Medicaid and the Children’s Health Insurance Program (CHIP) provide health and long-term care coverage to more than 2.3 million low-income children, pregnant women, adults, seniors, and people with disabilities in Michigan. Medicaid is a major source of funding for safety-net hospitals and nursing homes. The American Health Care Act (AHCA) would fundamentally change the scope of the program and end the guarantee of federal matching funds.

### Snapshot of Michigan’s population

- **9.9 million people live in MI.**
- **29% of MI’s population is low-income.**
  - Low-income: <200% FPL or $40,840 for a family of 3 in 2017

### How has Medicaid affected coverage and access?

**In 2015, 19% of people in MI were covered by Medicaid/CHIP.**

Since implementation of the Affordable Care Act (ACA), Medicaid/CHIP enrollment has increased in MI.

- **Monthly Medicaid/CHIP Enrollment (In millions):**
  - Pre-ACA (2013): 1.9
  - March 2017: 2.3

637,200 adults in the expansion group in Q1 of 2016

### Did MI expand Medicaid through the ACA?

- Yes
- No

- **Uninsured rate in MI has decreased.**

**The uninsured rate in MI**

- **2013:** 11%
- **2015:** 9%

**The uninsured rate in US**

- **2013:** 6%
- **2015:** 9%

### In MI, Medicaid covers:

- 1 in 6 adults <65
- 1 in 2 low-income individuals
- 2 in 5 children
- 3 in 5 nursing home residents
- 1 in 2 people with disabilities

###ationally, Medicaid is comparable to private insurance for access and satisfaction – the uninsured fare far less well.

<p>| Percent reporting in the last year: |</p>
<table>
<thead>
<tr>
<th>Well-Child Checkup</th>
<th>Doctor Visit Among Adults</th>
<th>Specialist Visit Among Adults</th>
<th>Adults Satisfied With Their Health Care</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicaid</td>
<td>85% (98.6%)</td>
<td>74% (93.6%)</td>
<td>32% (93.4%)</td>
</tr>
<tr>
<td>MI</td>
<td>88% (94.6%)</td>
<td>69% (93.2%)</td>
<td>29% (93.4%)</td>
</tr>
<tr>
<td>Uninsured</td>
<td>70% (81.3%)</td>
<td>36% (80.6%)</td>
<td>28% (83.2%)</td>
</tr>
</tbody>
</table>

### Medicaid coverage contributes to positive outcomes:

- Declines in infant and child mortality rates
- Long-term health and educational gains for children
- Improvements in health and financial security

### And...

> 85% of the public would enroll themselves or a child in Medicaid if uninsured.

### How does Medicaid work and who is eligible?

#### Each Medicaid program is unique:

- **Eligibility:** All states have taken up options to expand coverage for children; many have opted to expand coverage for other groups.
- **Benefits:** All states offer optional benefits, including prescription drugs and long-term care in the community.
- **Delivery system & provider payment:** States choose what type of delivery system to use and how they will pay providers; many are testing new payment models to better integrate and coordinate care to improve health outcomes.
- **Long-term care:** States have expanded eligibility for people who need long-term care and are increasingly shifting spending away from institutions and towards community-based care.
- **State health priorities:** States can use Medicaid to address issues such as the opioid epidemic, HIV, Zika, autism, dementia, environmental health emergencies, etc.

#### Eligibility levels are highest for children and pregnant women.

**Eligibility Level as a Percent of FPL, as of January 1, 2017**

<table>
<thead>
<tr>
<th>Group</th>
<th>MI</th>
<th>US (Median)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children</td>
<td>138% ($20,660)</td>
<td>118% ($20,640)</td>
</tr>
<tr>
<td>Pregnant Women</td>
<td>138% ($20,660)</td>
<td>118% ($20,640)</td>
</tr>
<tr>
<td>Parents</td>
<td>138% ($20,660)</td>
<td>118% ($20,640)</td>
</tr>
<tr>
<td>Childless Adults</td>
<td>138% ($20,660)</td>
<td>118% ($20,640)</td>
</tr>
<tr>
<td>Seniors &amp; People w/ Disabilities</td>
<td>100% ($24,920)</td>
<td>73% ($24,920)</td>
</tr>
</tbody>
</table>

Eligibility levels are based on the FPL for a family of three for children, pregnant women, and parents, and for an individual for childless adults and seniors & people w/ disabilities. Seniors & people w/ disabilities eligibility may include an asset test.
How are Medicaid funds spent and how is the program financed?

Medicaid plays a key role in the U.S. health care system, accounting for:

- $1 in $6 dollars spent overall in the health care system
- More than $1 in $3 dollars provided to safety-net hospitals and health centers
- $1 in $2 dollars spent on long-term care

On a per enrollee basis, Medicaid spending growth is slower than private health care spending, in part due to lower provider payments.

Federal matching funding to states is guaranteed with no cap and fluctuates depending on program needs.

- In MI the federal share (FMAP) is 65.2%. For every $1 spent by the state, the Federal government matches $1.87.

Expansion states receive an increased FMAP for the expansion population. MI received $3.2 billion in federal funds for expansion adults in FFY 2015.

In FY 2016, Medicaid spending in MI was $16.9 billion.

- 290,700 Medicaid beneficiaries (17%) in MI rely on Medicaid for assistance with Medicare premiums and cost-sharing and services not covered by Medicare, particularly long-term care.

In 2014, most Medicaid beneficiaries in MI were children and adults, but most spending was for the elderly and people with disabilities.

- 75% of beneficiaries in MI are in managed care plans.

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