The Role of Medicaid

Diane Rowland, Sc.D.
Executive Vice President,
Henry J. Kaiser Family Foundation
and
Executive Director,
Kaiser Commission on Medicaid and the Uninsured

for

National Academy of Social Insurance
Washington, DC
January 30, 2009
Figure 1

Health Insurance Coverage of the Total Population, 2007

- Military/VA: 1%
- Uninsured: 15%
- Employer-Sponsored Insurance: 53%
- Medicaid/SCHIP: 13%
- Medicare: 14%
- Private Non-Group: 5%

Total = 298.2 million

SOURCE: KCMU and Urban Institute analysis of March 2008 CPS.
Medicaid Today

Health Insurance Coverage
29.5 million children & 15 million adults in low-income families; 14 million elderly and persons with disabilities

Assistance to Medicare Beneficiaries
8.8 million aged and disabled — 19% of Medicare beneficiaries

Long-Term Care Assistance
1 million nursing home residents; 2.8 million community-based residents

Support for Health Care System and Safety-net
16% of national health spending; 42% of long-term care services

State Capacity for Health Coverage
Federal share ranges 50% to 76%; 44% of all federal funds to states

MEDICAID
Figure 3

Medicaid Enrollees and Expenditures by Enrollment Group, 2005

Enrollees

- Elderly: 10%
- Disabled: 14%
- Adults: 26%
- Children: 50%

Total = 59 million

Expenditures on benefits

- Elderly: 28%
- Disabled: 42%
- Adults: 12%
- Children: 18%

Total = $275 billion

SOURCE: Kaiser Commission on Medicaid and the Uninsured and Urban Institute estimates based on 2005 MSIS data.
Figure 4

Top 5% of Enrollees Accounted for More than Half of Medicaid Spending in 2004

Enrollees
Total = 57.4 million

Expenditures
Total = $265.4 billion

Figure 5

Medicaid Enrollees are Poorer and Sicker Than the Low-Income Privately-Insured

Percent of Enrolled Adults:

- Poor
  - Medicaid: 49%
  - Low-Income and Privately Insured: 27%

- Health Conditions that Limit Work
  - Medicaid: 61%
  - Low-Income and Privately Insured: 15%

- Fair or Poor Health
  - Medicaid: 48%
  - Low-Income and Privately Insured: 16%

# Medicaid’s Impact on Access to Health Care

<table>
<thead>
<tr>
<th></th>
<th>Medicaid</th>
<th>Private</th>
<th>Uninsured</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Adults</strong></td>
<td>10%</td>
<td>4%</td>
<td>9%</td>
</tr>
<tr>
<td><strong>Children</strong></td>
<td>10%</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td><strong>No Usual Source of Care</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Needed Care but Did Not Get It</strong></td>
<td>2%</td>
<td>3%</td>
<td>13%</td>
</tr>
</tbody>
</table>

* In the past 12 months

NOTE: Respondents who said usual source of care was the emergency room were included among those not having a usual source of care.

SOURCE: KCMU analysis of 2007 NHIS data
The federal poverty level (FPL) was $21,203 for a family of four in 2007. Data may not total 100% due to rounding.

SOURCE: KCMU/Urban Institute analysis of March 2008 CPS.
Figure 8

Minimum Medicaid Eligibility Levels, 2008

Income eligibility as a percent of the poverty level:

- Pregnant Women: 133%
- Pre-School Children: 133%
- School-Age Children: 100%
- Elderly & Individuals with Disabilities: 74%
- Working Parents*: 63%
- Childless Adults: 0%

*National median Medicaid income eligibility level for working parents in 2008.
SOURCE: KCMU/Urban Institute analysis of March 2008 CPS.
Figure 9
Children’s Eligibility for Medicaid/SCHIP by Income, January 2008

U.S. Median Eligibility = 200% FPL

- 185-199% FPL (9 states)
- 200% FPL (23 states)
- 201-250% FPL (8 states)
- 251-350% FPL (11 states including DC)

*The Federal Poverty Level (FPL) for a family of four in 2008 is $21,200 per year.
**IL and NY use state funds to cover children above 200% FPL.

SOURCE: Based on a national survey conducted by the Center on Budget and Policy Priorities for KCMU, 2008.
Figure 10

Medicaid Eligibility for Working Parents by Income, January 2008

US Median Eligibility = 63% FPL

*The Federal Poverty Level (FPL) for a family of four in 2008 is $21,200 per year.

SOURCE: Survey by the Center on Budget and Policy Priorities for KCMU, 2008.
The Challenge of Covering the Uninsured

Total = 45.0 million uninsured

- Children: 14%
- Parents: 17%
- Adults without Children: 35%
- Adults without Children: 21%
- Parents: 8%
- Children: 6%

Low-income includes those with family incomes less than 200% of the federal poverty level.

SOURCE: KCMU/Urban Institute analysis of March 2008 CPS.
Medicaid as a Building Block for Health Reform

• The basis for affordable coverage for low-income families

• Key source of financing

• Serves key roles outside larger health reform including:
  – Financing long-term services and supports
  – Serving and managing complex populations
  – Supporting safety net providers
  – Emergency services for immigrants