

**Testimony on:**  
Enrollment in the Kansas HealthWave and Medicaid Programs

**presented to:**  
Senate Committees on Ways and Means &  
Public Health and Welfare

**by:**  
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**March 15, 2007**

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**Enrollment in Kansas HealthWave and Medicaid Programs**

Good afternoon. I am Marcia Nielsen, Executive Director of the Kansas Health Policy Authority (KHPA). With me today is Andy Allison, Deputy Director and Acting Medicaid Director. I appreciate the opportunity to talk to you today about changes we've seen in the number of Kansans enrolled in Medicaid, SCHIP, and HealthWave in recent years, and in the last few months. After sustained growth in enrollment since 1999, the state has seen a very rapid decline totaling over 20,000 Kansans – roughly the population of Derby or Hays. I'd like to provide some historical background on insurance coverage in this state before I address the long-run trends and more recent enrollment challenges in our programs, especially the impact of Federal requirements to verify citizenship and identity.

**Health Insurance for Low-Income Kansans**

**Background.** Health insurance plays an important role in the U.S. health care system, spreading costs to ensure access to care and prevent catastrophic financial loss. However, affordable private health insurance is not available to all Americans, especially the poor and those with predictable health costs, such as the elderly and disabled, for whom private insurance markets are both expensive and unstable. To address these chronic gaps in private insurance markets, states and the Federal government have invested in at least three major health insurance programs since the 1960s: Medicare, Medicaid, and the State Children's Health Insurance Program (SCHIP). Medicare provides traditional health insurance services for the nation's elderly and disabled. Medicaid supplements Medicare for low-income seniors and insures low-income women and children. SCHIP provides health insurance to an additional group of low-income children. Today Medicare covers about 13% of the Kansas population, while Medicaid and SCHIP cover about 10%. About 65% of Kansas' population is privately insured, and 11% remain uninsured. Most of the uninsured in Kansas live in households with at least one worker. As the cost of health insurance continues to rise, an increasing number of working Kansas families cannot afford health insurance. Those working in small businesses are less apt to be offered insurance, and those with low and modest incomes often have difficulty affording health insurance.

**Federal Funding.** Medicaid and the State Children's Health Insurance Program (SCHIP) are Federal programs that provide matching funds for state-run insurance programs. Both Medicaid and SCHIP are contained in the Social Security Act of 1965 (SSA): Medicaid was authorized as a part of the original SSA legislation and can be found in Title XIX of the Act; SCHIP was added as Title XXI of the SSA in 1997. The Federal match rate for SCHIP is slightly higher than Medicaid (72% v. 60% in Kansas), but unlike Medicaid, SCHIP matching funds are subject to a state-specific cap, or allotment. In Kansas, SCHIP is available state-wide to children who are Kansas residents from birth to age 19 who are not eligible for Medicaid and who live in families with incomes up to 200 percent of FPL (\$33,200 annually for a family of three). Medicaid covers children at lower levels of income.

**State Programs.** Medicaid and SCHIP are funding sources tied to specific Federally-determined populations. The state uses those funding sources to purchase health care through both managed care and fee-for-service programs. The managed care program is called "HealthWave," KHPA's best-known and most widely advertised product line. Both Medicaid- and SCHIP-eligible children and families have been enrolled in HealthWave since FY 2002. By state law, all 34,791 SCHIP children must be enrolled in managed care, which

**Enrollment in the Kansas HealthWave and Medicaid Programs**

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means all are enrolled in HealthWave. As of January 2007, about 145,000 Medicaid beneficiaries – mothers and children – are also eligible to be enrolled in HealthWave. To distinguish the Medicaid and SCHIP populations within HealthWave, KHPA often refers to the HealthWave-XIX and HealthWave-XXI populations, a direct indication of the SSA funding rules and eligibility criteria that apply to the HealthWave program.

**Background on Stairstep Income Thresholds Distinguish Medicaid and SCHIP Eligibility.** Eligibility for public health insurance in Kansas can be based on family income, disability, or other specific health care needs, e.g., long-term care or community-based support. Most Medicaid - and all SCHIP - enrollees are eligible solely because of their family's low income. These populations also comprise the vast majority of our HealthWave program. Income-based eligibility in Medicaid and SCHIP is tied to Federal Poverty Levels (FPL). Medicaid covers the poorest Kansas children, while SCHIP covers children with incomes that exceed Medicaid limits but are less than 200% of the FPL. Because Medicaid income thresholds decline with age, the dividing line between Medicaid and SCHIP poverty-related eligibility is commonly referred to as a "stairstep."

- The highest Medicaid income threshold is 150% of the FPL and applies to infants less than one and their pre- and post-partum mothers.
- The next highest Medicaid income threshold is 133% of the FPL and applies to children ages 1 through five.
- The lowest eligibility ceiling for children is 100% of FPL and applies to children ages 6 through 18.
- SCHIP funding is used to provide health coverage for children in each age group above the Medicaid eligibility levels up to 200% of FPL.

### **Long-run and short-run trends in enrollment**

- There has been steady growth in the cash assistance-related (TAF), poverty-related, and disabled populations in Medicaid and SCHIP since July 2003. Most of the increase is comprised of children in Medicaid and SCHIP.
- The drop in enrollment in Medicaid after July 2006 is due primarily to the new federal citizenship and identification requirements. Applicants who are most likely U.S. citizens are finding it difficult to obtain the necessary documentation to meet these requirements. New applications are not being processed as quickly as before, nor are reviews of existing beneficiaries being completed as quickly. A KHPA Fact Sheet is attached that describes the impact of the citizenship verification requirements on beneficiaries and KHPA operations in more detail.
- SCHIP has generally had smaller and steadier growth than Medicaid. Since the citizenship and identification requirements do not have to be applied to this program, there has been a smaller decline in enrollment since July 2006. Some decline did occur because of the volume of documents and phone calls the Clearinghouse began receiving in July.

### **Healthwave Outreach**

There are an estimated 40,000 Kansas children who are uninsured and potentially eligible for HealthWave, although this estimate precedes the reduction in caseload of approximately 15,000 children due to the federal citizenship and identification requirements. Despite a more streamlined, less cumbersome enrollment process in general and several years of marketing efforts (until mid-2006), there remain a contingent of uninsured

#### **Enrollment in the Kansas HealthWave and Medicaid Programs**

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Kansas children who have not enrolled in HealthWave representing about 20% of the eligible, uninsured children in the state. KHPA believes that health insurance would benefit these children and their families and intends to explore additional outreach methods aimed at enrolling these children.

One of the efforts KHPA is already exploring is a presumptive eligibility process. This process has been successful in bringing children into the program at the time of service in the three pilot locations. However, presumptive eligibility is not a long-term determination, and we have had disappointing success to date in getting children to enroll in HealthWave on an ongoing basis. Our budget proposals this year included resources to develop an on-line application form to facilitate the presumptive process and other outreach efforts. Together these efforts could help to improve the rate of enrollment following a presumptive determination. KHPA's vision of health for Kansans emphasizes prevention and wellness, and our approach to outreach and enrollment should be designed to support families in accessing preventive care for their children. This includes an emphasis on full-fledged enrollment in the program following, or in place of presumptive eligibility.

KHPA looks forward to the opportunity to partner with other organizations that can provide more personal assistance with the enrollment process. It should be noted that SRS does still perform about 15% of determinations into the HealthWave program and a local SRS office is still very important to the current and future enrollment model for the HealthWave program. However, KHPA believes it could be beneficial to partner with other organizations that will answer questions and help families gather the necessary verification. When the HealthWave Clearinghouse can receive applications that are accompanied by the necessary verification, the enrollment process moves much more quickly. KHPA looks forward to the opportunity to coordinate efforts with volunteer and grant-funded community-based organizations that can assist with this.

KHPA also believes that partnering with other state programs such as the school lunch program may be an avenue that will help us reach this eligible, uninsured population. Previous attempts to create these partnerships have been unsuccessful because federal laws around protecting the privacy of children on the free and reduced school lunch program are very restrictive. There is new information, however, that some programs have developed successful models for reaching this population, and KHPA may be able to develop a similar model. KHPA will investigate these possibilities further and will develop the necessary partnerships to open up this avenue if possible.

**Outreach challenges.** KHPA has requested \$336,000 SGF and \$822,000 All Funds for outreach for FY 2008. This request was originally made prior to understanding the full impact that the citizenship and identity verification requirements would have on the HealthWave Clearinghouse. Currently, there are approximately 15,000 applications pending at the HealthWave Clearinghouse. KHPA's concern is that an un-coordinated increase in outreach efforts could exacerbate this problem.

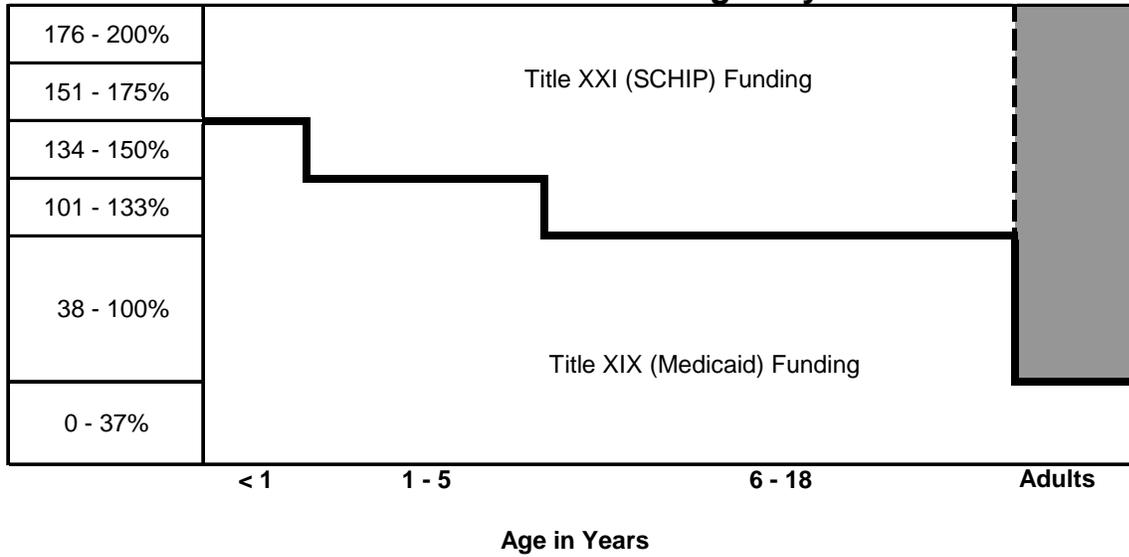
KHPA has also requested additional funding for FY 2007 and FY 2008 that would allow us to increase contract and state staff at the Clearinghouse in order to meet the demands of the citizenship verification requirements. Approval of these additional funds is crucial to any additional outreach that KHPA can do to enroll eligible, uninsured children. In addition, after the staff are put in place, it will take time to reduce the backlog of applications. It would do no good to increase outreach efforts and, if successful, add more applications to the backlog at the HealthWave Clearinghouse.

It is KHPA's position that we do need to increase outreach so that we can insure all children in the state of Kansas, but these efforts need to be mindful of the type of outreach performed, the timing of the outreach, and what type of strain this may put on an already over-burdened system. KHPA must coordinate these outreach efforts to ensure that accurate information is being disseminated and proper procedures are being followed by

staff and by partners. This will require increased effort on the part of KHPA.

**ATTACHMENT 1**

**HealthWave Income Eligibility**



**Federal Poverty Level (FPL) for a Household of Three (3)**

Percent of Federal Poverty Level (FPL)	Income Thresholds
200%	\$33,200
175%	\$29,050
150%	\$24,900
133%	\$22,078
100%	\$16,600

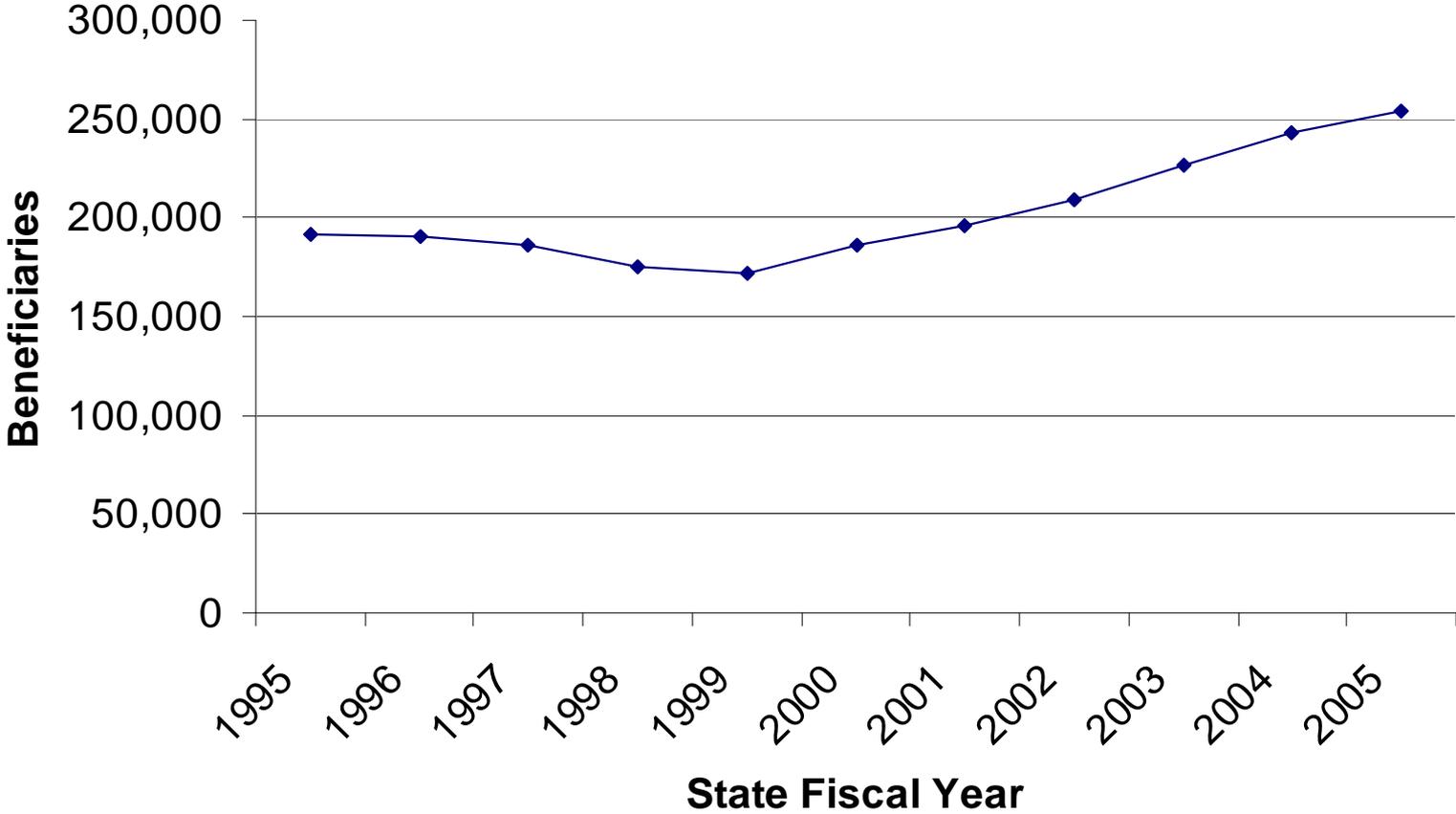


# Medicaid and SCHIP Eligibility Historical Trends

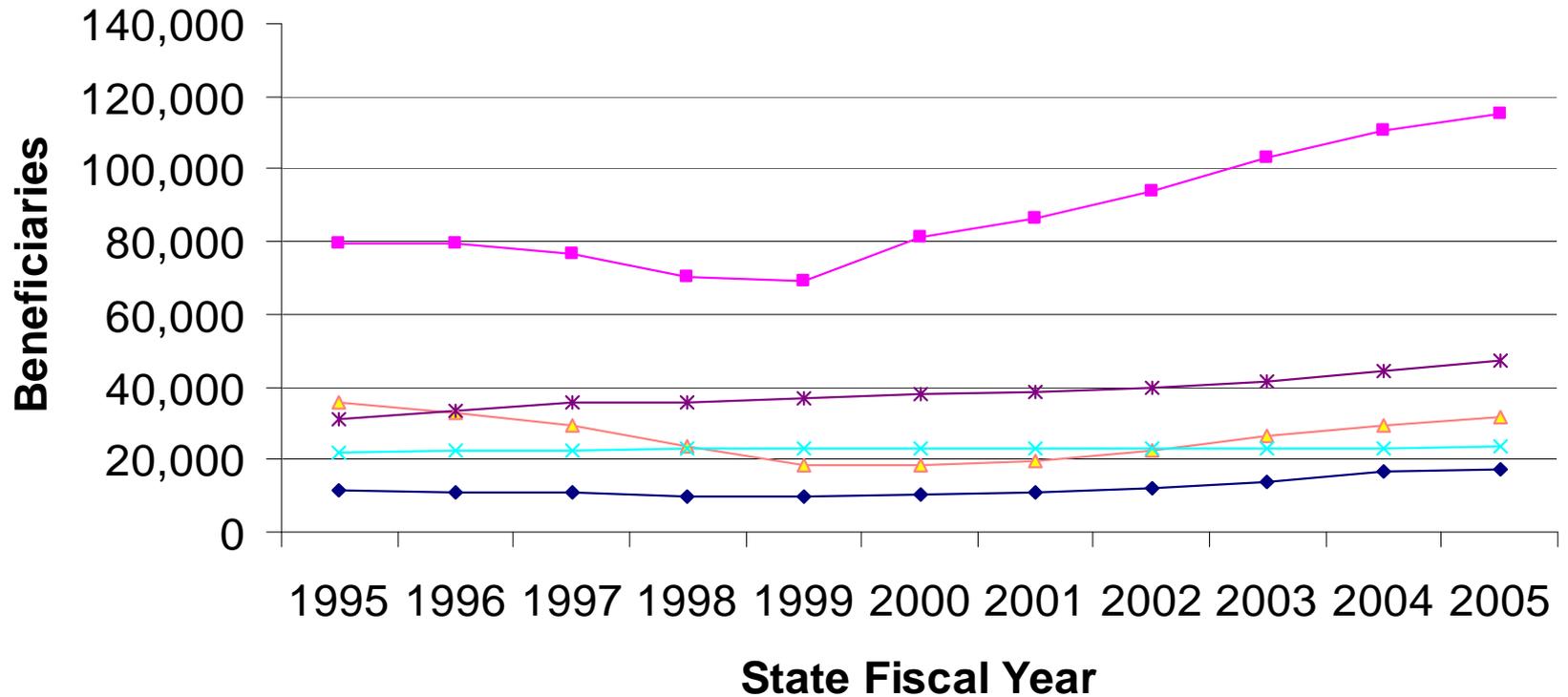
Marcia J. Nielsen, PhD, MPH

Andrew Allison, PhD

### All Kansas Medicaid Beneficiaries

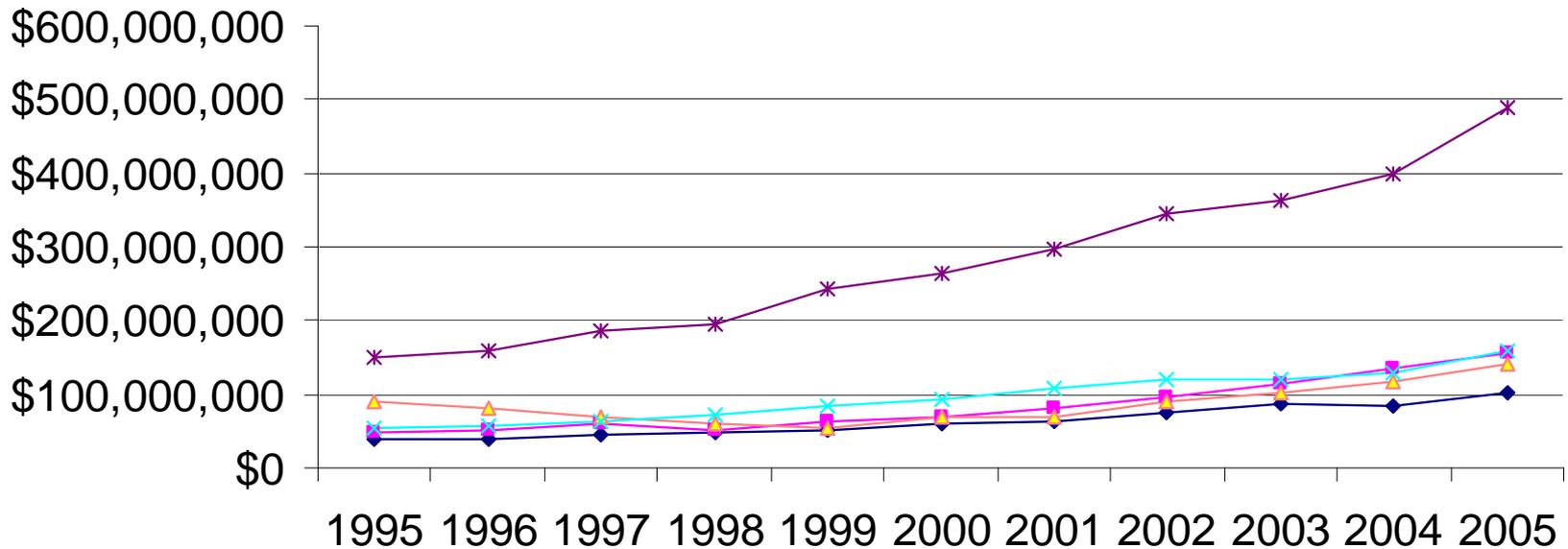


# Kansas Medicaid Populations Groups



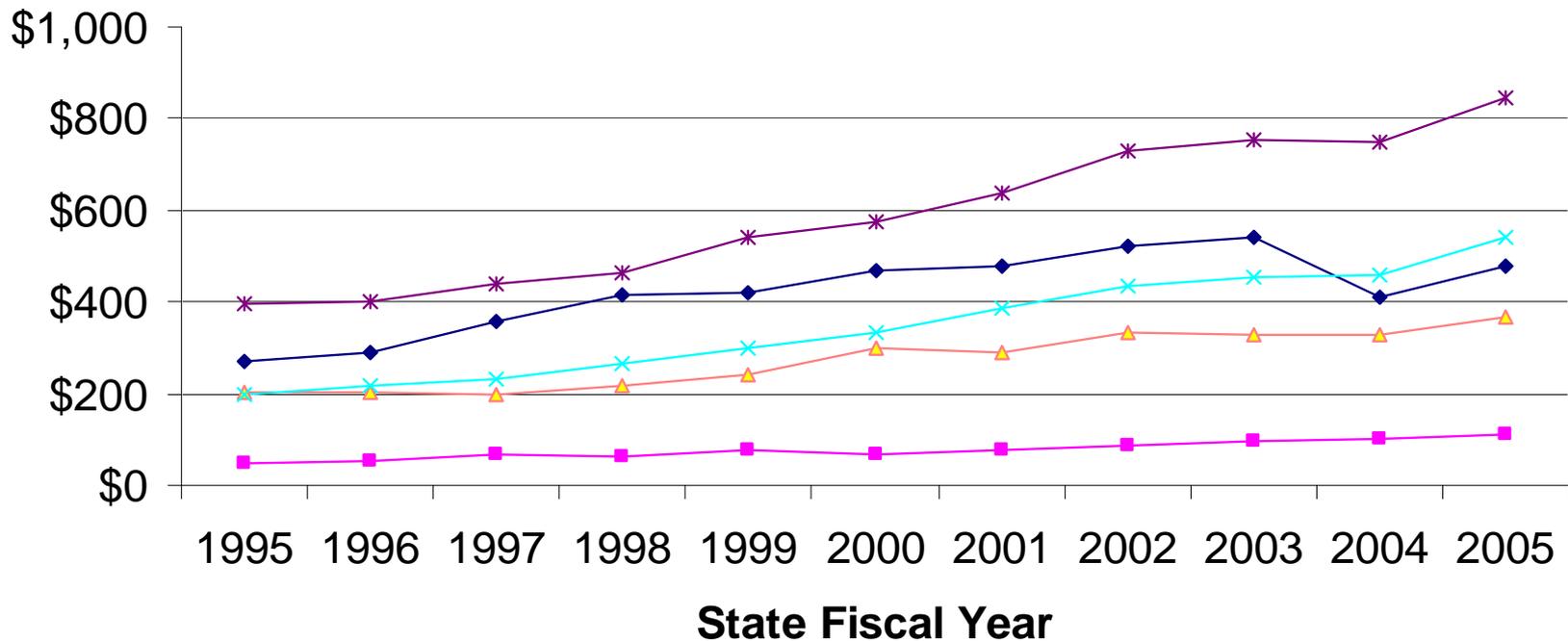
◆ Infants    ■ Children    ▲ Adults    × Aged    \* Disabled

## Kansas Regular Medical Medicaid Expenditures by Population Groups Excluding LTC

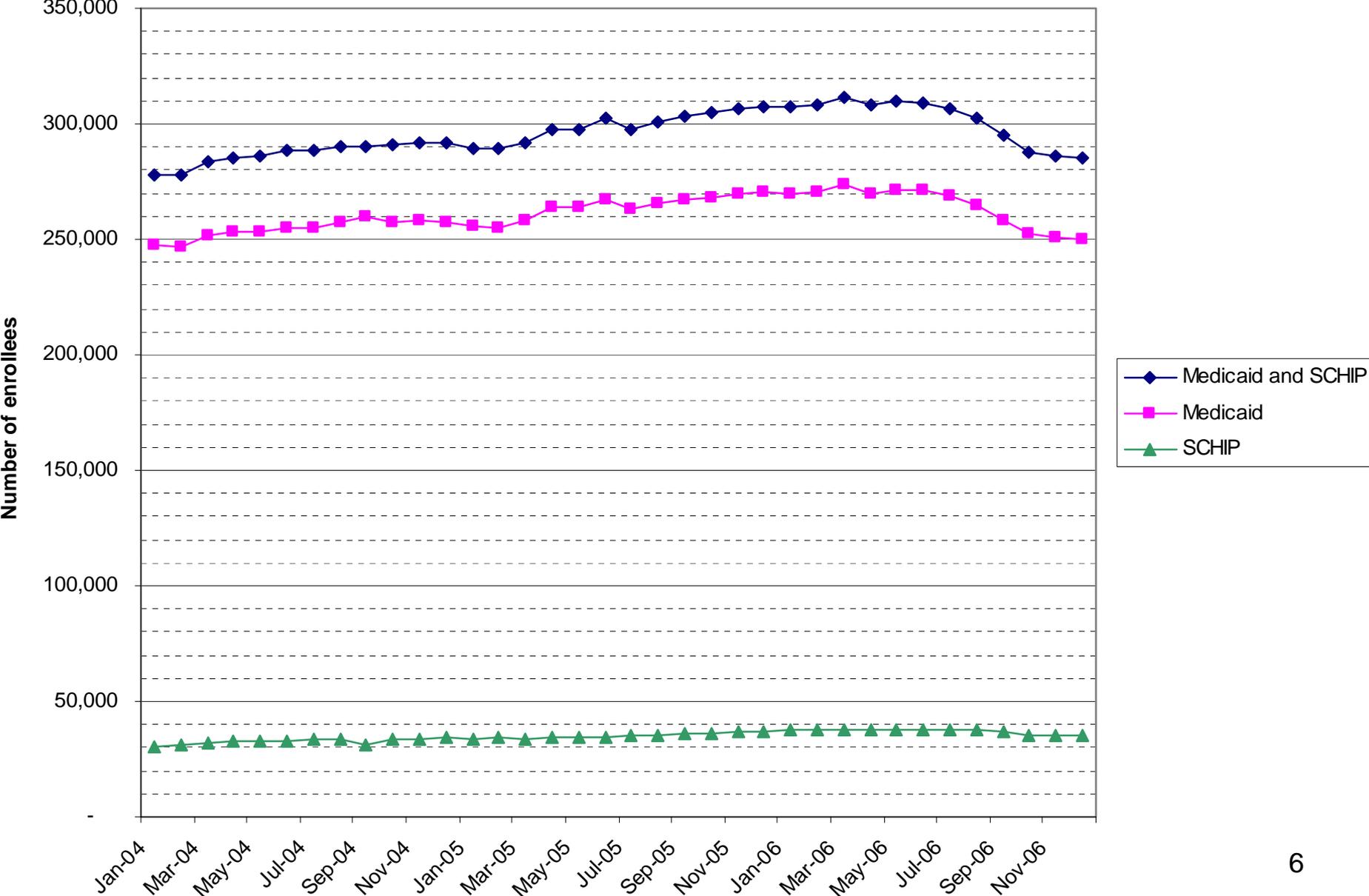


Infants   
  Children   
  Adults   
  Aged   
  Disabled

## Regular Medical Medicaid Expenditures Per Person Per Month per Population Group

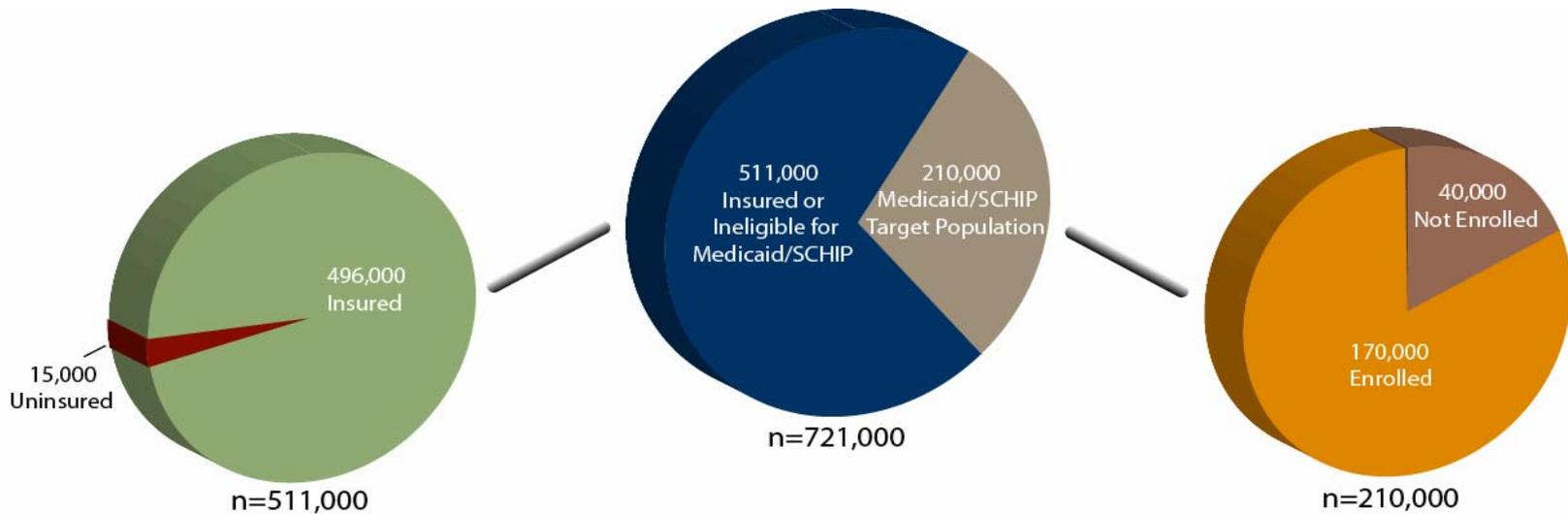


# Enrollment in Medicaid and SCHIP: FY 2004-2007



# Health Insurance Status of Kansas Children

## Kansas Children Under the Age of 19



Insured or Ineligible for Medicaid/SCHIP

Medicaid/SCHIP Target Population

- Kansas Medicaid/SCHIP programs insure 81 percent of target population

## Fact sheet on Deficit Reduction Act requirements for citizenship and identity

Kansans of all ages need health coverage. Unfortunately, in the past six months, between 18,000 and 20,000 Kansans have lost their Medicaid benefits due to the state's compliance with a new federal law, which became effective July 1, 2006, that requires many Medicaid applicants to provide documentation verifying their citizenship and identity. These new requirements, additional work now required for both applicants and state eligibility workers, and the abbreviated implementation timeframe dictated by the Federal government have created a barrier to coverage for both Medicaid and State Children's Health Insurance Program (SCHIP) eligible individuals. KHPA staff have re-engineered enrollment and utilized electronic verification where appropriate, but will not be able to address the new workload without additional resources. Even after resources are made available, the new requirements may have a negative impact on coverage for eligible Kansans. KHPA is recommending that Congress revisit the legislation to consider the impact on states and beneficiaries.

### Impact on beneficiaries

#### How have beneficiaries been affected?

- Significantly increased time and other costs of applying for Medicaid benefits have affected beneficiaries. Although KHPA has made arrangements to electronically "match" with Kansas state birth certificate records, many applicants who were born out of state report the need to purchase and wait for their birth records to be sent by mail.
- Those denied coverage or who are waiting for their applications to be reviewed may experience increased out-of-pocket health costs and reduced access to service.
  - Research clearly indicates that the uninsured have a harder time accessing health care services than those with Medicaid coverage.
  - Those who are uninsured as a result of the new laws may be required to purchase medical services using grocery money or other scarce resources, or to incur medical debt that could otherwise have been avoided.
  - Applicants in Kansas have shared numerous personal stories with the Clearinghouse over the last six months that validate these concerns:
    - A woman who applied for benefits for her and her child two months ago, has still not heard back on whether they are insured. Now, her child is sick.
    - After applying for Medicaid several months ago, a pregnant mother has not yet received her Medicaid card. The baby is due soon and her doctor is now billing her.
    - One family moved from Iowa and is struggling to get their son medication for his extreme case of ADHD. An Iowa doctor sent the prescription twice and asked a pharmacy to pay, but he will no longer fill the prescription and the family cannot get the son into a doctor without HealthWave coverage. The school reports that the son is spending more time in the principal's office than in the classroom because he is not getting his medication.

Agency Website: [www.khpa.ks.gov](http://www.khpa.ks.gov)

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State Self Insurance Fund:  
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Fax: 785-296-6995

## **How has caseload been affected?**

- The number of individuals enrolled in Kansas Medicaid or SCHIP has fallen significantly since the requirements went into effect. Caseload in the two programs combined was 308,994 in June 2006 and 285,134 in January 2006. We estimate that 18,000-20,000 of this decline is a direct result of the new verification requirements.
- Of this drop, 2,381 individuals are those whose applications or renewal cases have been closed because they could not provide the newly required documents in a timely fashion.
- Another 16,000 or more are waiting to enroll in the program, or have fallen off the program while waiting to be re-enrolled, as a result of the large backlog of cases the new requirements have created.
- Many of those waiting to be enrolled are eligible citizens. Recent experience indicates that the majority of children and families with pending applications will qualify for coverage under the new requirements when we are able to complete processing.

## **How have other states been affected by these new requirements?**

- Since Kansas first reported on the impact of the new requirements in November, other States across the country have reported similar difficulties.
- Virginia has seen about 12,000 children who have been dropped from the state's Medicaid caseload since July 1, 2006. Iowa, Louisiana, New Hampshire and Wisconsin have experienced similar decreases.
- Like Kansas, Iowa reports the impact of the requirements on eligible citizens who need Medicaid benefits and are not able to obtain coverage.

## **Caused by new documentation requirements and overworked enrollment process**

### **What are the new documentation requirements?**

- The new Federal laws, effective July 1<sup>st</sup>, do not change eligibility rules but instead require applicants to provide certain documents verifying that they comply with rules governing citizenship and identity. States were notified of this new requirement on June 9, 2006 and the interim final rule was published in the federal register on July 12, 2006.
  - Citizenship: Medicaid eligibility has long been restricted to American citizens and certain legal immigrants such as refugee.
  - Identity: identity isn't an eligibility requirement, per se, but individuals and parents are required to apply on behalf of themselves and their children. In addition, applicants already must provide social security numbers and documentation of family income.
- The new laws require applicants, including those renewing their eligibility, to document citizenship and identity through one of the following criteria:
  - A *primary* document that verifies both citizenship and identity, such as a passport or certificate of naturalization; or
  - Separate *secondary* documents, one verifying citizenship, such as a birth certificate, and another verifying identity, such as a driver's license or school picture ID.

### **How have the new federal requirements impacted the enrollment process in Kansas?**

- The Kansas Family Medical Clearinghouse, which handles about 85% of applications from children and families, receives about 9,500 applications or renewals each month representing about 35,000 individuals, each required to provide at least one new document.
- The number of customer service calls to the Clearinghouse has more than doubled from 23,000 to 49,000 per month.
- The number of voicemails received has increased tenfold from 1,200 to 11,000 per month.
- The number of faxes received has doubled to 6,000.
- Collecting, matching, and verifying these documents have increased the average amount of time required to

complete an application.

### **Who is being affected by these new rules?**

- The new rules apply to all Medicaid applicants and beneficiaries EXCEPT Medicare beneficiaries and those individuals receiving Supplemental Security Income (SSI). Recent federal law changes have also provided additional exemptions to those receiving Social Security Disability benefits and most youth in foster care or receiving adoption support.
- The primary impact of the new requirements is on children and families.
- To one extent or another, all Medicaid applicants may be affected.
  - Applicants who are unable to provide the required documentation in a timely manner are denied coverage.
  - Many applicants – especially children and families -- end up in the backlog that has developed since the new requirements were introduced. These applicants may or may not meet the documentation requirements, but in the meantime experience delays in the application process.
  - Disabled applicants who are not qualified for Medicare or SSI must comply with the new requirements, including children receiving home and community-based services, children needing institutional care, and adults applying for medical assistance through the Presumptive Medical Disability process, many of whom have a mental illness.
  - Because the vast majority of seniors age 65 and over receive Medicare, very few elderly are affected.

We anticipate hospital emergency rooms and other health care providers will bear some of the costs associated with uninsured applicants – especially for pregnant women who have been unable to enroll in Medicaid.

### **Steps being taken to mitigate the problem**

#### **What are the budgetary costs of the new requirements for the state of Kansas?**

- In order to meet the new administrative burdens and mitigate the resulting impact on applicants, the KHPA is requesting an additional \$1 million in funding for FY 2007 and FY 2008 for the operation of its enrollment clearinghouse.
- These funds will be used by the enrollment contractor to hire 17 new contract staff to work through the backlog of pending applications, reduce waiting times and return eligible applicants to the program.
- KHPA is also requesting to hire an additional 4 state staff in FY 2007 and FY 2008 to address additional volume-related issues at the Clearinghouse, not related to the new citizenship requirements.

#### **What measures are being taken to reduce the impact on beneficiaries?**

- Resources at the Clearinghouse have been reallocated and enrollment processing has been adjusted to accommodate the new documentation requirements.
- KHPA is utilizing approved and reliable electronic sources of documentation, including the state's birth and immunization registries.
- KHPA will also be calling on our Congressional delegation to provide an update on the impact of these new laws, to suggest policy alternatives, and to recommend a Congressional review of the legislation.

(Rev 1-19-07)

# Kansas & United States



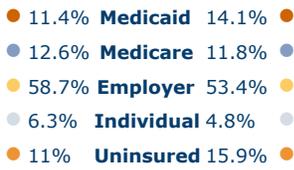
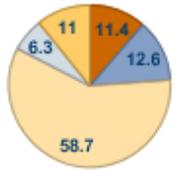
## State Medicaid Fact Sheet The Kaiser Commission on Medicaid and the Uninsured

### Total Residents, 2004-2005

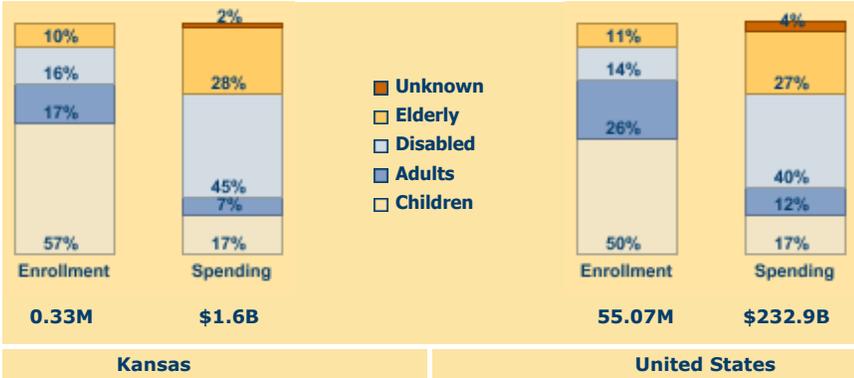
**KS:** 2,671,740      **US:** 292,947,440

### Distribution By Insurance Status, 2004-2005

**Kansas**      **United States**



### Medicaid Enrollment and Spending by Group, FY2003



	Number		Percent		Notes
	KS	US	KS	US	

Demographic Profile, 2004-2005					
<b>Total Residents</b>	2,671,740	292,947,440	-	-	-
<b>Income</b>					
Poor: Below Federal Poverty Level (FPL)	403,530	50,658,400	15	17	% of total residents
Near-Poor: 100-199% of the FPL	497,530	55,241,860	19	19	% of total residents
Non-Poor: 200% of the FPL and above	1,770,690	187,047,180	66	64	% of total residents
<b>Median Annual Income, 2003-2005</b>	\$43,802	\$46,037	-	-	-
<b>Age</b>					
Children (0-18)	722,090	77,908,220	27	27	% of total residents
Poor Children	146,450	17,721,680	20	23	% of total children
Adults (19-64)	1,608,740	179,534,430	60	61	% of total residents
Poor Adults	224,760	28,177,220	14	16	% of total adults
Elderly (65+)	340,910	35,504,790	13	12	% of total residents
Poor Elderly	32,330	4,759,500	9	13	% of total elderly
<b>Race/Ethnicity</b>					
White	2,220,250	195,289,750	83	67	% of total residents
Black	145,600	35,539,910	5	12	% of total residents
Hispanic	162,600	43,077,110	6	15	% of total residents
Other	143,300	19,040,670	5	6	% of total residents
<b>Non-Citizen</b>	100,080	21,757,770	4	7	% of total residents
<b>Population Living in Non-Metropolitan Areas</b>	957,800	48,327,760	36	16	% of total residents

Health Insurance Coverage of the Nonelderly, 2004-2005					
<b>Medicaid</b>	247,970	34,802,750	11	14	% of Nonelderly
Children	162,900	20,354,580	66	58	% of Medicaid
Adults	85,070	14,448,170	34	42	% of Medicaid
<b>Uninsured</b>	289,330	46,118,230	12	18	% of Nonelderly
Children	50,050	9,035,420	17	20	% of uninsured
Adults	239,280	37,082,810	83	80	% of uninsured
Poor: Below Federal Poverty Level (FPL)	111,540	16,749,520	39	36	% of uninsured
Near-Poor: 100-199% of the FPL	91,860	13,345,370	32	29	% of uninsured
<b>Employer Sponsored Insurance</b>	1,572,020	156,430,100	67	61	% of Nonelderly
<b>Individual Insurance</b>	166,100	13,928,090	7	5	% of Nonelderly
<b>Other Public</b>	55,410	6,163,480	2	2	% of Nonelderly

	Number		Percent		Notes
	KS	US	KS	US	
<b>Percentage Point Change Among Nonelderly 0-64 by Coverage Type, 2004-2005</b>					
Uninsured	-	-	-0.2	0.3	% point change
Medicaid	-	-	0.0	-0.1	% point change
Employer-Sponsored	-	-	0.7	-0.3	% point change
Individually Purchased	-	-	0.1	-0.1	% point change
<b>Medicaid Enrollment</b>					
Total Enrollment, FY2003	325,100	55,071,200	12	19	% of total residents
Children	184,400	27,263,000	56.7	49.6	% of Medicaid enrollees
Adults	55,200	14,257,300	17	25.6	% of Medicaid enrollees
Blind and Disabled	-	-	-	-	% of Medicaid enrollees
Elderly	32,700	5,871,700	10.1	10.5	% of Medicaid enrollees
% Enrolled in Managed Care, 2004	-	-	56	62.9	% in managed care
<b>Medicaid Expenditures</b>					
<b>Total Medicaid Spending in Millions, FY2005</b>	\$1,981	\$305,337	-	-	Including DSH
Disproportionate Share Hospital Payments (DSH)	\$64	\$17,089	3.2	5.6	% of total spending
Acute Care	\$1,080	\$182,604	54.5	59.8	% of total spending
Rx Drugs	\$203	\$30,658	18.8	16.8	% of acute care spending
Long Term Care (LTC)	\$838	\$105,644	42.3	34.6	% of total spending
Nursing Home	\$340	\$46,949	40.5	44.4	% of LTC spending
Home/Personal Care	\$420	\$41,277	50.2	39.1	% of LTC spending
<b>Per Enrollee Medicaid Spending, FY2003</b>					
Total	\$4,856	\$4,072	-	-	-
Children	\$1,499	\$1,467	17.1	17.2	% of total spending
Adults	\$2,058	\$1,872	7.0	11.5	% of total spending
Blind and Disabled	\$4,856	\$4,072	-	-	% of total spending
Elderly	\$14,027	\$10,799	28.4	27.2	% of total spending
Unknown	-	-	-	-	% of total spending
<b>Other Medicaid Spending Measures</b>					
Federal Contribution per State Dollar, FY2006	-	-	-	≥50	federal matching rate
General Fund Spending on Medicaid, SFY2004	-	-	12.7	16.9	% of general fund spending
<b>Medicaid Eligibility Levels by Annual Income and FPL, 2006</b>					
Working Parents	\$5,916	\$10,849	36	65	% of federal poverty level
Pregnant Women	\$24,135	\$21,400	150	133	% of federal poverty level
Infants	\$24,900	\$22,078	150	133	% of federal poverty level
Children 1-5	\$22,078	\$22,078	133	133	% of federal poverty level
Children 6-19	\$16,600	\$16,600	100	100	% of federal poverty level
<b>Medicaid and Medicare Dual Eligibles</b>					
Total Dual Eligible Enrollment, 2003	-	-	15	14	% Medicaid enrollees
Total Dual Eligible Spending in Millions, 2003	-	-	50	40	% of all Medicaid spending
Total Medicare Enrollment, 2005	396,527	42,394,926	14	14	% of total residents
Estimated Annual "Clawback" Payment, 2006	\$44,048,082	\$6,605,675,559	-	-	-
<b>SCHIP</b>					
Eligibility Income Level for Family of 3, 2006	\$33,200	-	200	-	% of federal poverty level
Current SCHIP Enrollment, December 2004	-	-	-	-	% growth, 2003-2004
Total SCHIP Spending, FY2004	-	-	-	-	% of health spending

This fact sheet was printed on January 21, 2007. Additional Medicaid Fact Sheets available at <http://www.kff.org/MFS/>.

All data are drawn directly from [statehealthfacts.org](http://statehealthfacts.org), Kaiser's continuously updated database for state-level health data. More detailed notes and sources are available by following the online links from each topic on the fact sheet.

## Demographic Profile

### Total Residents, Income, Age, Race/Ethnicity, Citizenship, Population Living in Non-Metropolitan Areas

Source: KCMU and Urban Institute analysis of the Current Population Surveys, March 2005 and 2006.

Notes: These demographic data may differ from Census Bureau figures due to grouping by health insurance unit (HIU) rather than household. A Metropolitan Statistical area must have at least one urban cluster of at least 10,000 but less than 50,000 population. A Non-Metropolitan Statistical Area lacks at least one urbanized area of 50,000 or more inhabitants.

### Median Annual Income

Source: U.S. Census Bureau, Current Population Survey, 2004, 2005, and 2006 Annual Social and Economic Supplements. Three-Year-Average Median Household Income by State: 2003-2005

## Health Insurance Coverage

### Medicaid, Uninsured, Medicaid, Employer-Sponsored Insurance, Individual Insurance, Other Public, Percentage Point Change in the Rate of Coverage of the Nonelderly Population (0-64 years old)

Source: KCMU and Urban Institute analysis of the Current Population Survey, March 2005 and 2006.

Notes: State figures are based on pooled 2004 and 2005 data; U.S. figures are based on 2005 data.

## Medicaid

### Total Enrollment

Source: The Urban Institute and KCMU estimates based on data from MSIS reports from CMS for FY2003.

### % Enrolled in Managed Care

Source: Medicaid Managed Care Penetration Rates by State as of December 31, 2004, CMS, DHHS.

### Total Medicaid Spending in Millions

Source: Urban Institute estimates for KCMU based on CMS Form 64 for FY2005.

Notes: All spending includes state and federal expenditures. Expenditures include benefit payments and disproportionate share hospital payments; do not include administrative costs, accounting adjustments, or the U.S. Territories. Total spending including these additional items was about \$316.5 billion in FY2005.

### Per Enrollee Medicaid Spending and Distribution by Group

Source: The Urban Institute and KCMU estimates based on data from MSIS reports from CMS for FY2003.

### Multiplier and Federal Matching Rate

Source: KCMU calculations based on the FMAPs as published in the Federal Register.

Notes: The multiplier is based on the FMAP and represents the amount of federal funds a state receives for every dollar it spends on Medicaid. The rate varies year to year and is based on each state's relative per capita income. It ranges from a low of 50% to 76%, averaging roughly 60% nationally. For FY2006, the rate for Alabama was 1:2.30 (69.51%).

### State Medicaid Spending as % of State General Fund

Source: 2004 State Expenditure Report, National Association of State Budget Officers

Notes: A state's general fund is the predominant fund for financing a state's operations.

### Medicaid Eligibility Levels

Source: *In a Time of Growing Need: State Choices Influence Health Coverage Access for Children and Families*, The Center on Budget and Policy Priorities for KCMU, October 2005; and *Medicaid Eligibility*, DHHS, CMS.

Notes: All dollar figures represent the annual income for a family of three. For Working Parents, the U.S. figures represent the median annual income in dollars and as a percent of the FPL. For other groups, the U.S. figures represent the federal minimum annual income in dollars and as a percent of the FPL.

### Medicaid and Medicare Dual Eligibles

Sources: *Dual Eligibles: Medicaid Enrollment and Spending for Medicare Beneficiaries in 2003*, Urban Institute for KCMU, July 2005.

CMS Statistics: *Medicare State Enrollment*, CMS. *An Update on the Clawback: Revised Health Spending Data Change State Financial Obligations for the New Medicare Drug Benefit*, KCMU, March 2006.

## SCHIP

### Eligibility Income Level for a Family of Three

Source: *In a Time of Growing Need: State Choices Influence Health Coverage Access for Children and Families*, The Center on Budget and Policy Priorities for KCMU, October 2005; and *Medicaid Eligibility*, DHHS, CMS.

Notes: The levels are for separate SCHIP programs only. The following states do not have a separate SCHIP program: AK, AR, DC, HI, LA, MN, MO, NE, NM, OH, OK, RI, SC, TN, WI.

### Current SCHIP Enrollment

Source: Collected by Health Management Associates for KCMU. Data as of December 2004.

Notes: Figures represent the current monthly enrollment. AR and TN phased out their Medicaid expansion programs in September 2002.

### Total SCHIP Spending

Source: FY2004 SCHIP Expenditures (state and federal), CMS, Special Data Request.

## Abbreviations

**CMS:** Centers for Medicare and Medicaid Services

**DHHS:** U.S. Department of Health and Human Services

**FMAP:** Federal Medical Assistance Percentage

**FPL:** Federal Poverty Level (The FPL for 48 states was \$16,090 for a family of 3 in 2005; Alaska \$20,110 and Hawaii \$18,510.)

**KCMU:** The Kaiser Commission on Medicaid and the Uninsured

**MSIS:** Medicaid Statistical Information System

**SCHIP:** State Children's Health Insurance Program