Health Advocate

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Key Resources

[NHeLP's Protect Medicaid Series](#)

[What is a Per Capita Cap?](#)

[Per Capita Caps vs. Block Grants in Medicaid](#)

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The Year Ahead: Medicaid Works!
Prepared by: [Mara Youdelman](#)

Our 2017 New Year's resolution is to fight to protect and preserve Medicaid for the more than 100 million individuals who depend on it each and every year. We promise to wage a tireless fight to ensure Medicaid remains a critical lifeline for individuals, families, communities and health care providers. We look forward to having you work with us throughout the coming years. Part of this battle to save the Medicaid guarantee will center on working to defeat efforts in Congress to turn Medicaid into a block grant or to cut or cap federal Medicaid funding. (In this [fact sheet](#), we explain the difference between per capita caps and block grants in Medicaid – both measures would adversely impact individuals and states that participate in Medicaid.) For nearly fifty years, NHeLP has endeavored to ensure Medicaid provides the full range of guaranteed services to all enrollees. Why do we do this? Because Medicaid works, and all of us are better off with it.

Medicaid works for people with disabilities

Medicaid provides health coverage to [16 million](#) people with disabilities and older adults. Medicaid is tailored to meet the needs of low-income populations and thus covers many vital services *not* covered by Medicare or most other insurance, most notably long-term services and supports (including nursing homes). Medicaid pays for approximately [two-thirds](#) of the country's long-term services and supports.

While the Affordable Care Act opened private insurance to many people with disabilities by prohibiting pre-existing condition exclusions, Medicaid covers a scope of services essential to ensuring individuals with disabilities can live and work in their communities. As our aging population grows, the role of Medicaid covering long term care will become even more important. Medicaid is the single largest payor of nursing home care across the country. Medicare does not pay for nursing home coverage but Medicaid does.

Medicaid is also the national leader in developing alternatives to nursing homes by covering home and community-based services which benefit people with disabilities and older individuals. States have flexibility to provide resources and financial incentives to help Medicaid enrollees in nursing homes and other institutional care settings to transition back to the community. Medicaid has been a major innovator in helping promote community-based care that helps people age and stay engaged

with their communities. Care in the community is considerably cheaper and dramatically improves quality of life.

For more, see NHeLP's Fact Sheet, *Protect Medicaid Funding: Older Adults and Individuals with Disabilities*, and *Protect Medicaid Funding: Older Adults and Individuals with Disabilities*

Medicaid works for children and their families

Medicaid covers health services for nearly 36 million children living in or near poverty (1 in every 4 children). Medicaid is the go-to health insurance for abused and neglected children placed in state foster care systems, as well as for many children living with developmental and other disabilities. Medicaid is a lifeline for two-thirds of the three million children in the United States who have medically complex conditions.

One of the most important aspects of Medicaid for children is the Early and Periodic Screening, Diagnostic and Treatment benefit (EPSDT). EPSDT guarantees that children – up to age 21 – enrolled in Medicaid can get access to the full scope of services they may need to treat their physical and mental conditions, whether preventable or potentially catastrophic. Without this guarantee – a guarantee that may not exist if Medicaid is converted into a block grant or per capita cap – many children will not be able to achieve their full potential and children will die.

Medicaid also supports families with children with life-threatening conditions by paying for the children's medical care and keeping families together and out of bankruptcy. To take one example from Illinois -- hospital care for a child with medically complex conditions can easily exceed $78,000 per month while in-home nursing care can total $19,000 per month. These services are critical to the health of children who are ventilator-dependent, need tubal feedings, or have seizures. Private insurance does not cover these long term services and supports. Most families cannot afford to pay out of pocket for these expenses. Without Medicaid, these children will be forced away from their families and schools and into institutions.

For more information, see NHeLP's Fact Sheet, *Protect Medicaid Funding: Children's Health*.

Medicaid works for women

Medicaid provides coverage to nearly 17 million non-elderly adult women. Medicaid provides comprehensive, affordable health care services that all women need. In addition, states must cover family planning services and supplies (FPSS) to individuals of child-bearing age. Medicaid ensures women can plan their families and that they have access to pre- and post-natal care. Medicaid covers nearly half of all US births**.** Eligibility for pregnant women extends well above 200% FPL in many states.

Medicaid finances nearly three-quarters of all publicly funded family planning services nationwide. Publicly funded family planning is cost effective, saving over $7.00 for every dollar spent. States receive 90% federal funding for FPSS, giving them a strong incentive to provide these services. Medicaid also allows states to provide FPSS to many individuals not otherwise eligible for Medicaid which is especially important in states that have not expanded Medicaid.

In addition, Medicaid provides coverage for treatment of breast and cervical cancer for women up to 250% of the federal poverty level.

For more information, see NHeLP's Fact Sheet, *Protect Medicaid Funding: Women's Health*.

Medicaid works for people of color and rural communities

Medicaid is an important source of health coverage for people of color, who represent 58% of non-elderly Medicaid enrollees. It promotes health equity and prohibits discrimination on the basis of race, ethnicity, language, immigration status, age, disability status, and gender. Medicaid also provides economic support to individuals and families who, relieved of the burden of paying high costs for health coverage, can redirect their limited financial resources for food, rent, and other essentials.

Medicaid coverage is particularly critical for people of color because they are more likely to be living with chronic health conditions, such as diabetes, which require ongoing screening and services. As an example, American Indians/Alaska Natives (15.9%), Non-Hispanic blacks (13.2%), Hispanics (12.8%), and Asian Americans (9%) make up the populations with the highest rates of diagnosed diabetes, compared to 7.6% of Non-Hispanic whites.

Higher proportions of individuals in rural areas live in poverty than do individuals in metropolitan areas, and thus a higher percentage of rural individuals (21%) are enrolled in Medicaid compared to metropolitan individuals (16%). In addition, working adults in rural communities are less likely to have access to employer-based health insurance. Medicaid provides federal funding to support coverage for rural communities and in doing so, helps sustain a healthy workforce.

For more information, see NHeLP's Fact Sheet, *Protect Medicaid Funding: Health Disparities*.

Medicaid works to treat substance use disorders (SUD)

Medicaid plays an important role in preventing and treating SUD. Early interventions to identify and prevent SUD save money and lives. Access to timely, evidence-based health services can prevent SUD by ensuring that problems are identified and treated early, reducing the need for opioid therapy.

Reducing the number of preventable deaths requires ensuring that people with SUD have access to evidence-based treatment, including medication assisted treatment (MAT). Medicaid is the single largest source of coverage for behavioral health services, including SUD treatment. Of the 20.2 million adults in the U.S. with a SUD, 23% are covered by Medicaid, including 1.2 million who have recently gained coverage in states that adopted the Medicaid expansion. In states that expanded Medicaid, the uninsured share of substance use or mental health disorder hospitalizations fell from about 20 percent in the fourth quarter of 2013 to about 5 percent by mid-2015.

For more information, see NHeLP's Fact Sheet, *Protect Medicaid Funding: Substance Abuse and Opioid Use Disorders*.

Medicaid works for states

Medicaid provides significant flexibility for states to design their Medicaid programs to meet the needs of their residents and communities. States determine what "optional" benefits (e.g. prescription drugs, hospice, physical therapy, home and community based services) to provide. States have flexibility to provide Medicaid to additional individuals through waivers and setting income eligibility limits. And Medicaid reduces uncompensated care, creates jobs and generates impacts greater than the state's funding.

The federal government pays at least 51% of state's Medicaid costs (and much higher for certain populations and services) and Medicaid – and particularly the Medicaid expansion – has significantly reduced states payments for public health, substance use disorder and mental health costs And when states face economic downturns or natural disasters, Medicaid is flexible enough to respond – when more individuals enroll, states receive additional federal funding to meet increased needs. Changing the basic guarantees of Medicaid – federal financing and a guarantee of coverage to those who are eligible – would threaten state budgets, families' budgets, and consumer's health.

Conclusion – Medicaid works

Millions of individuals depend on Medicaid and its health access and coverage guarantees. Medicaid is efficient, costing less than half the rate of private insurance. We need to recognize this workhorse is critical to the health not only of the 100 million who depend on it each year also to their families and friends. And as the population gets older and has more chronic conditions, Medicaid is more important than ever. We can certainly improve Medicaid. But the underlying structure – a guarantee of enrollment for all who are eligible and open-ended funding to ensure states can be responsive to unforeseen circumstances whether economic recession or natural disasters – works. So our resolution remains the same – our children, our seniors, our people with disabilities, our pregnant women, our underserved communities cannot live without its guarantees of coverage. Medicaid works an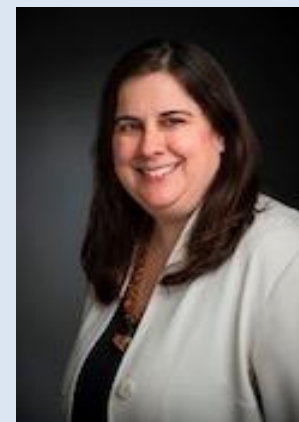d we all must work to preserve Medicaid for all of America.