



Medicaid Expansion: Make It Happen In Your State

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NHeLP

- Public interest law firm working to advance access to quality health care and protect the legal rights of low-income & underserved people
- Offices in Washington D.C., Los Angeles, and North Carolina
- **Advocate's Guide to Reproductive Health in Medicaid available on our website!**
- Visit our website at: www.healthlaw.org

Two Major Topics

- Impact of the Supreme Court decision
- How to argue for a Medicaid Expansion in your state

Supreme Court impact

1. The decision and impact are very narrow
2. “Partial” Expansions *shouldn't* be allowed
3. States can add the Expansion any time
4. States can drop the Expansion any time
5. Some people under 133% FPL may remain uninsured

1. Narrow Decision and Impact

- The decision impacts HHS' enforcement against a state that doesn't Expand
- It does not impact existing Medicaid rules
- It does not otherwise impact the new Medicaid Expansion category
- It does not impact other ACA provisions

2. No “Partial” Expansions

- Under the law, “all individuals” in the Expansion category must be covered, so a state shouldn’t be allowed to partially expand
 - HHS hasn’t yet stated if this is their interpretation
- However, a state could request an 1115 demonstration to do a partial Expansion – but the enhanced matching funds should not be available for this

3. Can Add Expansion Any Time

- There is no specific timeframe for the state to make a decision on Expansion
 - Enhanced matching rates are on a fixed schedule, unaffected by the start date
- It is probably not a good strategy to pressure your state to decide before the election
- To actually make the change, the state would first need to amend its Medicaid State Plan

4. Can Drop Expansion Any Time

- HHS has confirmed that a state is not locked into the Expansion once it starts
 - For example: A state could drop the Expansion when the matching rate goes from 100% to 95% in 2017
- Although this may be a bad policy and contradicts the Sup Ct decision, there may be a strategic advantage to this policy for 2014

5. “Everyone” Won’t Be Covered

- Without a mandatory Medicaid Expansion, it is likely at least one state will not implement a Medicaid Expansion
- Therefore, “everyone” under 133% will not be covered
 - Silver lining: “Everyone will be covered under the ACA in 2014” is the main argument *against* Family Planning expansions (waivers and SPAs) continuing beyond 2013

Arguing For a Medicaid Expansion

1. Publicize extremely generous Federal funding
2. Correct bogus numbers and provide context
3. Publicize state savings and economy boost
4. Explain why this is the best coverage for low-income people
5. Form a broad state coalition

1. Generous Federal Funding

- For Expansion category, the Feds pay 100% of costs in first 3 years, 95-93% in years 4-6, and 90% thereafter
 - Feds pay national average of 57% in other categories. Every state voluntarily participates!
- There are administrative costs which are not matched at the enhanced rate
- But this is a lot of Federal money to leave on the table

2. Honesty and Context

- You will need to correct bogus numbers
 - Counting the “woodwork effect” (already eligible but unenrolled)
 - Faulty assumptions (ex. 100% enrollment)
- Help people understand what the numbers really mean
 - \$100 million sounds like a lot of money, but is a small percentage of most Medicaid budgets

3. State Savings and Economy

- Yes, there are some costs
- But there are also massive savings – in the early years they are likely to be more than the costs!
 - State, county, local expenditures on health services for the uninsured (ex. county MH services)
 - Savings related to transitioning current enrollees to higher match Expansion category
 - New Federal dollars spent on health care generate big new state tax revenues
- State economy also helped by more business and more productive workforce

4. Best Coverage for Population

- Compared to Exchange, Medicaid offers services that are more targeted to the needs of low-income people
- Medicaid also is more affordable – premiums, copays, deductibles, etc., are all limited to ensure low-income people can actually afford to see their providers
- Medicaid is by far the most affordable way for the government to subsidize their care

5. Form a Broad State Coalition

- Many important state stakeholders with big political clout *also* want your state to do a Medicaid Expansion – get them on your team
 - State hospital associations: Hospitals will see a reduction in their funds for the uninsured which was *supposed* to be made up by covering the uninsured
 - Medicaid managed care organizations stand to gain millions of new enrollees with an Expansion
 - Business will have free coverage for their employees
 - Publicly funded clinics also stand to gain

Questions?

Numerous Medicaid Expansion and reproductive health publications (including Medicaid repro guide) available at:

www.healthlaw.org