**virginia poverty law center**

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The ACA Medicaid Expansion in Virginia

**The Supreme Court’s decision protects a state from losing all its Medicaid federal matching dollars for its current Medicaid program if it fails to implement the ACA Medicaid expansion.**

This essentially gives states the choice whether or not to adopt the expansion, which would offer coverage to people with income below 133% of the Federal Poverty Line (FPL).  While there are now many new questions about the expansion that will need to be resolved by federal regulation and policy –

**There is NO DOUBT that the expansion is absolutely critical for Virginia.**

**Virginia’s Medicaid program, despite its costs, does not rank well when compared to other states.**

Our eligibility level for low income parents is among the worst in the country – covering only those parents whose income is under 30% of the poverty line.  That translates into an annual income of under $10,000 for a family of four!  And Virginia has no public insurance program for “childless” adults (who aren’t pregnant, disabled, elderly, or suffering from breast/cervical cancer).  This means that a totally impoverished individual cannot get Medicaid in Virginia.

**The ACA Medicaid expansion changes all this by establishing a new national income eligibility level at 133% FPL.**

* The new eligibility level will be about $15,000/year for an individual; $31,000/year for a family of 4.
* About **425,000 uninsured people in Virginia** are expected to qualify.
* This will have a huge impact– **offering coverage for almost ½ of Virginia’s one million uninsured.**

**The Medicaid expansion is also an enormous benefit for the economy of Virginia**.

* The ACA calls for 100% federal funding for the first three years, and then **federal funding is reduced to no less than 90% of the cost**.
* The projected cost to Virginia is dwarfed by the billions of federal dollars which will come into the state – to support the healthcare industry, jobs and Virginia’s overall economy.
* A Kaiser Family Foundation report from 2010 estimates $9 to $11 billion in federal dollars for Virginia over a 5 year period.\*  DMAS has estimated over $20 billion in a ten year period.
* Especially for states like Virginia that have historically had extremely low eligibility levels, the expansion and its funding will provide enormous benefits to Virginia’s citizens and its economy.
* This is an opportunity that is too good to pass up.

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\* <http://www.kff.org/healthreform/upload/Medicaid-Coverage-and-Spending-in-Health-Reform-National-and-State-By-State-Results-for-Adults-at-or-Below-133-FPL.pdf>