

ADDRESSING THE "COVERAGE GAP"

Presentation to the Health Reform Task Force
by Rep. Jim Dunnigan
December 4, 2014

Medicaid: 15-Year Changes

13%

Percentage of
General Fund, FY 1999

23%

Percentage of
General Fund, FY 2014

5.5%

Percentage of
Utah Population, FY 1999

8.9%

Percentage of
Utah Population, FY 2014

\$6,643

Total Cost
Per Client, FY 1999

\$9,685

Total Cost
Per Client, FY 2014

Sources:

1) Medicaid General Fund Spending as a percentage of all General Fund spending: Office of the legislative Fiscal Analyst, <http://le.utah.gov/interim/2014/pdf/00004912.pdf>. Excludes federal funds and non-state sources used to draw down federal funds (for excluded non-state sources, see "Medicaid Statewide Spending" at <http://le.utah.gov/interim/2014/pdf/00001212.pdf>).

2) Medicaid enrollment as a percentage of the Utah population: Office of the Legislative Fiscal Analyst, memo to Rep. Jim Dunnigan, 10/29/14.

3) Medicaid cost per client: Office of the Legislative Fiscal Analyst, memo to Rep. Jim Dunnigan, 10/29/14.

4) FY 2014 figures are estimates.

Medicaid: Mandatory Eligibility Expansion Under The Affordable Care Act

7,000

Medicaid Enrollment Increase
FY 2015

13,200

CHIP Children Moved to Medicaid
FY 2015

\$7.5 million

General Fund Increase
FY 2015

\$15.1 million

General Fund Increase
FY 2021

Adults Not Currently Eligible for Medicaid

ADULTS WHO:

Not disabled

Not pregnant

No child in the home

Income above AFDC limit

Adults Not Currently Eligible for Medicaid

ADULTS WHO:

Not disabled

Not pregnant

No child in the home

Income above AFDC limit

100% FPL

Not eligible for subsidies

Not eligible for Medicaid

(unless Medicaid is extended or expanded)

Eligible for subsidies

(unless Medicaid is expanded)

Coverage Options for Adults 0–100% FPL, Who Are Not Currently Eligible for Medicaid

NO ACTION



No federal subsidies; no Medicaid coverage unless eligibility is extended

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No federal subsidies; no Medicaid coverage unless eligibility is extended

OPTION 1



PREMIUM ASSISTANCE TO MEDICALLY FRAIL (13% of 0–100% FPL)

Federal/state: 70/30

State: \$21 million FY16; \$39 million FY21

Extension

Coverage Options for Adults 0–100% FPL, Who Are Not Currently Eligible for Medicaid

NO ACTION



No federal subsidies; no Medicaid coverage unless eligibility is extended

OPTION 1



PREMIUM ASSISTANCE TO MEDICALLY FRAIL (13% of 0–100% FPL)

Federal/state: 70/30

State: \$21 million FY16; \$39 million FY21

Extension

OPTION 2



PREMIUM ASSISTANCE TO MEDICALLY FRAIL (Broader Definition: 30% of 0–100% FPL)

Federal/state: 70/30

State: \$40 million FY16; \$72 FY21

Extension

Coverage Options for Adults 0–100% FPL, Who Are Not Currently Eligible for Medicaid

NO ACTION



No federal subsidies; no Medicaid coverage unless eligibility is extended

OPTION 1



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PREMIUM ASSISTANCE TO MEDICALLY FRAIL (13% of 0–100% FPL)

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OPTION 2



Extension

PREMIUM ASSISTANCE TO MEDICALLY FRAIL (Broader Definition: 30% of 0–100% FPL)

Federal/state: 70/30

State: \$40 million FY16; \$72 FY21

OPTION 3



Extension

PREMIUM ASSISTANCE UP TO 100% FPL

Federal/state: 70/30

State: \$92 million FY16; \$155 million FY21

Coverage Options for Adults 0–100% FPL, Who Are Not Currently Eligible for Medicaid

NO ACTION



No federal subsidies; no Medicaid coverage unless eligibility is extended

OPTION 1



Extension

PREMIUM ASSISTANCE TO MEDICALLY FRAIL (13% of 0–100% FPL)

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Extension

PREMIUM ASSISTANCE UP TO 100% FPL

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State: \$92 million FY16; \$155 million FY21

OPTION 4

Part 1



Expansion

FY16–20: PREMIUM ASSISTANCE UP TO 138% FPL

Federal/state: 100/0 in FY16, declining to 90/10 by FY20

State cost: \$5 million FY16; \$88 million FY20

Coverage Options for Adults 0–100% FPL, Who Are Not Currently Eligible for Medicaid

NO ACTION



No federal subsidies; no Medicaid coverage unless eligibility is extended

OPTION 1



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Federal/state: 70/30
State: \$21 million FY16; \$39 million FY21

OPTION 2



PREMIUM ASSISTANCE TO MEDICALLY FRAIL (Broader Definition: 30% of 0–100% FPL)

Federal/state: 70/30
State: \$40 million FY16; \$72 million FY21

OPTION 3



PREMIUM ASSISTANCE UP TO 100% FPL

Federal/state: 70/30
State: \$92 million FY16; \$155 million FY21

OPTION 4



FY16–20: PREMIUM ASSISTANCE UP TO 138% FPL

Federal/state: 100/0 in FY16, declining to 90/10 by FY20
State cost: \$5 million FY16; \$88 million FY20

FY21 AND BEYOND: PREMIUM ASSISTANCE UP TO 100% FPL

Federal/state: 70/30
State cost: \$155 million FY21

Coverage Options for Adults 0–100% FPL, Who Are Not Currently Eligible for Medicaid

NO ACTION



No federal subsidies; no Medicaid coverage unless eligibility is extended

OPTION 1



PREMIUM ASSISTANCE TO MEDICALLY FRAIL (13% of 0–100% FPL)

Federal/state: 70/30
State: \$21 million FY16; \$39 million FY21

OPTION 2



PREMIUM ASSISTANCE TO MEDICALLY FRAIL (Broader Definition: 30% of 0–100% FPL)

Federal/state: 70/30
State: \$40 million FY16; \$72 million FY21

OPTION 3



PREMIUM ASSISTANCE UP TO 100% FPL

Federal/state: 70/30
State: \$92 million FY16; \$155 million FY21

OPTION 4



FY16–20: PREMIUM ASSISTANCE UP TO 138% FPL

Federal/state: 100/0 in FY16, declining to 90/10 by FY20
State cost: \$5 million FY16; \$88 million FY20

FY21 AND BEYOND: PREMIUM ASSISTANCE UP TO 100% FPL

Federal/state: 70/30
State cost: \$155 million FY21

OPTION 5



PREMIUM ASSISTANCE UP TO 138% FPL (Healthy Utah)

Federal/state: 100/0 in FY16, declining to 90/10 by FY20
State: \$5 million FY16; \$93 million FY21

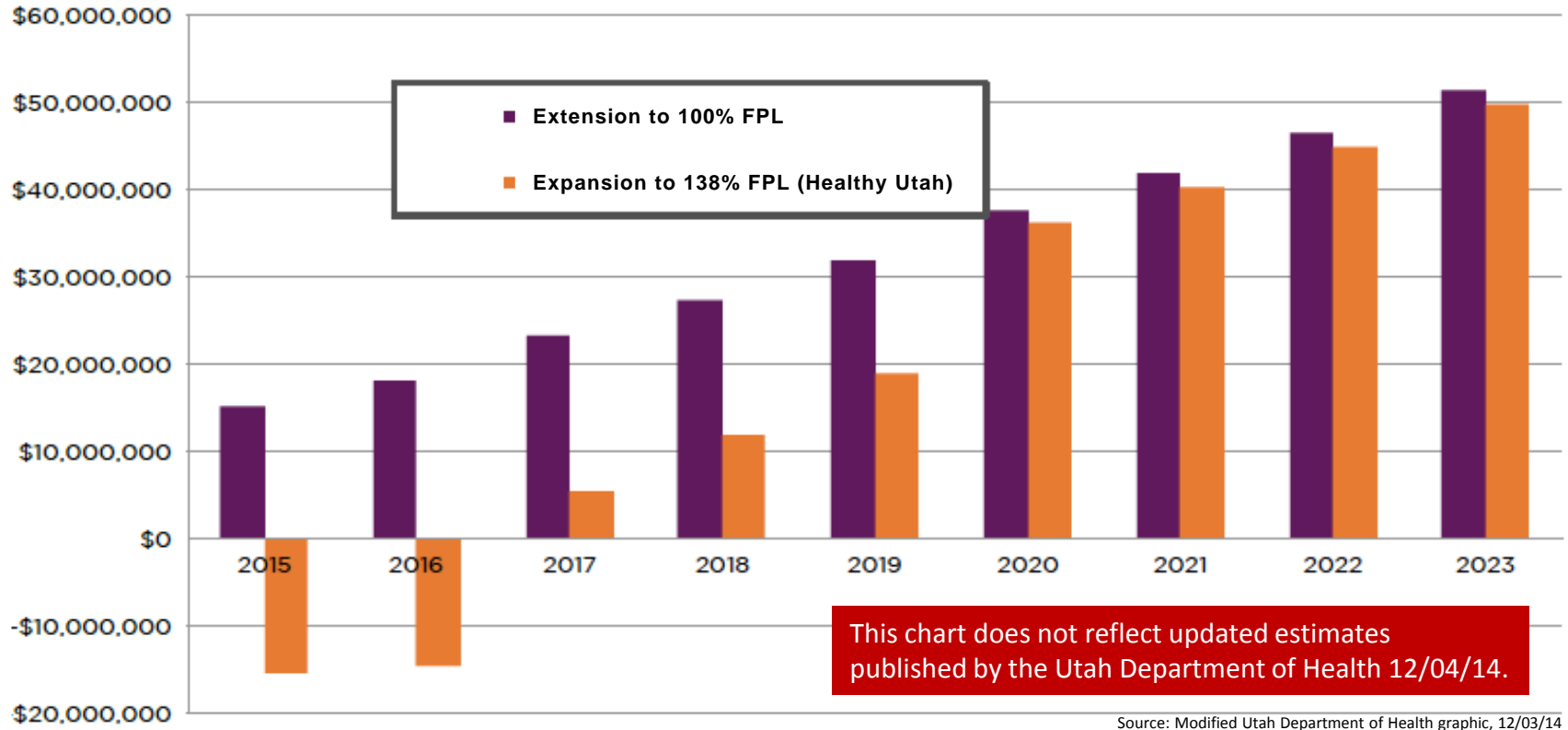
Enrollees Under Option 4 or Option 5 Who Meet Any of the Following Conditions May Choose Between Premium Assistance and Traditional Medicaid

- 1) Disabling mental disorder;
- 2) Chronic substance use disorder;
- 3) Serious and complex medical condition;
- 4) Physical, intellectual or developmental disability that impairs at least one activity of daily living;
- 5) Determined disabled under Social Security;
- 6) A child in foster care and certain other children otherwise eligible for federal assistance; or
- 7) Other individuals identified by the state.

42 CFR 440.315

Extension vs. Expansion

Net State Costs of Options



Assumptions?

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There are many!!