

Medicaid and “Cost Concerns”

Nicole Huberfeld

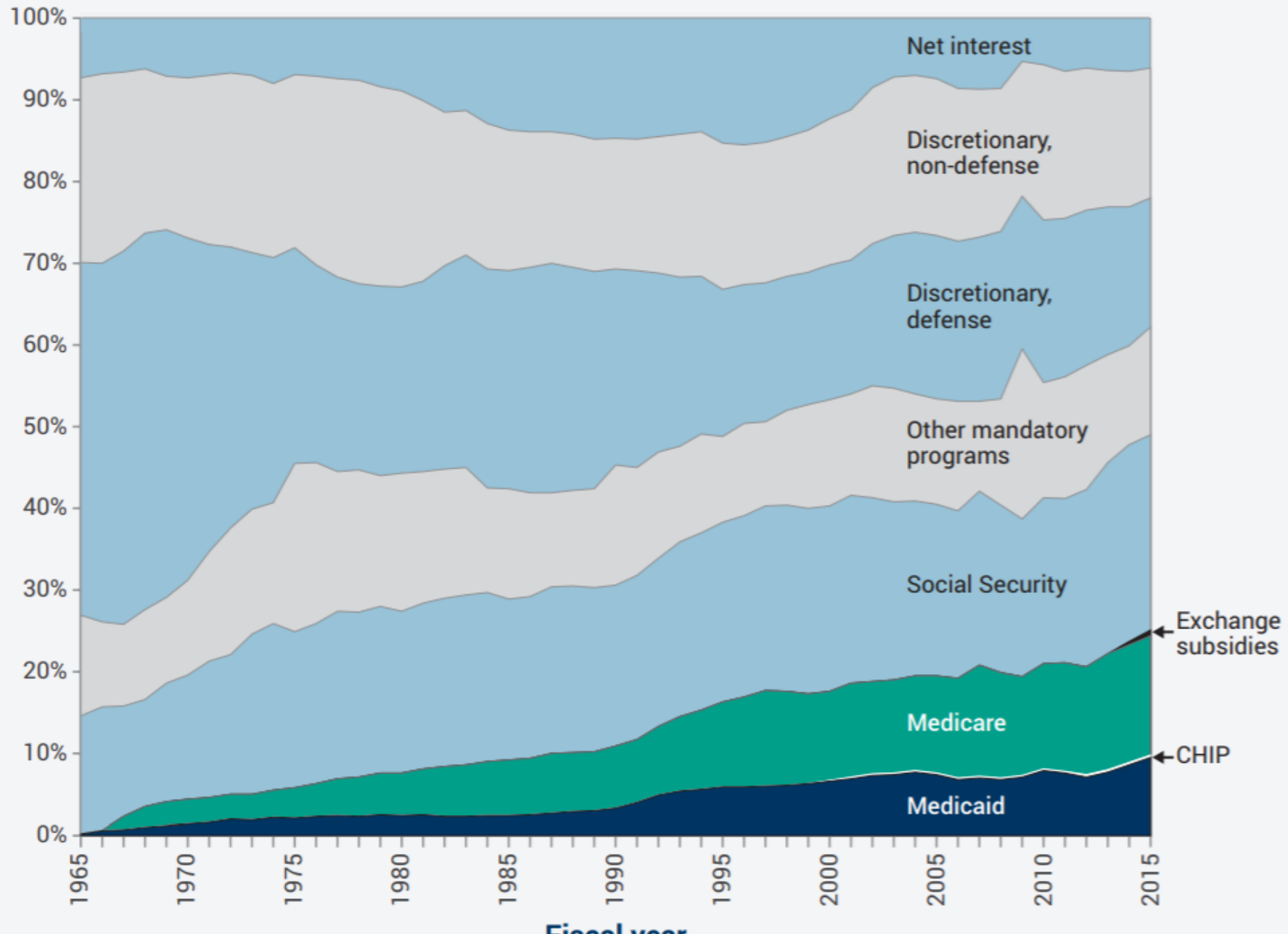
Professor of Health Law, Ethics & Human Rights

Boston University School of Public Health

Next Steps in Health Reform

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FIGURE 1-1. Major Health Programs and Other Components of the Federal Budget as a Share of Federal Outlays, FYs 1965–2015





- ◆ “We also agree on the need to strengthen Medicaid.”
- ◆ “Nothing we’ve advocated so far would cause anyone currently on Medicaid to come off of it.”

Senator McConnell

- ◆ “Medicaid is not being cut from our perspective.”

Sen. Tim Scott (R-SC)



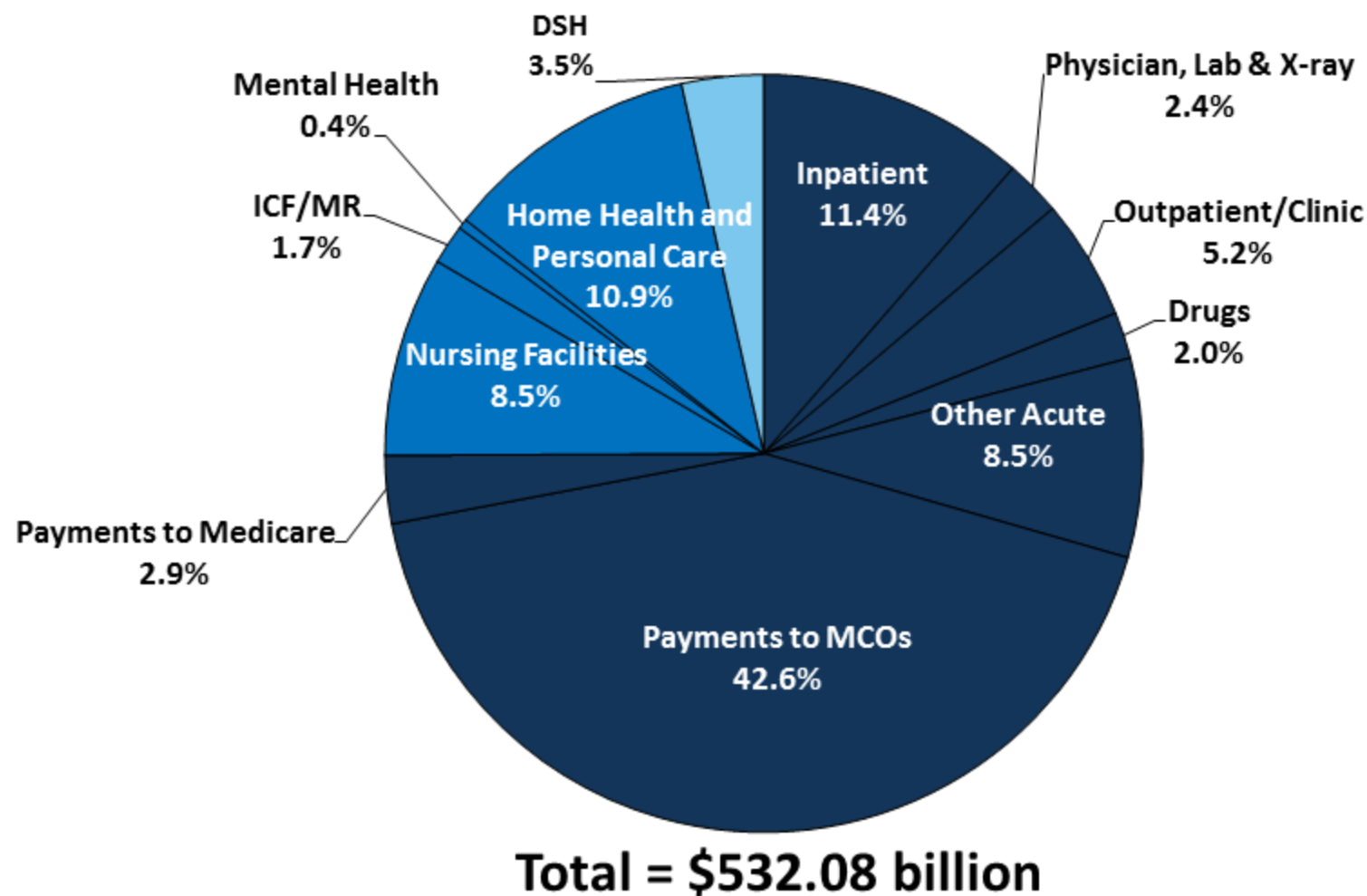
Welfare?

**Public
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American Health Care Act (5/4/17)	Better Care Reconciliation Act (6/22/17; revised 7/20/17)	Obamacare Repeal Reconciliation Act of 2017 (7/19/17)	Health Care Freedom Act (7/27/17)	Graham-Cassidy Bill (9/25/17)
<ul style="list-style-type: none"> - limit supermatch for Medicaid expansion to states that expanded as of 3/1/17, sunset enhanced FMAP by 1/1/20 (except those enrolled as of 12/31/19 with no break in eligibility more than 1 month) - per capita allotment beginning in 2020; state option to receive block grant for non-expansion adults and/or children - state option to require work as a condition of eligibility - no Planned Parenthood 	<ul style="list-style-type: none"> - supermatch for expansion states decreases from 90% to usual match by 2024 - per capita caps start 2020; state per enrollee amounts tied to medical CPI for children, adults; medical CPI + 1 % point for elderly and disabled adults for 2020 – 2024; then by CPI-U for 2025 ... state option to receive block grant for nonelderly non-disabled adults and/or expansion adults - option to require work as a condition of eligibility - no Planned Parenthood for 1 year 	<ul style="list-style-type: none"> - repeal the Medicaid expansion: no coverage for childless adults up to 133% FPL, no supermatch for Medicaid expansion; as of 1/1/20 - no Planned Parenthood for 1 year 	<ul style="list-style-type: none"> - retain Medicaid expansion - no Planned Parenthood for 1 year 	<ul style="list-style-type: none"> - no expansion adults as of 9/1/17 for opt-out states & as of 1/1/20 for expansion states; repeal supermatch as of 1/1/20 - per capita caps beginning in 2020; option to receive a block grant for nonelderly non-disabled adults - cost shifting from ‘blue states’ to ‘red states’ and from those that expanded Medicaid to the opt-out states - option to require work - no Planned Parenthood for 1 year

Figure 2

Medicaid Expenditures by Service, with DSH Payments and Payments to Medicare, FY 2015

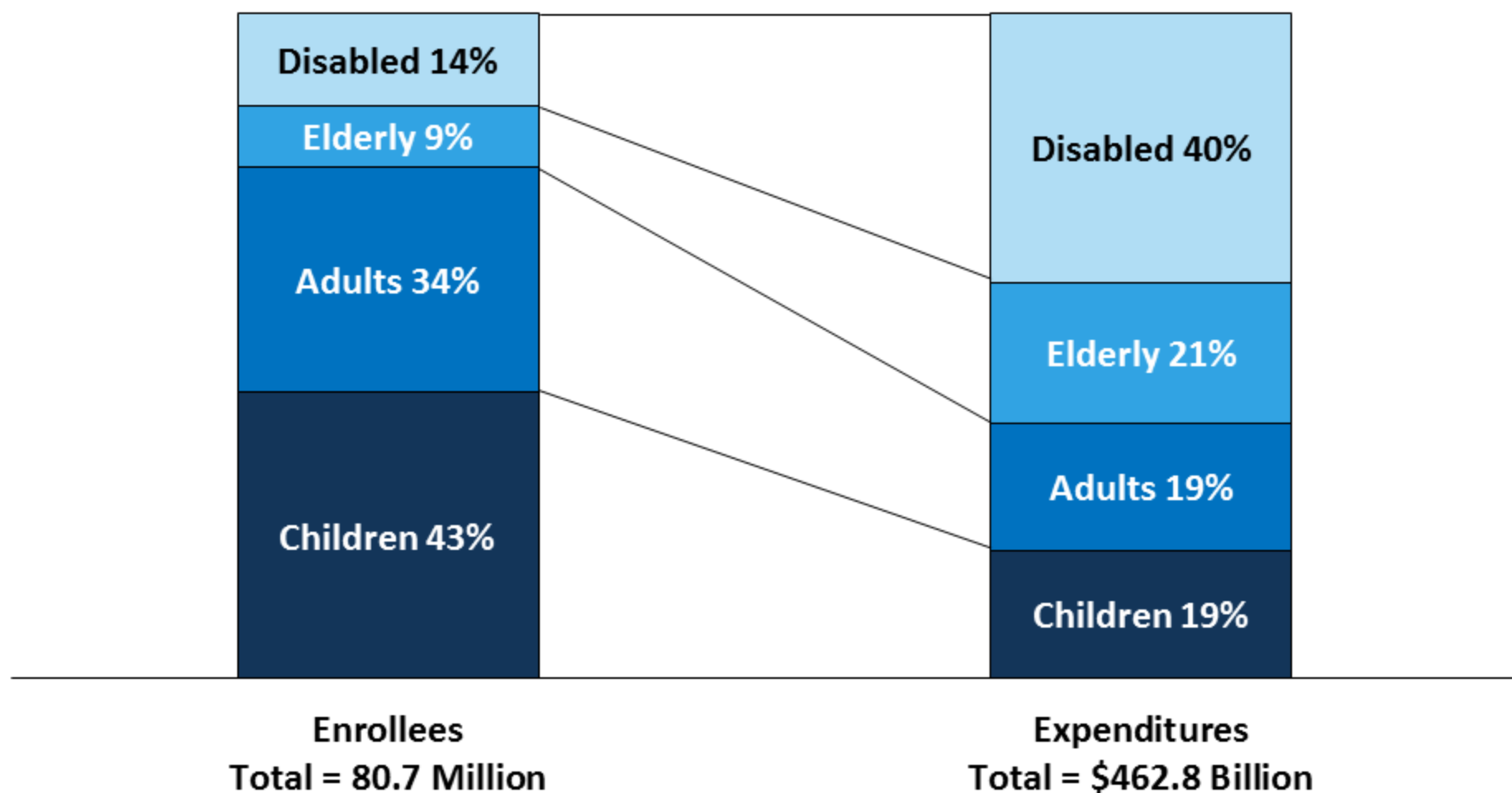


NOTE: Excludes administrative spending, adjustments and payments to the territories.

SOURCE: Urban Institute estimates based on FY 2015 data from CMS (Form 64), prepared for the Kaiser Commission on Medicaid and the Uninsured.

Figure 1

Nearly two-thirds of Medicaid spending is for the elderly and people with disabilities, FY 2014.



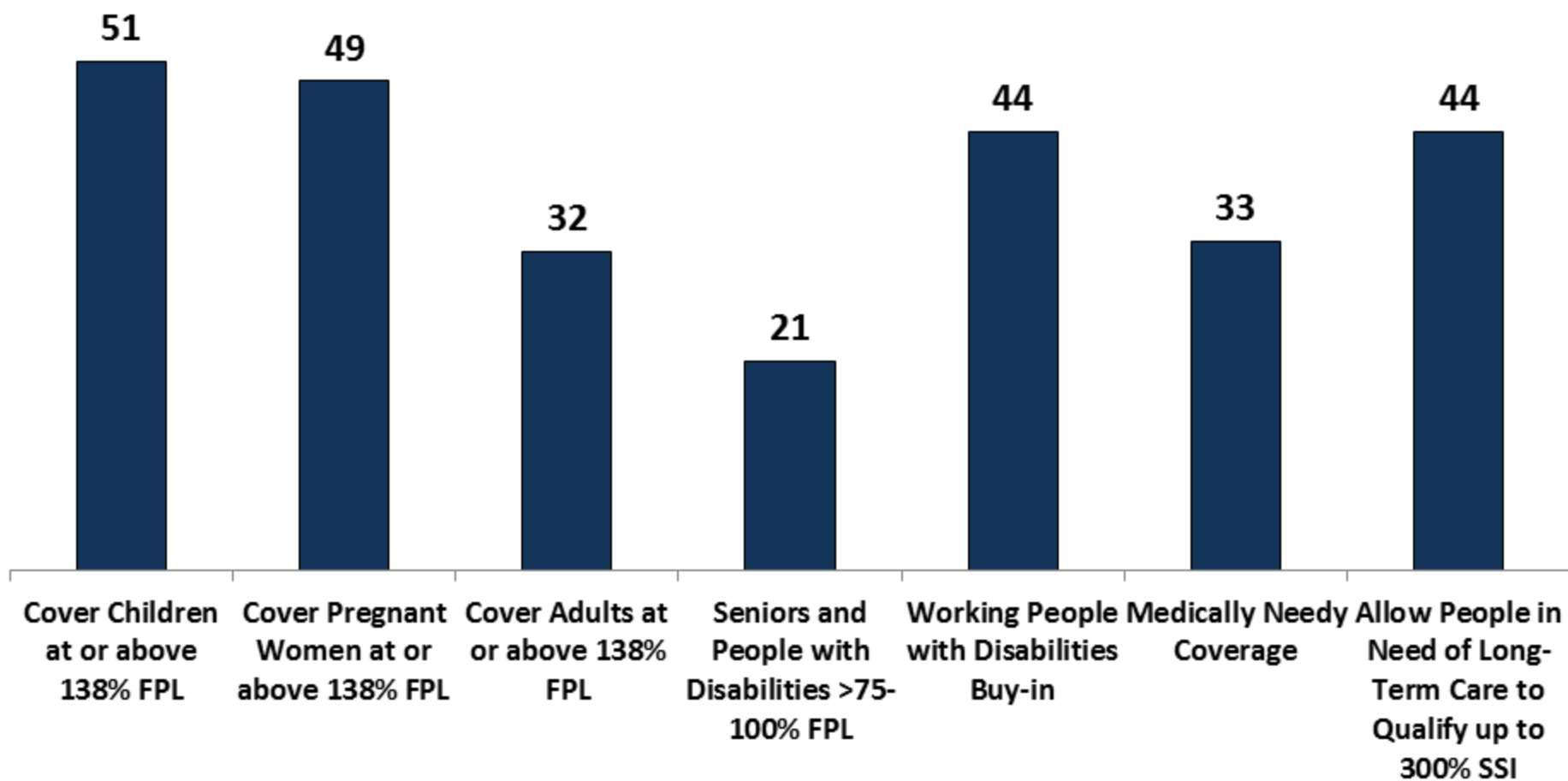
NOTE: Totals may not sum to 100% due to rounding.

SOURCE: KFF estimates based on analysis of data from the FFY2014 Medicaid Statistical Information System (MSIS) and CMS-64 reports. Because FFY2014 data was missing some or all quarters for some states, we adjusted the data using secondary data to represent a full fiscal year of enrollment.

Figure 3

State Take up of Options to Expand Eligibility

Number of States:

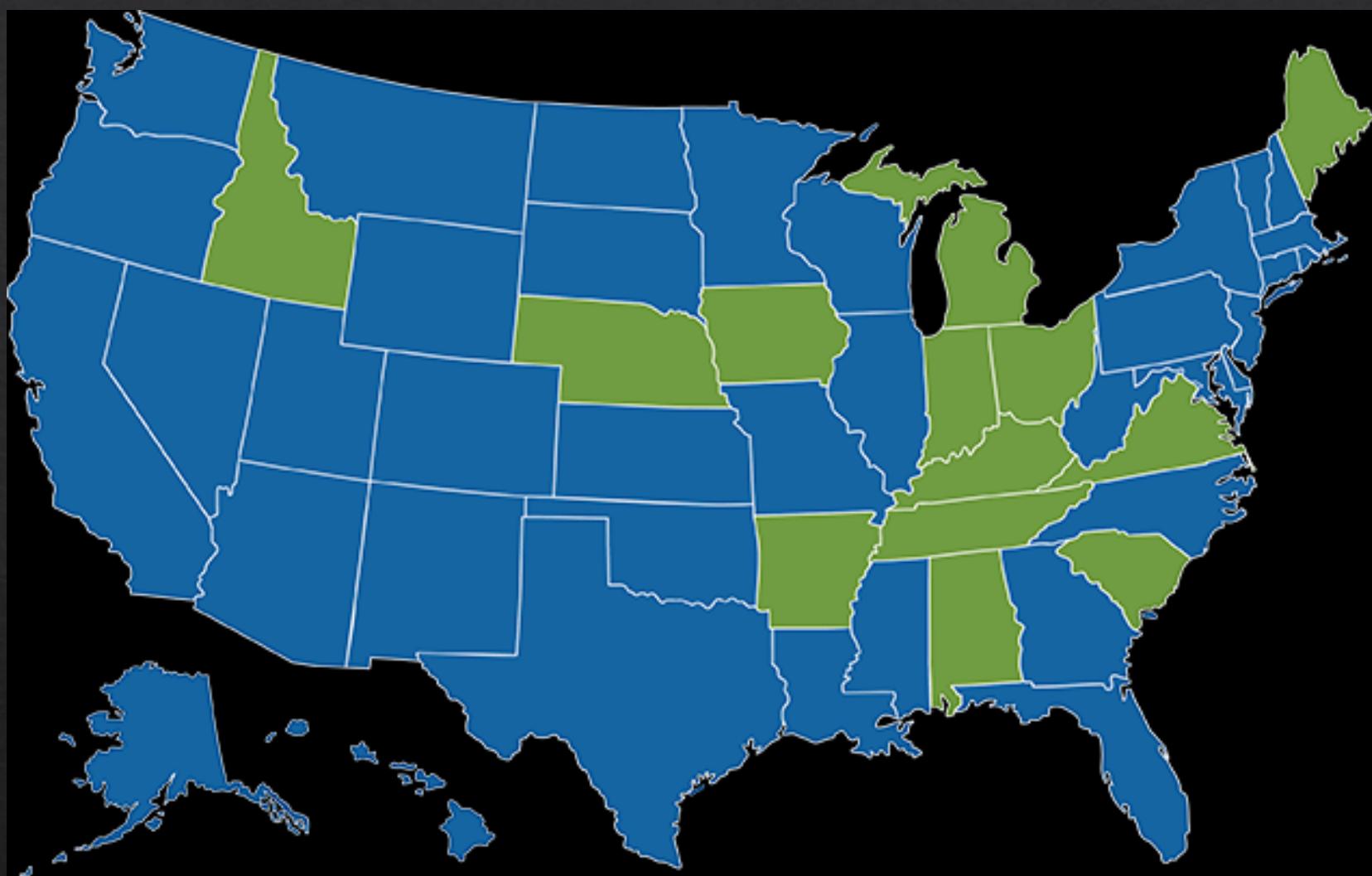


SOURCE: Based on results from a national survey conducted by the Kaiser Commission on Medicaid and the Uninsured and the Georgetown University Center for Children and Families, 2017 and the Kaiser Commission on Medicaid and the Uninsured Medicaid Financial Eligibility Survey for Seniors and People with Disabilities, 2015.

2008 blog on *Health Affairs*: “outlined a philosophy that ‘melds two themes of American society that typically collide in our health care system, rugged individualism, and the Judeo Christian ethic.’”

2016 blog post on *Health Affairs*: “Because HIP Plus members’ own dollars are at stake, they have ‘skin in the game’ and therefore an incentive to make cost-conscious healthcare decisions.”





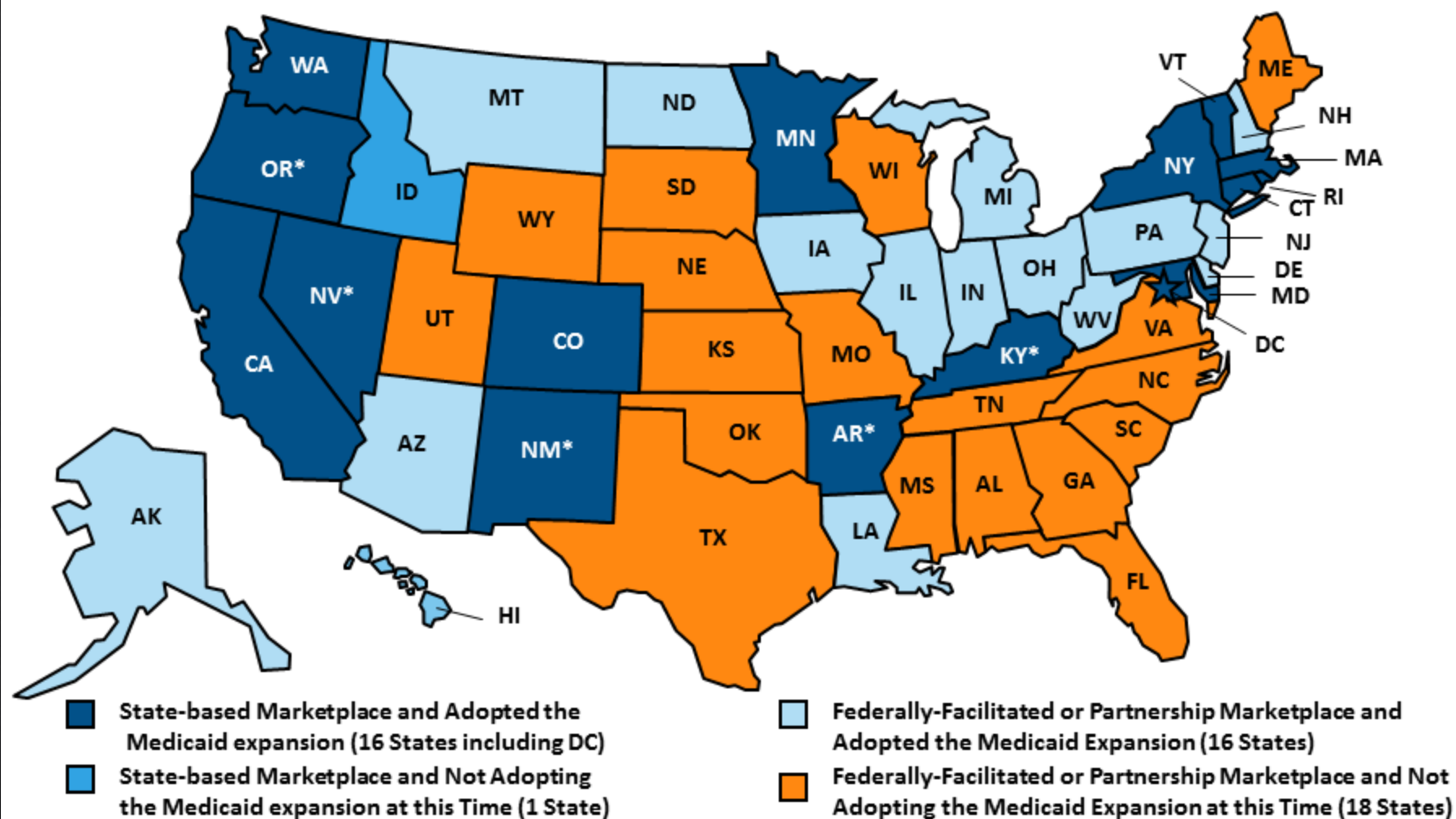
Cost:

“We’ve seen these programs grow and grow and grow,” she said. “We want to make sure we have a stable program over the long term and make sure that there’s some type of a growth rate that we can all agree to.”

Flexibility for states:

“We want to get to the point where we are making the whole waiver process easier... We’re not going to tell the states what their priorities are. They are going to come and tell us what their priorities are.” “Imagine you’re trying to run this program that is the number one program in your state in terms of costs, and every time you want to make a change you have to go check in with the federal government and see what they think.... To me it starts with resetting that, so that states are actually in control of their program and making those decisions.”

Current Status of State Individual Marketplace and Medicaid Expansion Decisions



NOTES: *AR, KY, NM, NV, and OR are state-based Marketplaces using the federal healthcare.gov platform.

SOURCE: State Decisions on Health Insurance Marketplaces and the Medicaid Expansion, KFF State Health Facts, updated January 1, 2017.

<http://kff.org/health-reform/state-indicator/state-decisions-for-creating-health-insurance-exchanges-and-expanding-medicaid/>.

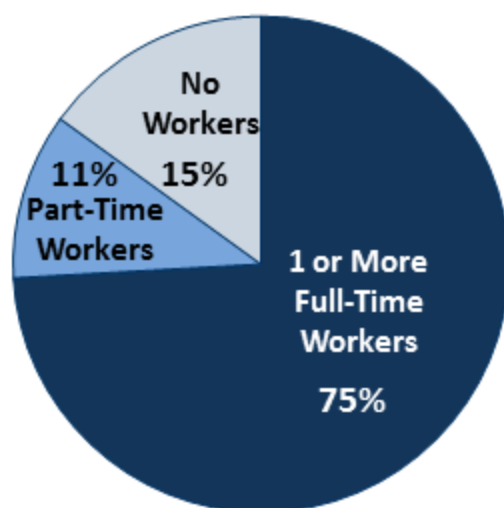
Personal Responsibility:

“We’ve put more than 10 million people, 12 million people into this program where the doctors won’t see them, and the policies that are in the Medicaid program are not designed for an able-bodied individual,” adding that the goal is to keep people in the private insurance market, where they would not be “dependent on public assistance.”

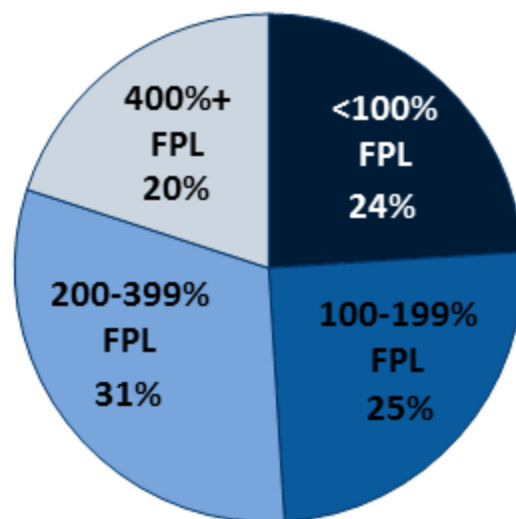
Figure 4

Characteristics of the Nonelderly Uninsured, 2016

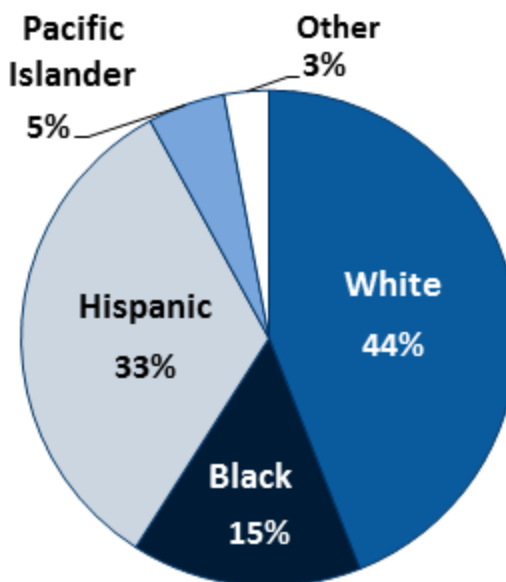
Family Work Status



Family Income (%FPL)



Race
Asian/Native Hawaiian or Pacific Islander 5%
Other 3%



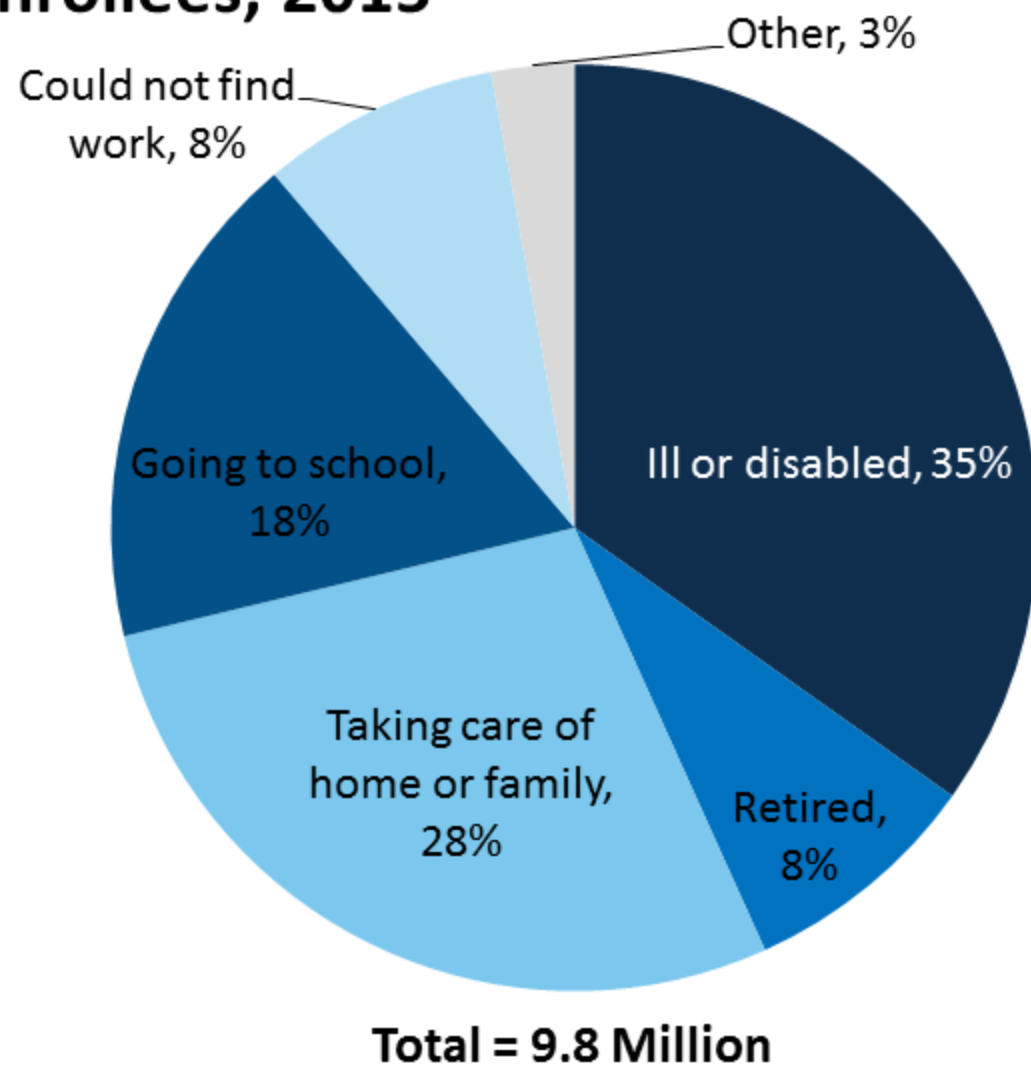
Total = 27.5 Million Nonelderly Uninsured

NOTES: Includes nonelderly individuals ages 0-64. The U.S. Census Bureau's poverty threshold for a family with two adults and one child was \$19,318 in 2016. Data may not total 100% due to rounding. Persons of Hispanic origin may be of any race; all other race/ethnicity groups are non-Hispanic.

SOURCE: Kaiser Family Foundation analysis of the March 2017 Current Population Survey, Annual Social and Economic Supplement.

Figure 4

Main reasons for not working among non-SSI, adult Medicaid enrollees, 2015



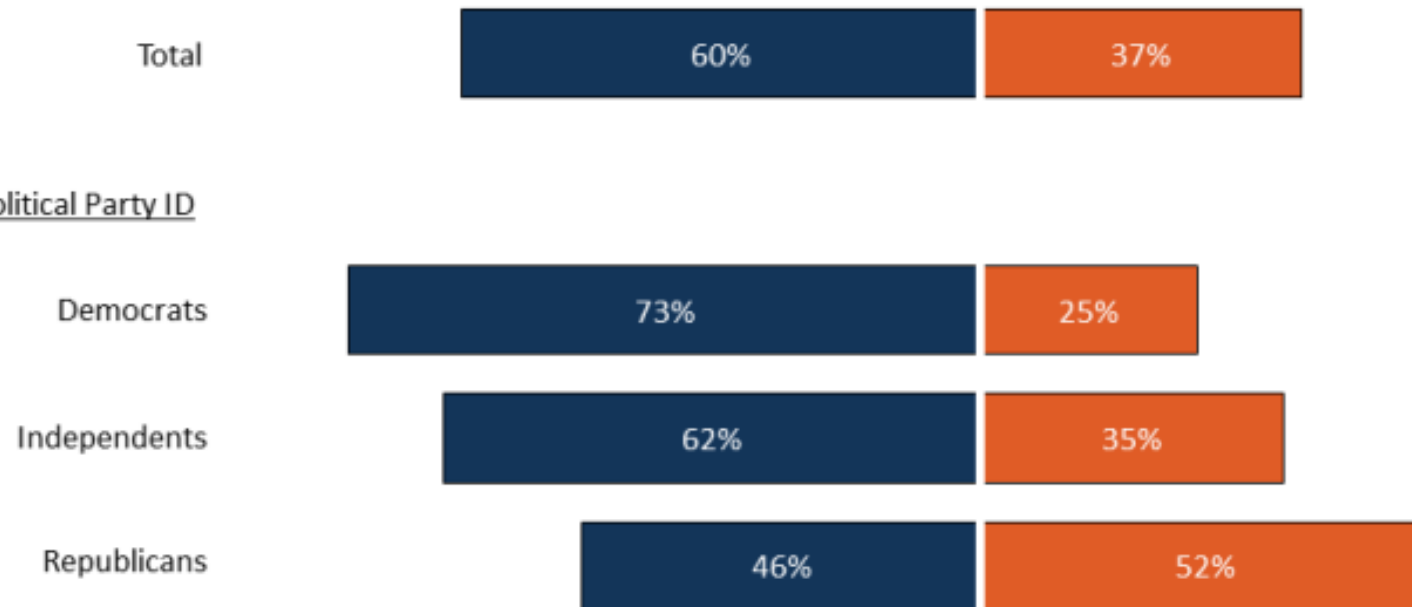
NOTE: Includes nonelderly adults who do not receive Supplemental Security Income (SSI).
SOURCE: Kaiser Family Foundation analysis of March 2016 Current Population Survey.

Figure 5

Democrats and Independents More Likely to View Medicaid as Health Insurance; Half of Republicans See It More Like Welfare

Which comes closer to your view?

- Medicaid is more similar to other health insurance programs, like Medicare, that help people pay for health care
- Medicaid is more similar to welfare programs like food stamps that help people pay for food



NOTE: Other/Don't know/Refused responses not shown.

SOURCE: Kaiser Family Foundation Health Tracking Poll (conducted May 16-22, 2017)



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