



## **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

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## 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 people, parents, seniors 65+ and people with disabilities.
- In Florida, 5 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. (However, during the term of the COVID-19 federal public health emergency, the state is getting an enhanced federal match.)



# UNDERSTANDING FLORIDA'S MEDICAID PROGRAM

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Medicaid plays an important role in health coverage. In Florida, Medicaid covers:



1 in 9 adults, ages 19-64



3 in 7 children



4 in 7 nursing home residents



1 in 3 people with disabilities

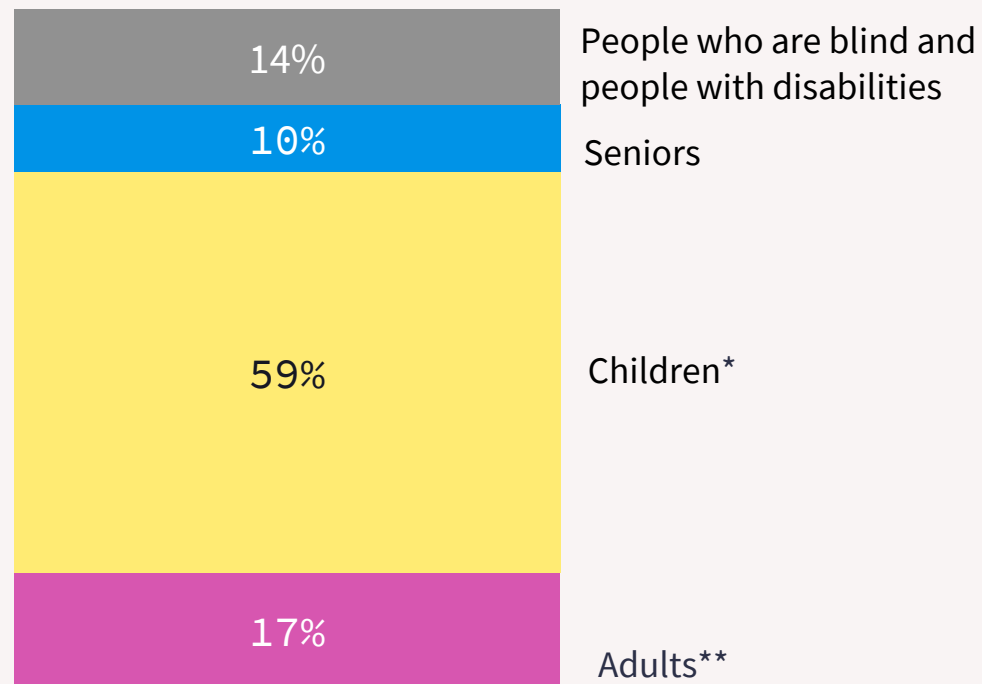


1 in 5 Medicare beneficiaries



# UNDERSTANDING FLORIDA'S MEDICAID PROGRAM

## The Largest Share of Florida Medicaid Enrollees are Children



\*Children who do not have a disability

\*\*Adults who do not have a disability



# UNDERSTANDING FLORIDA'S MEDICAID PROGRAM

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## Who qualifies for Medicaid in Florida?

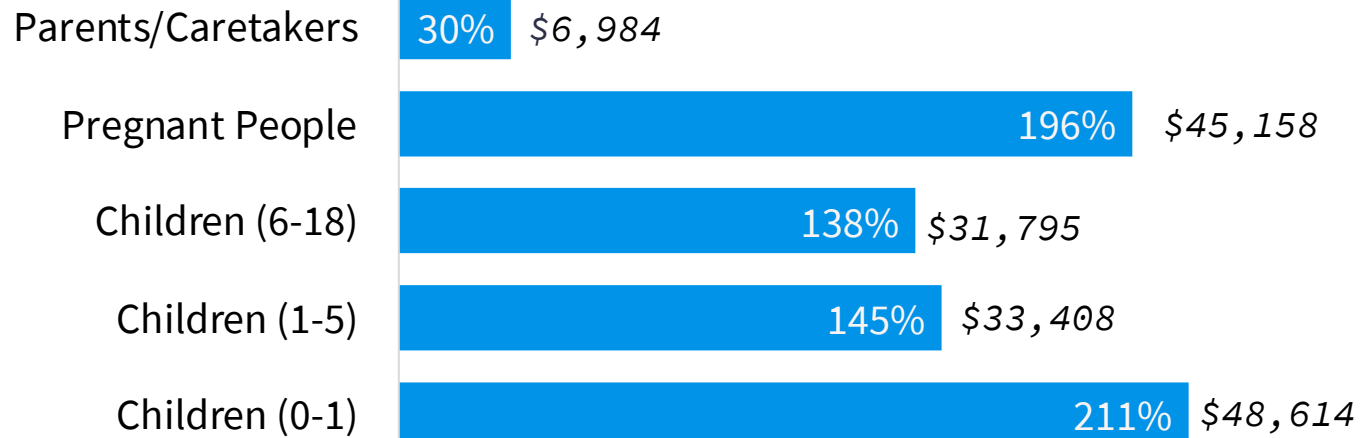
- Coverage categories and income eligibility levels determine who can receive coverage.
- Each of the coverage groups have varying income eligibility thresholds based on the poverty level set forth by the U.S. Department of Health and Human Services.



# UNDERSTANDING FLORIDA'S MEDICAID PROGRAM

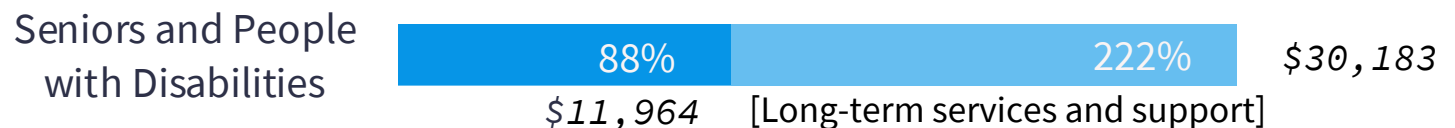
## FLORIDA'S MEDICAID INCOME ELIGIBILITY LIMIT AS A SHARE OF THE FPL

Thresholds based on 100% of the poverty level. In 2022 for a family of three, that is \$23,040.



*Eligibility for children, parents, and pregnant people include an income disregard equal to 5 percentage points of the FPL. Eligibility for parents and pregnant people also include a Modified Adjusted Gross Income (MAGI) disregard. In determining eligibility for pregnant people, household size includes each anticipated unborn child.*

Thresholds based on 100% of the poverty level. In 2022, for a single person, that is \$13,596.







# UNDERSTANDING FLORIDA'S MEDICAID PROGRAM

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Florida has very restrictive Medicaid eligibility

## Low Income Parents

- Only four 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 \$6,984, 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

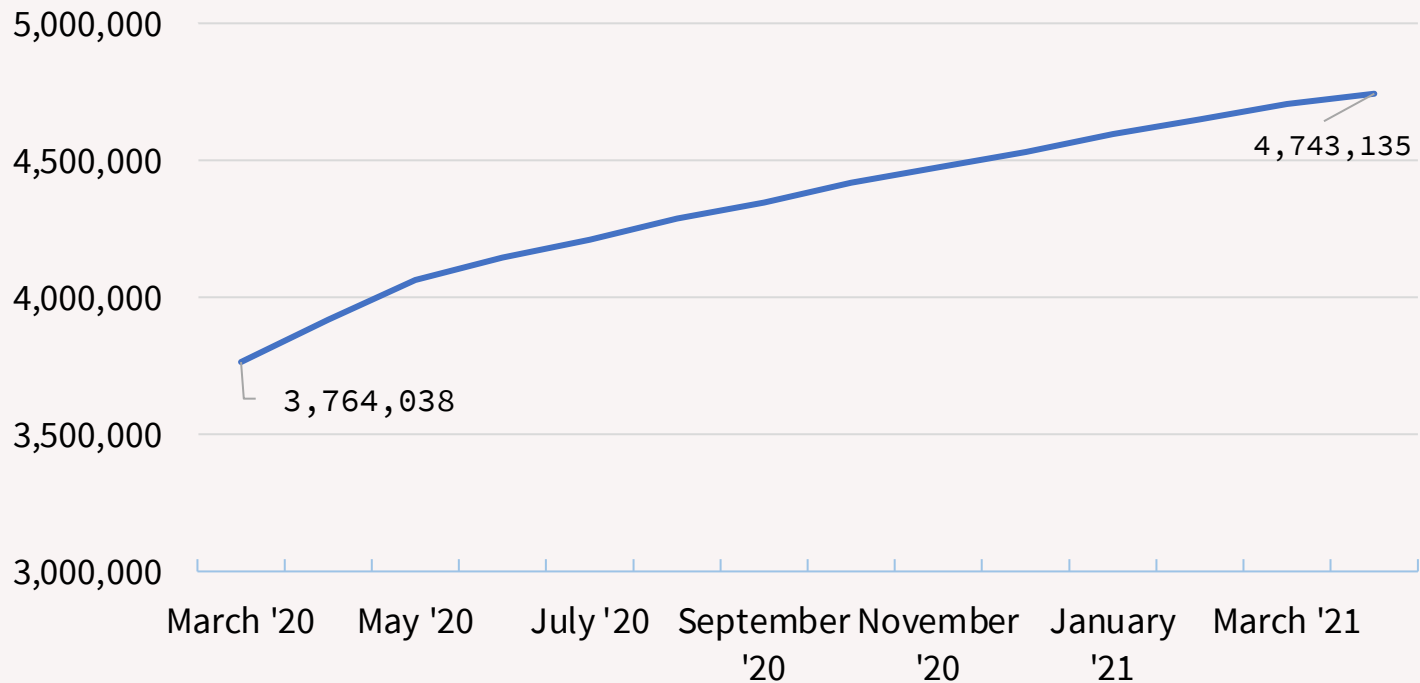
- No matter how low their income, these adults are not eligible for Florida Medicaid.



# UNDERSTANDING FLORIDA'S MEDICAID PROGRAM

Medicaid is a lifeline for families when the economy is down.

Medicaid Enrollment Increased by 1 Million Between March 2020 and April 2021





# UNDERSTANDING FLORIDA'S MEDICAID PROGRAM

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## Medicaid controls costs

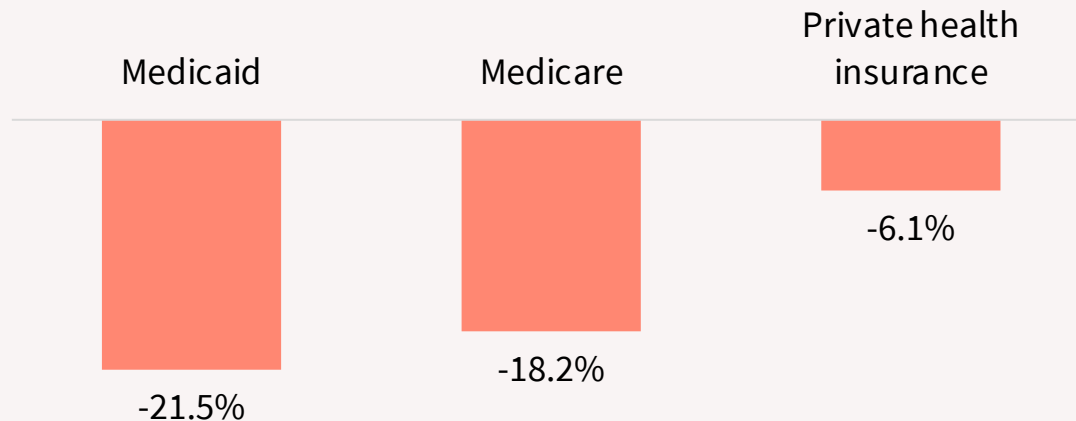
- Medicaid's costs per beneficiary are substantially lower than for private insurance and have been growing more slowly than costs under private employer coverage. Cost containment measures in Medicaid have kept growth in spending per beneficiary lower.



# UNDERSTANDING FLORIDA'S MEDICAID PROGRAM

## Health Care Spending Has Grown More Slowly Than Projected

Decline in projected 2019 spending between March 2010  
(before the Affordable Care Act) and February 2019



Source: Office of the Actuary, Centers for Medicare & Medicaid Services

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## **SECTION 2:**

Florida's Opportunity to Expand  
Medicaid



# FLORIDA'S OPPORTUNITY TO EXPAND MEDICAID

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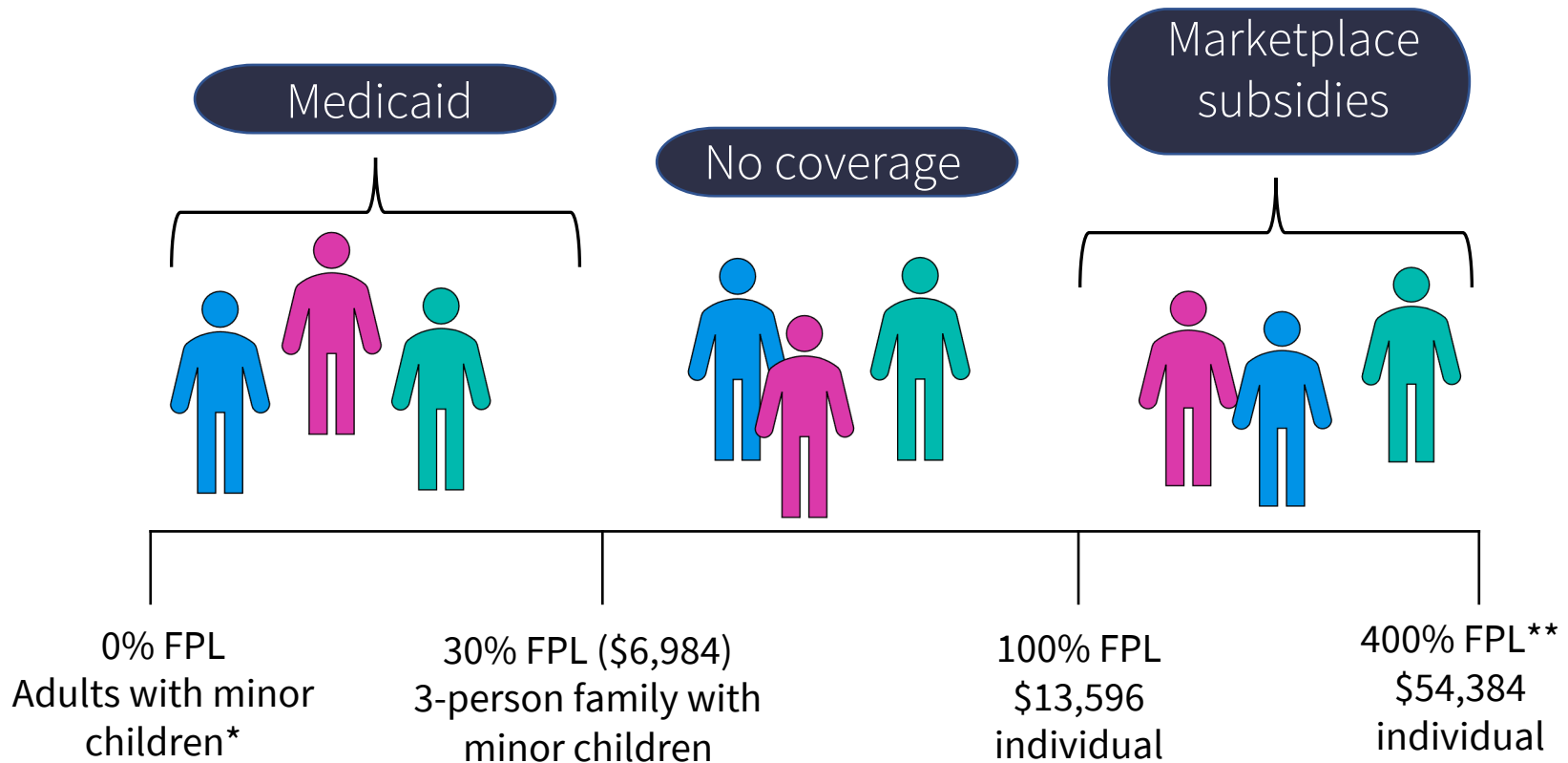
## Coverage gap

- Prior to COVID-19, it was estimated that there were 415,000 Floridians in the coverage gap. 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.
- Prior to COVID-19, it was also estimated that an additional 375,000 Floridians with income from 100% -138% of the poverty level would also be eligible for Medicaid under expansion.
- It is likely that these numbers have increased since the pandemic.
- Floridians left out include adults without children, parents/caretakers, and people with disabilities.



# FLORIDA'S OPPORTUNITY TO EXPAND MEDICAID

## Coverage gap for adults ages 19–64



\*An adult (19-64) who does not have minor children or a disability cannot get coverage

\*\*Under the 2021 American Rescue Plan Act, for years 2021 and 2022, marketplace subsidies are also available for families with income above 400% of the poverty level



# FLORIDA'S OPPORTUNITY TO EXPAND MEDICAID

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## 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% of the poverty level. This is equal to an annual income of \$18,762 for an individual and \$31,795 for parents in a family of three in 2022.
- As of June 2021, 39 states, including D.C., have adopted Medicaid expansion. This includes Louisiana, Arkansas, Kentucky, Virginia and West Virginia.

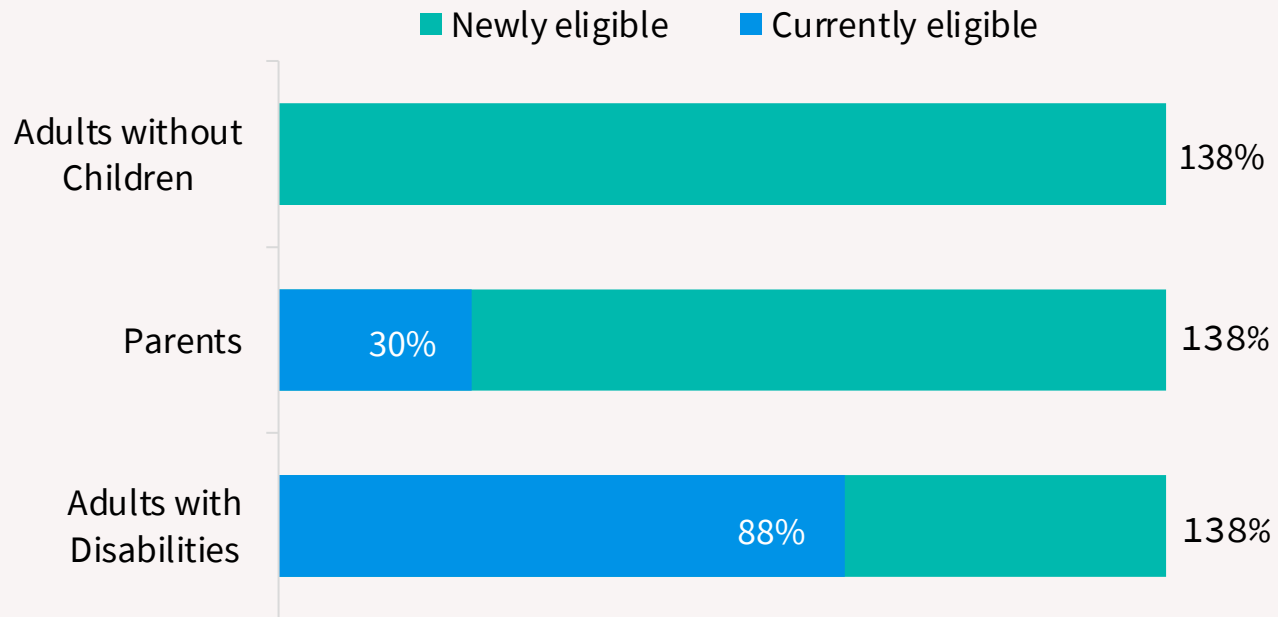




# FLORIDA'S OPPORTUNITY TO EXPAND MEDICAID

## Who Would Benefit From Medicaid Expansion?

Income as a percentage of poverty level



*Note: For 2022, 138% of the poverty level is \$18,762 for a single person and \$31,795 for a three-person family*



# FLORIDA'S OPPORTUNITY TO EXPAND MEDICAID

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## Who would benefit?

People with low income who are uninsured

- Medicaid expansion would significantly reduce the number of adult Floridians (ages 19-64) without health care coverage. It is projected that:
  - 790,000 uninsured adults would become eligible for coverage.
  - There would be a 33% reduction in the number of uninsured Floridians.

*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

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## Who would benefit?

### Parents and children

- 108,000 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.

### Women

- There are more than 193,000 Florida women, including 130,000 of reproductive age, in the coverage gap. 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

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## Who would benefit?

### Veterans

- Over 100,000 veterans in Florida live below the poverty level. Those with or without VA benefits would be eligible for expanded Medicaid.
- Medicaid would be a safety net covering some who otherwise would be uninsured and for others, supplementing Medicare, private veterans or military coverage making it more affordable.
- Medicaid would cover many veterans with complex health care needs such as chronic health conditions, behavioral health disorders and traumatic brain injuries.



# FLORIDA'S OPPORTUNITY TO EXPAND MEDICAID

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## Who would benefit?

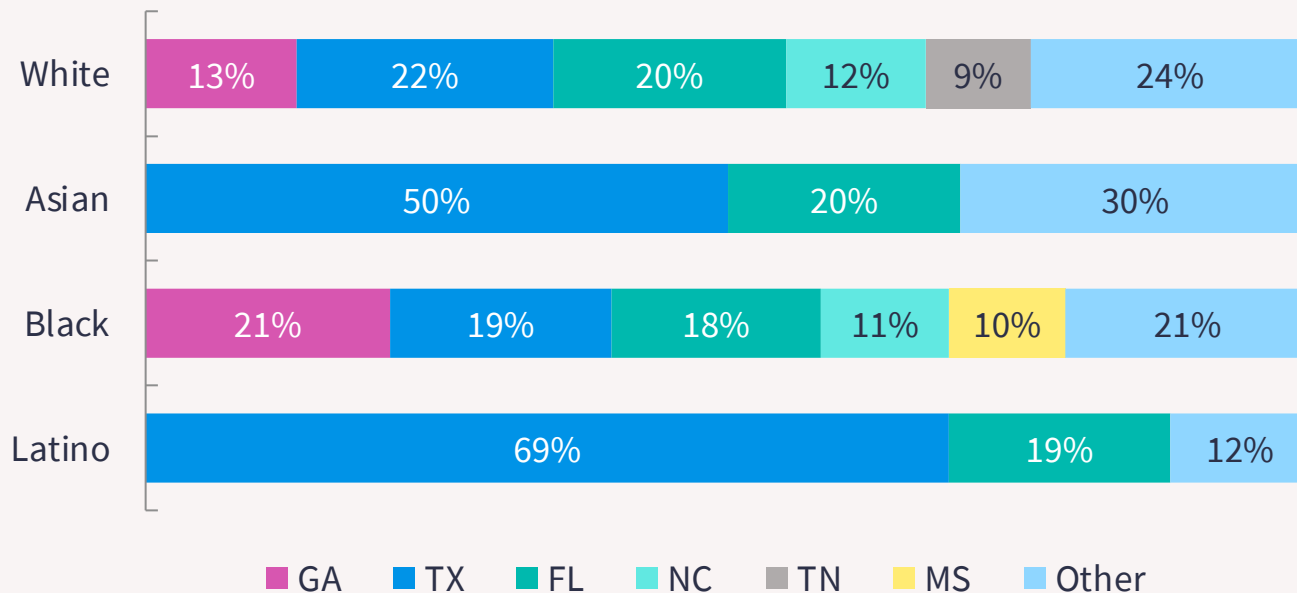
### People of color

- More than 50% of adults left in the coverage gap because of Florida's refusal to expand Medicaid are people of color.
- Most of the 2.2 million adults caught in the coverage gap live in the South. Eighteen percent of Latino individuals and 19% of Black individuals in the coverage gap live in Florida.



# FLORIDA'S OPPORTUNITY TO EXPAND MEDICAID

Where People Falling in the Coverage Gap Live, by Race and Ethnicity



Note: Latino category may include any race; all other categories are non-Latino



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## Who would benefit?

### Workers

- 98,000 of Florida workers in essential or front-line industries are in the coverage gap.
- 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

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## Who would benefit?

### People in rural communities

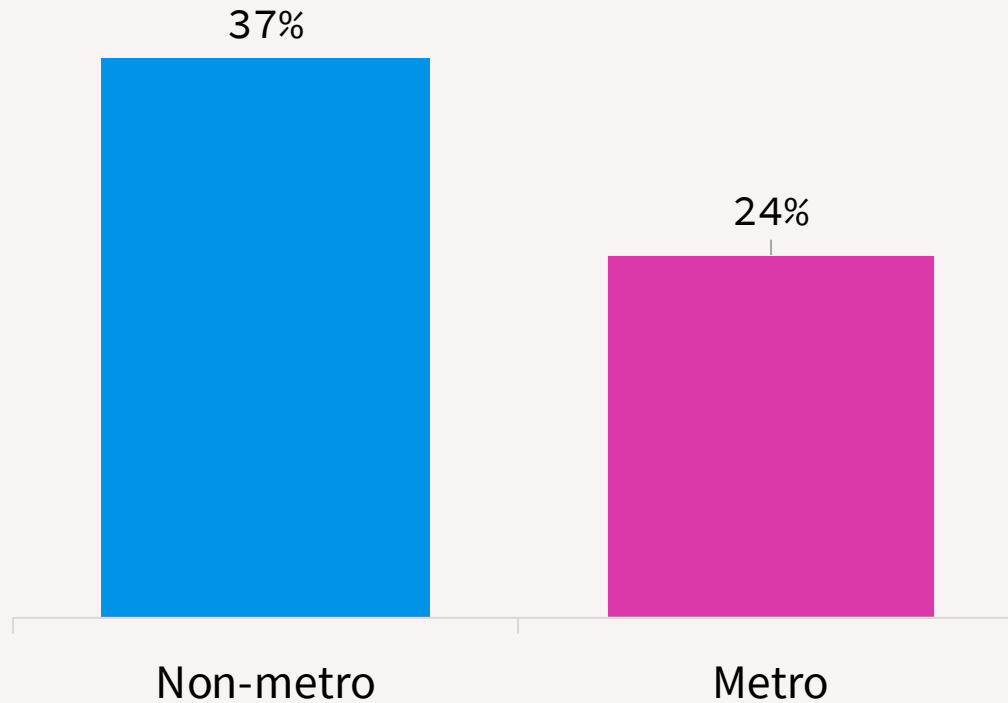
- While Medicaid expansion would reduce the uninsured rate for residents across the entire state, the most dramatic improvements would likely be felt in small towns and rural areas of Florida.
- The uninsured rate for low-income Floridians in these areas is 13 percentage points higher than metro areas (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

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## 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.
- 503,000 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.



# FLORIDA'S OPPORTUNITY TO EXPAND MEDICAID

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## Who would benefit?

### Uninsured adults with disabilities

- Many Floridians do not meet strict state and federal standards for disability, which is currently required for Florida Medicaid eligibility. So, thousands of people with serious cognitive difficulties or those who have difficulty with basic physical activities (walking, climbing stairs, carrying or reaching) are excluded from coverage.
- 54,000 uninsured adult Floridians with disabilities are caught in the coverage gap.

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