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What Does the National Health Reform Debate Mean for Medicaid in New York?

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In the national health reform discussion, Medicaid deserves a seat at the table.

- **60 million beneficiaries**
 - **One in five U.S. residents**
 - **More enrollees than Medicare**

- **\$340 billion in annual spending**
 - **16% of national health expenditures**

- **Core component of budgets**
 - **7% of federal outlays**
 - **22% of state outlays**

Medicaid beneficiaries are a weak political base.

- **Few economic resources**
- **Low voter participation**
- **No membership association**

Medicaid is a cornerstone of New York's health care system.

- **Cover 4.3 million low-income New Yorkers** (December 2008)
 - 1.6 million children
 - 1.5 million (non-elderly, non-disabled) adults
 - 1.1 million elderly or disabled beneficiaries

- **Deliver key services**
 - Half of all births
 - Three-fourths of all nursing home days

- **Finance one-third of state's health care economy**
 - Spending on services = \$47.6 billion in FFY 2008

Source: United Hospital Fund analysis of NYS DOH enrollment reports; CMS 64 and NHE data.
Note: Medicaid enrollment categories do not sum to total due to rounding.

Which Medicaid roles are essential to national health reform?

- 1. Health insurance for low-income families**
- 2. Coverage for disabled people without Medicare**
- 3. Supplement to Medicare for low-income seniors**
- 4. Direct support for safety net providers**

**Where does New York fit in a discussion that focuses on
Medicaid as a national program?**

Medicaid's profile in New York: low-income families

- **Commitment to making adults eligible**
 - **New York is one of five states offering Medicaid coverage to childless adults**

- **Commitment to enrolling adults**
 - **U.S. Average: 51 adults per 100 children in Medicaid**
 - **New York: 94 adults per 100 children in Medicaid**

- **Commitment to enrolling children**
 - **Participation rate above 85% among those eligible for Medicaid and CHIP**

Source: Kaiser Commission on Medicaid and the Uninsured; United Hospital Fund analysis of NYS DOH enrollment reports and Current Population Survey data.

Medicaid's profile in New York: disabled individuals

- **Commitment to serving beneficiaries with developmental disabilities through Medicaid**
 - **28% of all state and local Medicaid spending on intermediate care facilities**
 - **22% of all state and local Medicaid spending on home and community waiver services**

- **\$26,535 per disabled Medicaid beneficiary**
 - **Highest per capita spending among states**
 - **More than double the national average**

Source: Urban Institute and Kaiser Commission on Medicaid and the Uninsured analysis of CMS MSIS data; United Hospital Fund analysis of CMS 64 data.

Medicaid's profile in New York: low-income seniors

- **Commitment to serving the elderly through home- and community-based long term care**
 - **32% of all state and local Medicaid spending on home health services and personal care (outside of waivers)**
 - **No seniors on waiting lists for Medicaid home care**
- **\$20,819 per elderly Medicaid beneficiary**
 - **Second highest per capita spending among states**
 - **Nearly twice the national average**

Source: Urban Institute and Kaiser Commission on Medicaid and the Uninsured analysis of CMS MSIS data; United Hospital Fund analysis of CMS 64 data.

Medicaid's profile in New York: direct safety net subsidies

- **New York receives \$1 out of every \$6 in federal disproportionate share hospital (DSH) payments.**
- **New York's Medicaid DSH and upper payment level (UPL) funding in 2006 was equal to that of 34 other states combined.**
- **The New York City Health and Hospitals Corporation received more DSH and UPL funding in 2006 than each of 37 states.**

Source: United Hospital Fund analysis of CMS 64 data. U.S. Government Accountability Office, 2008. "CMS Needs More Information on the Billions of Dollars Spent on Supplemental Payments."

Medicaid cannot be an afterthought in national health reform.

- **There is a divide between high health care costs and low-income families.**
- **Disabled beneficiaries do not fit into the private insurance model.**
- **Serving low-income seniors in two separate programs does not work.**
- **Direct subsidies to safety net providers address a real need.**

Will health reform support Medicaid in New York?

- **Enhanced federal match for states with low coverage levels among adults?**
- **Separation of “optional” services from core Medicaid benefit?**
- **Failure to address long-term care responsibility for duals?**
- **Reductions in safety net subsidies before increases in coverage are confirmed?**
- **Use of standardized measures in national formulae?**