

Expanding Medicaid: An Update

This issue brief provides background information on the Medicaid expansion provision and its importance to people living with HIV.

A key component of the Patient Protection and Affordable Care Act (ACA) was a largely federally funded expansion of Medicaid to most low income individualsⁱ – defined as 138% of the federal poverty line (FPL) or \$16,242 per year in 2015 for an individual living in the continental U.S.ⁱⁱ Prior to the ACA expansion, adults had to have very low incomes and meet one of the “categorical eligibility” requirements, such as being disabled, elderly or a low-income parent. In most states, childless adults were not eligible – regardless of how poor they were. In expansion states, most non-Medicare eligible individuals under age 65 with income below 138% FPL qualify for Medicaid without needing to meet other requirements.

In June 2012, the Supreme Court ruled that requiring states to expand Medicaid was unconstitutional, leaving the option of expanding Medicaid to the state’s discretion.ⁱⁱⁱ As of Jan. 2016, 31 states and the District of Columbia have expanded Medicaid.^{iv}

Current Status of State Medicaid Expansion Decisions



NOTES: Current status for each state is based on KFFM tracking and analysis of state executive activity. *AK, IA, IL, IN, MI, MN, ND and RI have approved Section 1115 waivers. Coverage under the FA waiver went into effect 12/1/15, but it has transitioned coverage to a state plan amendment. Coverage under the MT waiver went into effect 3/1/2016. LA's Governor Edwards signed an Executive Order to adopt the Medicaid expansion on 11/22/2016, but coverage under the expansion is not yet in effect. WI covers adults up to 100% FPL in Medicaid, but did not adopt the ACA expansion. See source for more information on the states listed as "adoption under discussion."
SOURCE: "Status of State Actions on the Medicaid Expansion Decision," KFF State Health Facts, updated January 12, 2016. <http://www.kff.org/health-policy/issue-brief/state-action-on-health-waivers-and-updates-the-affordable-care-act/>

Medicaid expansion updates available from [KFF](http://www.kff.org)

Sharp Decline in U.S. Uninsured Rate

Following the implementation of the ACA’s health coverage expansion in 2014, the uninsured rate for the U.S. dropped from 13.3% in 2013 to 10.4% in 2014. Prior to 2014, the rate had remained relatively steady since 2008.^v

The impact of ACA reforms has been even greater in states that expanded Medicaid. In Medicaid expansion states, the percentage of uninsured residents decreased from 13% in 2013 to 9.3% in September 2014, as compared to non-Medicaid expansion states where the uninsured rate was 16% in 2013 and 13.5% in September 2014.^{vi}

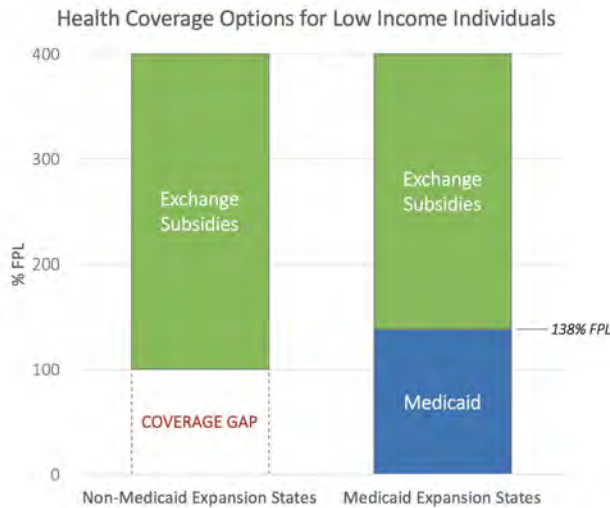
Federal Support for Medicaid Expansion

The federal government pays 100% of the costs of expanding Medicaid from 2014 through 2016. In 2017, the federal percentage decreases to 95% and then gradually declines until it reaches 90% in 2020.^{vii} After 2020, the federal government will continue to pay 90% of Medicaid expansion costs. In his 2017 Budget Proposal, President Obama is proposing legislative action to provide non-expansion states that decide to expand Medicaid 100% federal support for the first three years of their expansion, regardless of when it is initiated.^{viii} Congress is unlikely to act on this proposal.

The Medicaid Coverage Gap

In states not expanding Medicaid, most individuals with incomes between 100 – 138% FPL qualify for subsidies to help pay for private insurance available through the ACA’s insurance exchanges.

The poorest residents in these states are left uninsured or in the “coverage gap” because of their state’s decision not to expand Medicaid. Those with incomes below 100% FPL (\$11,700 per year for an individual) are not eligible for federal subsidies to purchase coverage leaving them without affordable health coverage options. In the 19 states not expanding Medicaid, 2.9 million adults fall into the coverage gap.^{ix}



[Data on ACA eligibility among the uninsured population](#) in your state is available from the Kaiser Family Foundation.

[Learn More about Your State’s Medicaid Eligibility](#)

Medicaid and People Living with HIV

The Medicaid Program covered 50% of people with HIV in care prior to the Medicaid expansion in 2014.^x Before the passage of the ACA, almost 1 in 3 people living with HIV were uninsured and less than 1 in 5 had private insurance.^{xi} People living with HIV are disproportionately poor, with one study finding that 44% have incomes below the federal poverty line.^{xii}

Medicaid coverage provides access to antiretroviral treatment and other prescription drugs in addition to medical care and treatment for conditions other

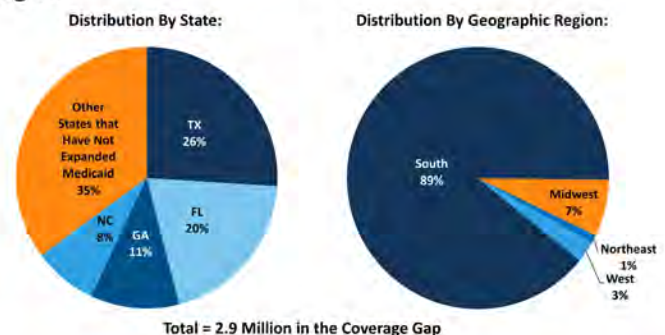
than HIV without any co-payments or with only nominal co-payments. In states that have not expanded Medicaid, most low-income people with HIV do not qualify for Medicaid until they become sick enough to be considered disabled.

Medicaid Expansion and People living with HIV

The estimated number of uninsured people living with HIV who stand to gain access to Medicaid coverage due to the expansion ranges from 47,000, when considering only people with HIV who are already in care and up to 115,000 when considering all people with HIV and not just those already in care.^{xiii,xiv} An estimated 20,000 to 60,000 people living with HIV are left without Medicaid coverage because their state elected not to expand Medicaid.^{xv,xvi}

Low-income individuals in the South, including those with HIV, have been disproportionately affected by their states decisions not to expand Medicaid. KFF estimates that 89% of adults in the coverage gap are in non-expansion states in the South. Of those – more than 26% reside in Texas, 20% in Florida, 11% in Georgia, 8% in North Carolina and 35% in other states.^{xvii}

Figure 2
Distribution of Adults in the Coverage Gap, by State and Region



Note: Totals may not sum to 100% due to rounding.
Source: Kaiser Family Foundation analysis based on 2015 Medicaid eligibility levels updated to reflect state Medicaid expansion decisions as of January 2016 and 2015 Current Population Survey data.



More data on non-expansion states is available from [KFF](#)

The Ryan White HIV/AIDS Program

The Ryan White HIV/AIDS Program (RWP) serves two out of every three people living with HIV in care. RWP provides HIV care, treatment, and support services to uninsured and underinsured to patients with HIV.^{xviii}

While the RWP is a critical source of HIV care, RWP is not an insurance program. Uninsured patients who rely on RWP services often lack access to care and treatment for non-HIV related health conditions, such as heart disease and cancer.

The RWP remains critical to improving health outcomes throughout the HIV care system. In 2014, more than 500,000 people living with HIV received RWP services and three quarters of clients served had some type of insurance coverage.^{xix} Patients living with HIV who receive RWP services are more likely to be prescribed antiretroviral therapy and have higher viral suppression rates, regardless of their health insurance status.^{xx,xxi}

National HIV/AIDS Strategy: Updated to 2020

The White House Office of National AIDS Policy released the first ever National HIV/AIDS Strategy (NHAS) for the U.S. in July 2010 with the goals of 1) reducing HIV incidence 2) increasing access to HIV care and improving health outcomes for people living with HIV 3) reducing HIV-related disparities and health inequities and 4) achieving a more coordinated national response to the HIV epidemic.^{xxii} In 2015, NHAS: Updated to 2020 was released with an updated implementation plan and indicators to measure progress toward the initial NHAS goals.^{xxiii,xxiv} The failure of all states to expand Medicaid remains a primary challenge to achieving the goals of the NHAS.^{xxv} HIV-related disparities are likely to grow significantly in states that have elected not to expand Medicaid as compared to those that have expanded Medicaid.

ⁱ Kaiser Family Foundation. Summary of the Affordable Care Act. April 2013. Available online at <http://kff.org/health-reform/fact-sheet/summary-of-the-affordable-care-act/>.

ⁱⁱ U.S. Department of Health and Human Services. U.S. Federal Poverty Guidelines Used to Determine Financial Eligibility for Certain Federal Programs. Sept 2015. Available online at <https://aspe.hhs.gov/2015-poverty-guidelines>.

ⁱⁱⁱ Kaiser Family Foundation. A Guide to the Supreme Court's Decision on the ACA's Medicaid Expansion. Aug 2, 2012. Available online at: <http://kff.org/health-reform/issue-brief/a-guide-to-the-supreme-courts-decision/>

^{iv} Kaiser Family Foundation. Current Status of State Medicaid Expansion. Jan 12, 2016. Available online at: <http://kff.org/health-reform/slide/current-status-of-the-medicaid-expansion-decision/>.

^v U.S. Census Bureau. Health Insurance: Coverage in the United States: 2014. September 2015. Available online at: <http://www.census.gov/newsroom/press-releases/2015/cb15-157.html>.

^{vi} Centers for Disease Control and Prevention. Health Insurance Coverage: Early Release of Estimates from the National Health Interview Survey, January to September 2014. Available online at: <http://www.cdc.gov/nchs/data/nhis/earlyrelease/insur201503.pdf>.

^{vii} Kaiser Family Foundation. Summary of the Affordable Care Act. April 2013. Available online at <http://kff.org/health-reform/fact-sheet/summary-of-the-affordable-care-act/>.

^{viii} White House Blog. More than Halfway There: New Opportunities to Expand Medicaid and Level the Playing Field. Jan 14, 2016. Available online at: <https://www.whitehouse.gov/blog/2016/01/14/more-halfway-there-new-opportunities-expand-medicaid-and-level-playing-field>.

^{ix} Kaiser Family Foundation. The Coverage Gap: Uninsured Poor Adults in States that Do Not Expand Medicaid – An Update. Jan 21, 2016. Available online at: <http://kff.org/health-reform/issue-brief/the-coverage-gap-uninsured-poor-adults-in-states-that-do-not-expand-medicaid-an-update/>.

^x Kaiser Family Foundation. Medicaid and HIV. Mar 2013. Available online at: <http://kff.org/hiv/aids/fact-sheet/medicaid-and-hiv/aids/>.

^{xi} Fleishman AJ et al. Hospital and outpatient health services utilization among HIV-infected adults in care 2000-2002. Med Care. 2005 Sep;43(9 Suppl):III40-52.

^{xii} Kates J et al. Assessing the impact of the Affordable Care Act on health insurance coverage of people with HIV. January 2014. Available online at <http://kff.org/report-section/assessing-the-impact-of-the-affordable-care-act-on-health-insurance-coverage-of-people-with-hiv-issue-brief/>.

^{xiii} IBID.

^{xiv} Snider JT et al. Nearly 60,000 uninsured and low-income people with HIV/AIDS live in states that are not expanding Medicaid. Health Affairs. March 2014. Available online at: <http://content.healthaffairs.org/content/33/3/386.abstract>.

^{xv} IBID. Kates J et al.

^{xvi} IBID. Snider JR et al.

^{xvii} Kaiser Family Foundation. The Coverage Gap: Uninsured Poor Adults in States that Do Not Expand Medicaid – An Update. Jan 21, 2016. Available online at: <http://kff.org/health-reform/issue-brief/the-coverage-gap-uninsured-poor-adults-in-states-that-do-not-expand-medicaid-an-update/>.

^{xviii} Health Resources and Services Administration. HIV/AIDS Bureau. Ryan White HIV/AIDS Program 2014 Annual Client-Level Data Report. December 2015. Available online at <http://hab.hrsa.gov/about/hab/files/programoverviewfacts2014.pdf>.

^{xiv} Health Resources and Services Administration. HIV/AIDS Bureau. Ryan White HIV/AIDS Program 2014 Annual Client-Level Data Report. December 2015. Available online at: <http://hab.hrsa.gov/data/servicesdelivered/2014RWHAPDataReport.pdf>.

^{xx} Weiser J et al. Service Delivery and Patient Outcomes in Ryan White HIV/AIDS Program–Funded and –Nonfunded Health Care Facilities in the United States. *AMA Intern Med.* 2015;175(10):1650-1659.

Available online at: <http://archinte.jamanetwork.com/article.aspx?articleid=2430794>.

^{xxi} Bradley H et al. Ryan White HIV/AIDS Program Assistance and Treatment Outcomes. *Clin Infect Dis.* 2016;62 (1): 90-98. Available online at: <http://cid.oxfordjournals.org/content/early/2015/09/11/cid.civ708.abstract>

^{xxii} The White House. National HIV/AIDS Strategy for the United States: An Update to 2020. Available online at: <https://www.aids.gov/federal-resources/national-hiv-aids-strategy/nhas-update.pdf>.

^{xxiii} The White House: NHAS: An Update to 2020. Federal Action Plan. December 2015. Available online at: <https://www.aids.gov/federal-resources/national-hiv-aids-strategy/nhas-2020-action-plan.pdf>.

^{xxiv} The White House. NHAS: An Update to 2020. Indicators Supplement. August 2015. Available online at: https://www.whitehouse.gov/sites/default/files/docs/nhas_2020_indicator_supplement_8-15.pdf.

^{xxiv} Holtgrave D and Greenwald R. A SWOT Analysis of the Updated National HIV/AIDS Strategy for the U.S., 2015–2020. *AIDS Behav.* Sept 14, 2015. Available online at: <http://www.chlpi.org/wp-content/uploads/2015/09/HoltgraveGreenwaldUpdatedNHASpaper2015.pdf>.