WHEREAS, President Lyndon Johnson signed Title XIX of the Social Security Act in 1965, creating the Medicaid program to provide medical assistance to individuals whose incomes and resources were insufficient to meet the costs of necessary medical services; and

WHEREAS, the Medicaid program costs are shared between the federal and state governments based on a matching formula set out under law; and

WHEREAS, the Patient Protection and Affordable Care Act of 2010, commonly known as the Affordable Care Act or ACA, allowed states to opt to expand income eligibility for Medicaid to 138 percent of the federal poverty level and provided states a decreasing federal match for expenditures to cover necessary medical services for enrollees in the new income eligibility cohort which decreases from 100 percent in calendar years 2014, 2015 and 2016 to 90 percent in 2020 and beyond; and

WHEREAS, the Medicaid program is an entitlement program for individuals who meet certain qualifications and income eligibility; and

WHEREAS, the Medicaid program is also an entitlement program for states who are guaranteed the federal matching share for all necessary medical services provided to Medicaid enrollees without individual state or national spending caps; and

WHEREAS, the Medicaid program is a counter-cyclical program, providing states critical federal financial aid during economic recessionary periods when program demand increases, state revenues decrease and states’ laws prohibit deficit spending; and

WHEREAS, federal law and policies set out a broad framework for Medicaid however states are provided flexibility to design a state Medicaid program that meets their unique state needs; and

WHEREAS, the Medicaid program is the nation’s primary source of health insurance coverage for low-income populations, covering 73 million enrollees in 2016; and

WHEREAS, total Medicaid expenditures in FY 2015 totaled $532 billion and 62 percent of that total was provided by federal matching funds; and

WHEREAS, the National Association of State Budget Officers reports that in FY 2015, Medicaid expenditures were the single largest category, at 28.2 percent, of total state expenditures and were the second largest category of state general fund spending behind only elementary and secondary education in FY 2016.
NOW, THEREFORE BE IT RESOLVED, that The Council of State Governments urges that the federal Executive and Legislative Branches maintain the strong state-federal partnership that has been the hallmark of the Medicaid program since its inception more than five decades ago; and

BE IT FURTHER RESOLVED, that The Council of State Governments recommends that any reforms to federal Medicaid law and policies avoid the imposition of new burdens on state budgets.

Adopted by The Council of State Governments’ Executive Committee this 11th Day of December, 2016 in Colonial Williamsburg, Virginia.