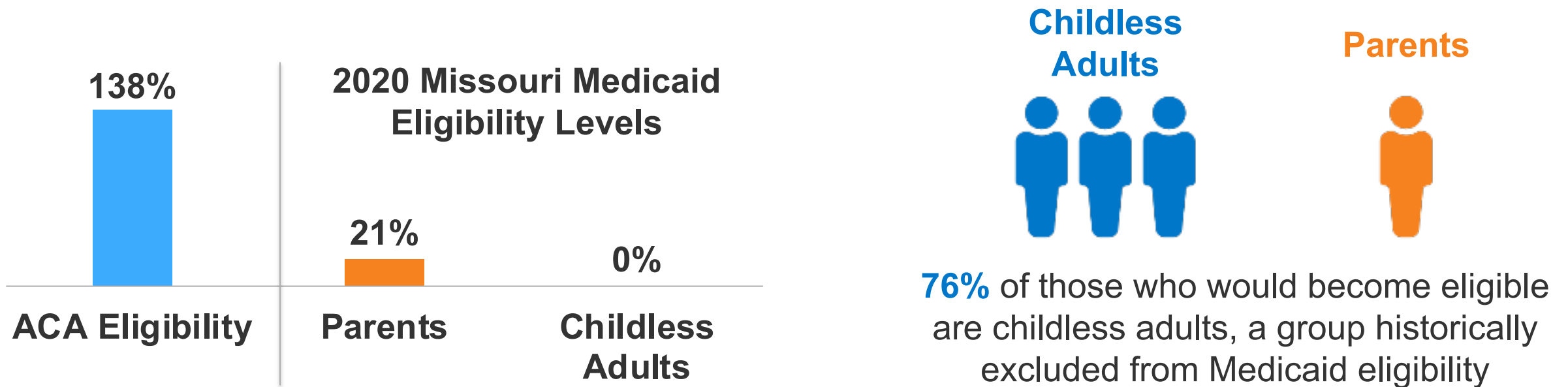


Who could gain coverage under
Medicaid expansion in MO?

Figure 11

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

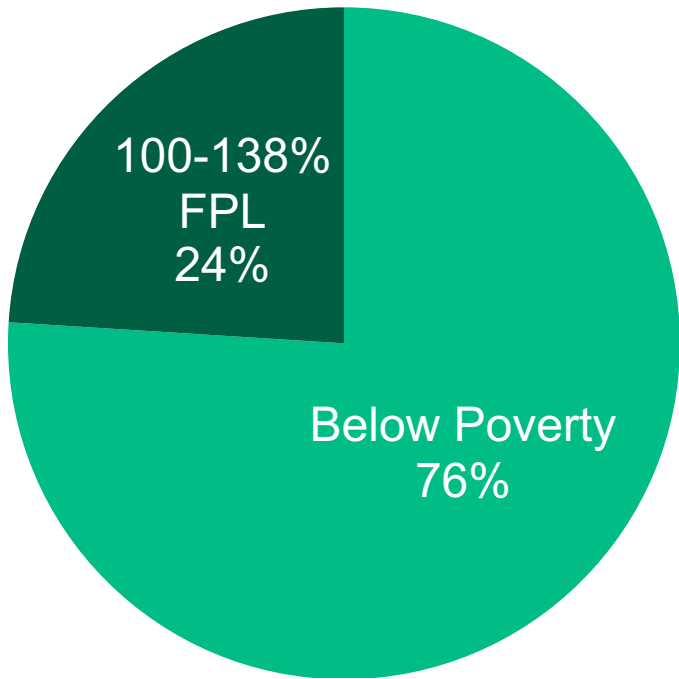


NOTE: Data is from 2018 and 2019 and thus does not account for effects of COVID-19 job loss as detailed on previous slides.

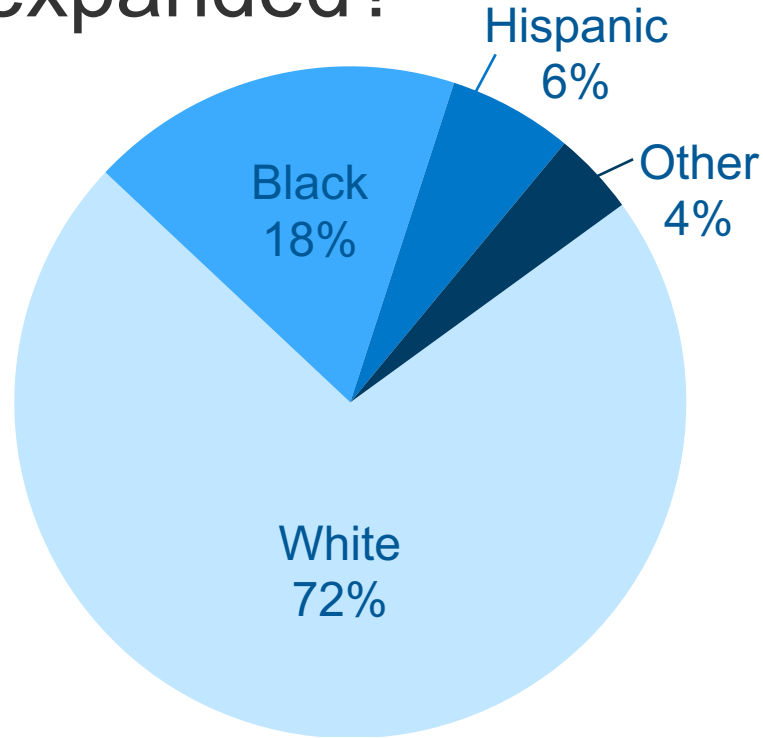
SOURCE: "Who Could Medicaid Reach with Expansion in Missouri?" (Kaiser Family Foundation, January 23, 2020), <http://files.kff.org/attachment/fact-sheet-medicaid-expansion-MO>

Figure 12

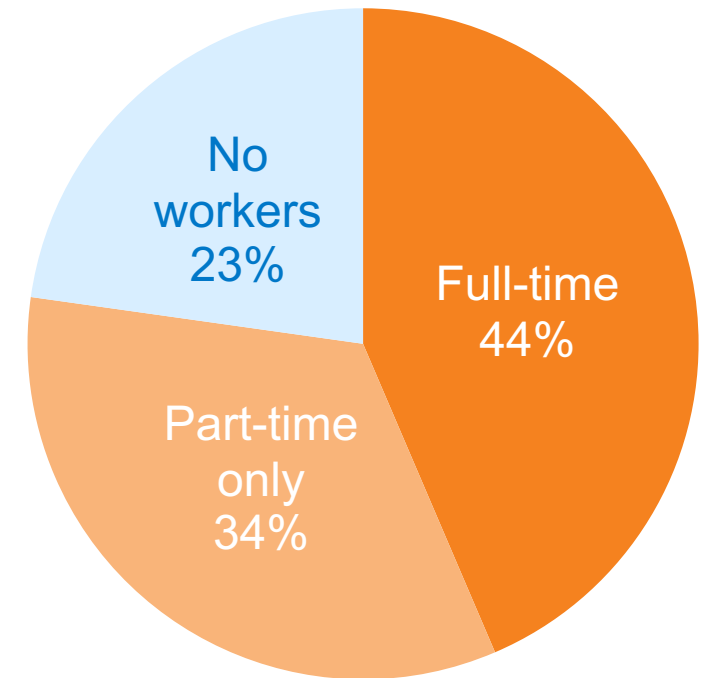
Who are the uninsured adults who would become eligible for Medicaid if Missouri expanded?



More than **3 in 4** are adults living below poverty



More than **7 in 10** are White, non-Hispanic



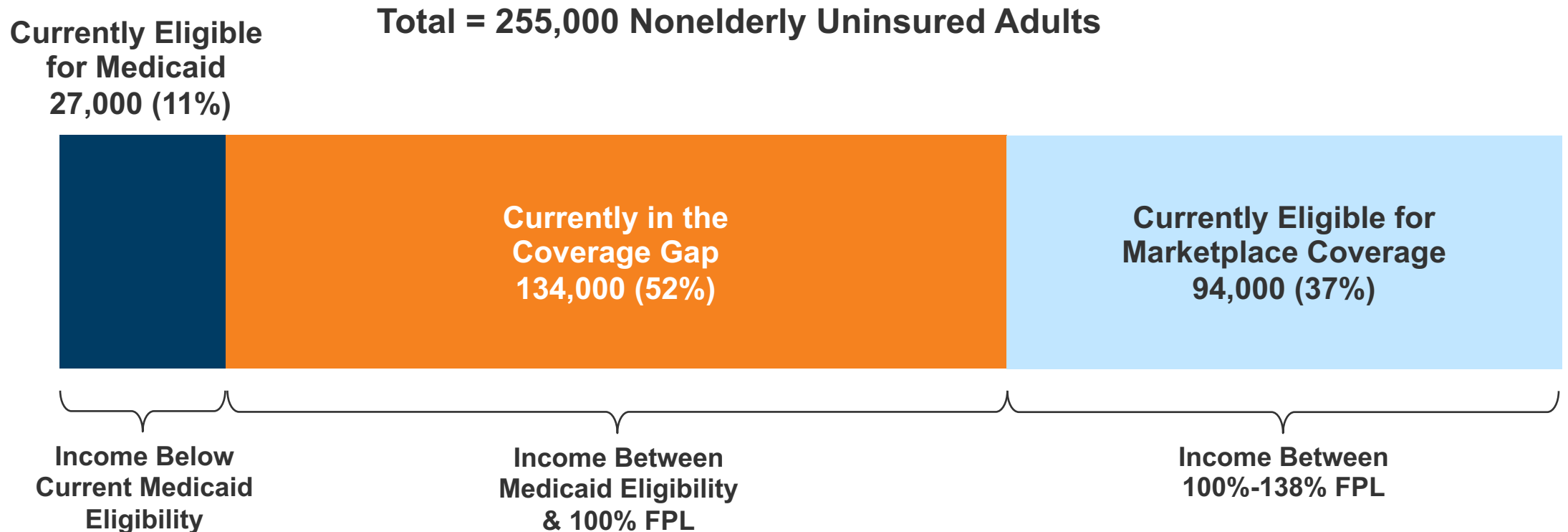
Nearly **8 in 10** are in a family with at least one worker

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

SOURCE: "Who Could Medicaid Reach with Expansion in Missouri?" (Kaiser Family Foundation, January 23, 2020), <http://files.kff.org/attachment/fact-sheet-medicaid-expansion-MO>

Figure 13

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



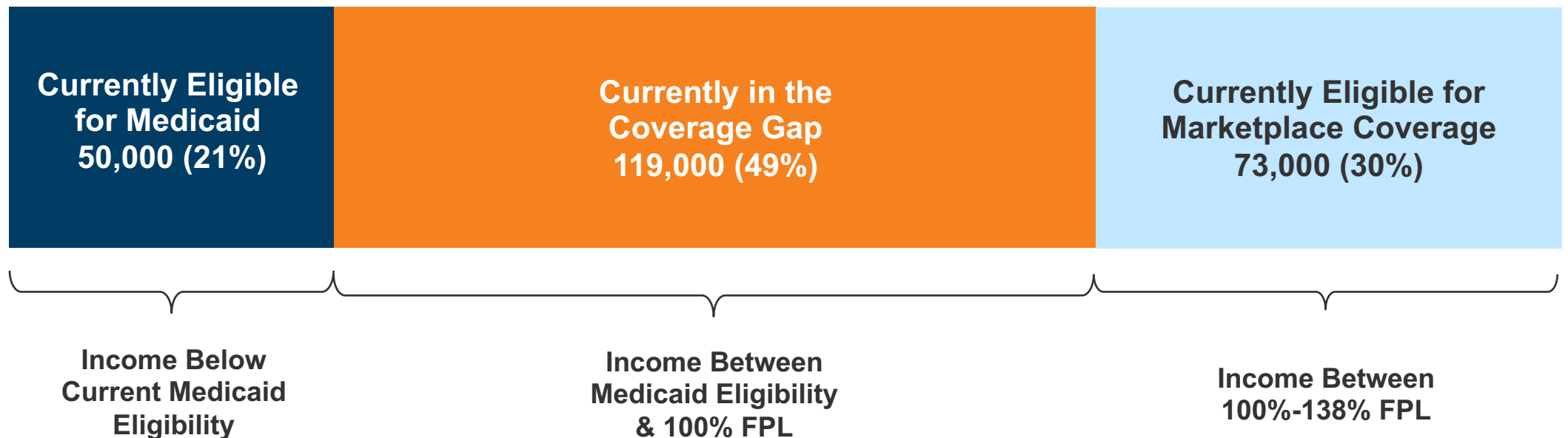
The “100%-138% FPL” category presented here uses a Marketplace eligibility determination for the lower bound (100% FPL) and a Medicaid eligibility determination for the upper bound (138% FPL) in order to appropriately isolate individuals within the range of potential Medicaid expansions but also with 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



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?

Figure 16

Evidence from over 400 studies suggests that the Medicaid expansion has positive effects for beneficiaries and states.

Coverage Metrics

Majorities of studies found:

- Medicaid enrollment and coverage 
- Coverage for specific populations 
- Uninsured rate 
- Coverage disparities 

Mixed findings on effects on:

- Rates of private coverage

Access Metrics

Majorities of studies found:






- Access to care 
- Utilization of care 
- Health care affordability 
- Financial security 
- Self reported health 

Mixed findings on effects on:

- Provider capacity
- Quality of care
- Positive health outcomes

Economic Metrics

Majorities of studies found:

- Health of state economy 
- Provider financial wellbeing 
- Medicaid-covered provider visits 
- Uninsured provider visits 
- Uncompensated care costs 

Mixed findings on effects on:

- Employment

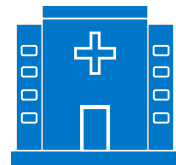
Figure 17

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

Figure 18

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

-12.4
percentage
point ↓ **Estimated catastrophic
healthcare expenditure risk**
for trauma patients in WA

-1.7
percentage
point ↓ **Health-inclusive poverty
measure (HIPM) rate** for
individuals under 65

-1.15
percentage
point ↓ **Rate of evictions** per
1000 renter-occupied
households

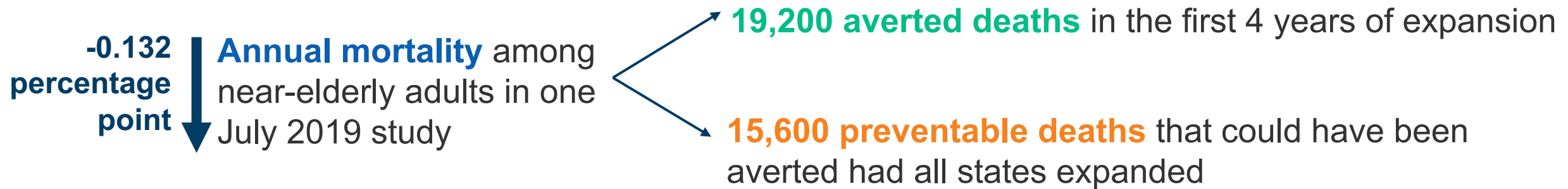
-2.2
percentage
point ↓ **Very low food security**
among low-income
childless adults

SOURCE: M. Guth, R. Garfield, and R. Rudowitz, *The Effects of Medicaid Expansion under the ACA: Updated Findings from a Literature Review* (Washington, DC: Kaiser Family Foundation, March 17, 2020), <https://www.kff.org/medicaid/report/the-effects-of-medicaid-expansion-under-the-aca-updated-findings-from-a-literature-review/>

Figure 19

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

For example:



SOURCE: M. Guth, R. Garfield, and R. Rudowitz, *The Effects of Medicaid Expansion under the ACA: Updated Findings from a Literature Review* (Washington, DC: Kaiser Family Foundation, March 17, 2020), <https://www.kff.org/medicaid/report/the-effects-of-medicaid-expansion-under-the-aca-updated-findings-from-a-literature-review/>

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