Starting in January, states that chose to expand their Medicaid programs under the Affordable Care Act will have to begin paying part of the associated costs, and three of the Midwest’s expansion states say they will rely at least in part on revenue from their taxes on health care providers.

Under the 2010 law, the federal government has been fully funding state-enacted changes that increased the reach of Medicaid to include adults with incomes at or below 138 percent of the federal poverty level. (Low-income children and their parents, pregnant women, and the disabled must be covered by all states.)

But the federal match falls from 100 percent to 95 percent in 2017, and then to 94 percent in 2018, 93 percent in 2017, and 90 percent in 2020 and beyond. (In comparison, the federal share for all Medicaid spending is about 63 percent.)

In response to a recent nationwide survey conducted by the Kaiser Commission on Medicaid and the Uninsured, Illinois, Indiana and Ohio reported that they will rely on provider taxes or fees to “fund all or part of the state share of costs of the ACA Medicaid expansion.” These types of taxes are most commonly levied on nursing homes, hospitals and intermediate care facilities.

States have increasingly come to rely on provider taxes to fund Medicaid — 21 had such taxes in place in 2003, Kaiser reports; now, every state except Alaska has them. In the Midwest, Illinois, Indiana, Iowa, Minnesota, Ohio and Wisconsin had three or more provider taxes in place as of fiscal year 2015.

Seven states in the Midwest have chosen to expand their Medicaid populations under the Affordable Care Act: Illinois, Indiana, Iowa, Michigan, Minnesota, North Dakota and Ohio.