

Top 5 Reasons Why Medicaid Expansion Goes Hand in Hand With Smart Criminal Justice Reform in Florida

Growing health care costs for Floridians who are incarcerated are unsustainable. If Florida expanded Medicaid, the state could access millions of federal dollars to help fund these costs. In addition, it could provide health care coverage to thousands of uninsured justice-involved individuals, giving them access to services essential to successful reentry into their communities. Additional funds could also help support new reentry programs, which are key to connecting people to services and reducing recidivism rates. This is low-hanging fruit for Florida policymakers seeking to advance effective and fiscally responsible criminal justice reform.

Under Medicaid expansion, Floridians aged 19-64 with incomes at or below 138 percent of the poverty level (e.g., for 2020, \$17,608 for a single person, or \$29,273 for a three-person household) would be able to enroll in Medicaid.¹

To date, Florida is one of just 12 states that have opted *not* to expand their Medicaid programs.² None of the 39 expansion states (including D.C.) that have opted in since 2014 have subsequently chosen to opt out. Based on pre-pandemic census data, researchers conservatively project that if Florida expanded Medicaid, over 800,000 uninsured Floridians could gain coverage.³

Below, Florida Policy Institute examines how expanding Medicaid could help improve the health of people who are incarcerated and returning citizens, all the while improving public safety and freeing up corrections dollars for reinvestment in other areas.

1. State resources needed to support Florida's prison population — which includes more than 96,000 people — are unsustainable.

The Florida Department of Corrections (FDC) is legally required to provide health care services to more than 96,000 inmates.⁴ These costs, funded by state general revenues, are skyrocketing.⁵ Health care is “eating the Department of Corrections' budget.”⁶

Many people entering prison are uninsured and have significant unmet health care needs, such as addictions, mental illness, and infectious diseases like tuberculosis, Hepatitis C, HIV/AIDS, and now COVID-19.⁷ Florida's prisons also house a steadily increasing population of older Floridians with higher health care needs and costs.⁸

The FDC Fiscal Year (FY) 2020-21 budget, already stretched thin, includes \$567 million for inmate health care services. That is after the governor vetoed \$28 million for the treatment of individuals diagnosed with the early stages of Hepatitis C. Rising health care costs are also triggering reductions and ongoing underfunding of vital reentry programs.⁹

One way to reduce the strain on FDC's budget is to allow non-violent offenders to leave prison sooner. Research shows that addiction and mental health treatment-based diversion programs for people charged

with low level crimes is a less expensive alternative to incarceration.¹⁰ But ensuring access to these and other health care services are essential to successfully transitioning returning citizens back to their communities.

2. Most justice-involved individuals are not eligible for Medicaid under the state’s extremely low threshold.

Justice-involved individuals — people leaving prison and those already living in their communities — are likely to be uninsured and have very low income.¹¹ A significant number of returning citizens fall into the “coverage gap”— they cannot afford private insurance, and most do not have jobs with employer health benefits. These individuals are typically not eligible for Medicaid under Florida's stringent requirements, but do not have enough income to qualify for premium subsidies on the federal marketplace.

In Florida, healthy adults (aged 19-64) without minor children, even those with no income, are excluded from the program. Also excluded are many adults with serious illnesses and chronic conditions which do not meet the Social Security Administration's (SSA’s) strict disability criteria. Notably, substance use disorder (SUD), a common condition among justice-involved individuals, is not considered a disability by SSA.¹²

3. Under Medicaid expansion, justice-involved individuals could access a comprehensive package of physical and behavioral health services. Access to these services is essential for successful reentry and reduced rates of recidivism.

Significantly more justice-involved individuals can obtain Medicaid coverage in expansion states.¹³ Florida Medicaid already has a benefit package in place that would provide comprehensive and affordable health care coverage for justice-involved individuals living in the community, including a continuum of prevention, treatment, and recovery services for people with behavioral disorders, including SUD.¹⁴ These services are critically important to disrupt the ever-growing trend of incarcerating people with mental illness.¹⁵

Medicaid expansion research shows that when justice-involved individuals can access these services, crime rates drop.¹⁶ Moreover, emerging data show promising impacts of Medicaid expansion on recidivism rates.¹⁷ Currently, Florida recidivism rates show that a staggering one-third of former inmates who require ongoing mental health treatment and one-fifth convicted of drug offenses will return to prison.¹⁸

Medicaid expansion has also helped states fund new reentry programs. These initiatives have been key in connecting justice-involved individuals to essential health and recovery services in their local communities.¹⁹

4. Medicaid expansion could help reduce health and health care disparities for Black and Latinx justice-involved Floridians.

People of color are overrepresented in Florida's prison system and are disproportionately uninsured. Black Floridians comprise 47 percent of the state’s prison population, but only 17 percent of the general population.²⁰ Of the 2.7 million uninsured Floridians (prior to the pandemic), 56 percent are Black or Hispanic.²¹

Additionally, due in part to systemic barriers to accessing affordable health care services, people of color experience higher-than-average rates of illness and death from numerous health conditions such as heart disease, stroke, specific cancers, diabetes, HIV/AIDS, mental health, asthma, hepatitis B, and obesity.²² During the pandemic, Florida communities of color are shouldering a higher burden of serious illness and death associated with COVID-19.²³

Of the nearly 800,000 Floridians who could gain coverage under expansion, 29 percent are Hispanic, and 22 percent are Black.²⁴ In fact, 6 in 10 Floridians who could gain coverage under expansion are people of color.

5. Medicaid expansion could free up millions in the FDC and other parts of the state budget, which could be reinvested in community-based service needs of justice-involved individuals.

Generally, states cannot obtain federal Medicaid funds to cover the cost of medical care for people in prison. However, there is an exception for incarcerated people who would otherwise qualify for Medicaid in the community and who need community-based hospital care for more than 24 hours.²⁵

The problem is that in Florida, like in other non-expansion states, most people in prison do not qualify for Medicaid. Current state Medicaid criteria are very restrictive and exclude from coverage most adults living below the poverty level.

These restrictions would be lifted with Medicaid expansion. Adults with income at or below 138 percent of the poverty level could qualify for coverage. With this change, state officials estimate that 95 percent of Floridians incarcerated in state prisons could qualify for Medicaid.²⁶ In turn, it is projected that the FDC could save up to \$57.5 million annually just for the cost of inpatient hospital care for incarcerated individuals by drawing down federal Medicaid funding for this care.²⁷

Likewise, by replacing state dollars with federal ones under expansion, the state could free up \$200.4 million dollars currently used for mental health and substance abuse services for uninsured Floridians with low income — including formerly incarcerated individuals — who would now be eligible for Medicaid.²⁸

These projected state savings are supported by the actual track records of multiple other expansion states.²⁹ For example, New Jersey's Medicaid enrollment of incarcerated individuals led to a 20 percent reduction in their FDC hospitalization costs, while Ohio saw hospital costs for incarcerated individuals reduced by more than half.³⁰

In some states, Medicaid expansion coverage has replaced other state and locally funded programs, as well as federal grant funding. This has allowed these resources to be redirected to meet reentry needs not covered by Medicaid, such as housing, child care, and other support services.³¹

Finally, Medicaid coverage for justice-involved populations will be increasingly important as FDC and community health care costs for justice-involved individuals grow due to the COVID-19 crisis.³²

-
- ¹ Florida Policy Institute, “Florida Medicaid Chartbook,” Slide 16, May 25, 2020, <https://www.floridapolicy.org/posts/florida-medicaid-chartbook-2019-edition>.
- ² Kaiser Family Foundation, “Status of State Medicaid Expansion Decisions: Interactive Map,” Aug. 17, 2020, <https://www.kff.org/medicaid/issue-brief/status-of-state-medicaid-expansion-decisions-interactive-map/>.
- ³ Kaiser Family Foundation, “Who Could Medicaid Reach with Expansion in Florida?,” Jan. 23, 2020, <https://www.kff.org/medicaid/fact-sheet/uninsured-adults-in-states-that-did-not-expand-who-would-become-eligible-for-medicaid-under-expansion/>.
- ⁴ Florida Department of Corrections Annual Report 2018-19, p. 16, http://www.dc.state.fl.us/pub/annual/1819/FDC_AR2018-19.pdf.
- ⁵ Florida Policy Institute, “Budget Summary (FY 2020-21), Summary by Issue Area,” July 16, 2020, <https://www.floridapolicy.org/posts/florida-budget-fy-2020-21-summary-by-issue-area>.
- ⁶ Lucas, J., “Sen. Jeff Brandes again beats the drum for reforming a criminal justice system that he says is ‘unsustainable,’” The Capitolist, Feb. 25, 2019, <https://thecapitolist.com/sen-jeff-brandes-again-beats-the-drum-for-reforming-a-criminal-justice-that-he-says-is-unsustainable/>.
- ⁷ Puglisi, L., et al., “What Does Health Justice Look Like for People Returning from Incarceration?” AMA Journal of Ethics, Sept. 2017, <https://journalofethics.ama-assn.org/article/what-does-health-justice-look-people-returning-incarceration/2017-09>.
- ⁸ Florida Department of Corrections Annual Report 2018-19.
- ⁹ Florida Policy Institute, “Budget Summary (FY 2020-21), Summary by Issue Area.”
- ¹⁰ Zaller, N., “Commentary: The importance of Medicaid expansion for criminal justice populations in the South, Health Justice,” NCBI, Dec. 5, 2017, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5336439/>.
- ¹¹ Beck, A., “Medicaid Enrollment Programs Offer Hope To Formerly Incarcerated Individuals and Savings For States,” Health Affairs, February 20, 2020, <https://www.healthaffairs.org/doi/10.1377/hblog20200218.910350/full/>.
- ¹² Swerlick, A., “Expanding Medicaid Would Reduce Disparities in Access to Life-Saving Substance Use Disorder in Communities of Color,” Florida Policy Institute, April 6, 2020, <https://www.floridapolicy.org/posts/expanding-medicaid-would-reduce-disparities-in-access-to-life-saving-substance-use-disorder-treatment-in-communities-of-color>.
- ¹³ Wachino, V., et al., “How Connecting Justice Involved Individuals to Medicaid Can Help Address the Opioid Epidemic,” Kaiser Family Foundation, June 17, 2019, <https://www.kff.org/medicaid/issue-brief/how-connecting-justice-involved-individuals-to-medicaid-can-help-address-the-opioid-epidemic/>.
- ¹⁴ E. Thomas, Medicaid and the Opioid Crisis Presentation, Agency for Health Care Administration, March 20, 2018, https://ahca.myflorida.com/.../Opioid_Presentation_MCAC_032018.pdf.
- ¹⁵ Yager, Alison, “Mental Illness and Criminal Justice in Florida: The Case for Medicaid Expansion,” Florida Health Justice Project, June 2020, <https://www.floridahealthjustice.org/mental-illness-and-criminal-justice-in-florida.html>.
- ¹⁶ ASPH, “Kentucky: Medicaid Expansion Leads to Drop in Crime,” Sept. 27, 2017, <https://www.aspph.org/kentucky-medicaid-expansion-leads-to-drop-in-crime/>.
- ¹⁷ Wachino, V., et al., “How Connecting Justice Involved Individuals to Medicaid Can Help Address the Opioid Epidemic.”
- ¹⁸ Florida Department of Corrections, Florida Prison Recidivism Report: Releases, June 2019, <dc.state.fl.us/pub/recidivism/RecidivismReport2019.pdf>.
- ¹⁹ Wachino, V., et al., “How Connecting Justice Involved Individuals to Medicaid Can Help Address the Opioid Epidemic.”
- ²⁰ Florida Department of Corrections Annual Report 2018-19, p. 16; The Florida Legislature Office of Economic & Demographic Research, Demographic Overview & Population Trends, Jan. 28, 2020, http://edr.state.fl.us/Content/presentations/population-demographics/DemographicTrends_1-28-20.pdf.
- ²¹ Kaiser Family Foundation, State Health Facts, Distribution of the Nonelderly Uninsured by Race/Ethnicity, 2018, <https://www.kff.org/uninsured/state-indicator/distribution-by-raceethnicity-2/?dataView=1¤tTimeframe=0&selectedRows=%7B%22states%22:%7B%22florida%22:%7B%7D%7D%7D&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>. Note: Florida Policy Institute only uses the term “Hispanic” when this term is used in the cited research and data.

-
- ²² Florida Department of Health, Minority Health & Health Equity, <http://www.floridahealth.gov/programs-and-services/minority-health/index.html>.
- ²³ Samuels-Staple, S., “The State of COVID-19 in Florida and South Florida: An Early Look at Disparities in Outcomes,” Florida Health Justice Project, <https://www.floridahealthjustice.org/the-state-of-covid-19-in-florida-and-south-florida.html>.
- ²⁴ Kaiser Family Foundation, “Who Could Medicaid Reach with Expansion in Florida?”
- ²⁵ Pew Charitable Trusts, “Issue Brief: How & When Medicaid Covers People Under Correctional Supervision,” Aug. 2, 2016, <https://www.pewtrusts.org/en/research-and-analysis/issue-briefs/2016/08/how-and-when-medicaid-covers-people-under-correctional-supervision>.
- ²⁶ Florida Legislature Office of Economic & Demographic Research, Constitutional Amendments, Provide Medicaid Coverage to Eligible Low-Income Adults, p. 96, EDR Notebook, Aug. 2, 2019, <http://edr.state.fl.us/Content/constitutional-amendments/2020Ballot/MedicaidLowIncomeAdultsAdditionalInformation.cfm>.
- ²⁷ Florida Policy Institute, “Potential Budget Savings and Revenue Gains from Medicaid Expansion,” June 24, 2019, <https://www.floridapolicy.org/posts/potential-budget-savings-and-revenue-gains-from-medicaid-expansion-in-florida>.
- ²⁸ Florida Policy Institute, “Potential Budget Savings and Revenue Gains from Medicaid Expansion.”
- ²⁹ Guth, M., “The Effects of Medicaid Expansion Under the ACA: Updated Findings from a Literature Review,” March 17, 2020, <https://www.kff.org/medicaid/report/the-effects-of-medicaid-expansion-under-the-aca-updated-findings-from-a-literature-review/>.
- ³⁰ MACPAC, Issue Brief: Medicaid and the Criminal Justice System, July 2018, <https://www.macpac.gov/wp-content/uploads/2018/07/Medicaid-and-the-Criminal-Justice-System.pdf>.
- ³¹ Wachino, V., et al., “How Connecting Justice Involved Individuals to Medicaid Can Help Address the Opioid Epidemic.”
- ³² Artiga, S., et al., “Addressing the Justice Involved Population in Coronavirus Response Efforts,” Kaiser Family Foundation, March 17, 2020, <https://www.kff.org/coronavirus-covid-19/issue-brief/addressing-the-justice-involved-population-in-coronavirus-response-efforts/>.