

Medicaid

Our health crisis would be even worse if it weren't for the Medicaid program. Medicaid pays for medical assistance for individuals and families with low incomes and resources. Together, Medicaid and the [Children's Health Insurance Program \(CHIP\)](#) cover [over 70 million low-income people](#), including 29.5 million children. It is administered by the states and funded by both the federal and state governments. Medicaid is larger than any single private health insurer. Medicaid provides long-term care to millions of seniors, critical services that help Americans with disabilities live independently, and is a core part of the successful coverage of America's children.

Medicaid responds automatically in a weak economy, helping vulnerable Americans weather tough economic times. Additionally, Medicaid spending on hospitals, clinics and other health care providers ripples through local economies, paying the salaries of nurses, doctors, and other vital health care workers, who in turn spend money at local businesses. Census data shows that safety net programs for children work: as private insurance coverage for children dropped by 800,000, Medicaid and the CHIP covered 700,000 more kids in 2010.

What Happened to Medicaid After the Affordable Care Act?

In March 2010, the Patient Protection and Affordable Care Act (ACA) was signed into law. This health reform legislation enacted the largest expansion of Medicaid in decades, extending eligibility to everyone at or below [138 percent of the federal poverty line](#) (FPL), thereby filling in gaps in coverage for the poorest Americans. Unfortunately, the Supreme Court in 2012 ruled that states could not be required to expand Medicaid, giving states the option to implement this expansion. The Congressional Budget Office estimates that as a result of the ACA, [12-13 million more people](#) will be covered by health insurance each year between 2016 and 2024, a number that would have been even greater had the expansion not been made optional.

Medicaid at Risk in Budget Negotiations

Proposals have been made in both the [House](#) and the [Senate](#) to make deep cuts to Medicaid as a way to reduce the deficit, capping or turning them into block grants to states and canceling the ACA Medicaid expansion. These cuts would result in millions losing access to these vital services and falling deeper into poverty. Proposed cuts to Medicaid would shift more costs to states, leading to restricted enrollments, eligibility, and benefits during downturns. Economic activity and job generation will also be harmed; Medicaid dollars spent not only benefit individual families but also spur economic activity. RESULTS will work vigilantly to oppose any efforts to cut or restructure Medicaid (as well as child nutrition and health programs) in deficit reduction negotiations.

In May 2017, the Congressional Budget Office estimated that the House's American Health Care Act (AHCA) would result in [\\$834 billion in Medicaid cuts over ten years and 14 million people](#) would lose Medicaid coverage. A total of [24 million would lose health coverage](#) under the AHCA. States would be forced to cut enrollment, services, or both. To add insult to injury, the AHCA's Medicaid cuts would be used to cut taxes for wealthy Americans and large corporations

under the Affordable Care Act. The AHCA would be devastating to low-income families across the country.

In June 2017, Republican Senators unveiled their own “repeal and replace” health care bill called the Better Care Reconciliation Act of 2017, which they had originally hoped to vote on by the end of June. However, due to multiple Republican Senators publicly opposing the bill, Senate GOP leaders delayed the vote until after the July 4th recess. It is not clear if or when the Senate will take up the bill – so we will continue to keep up the pressure to protect Medicaid.

Much like the results of the AHCA, the Senate bill includes dangerous changes to Medicaid – [cutting Medicaid by over one-third](#), even deeper in the long run than the House bill. The CBO estimates that the Senate bill would increase the number of uninsured Americans by 22 million by 2026. While slightly lower than the estimated number of uninsured from the House bill, it would still lead to a total uninsured population of [49 million people by 2026](#). The revised version that was released by the Senate in mid-July maintains the same core structure, leading to the same harmful impacts.

General Background Information and Resources

Medicaid is a program that pays for medical assistance for individuals and families with low incomes and resources. [Medicaid’s funding](#) comes from both the federal and state governments, and is the largest source of funding for medical and health-related services for people with limited income.

Coverage

To qualify for Medicaid, an individual must meet financial criteria and also be part of a group that is “categorically eligible” for the program, such as low-income children, pregnant women, the elderly, people with disabilities, and parents. The income levels at which these groups qualify vary from state to state and group to group, generally with coverage of children and pregnant women being available at higher income levels, followed by people with disabilities and elderly, then parents of dependent children. As a result of the Affordable Care Act, states have the option of providing coverage to non-elderly, non-disabled childless adults making up to 138 percent of the federal poverty level (\$16,104 for an individual and \$27,310 for a family of three in 2014). A [report by the Kaiser Family Foundation](#) shows that prior to 2014, less than half of all states covered parents at or above the federal poverty level (FPL), and only 9 states provided full coverage to childless adults. For states opting into Medicaid expansion, the median eligibility threshold rose from 106% FPL to 138% FPL for parents and from 0% FPL to 138% FPL for childless adults between 2013 and 2014. Unfortunately, the eligibility threshold for parents is below the FPL in 20 of the 24 states that have not opted into Medicaid expansion, and the median eligibility level is only 49% FPL in these states. Additionally, childless adults generally remain ineligible for Medicaid in these states. Adults with incomes below the federal poverty line but above their state's eligibility threshold will be left without affordable coverage, being ineligible both for Medicaid and for tax credits through the ACA marketplace.

To bring light to the vast array of individuals who [benefit from Medicaid](#), especially families, [MomsRising](#) has collected over 500 [stories about Medicaid experiences](#) from around the country.

Benefits

Services covered by Medicaid include physician and hospital visits, well-child care, health screenings, vision care, and dental services and all services that a doctor or other health care professional identifies as “medically necessary.” The child health component of Medicaid is the [Early Periodic Screening, Diagnosis, and Treatment](#) (EPSDT) Program. EPSDT is required in every state. It is intended to fund necessary and appropriate screening and treatment for all eligible children.

Medicaid was designed to address the needs of low-income individuals; therefore, it is the best designed program to cover a growing population in need of public support for their health care needs. Medicaid participants can appeal coverage denials without risk of losing their coverage, unlike many private plans, and Medicaid covers many services not typically covered by private health insurance such as:

- Transportation to and from doctor’s appointments;
- Disability assistance services; and
- Services provided at rural or community health centers.

Medicaid currently protects low-income individuals against unaffordable out-of-pocket costs. The Federal government limits how much a person on Medicaid can be charged for service, and adults enrolled in private insurance plans pay more than [six times as much in out-of-pocket expenses](#). Medicaid also provides comprehensive coverage, ensuring care without limitation on total cost of long-term care due to serious illness. Those in Medicaid are less likely than those without insurance, and those in private insurance, to [lack a usual source of coverage or to have unmet health care needs](#).

Additional Resources:

- Centers for Medicare and Medicaid Services - [Medicaid.gov](#)
- [Introduction to Medicaid from the Center on Budget and Policy Priorities](#)
- [Kaiser Family Foundation](#)