

HOW MEDICAID EXPANSION WOULD BENEFIT FLORIDA:

A Guide for Understanding Florida's Medicaid Program and How to Improve It

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SECTION 1:

Understanding Florida's Medicaid Program Today



UNDERSTANDING FLORIDA'S MEDICAID PROGRAM

What is Medicaid?

- Medicaid is a public health insurance program for low-income people. It was started in 1965. In Florida, Medicaid insurance covers mostly children, pregnant women, parents, seniors over age 65 and people with disabilities.
- In Florida, nearly 4 million people have health coverage through Medicaid.
- Medicaid is jointly funded through federal and state dollars and administered by the state. Every \$1 Florida spends on Medicaid is matched by \$1.56 in federal funds.



UNDERSTANDING FLORIDA'S MEDICAID PROGRAM

IN FLORIDA, MEDICAID COVERS:

Florida
Medicaid plays
an important
role in health
coverage



1 in 9 adults, ages 19-64



3 in 7 children



4 in 7 nursing home residents



1 in 3 people with
disabilities

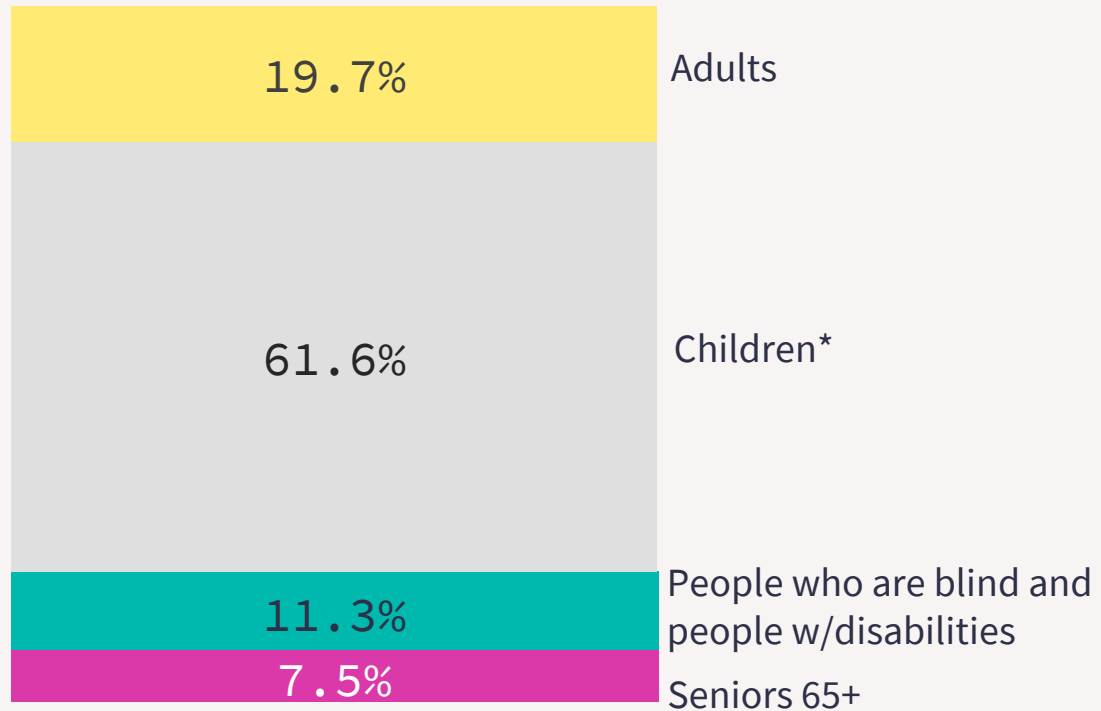


1 in 5 Medicare
beneficiaries



UNDERSTANDING FLORIDA'S MEDICAID PROGRAM

LARGEST SHARE OF FLORIDA MEDICAID ENROLLEES ARE CHILDREN



**Adults and children who do not have a disability*



Who qualifies for Medicaid in Florida?

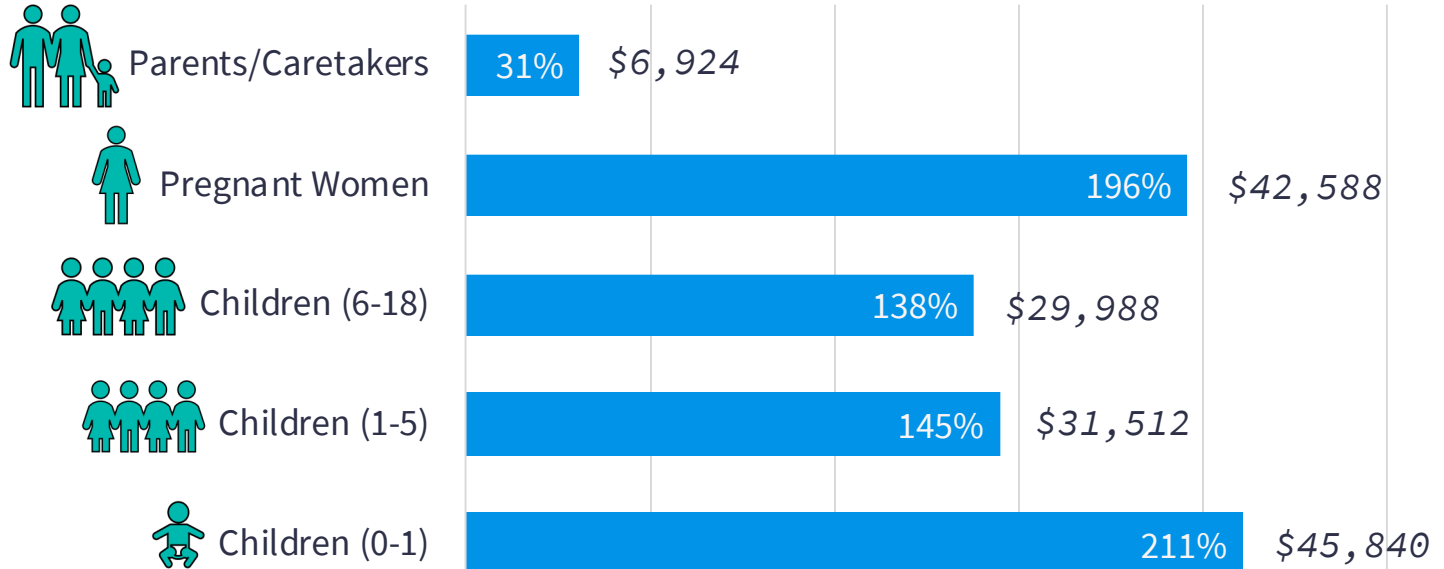
- Coverage categories and income eligibility levels determine who can receive coverage.
- Each of the coverage groups have varying income eligibility thresholds based on the poverty level set forth by the U.S. Department of Health and Human Services.



UNDERSTANDING FLORIDA'S MEDICAID PROGRAM

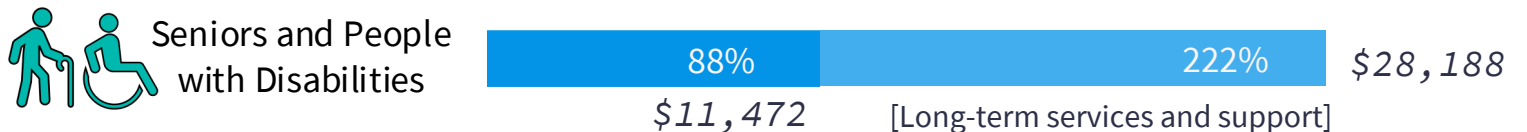
FLORIDA'S MEDICAID INCOME ELIGIBILITY LIMIT AS A SHARE OF THE FPL

Thresholds based on 100% of the poverty level. In 2020 for a family of three, that is \$21,720.



Note: Eligibility for children, parents, and pregnant women include Modified Adjusted Gross Income (MAGI)-converted income standards and a disregard equal to 5 percentage points of the FPL. In determining eligibility for pregnant women, household size includes each anticipated unborn child.

Thresholds based on 100% of the poverty level. In 2020, for a single person, that is \$12,768.





UNDERSTANDING FLORIDA'S MEDICAID PROGRAM

Florida has very restrictive Medicaid eligibility

Low Income Parents:

- Only five states in the nation make it harder for working parents to get Medicaid. If a family of three lives in Florida and has annual income above \$6,924, the parents are ineligible for Medicaid.
- Maintaining eligibility is a high-wire act. Just a little overtime or a promotion with a slightly higher salary could make them ineligible, even when an employer doesn't offer health insurance coverage.

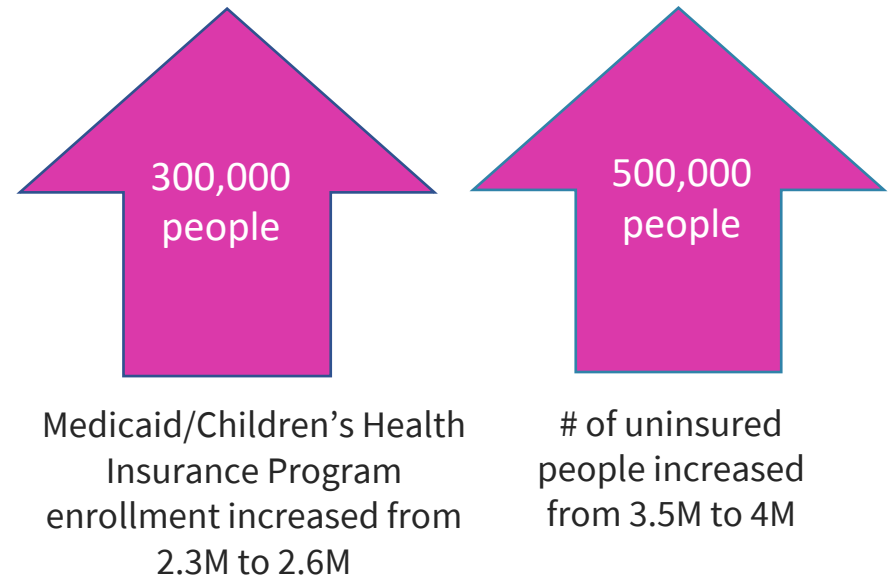
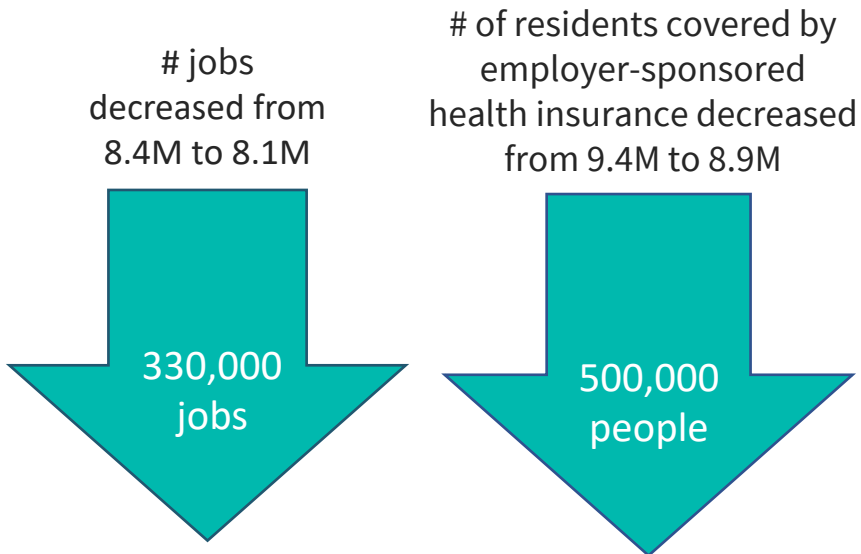
Adults without children:

- No matter how low their income, these adults are not eligible for Florida Medicaid.



UNDERSTANDING FLORIDA'S MEDICAID PROGRAM

Medicaid is a lifeline for families when the economy is down. Lessons learned from the Great Recession between 2008 and 2009:



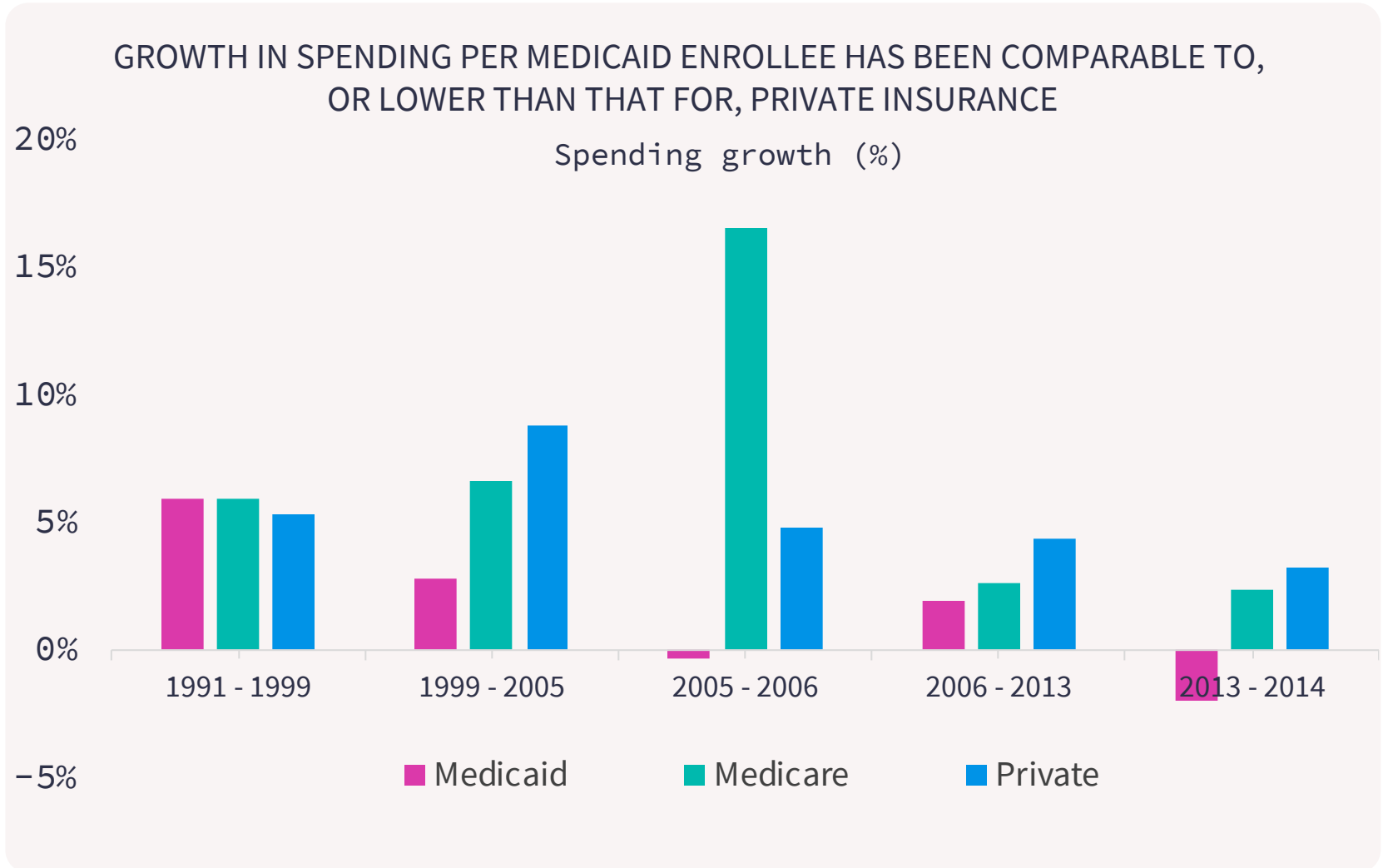


Medicaid controls costs

- Since 1999, the cost of Medicaid per enrollee has grown much slower than the cost of Medicare and private insurance per enrollee. There are even times when Medicaid's growth in spending per enrollee has been negative. Cost-containment measures in Medicaid have kept growth in spending per enrollee low.



UNDERSTANDING FLORIDA'S MEDICAID PROGRAM



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SECTION 2:

Florida's Opportunity to Expand Medicaid



FLORIDA'S OPPORTUNITY TO EXPAND MEDICAID

Coverage gap

- Prior to COVID-19, there were 391,000 Floridians in the coverage gap. Due to job loss since the pandemic, it's projected that an additional 351,000 Floridians will fall into the gap. (Total: 742,000) They cannot meet Florida's very restrictive Medicaid eligibility requirements, but their income is below the poverty level, so they do not qualify for tax credits to help them buy coverage in the marketplace.
- Those in the gap include adults without children, parents/caretakers and people with disabilities (see next page).



FLORIDA'S OPPORTUNITY TO EXPAND MEDICAID

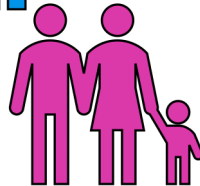
Eligible for
Medicaid

Qualifies for
Marketplace
Subsidies

COVERAGE GAP



Adults without Children
Income < \$12,767



Parents/Caretakers
\$6,925 - \$21,720*



People with Disabilities
\$11,472 - \$12,760

**family of 3*



FLORIDA'S OPPORTUNITY TO EXPAND MEDICAID

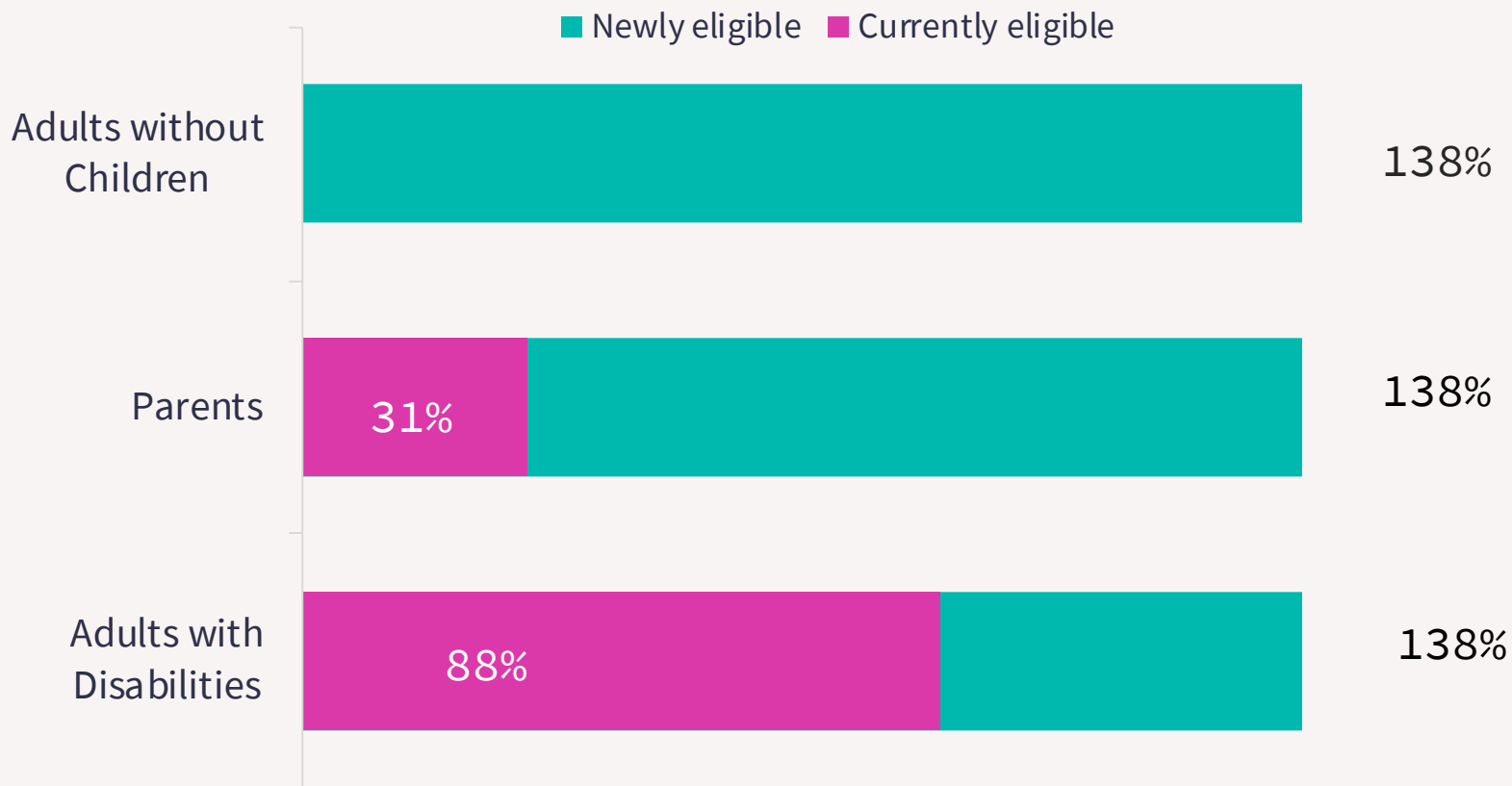
Closing the gap and expanding Medicaid coverage

- Florida lawmakers could close the coverage gap by increasing Medicaid income eligibility for all adults (18-64) with income up to 138 percent of the poverty level. This is equal to an annual income of \$17,604 for an individual and \$29,976 for parents in a family of three in 2020.
- As of April 2020, 37 states, including D.C., have adopted Medicaid expansion. This includes Louisiana, Arkansas, Kentucky, Virginia and West Virginia.



FLORIDA'S OPPORTUNITY TO EXPAND MEDICAID

WHO WOULD BENEFIT FROM MEDICAID EXPANSION? Income as a percentage of poverty level





FLORIDA'S OPPORTUNITY TO EXPAND MEDICAID

Who would benefit? Low-income uninsured Floridians

Medicaid expansion would significantly reduce the number of adult Floridians without health care coverage. Projections for 2021, which include newly uninsured Floridians due to loss of employer-sponsored insurance (ages 19-64) who fall into the coverage gap:

- 1.2 million Floridians could gain coverage.**
- 29% reduction in the number of uninsured Floridians

**This number includes newly uninsured adults in the coverage gap (below poverty), and uninsured adults prior to the pandemic with income up to 138% of poverty. It also includes 42,000 adults who are currently eligible for Medicaid but are not enrolled.

For a county-by-county breakdown of the uninsured up to 100% of the poverty level, see:
<https://www.cbpp.org/research/health/fact-sheet-who-are-the-remaining-uninsured#states;12>



FLORIDA'S OPPORTUNITY TO EXPAND MEDICAID

Who would benefit?

Florida parents and children

- Low-income, uninsured parents would gain coverage. Children are more likely to be insured and get preventive health care when their parents are covered. And the entire family would have financial protection against large medical debt and bankruptcy.

Florida women

- There are more than 184,000 Florida women in the coverage gap. (This figure does not include projections of newly uninsured due to 2020 job loss). When insured, women are more likely to get needed preventative, primary and specialty care services, like mammograms, Pap tests, timely blood pressure checks, maternity care and mental health services.



FLORIDA'S OPPORTUNITY TO EXPAND MEDICAID

Who would benefit? Florida veterans

About 105,000 Florida veterans live below the poverty level. Those with or without VA benefits would be eligible for expanded Medicaid.

- Providing coverage for poor veterans dramatically improves health care for all veterans, reducing hospital days by 5% and outpatient clinic appointments by 10%.
- These reductions would open more VA health care resources for use by VA-eligible veterans of all ages.



FLORIDA'S OPPORTUNITY TO EXPAND MEDICAID

Who would benefit?

Florida communities of color

- More than 50% of adults left in the coverage gap because of Florida's refusal to expand Medicaid are also people of color.
- Nationally, 27% of poor, uninsured Hispanic adults and 14% of poor, uninsured Black adults live in Florida.

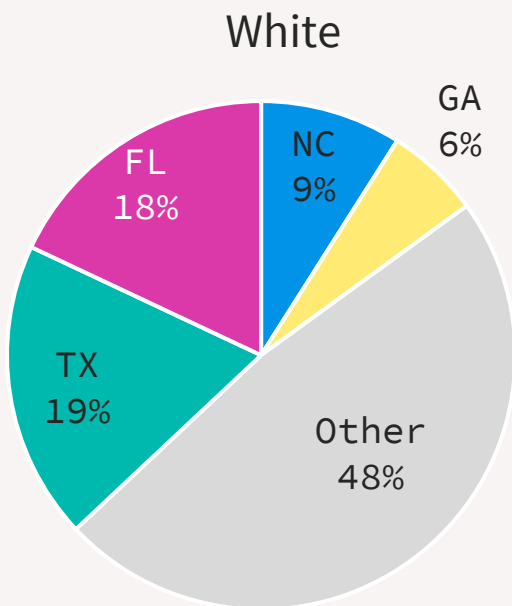
Florida workers

- Workers losing their employed sponsored coverage, working adults who are not offered coverage through their jobs or cannot afford it. Medicaid coverage makes it easier for workers to keep a job or search for one.

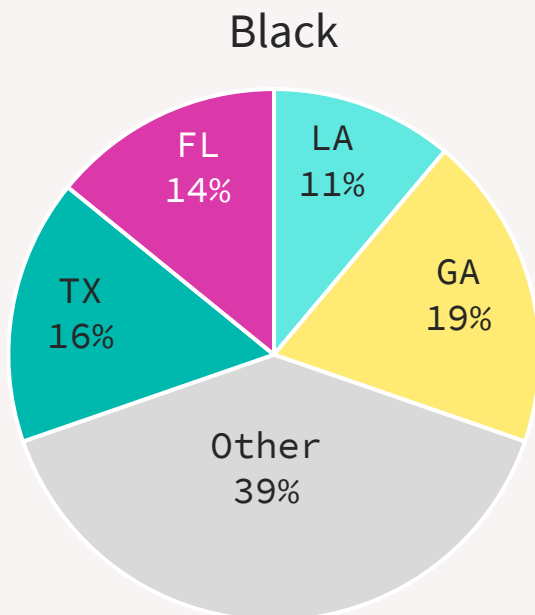


FLORIDA'S OPPORTUNITY TO EXPAND MEDICAID

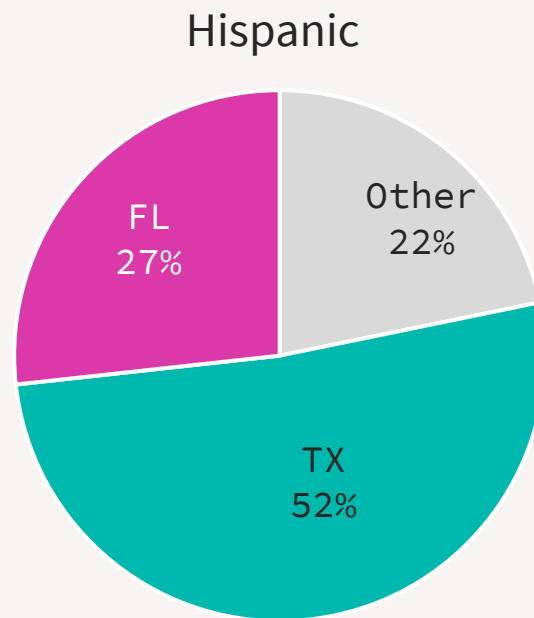
DISTRIBUTION OF POOR NONELDERLY UNINSURED ADULTS IN THE COVERAGE GAP BY RACE/ETHNICITY



Total: 1.4 million



Total: 900,000



Total: 700,000



FLORIDA'S OPPORTUNITY TO EXPAND MEDICAID

Who would benefit? Rural communities

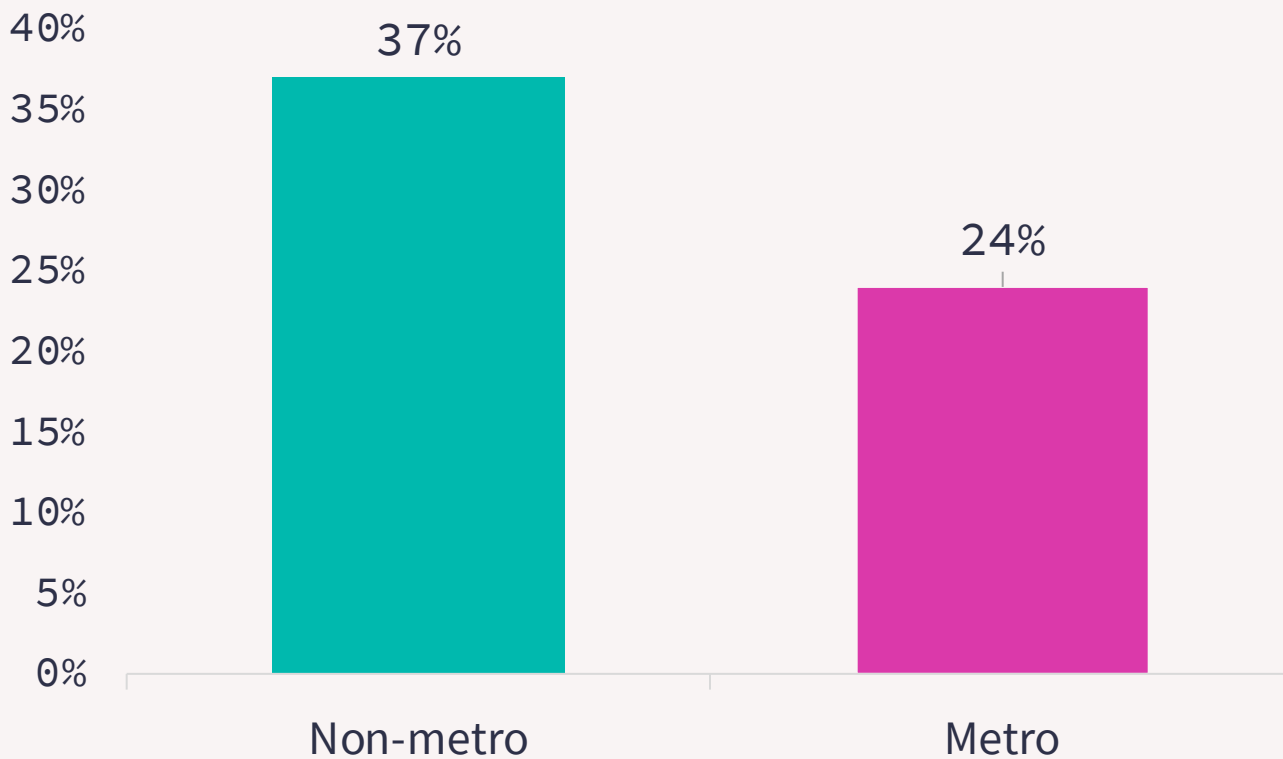
While Medicaid expansion would reduce the uninsured rate for residents across the entire state, the most dramatic improvements would likely be felt in small towns and rural areas of Florida.

- The uninsured rate for low-income Floridians in these areas is 13 percentage points higher than metro areas (37% vs. 24%). In some Florida counties, like Columbia and Jackson, the rates are even higher (40 - 42% range).
- Rural hospitals would also be substantially more financially secure, preventing closures and the loss of a major local employer.



FLORIDA'S OPPORTUNITY TO EXPAND MEDICAID

NON-METRO AREAS IN FLORIDA HAVE A GREATER SHARE OF UNINSURED RESIDENTS





FLORIDA'S OPPORTUNITY TO EXPAND MEDICAID

Who would benefit? People with mental illness and substance use disorders (SUDs) and victims of the opioid epidemic

- Expansion states have experienced dramatic declines in uninsured hospitalizations for mental illness and SUD, as well as significant increases in medication assistance treatment for opioid addiction and other SUD treatment services.
- 513,00 adult Floridians with mental illness are uninsured. Florida ranks 45th in the country for adults with mental illness not receiving treatment.
- Expansion would provide these Floridians access to a comprehensive continuum of physical and behavioral health care, essential for their recovery.

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- ▶ **The Florida Policy Institute** is committed to advancing state policies and budgets that improve the economic mobility and quality of life for all Floridians.
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