Medicaid Expansion and Medicaid Expansion Waivers: Lessons for States

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Status of State Medicaid Expansion in 2015

- **Expanded (30)**
  - AZ, CA, CO, CT, DE, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, MA, MD, MI, MN, MO, MS, MT, NC, NE, NJ, NM, NY, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VA, WA, WV, WI, WY

- **Not expanded (21)**
  - AL, AK, HI, IA, IL, IN, KY, LA, MI, MN, MO, MS, NC, ND, OH, OK, OR, PA, SD, TN, TX, UT, VA, WA, WI, WY
2014 Drop in Uninsured Rate Biggest on Record

Change, in percentage points

Source: CBPP analysis of Census Bureau, Current Population Survey data. Adjustments are made using Census Bureau guidance to account for survey design changes in 1999 and 2013.
Uninsured Rate Gap Between Medicaid Expansion States and Others Widening

<table>
<thead>
<tr>
<th>Year</th>
<th>Medicaid Expansion States*</th>
<th>Other States</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>13.2%</td>
<td>15.8%</td>
</tr>
<tr>
<td>2014</td>
<td>9.8%</td>
<td>13.5%</td>
</tr>
</tbody>
</table>

*Health reform gave states the option to expand Medicaid to adults up to 138 percent of the poverty line.

Source: CBPP analysis using Census Bureau data.
Median Medicaid/CHIP Income Eligibility Levels by Group, as a Percent of the Federal Poverty Level, 2015

- States that Have Implemented the Medicaid Expansion (30 states, including DC)
- States that Have Not Implemented the Medicaid Expansion (21 states)

<table>
<thead>
<tr>
<th>Group</th>
<th>States with Medicaid Expansion</th>
<th>States without Medicaid Expansion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children</td>
<td>305%</td>
<td>215%</td>
</tr>
<tr>
<td>Pregnant Women</td>
<td>213%</td>
<td>199%</td>
</tr>
<tr>
<td>Parents</td>
<td>138%</td>
<td>44%</td>
</tr>
<tr>
<td>Childless Adults</td>
<td>138%</td>
<td>0%</td>
</tr>
</tbody>
</table>

NOTE: State-reported eligibility levels as of Jan. 2015, updated to reflect Medicaid expansion implementation as of Sept. 2015. Data do not reflect other eligibility changes made since Jan. 2015. MT has adopted the Medicaid expansion but it has not yet been implemented. Eligibility levels include the standard five percentage point of the federal poverty level (FPL) disregard. As of 2015, the FPL was $20,090 for a family of three and $11,770 for an individual.

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, with additional data updates.
The [State Name] Way to Expansion

• Approved demonstration projects
  • Arkansas Private Option
  • Iowa Marketplace Choice and Iowa Wellness Plan
  • Healthy Michigan Plan
  • Healthy PA (never implemented)
  • Healthy Indiana Plan 2.0
  • New Hampshire Health Protection Program

• Pending and in play
  • Healthy Utah Plan
  • Montana HELP (Health & Economic Livelihood Partnership) Program
## KFF: Components of Medicaid Expansion Waivers

<table>
<thead>
<tr>
<th>State</th>
<th>Premium Assistance</th>
<th>Premiums/Monthly Contributions</th>
<th>Healthy Behavior Incentives</th>
<th>Benefit Changes (Non-Emergency Transportation or NEMT)</th>
<th>Work Referral</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arkansas</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Iowa</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
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<td>Michigan</td>
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<td>Pennsylvania</td>
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<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
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<tr>
<td>Indiana</td>
<td>X (optional)</td>
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<td>X</td>
<td>X</td>
<td>X</td>
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<tr>
<td>New Hampshire</td>
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<td></td>
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<tr>
<td>Montana (proposed)</td>
<td></td>
<td>X</td>
<td>X</td>
<td></td>
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</tbody>
</table>

NOTE: PA has switched to “straight expansion.”
HHS placed limits on the use of expansion waivers

• No partial expansions - must expand up to 138 percent of the poverty line

• Enrollees required to enroll in QHPs remain Medicaid beneficiaries

• Waivers must articulate a clear demonstration purpose
Expansion waiver guardrails, part I

- People below the poverty line cannot be disenrolled for non-payment of premiums

- Cost-sharing above what is allowed under Medicaid rules is not allowed
Expansion waiver guardrails, part II

- Certain benefits cannot be overly restricted

- Work and work search
  - Cannot be a condition of eligibility
  - Cannot offer differential benefits
Considerations for policymakers

• What about complexity?
  • Multiple versions of programs based on income, health status, availability of employer coverage
  • Personal accounts for co-pays and premiums

• Some reforms can be implemented w/out a waiver
  • ER diversion projects (GA, IN, WA)
  • Care coordination pilots (MO, NC)

• Simplicity of straight expansion