



KANSAS HEALTH INSTITUTE

# MEDICAID EXPANSION: UPDATED ESTIMATES

February 22, 2024

Kansas Health Institute



# Who We Are

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- Nonprofit, nonpartisan educational organization based in Topeka.
- Established in 1995 with a multi-year grant by the Kansas Health Foundation.
- Committed to convening meaningful conversations around tough topics related to health.





# Hello!

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# Acknowledgments

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We recognize the following individuals for their contributions:



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*President & CEO*



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*Director of Research*



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*Senior Communication  
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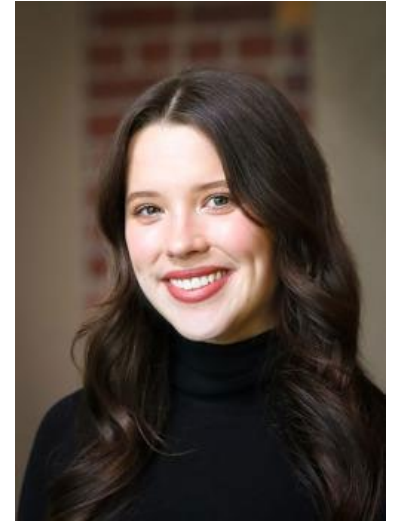
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*Analyst*



# Agenda

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## 2024 Medicaid Expansion Estimates

- Proposed Medicaid Expansion
- Kansas Medicaid Enrollment and Cost Estimates
- Characteristics of the Expansion Population
- Q&A
- Upcoming Medicaid Expansion Convening



# Kansas Medicaid and CHIP



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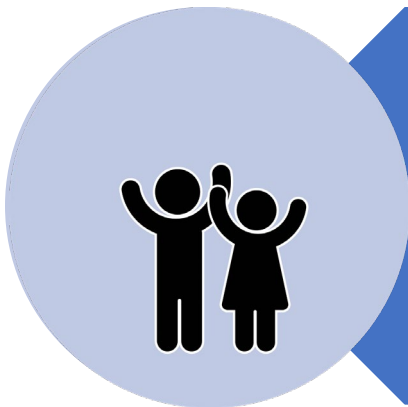
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# Background: Kansas Medicaid and CHIP

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Medicaid: Enacted in 1965, it provides coverage for health services and long-term care to eligible low-income dependent children, parents, pregnant women, people with disabilities and older adults, as well as some individuals with specific health conditions.



CHIP: Adopted in Kansas in 1998 and implemented in 1999. It provides similar coverage to uninsured children of low-income families who are not eligible for Medicaid, but who can't afford private coverage.



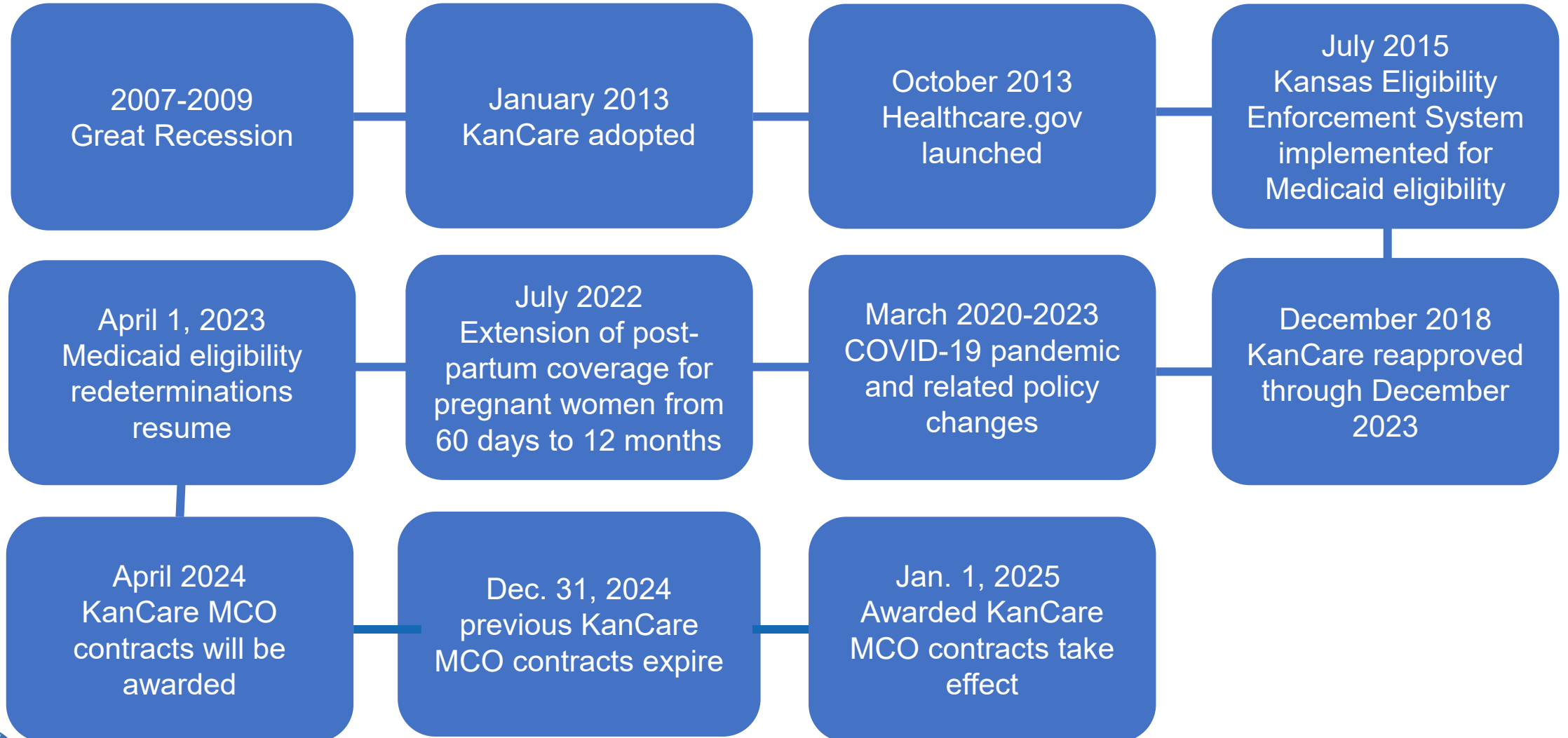
# 2024 Federal Poverty Level (FPL) Guidelines

Persons in Family/Household	Annual Income 100 percent FPL
1	\$15,060
2	\$20,440
3	\$25,820
4	\$31,200
5	\$36,580
6	\$41,960
7	\$47,340
8	\$52,720
<b>1 Individual at 138 Percent FPL</b>	<b>\$20,783</b>





# Key Events Impacting Medicaid and CHIP



# Background

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## KanCare

- The Kansas Department of Health and Environment (KDHE), the Kansas Department for Aging and Disability Services (KDADS) have authority and oversight of KanCare and closely collaborate with the Kansas Department for Children and Families (DCF)
- The State of Kansas began contracting with Managed Care Organizations (MCOs) for most Medicaid services in 2013 under the Brownback Administration
- FY 2022 Costs: \$4.95 B (All funds) and \$1.19 B (State General Fund)
- In state fiscal year (FY) 2023, which began July 1, 2022, Medicaid and CHIP covered an average of 529,075 people in Kansas per month



# Proposed Medicaid Expansion

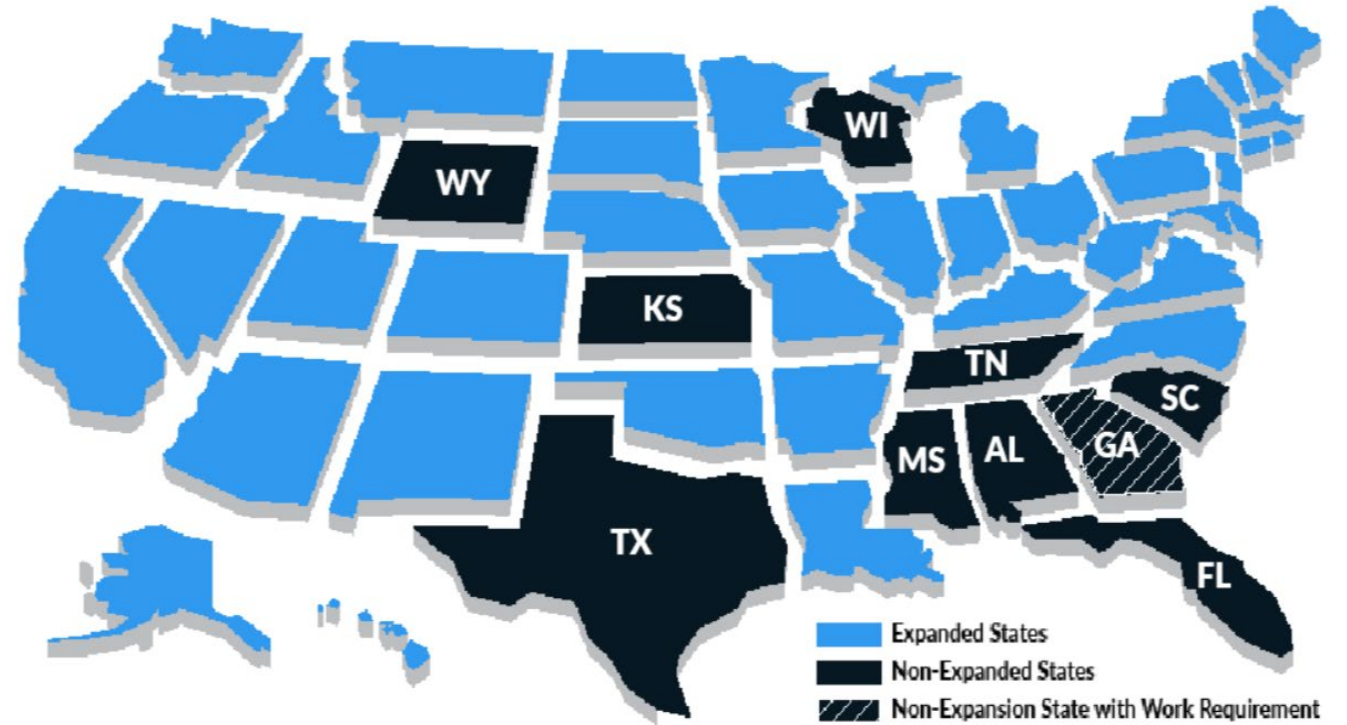


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# National Context

- Medicaid expansion has been in place since the Affordable Care Act (ACA) expanded Medicaid coverage to adults with incomes up to 138 percent of the federal poverty level (FPL).
- The federal government provides states with an enhanced federal matching rate, also known as the federal medical assistance percentage (FMAP) for expansion.
- To date, 40 states and Washington, D.C., have adopted Medicaid expansion, and 10 states, including Kansas, have not adopted it.





# National Context

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- Most states have expanded Medicaid simply by raising the eligibility level for adults age 19-64 to 138 percent of FPL (\$20,783 for an individual and \$43,056 for a family of four in 2024) as envisioned by the ACA.
- Some states, including Arizona, Arkansas, Indiana, Iowa, Kentucky, Michigan, Minnesota and New Hampshire, have implemented Medicaid expansion under Section 1115 demonstration waivers. These states have proposed a variety of approaches, only some of which have been approved by the Centers for Medicare and Medicaid Services (CMS).
- Georgia is currently the only state with a work requirement in place, and its expansion extends coverage to those making up to 100 percent of FPL (\$14,580 for an individual and \$30,000 for a family of four in 2024). Due to its limited approach, the state is not receiving federal incentives, or the increased FMAP offered to states that decide to expand programs under the terms of the ACA.



# 2024 Medicaid Expansion Proposal

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## Key Provisions:

Expand Medicaid eligibility to adults age 19-64 who earn up to 138 percent FPL

Includes a work requirement with some exceptions

Includes a hospital surcharge beginning in 2027 to offset costs of expansion



# 2024 Medicaid Expansion Proposal: Proposed Exceptions to Work Requirement

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**Full-time students**

**Caregivers of children or adults**

**Those determined unfit for employment, or with pending applications for social security benefits**

**Individuals with permanent partial disabilities**

**Volunteers working at least 20 hours per week**

**Individuals who are homeless**

**Veterans**

**Former foster youth under age 22**

**Individuals experiencing hardship as determined by the KDHE secretary**



# Kansas Medicaid Expansion Enrollment and Cost Estimates 2024



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# Enrollment Estimates

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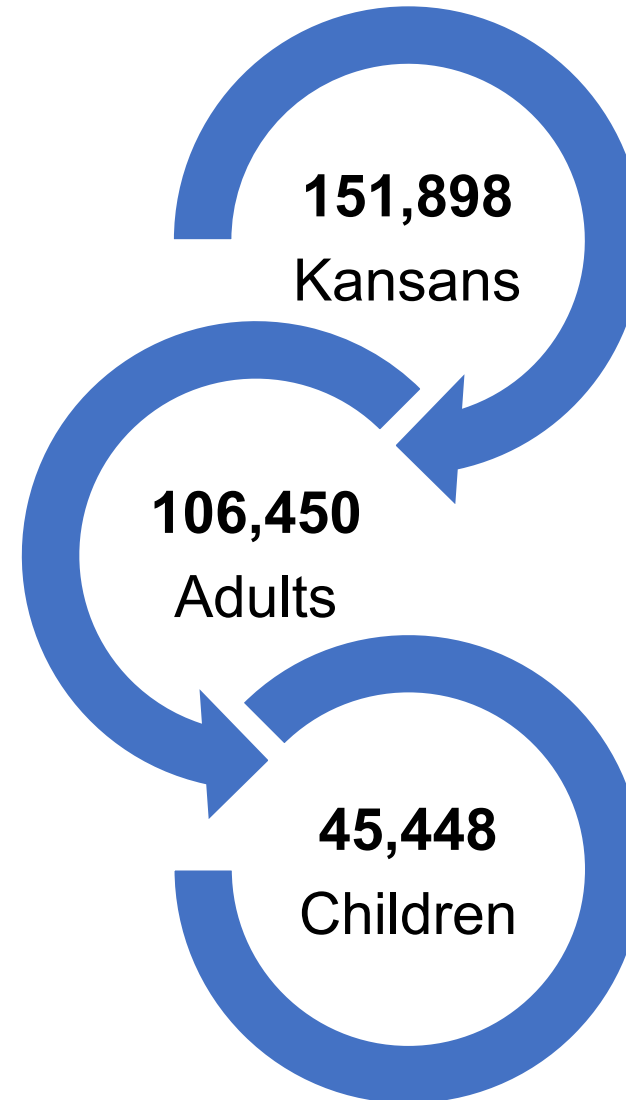
- Since 2012, most recently in spring 2022, KHI has conducted analysis and produced seven estimates of enrollment and costs associated with Medicaid expansion. Estimates in this paper are primarily based on analysis of 2022 American Community Survey (ACS) data.
- Estimates are provided for:
  - Kansas Adults age 19-64 with income up to 138 percent of the federal poverty level (FPL) who would enroll in Medicaid if expanded.
  - Kansas children affected by Medicaid expansion for adults



# Enrollment Estimates

## 2024 Estimates

A total of 151,898 Kansans, including 106,450 adults and 45,448 children, are estimated to newly enroll in KanCare if Medicaid were to be expanded in January 2025.



# Enrollment Estimates: Kansas Adults

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## Projected Kansas Adults Age 19-64 in Medicaid Expansion Population Up to 138 Percent FPL

- **Newly Enrolled: 106,450** Kansas adults age 19-64 would newly enroll in Medicaid if it were expanded.
- **Currently Uninsured:** Of the 106,450 new adult enrollees, **68,236** are currently uninsured.
  - Includes **12,819** uninsured adults between 38-138 percent of FPL who were on Medicaid during the pandemic due to the continuous coverage provision being in place but who lost coverage once the continuous coverage provision ended. These individuals would likely re-enroll if their income did not exceed 138 percent of FPL at the time of enrollment.
  - Includes **1,781** currently eligible but uninsured individuals who may be more inclined to enroll in Medicaid due to increased awareness and outreach that would occur because of expansion, sometimes known as the “welcome mat” effect.
- **Currently Insured, New Enrollees:** An estimated **38,214** new enrollees are adults who might switch to KanCare from another insurance source.



# Enrollment Estimates: Kansas Children

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## Projected Kansas Children Affected by Medicaid Expansion for Adults

- **Newly Enrolled: 45,448** Kansas children age 0-18 currently eligible would enroll in KanCare if it were expanded.
  - **Currently Uninsured, Newly Enrolled:** Under expansion, **16,377** children are currently eligible and would likely enroll in Medicaid or CHIP. Currently eligible but uninsured individuals may be more inclined to enroll in Medicaid due to increased awareness and outreach that would occur because of expansion, sometimes known as the “welcome mat” effect.
  - **Currently Insured, Newly Enrolled:** An estimated **29,071** new enrollees are children who might switch to Medicaid or CHIP from another insurance source.





# Cost Estimates

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- Estimated new enrollment represents an increase of approximately 36.6 percent from the average monthly KanCare enrollment pre-pandemic.
- However, net cost to the state is projected to be significantly lower both initially and over time, because of savings, new revenues, and cost offsets associated with expansion.
- Federal incentives in the American Rescue Plan Act of 2021 would provide an estimated \$509 million in savings to Kansas over two years if Medicaid were expanded to low-income adults under the terms of the Affordable Care Act (ACA) — offsetting the equivalent of about 8 years' worth of net state expansion costs.



# Cost Estimates

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## **Estimated Savings, New Revenues and Offsets used to Calculate Costs:**

The estimated savings each year from expansion is associated primarily with enrollees becoming reclassified into different eligibility groups, such as:

- Women who would become pregnant while already enrolled in the expansion group
- Those in the expansion group who would have qualified as Medically Needy
- Those who would have enrolled in the entirely state-funded MediKan program
- Those who may otherwise have applied for Supplemental Security Income
- Inmates who could be eligible for Medicaid in the case of a hospital admission longer than one day

New revenues included:

- Hospital surcharge in Medicaid expansion proposal beginning in 2027
- Increased Managed Care privilege fees, drug rebates and CHIP premiums

Estimate accounts for ARPA incentive, a two-year 5 percentage-point increase to Federal Medical Assistance Percentage (FMAP) for traditional Medicaid offered to states that expand their programs under the terms of the ACA.



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# Medicaid Expansion Estimates: Enrollment and Costs Q & A



# Characteristics of the Expansion Population



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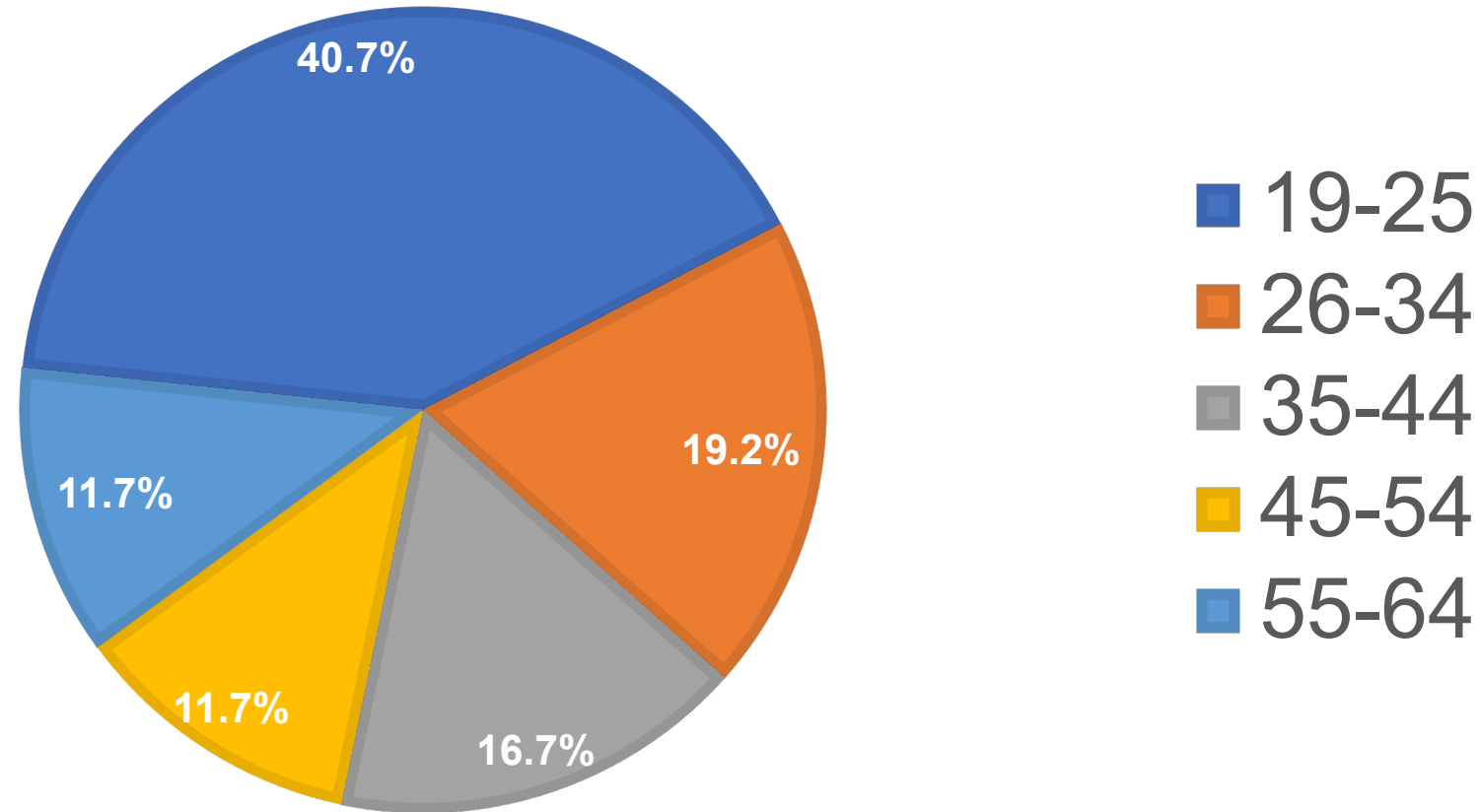
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# Characteristics of Likely Eligible Adults in the Expansion Population



# Adults Age 19-64 ≤ 138% FPL Likely Eligible for Medicaid if Expanded by Age Group, 2022



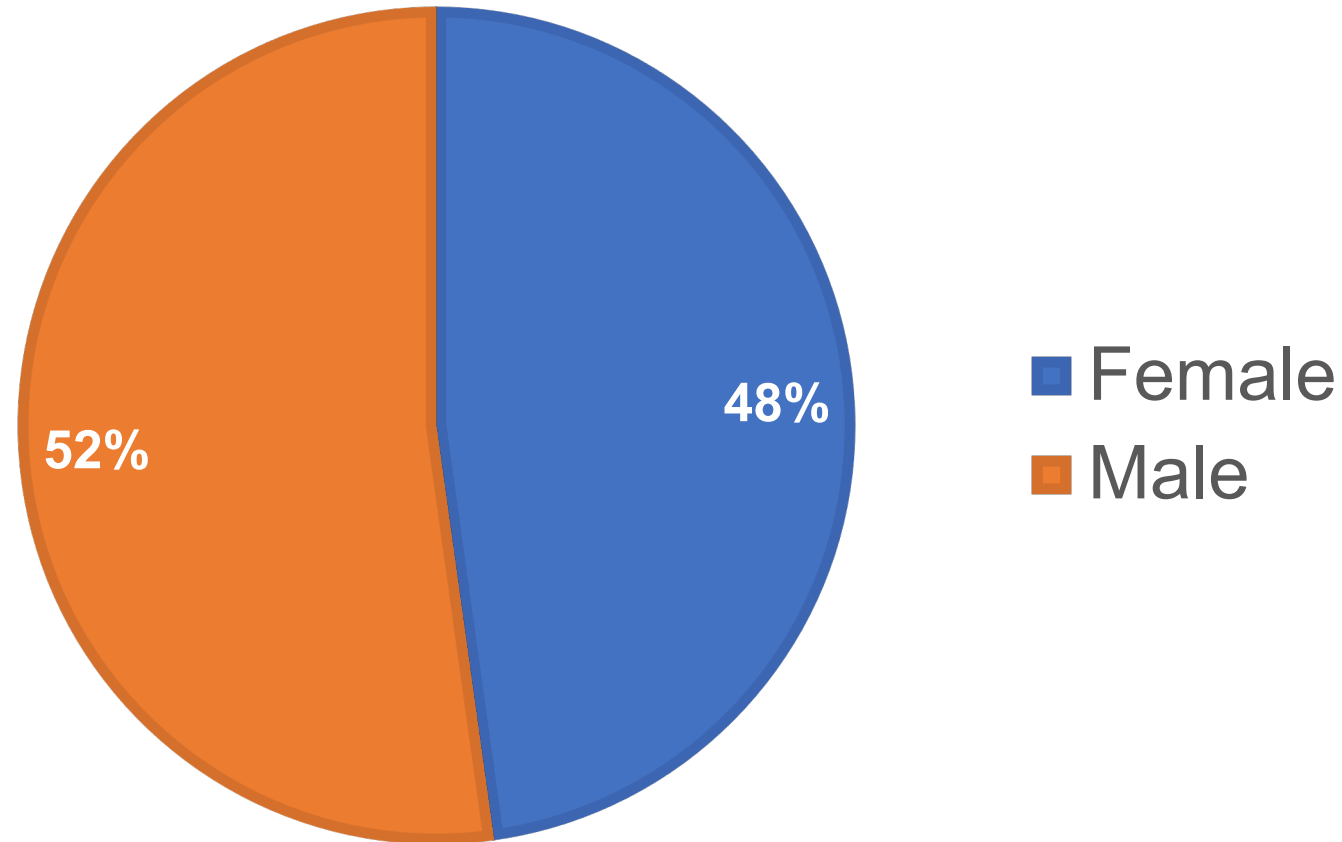
Note: Total adults age 19-64 ≤ 138% FPL likely eligible for Medicaid if expanded =244,467. Total does not include individuals already enrolled in Medicaid or Medicare.

Source: Kansas Health Institute Analysis of IPUMS USA 2022 American Community Survey Data and Estimates of poverty level use SHADAC's Health Insurance Unit (HIU) definition of family (<https://www.shadac.org/publications/SHADAC-HIU>).



# Adults Age 19-64 $\leq$ 138% FPL Likely Eligible for Medicaid if Expanded, by Sex, 2022

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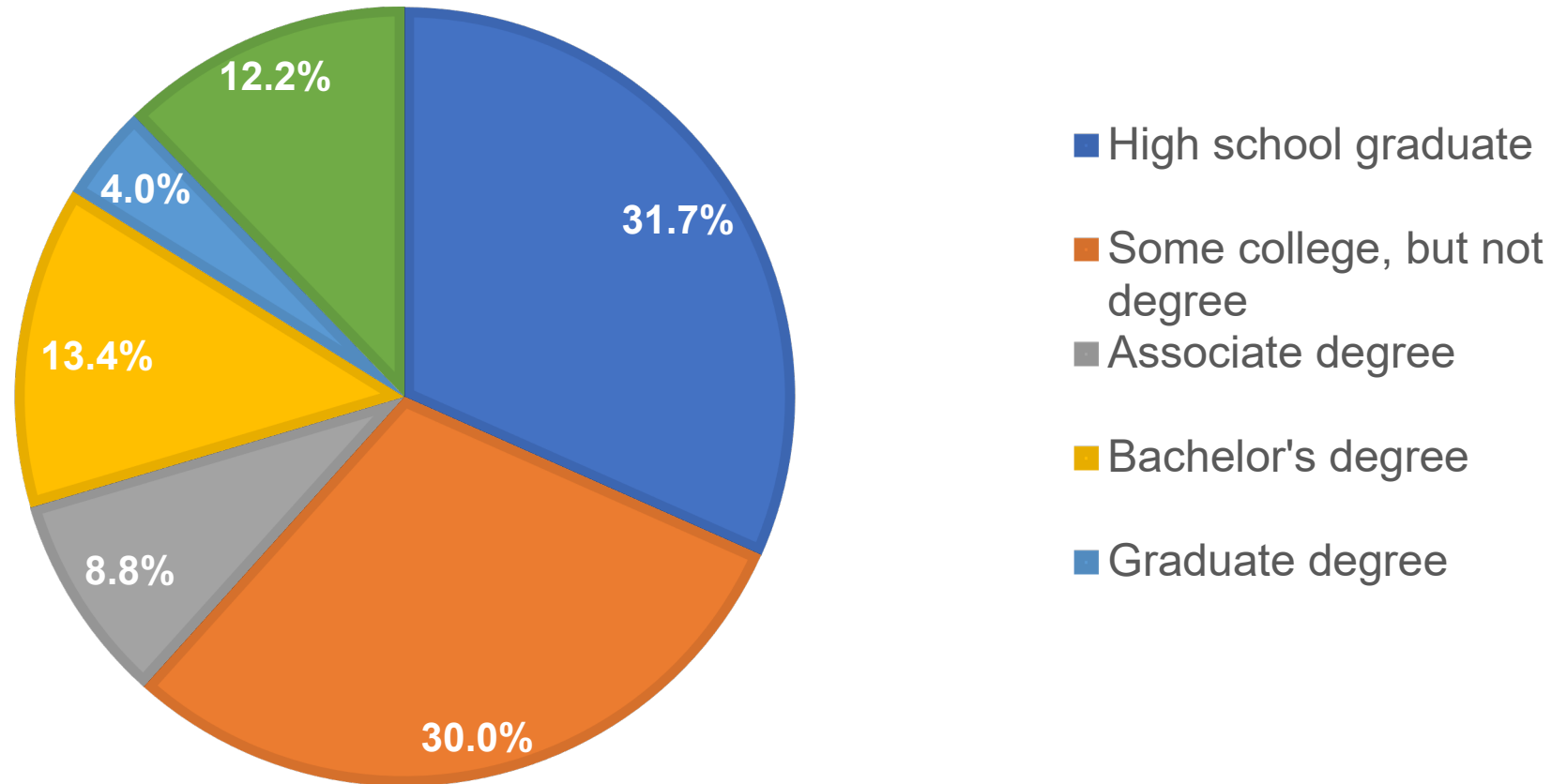
Note: Total adults age 19-64  $\leq$  138% FPL likely eligible for Medicaid if expanded =244,467. Total does not include individuals already enrolled in Medicaid or Medicare.

Source: Kansas Health Institute Analysis of IPUMS USA 2022 American Community Survey Data and Estimates of poverty level use SHADAC's Health Insurance Unit (HIU) definition of family (<https://www.shadac.org/publications/SHADAC-HIU>).





# Adults Age 19-64 ≤ 138% FPL Likely Eligible for Medicaid if Expanded, by Level of Education, 2022

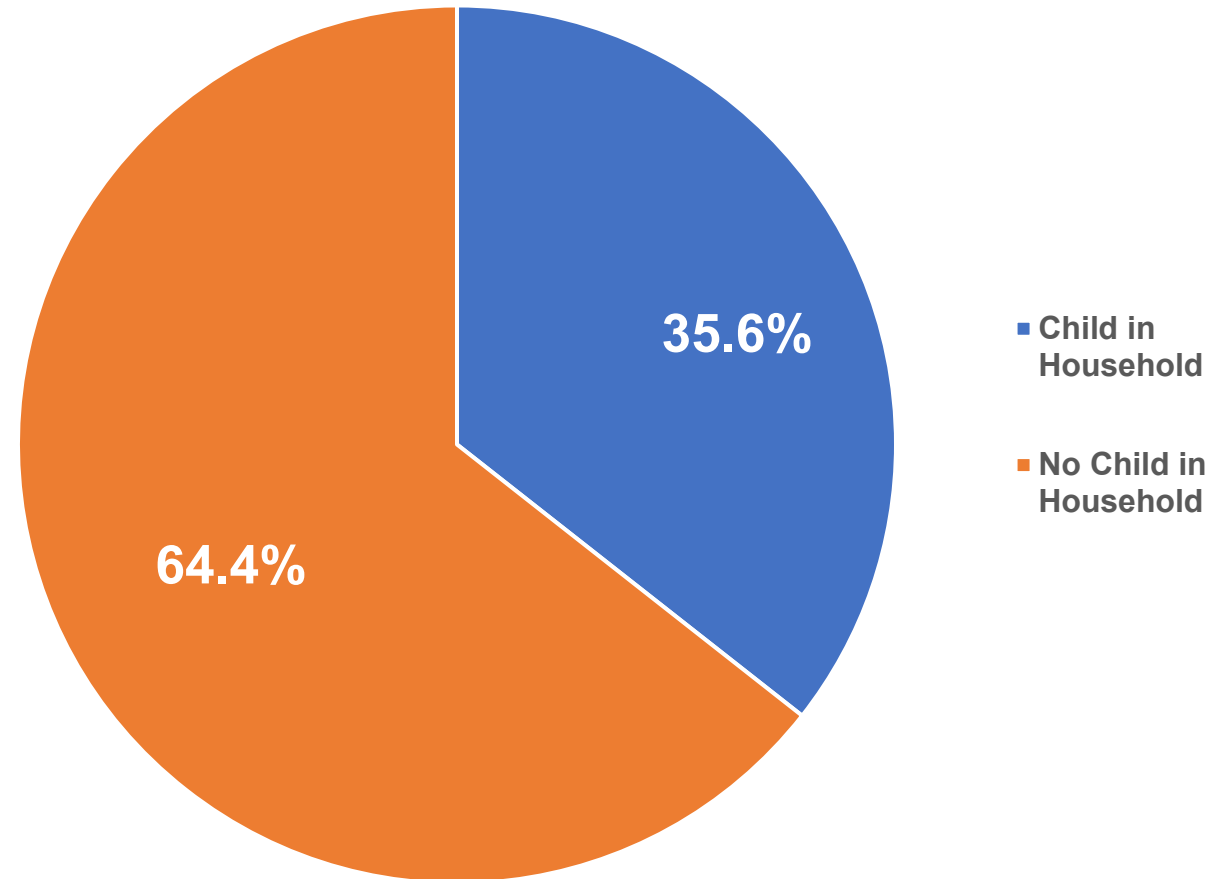


Note: Total adults age 19-64 ≤ 138% FPL likely eligible for Medicaid if expanded =244,467. Total does not include individuals already enrolled in Medicaid or Medicare.

Source: Kansas Health Institute Analysis of IPUMS USA 2022 American Community Survey Data and Estimates of poverty level use SHADAC's Health Insurance Unit (HIU) definition of family (<https://www.shadac.org/publications/SHADAC-HIU>).



# Adults Age 19-64 $\leq$ 138% FPL Likely Eligible for Medicaid if Expanded, by Presence of Child in Household, 2022

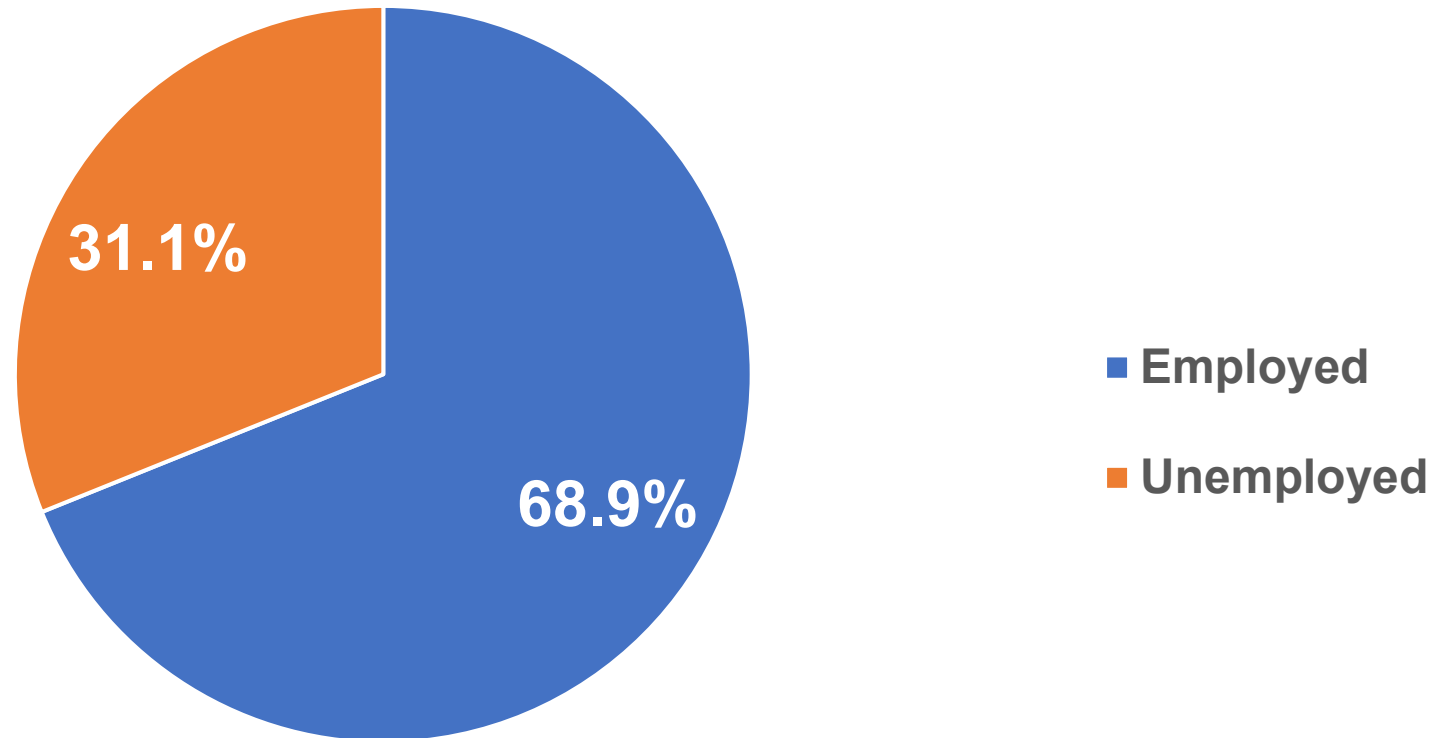


Note: Total adults age 19-64  $\leq$  138% FPL likely eligible for Medicaid if expanded =244,467. Total does not include individuals already enrolled in Medicaid or Medicare.

Source: Kansas Health Institute Analysis of IPUMS USA 2022 American Community Survey Data and Estimates of poverty level use SHADAC's Health Insurance Unit (HIU) definition of family (<https://www.shadac.org/publications/SHADAC-HIU>).



# Adults Age 19-64 $\leq$ 138% FPL Likely Eligible for Medicaid if Expanded, by Employment Status, 2022

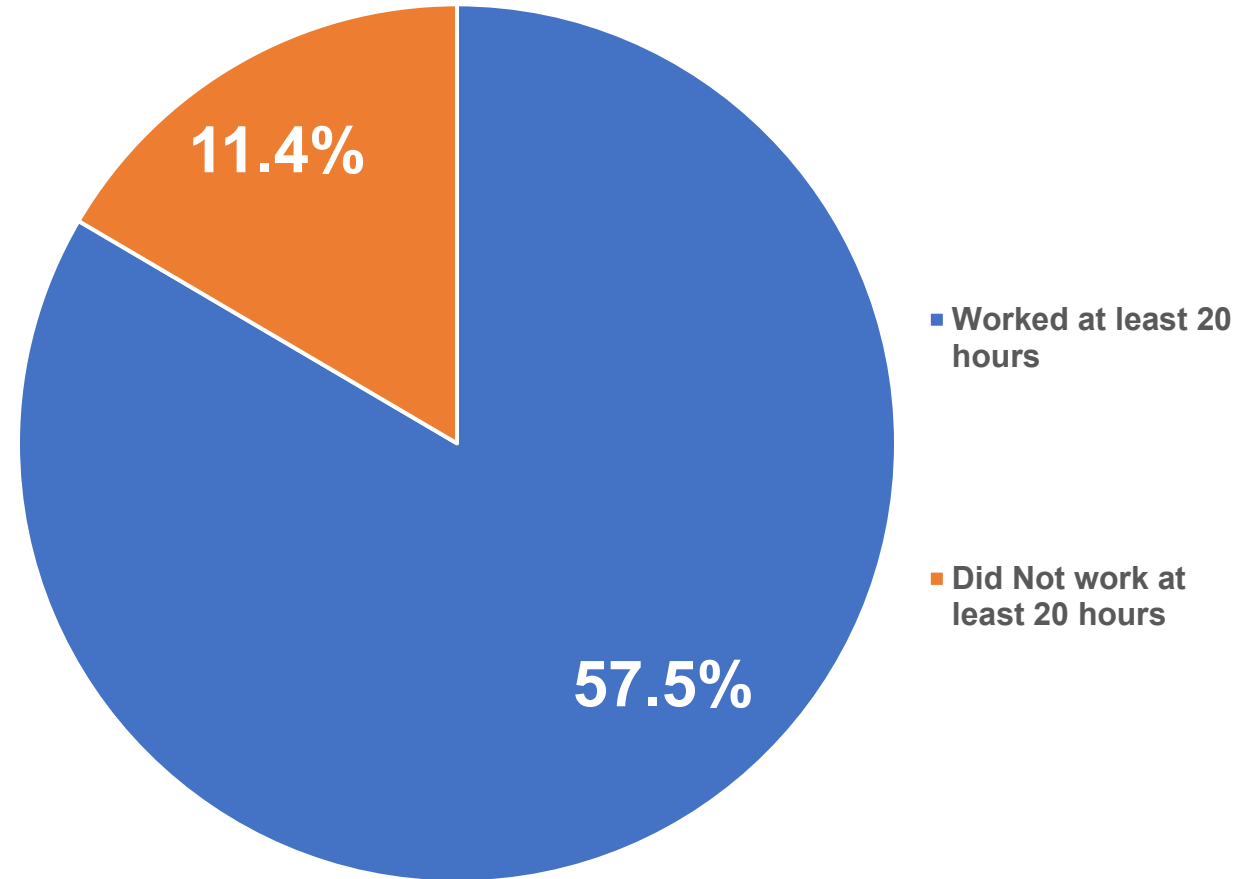


Note: Total adults age 19-64  $\leq$  138% FPL likely eligible for Medicaid if expanded =244,467. Total does not include individuals already enrolled in Medicaid or Medicare.

Source: Kansas Health Institute Analysis of IPUMS USA 2022 American Community Survey Data and Estimates of poverty level use SHADAC's Health Insurance Unit (HIU) definition of family (<https://www.shadac.org/publications/SHADAC-HIU>).



# Adults Age 19-64 $\leq$ 138% FPL Likely Eligible for Medicaid if Expanded, by Hours Worked, 2022



Note: Total adults age 19-64  $\leq$  138% FPL likely eligible for Medicaid if expanded =244,467. Total does not include individuals already enrolled in Medicaid or Medicare.

Source: Kansas Health Institute Analysis of IPUMS USA 2022 American Community Survey Data and Estimates of poverty level use SHADAC's Health Insurance Unit (HIU) definition of family (<https://www.shadac.org/publications/SHADAC-HIU>).

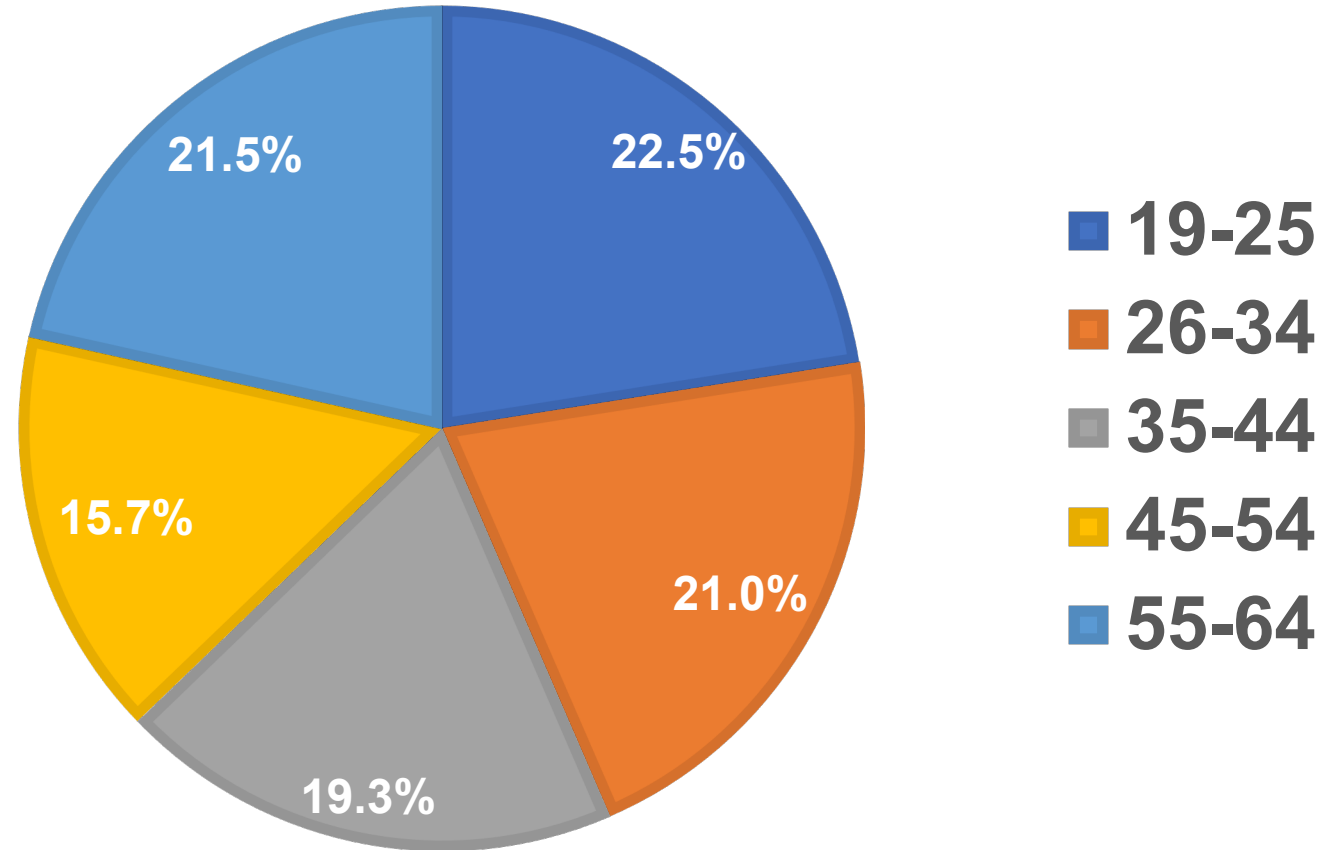


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# Characteristics of Likely Eligible Adults in the Expansion Population who are Not Employed



# Adults Not Employed Age 19-64 $\leq$ 138% FPL Likely Eligible for Medicaid if Expanded, by Age Group, 2022

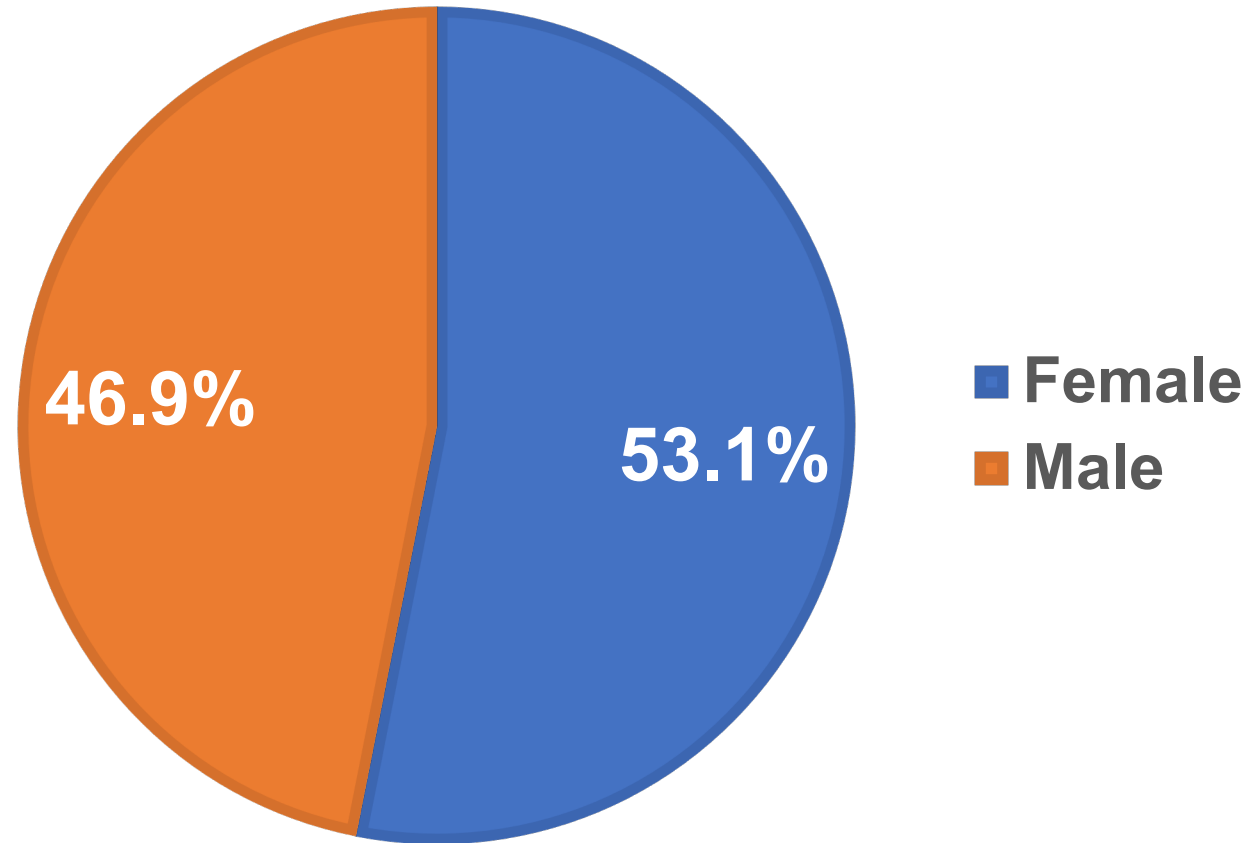


Note: Total Unemployed adults age 19-64  $\leq$  138% FPL likely eligible for Medicaid if expanded = 76,072. Total does not include individuals already enrolled in Medicaid or Medicare.

Source: Kansas Health Institute Analysis of IPUMS USA 2022 American Community Survey Data and Estimates of poverty level use SHADAC's Health Insurance Unit (HIU) definition of family



# Adults Not Employed Age 19-64 $\leq$ 138% FPL Likely Eligible for Medicaid if Expanded, by Sex, 2022



Note: Total Unemployed adults age 19-64  $\leq$  138% FPL likely eligible for Medicaid if expanded = 76,072. Total does not include individuals already enrolled in Medicaid or Medicare.

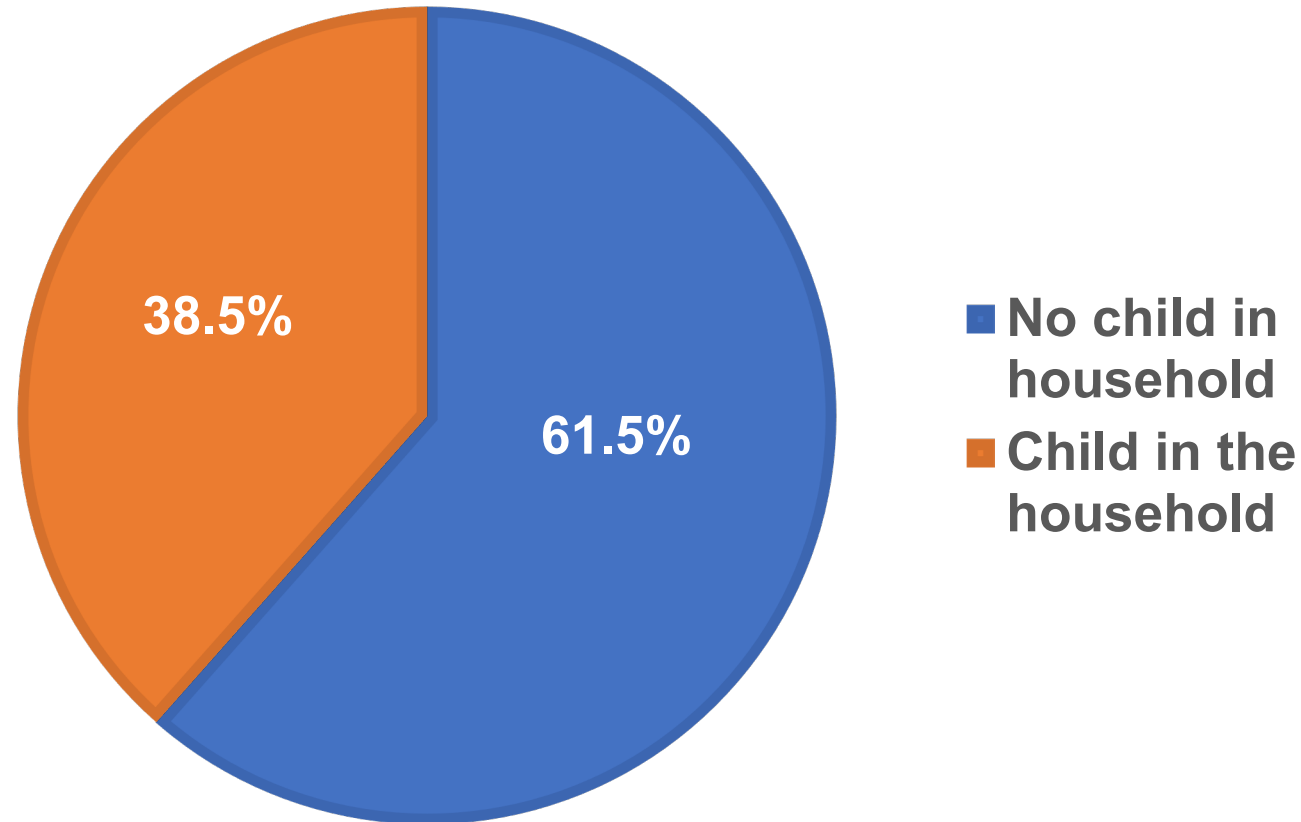
Source: Kansas Health Institute Analysis of IPUMS USA 2022 American Community Survey Data and Estimates of poverty level use SHADAC's Health Insurance Unit (HIU) definition of family





# Adults Not Employed Age 19-64 $\leq$ 138% FPL Likely Eligible for Medicaid if Expanded, by Presence of a Child in Household, 2022

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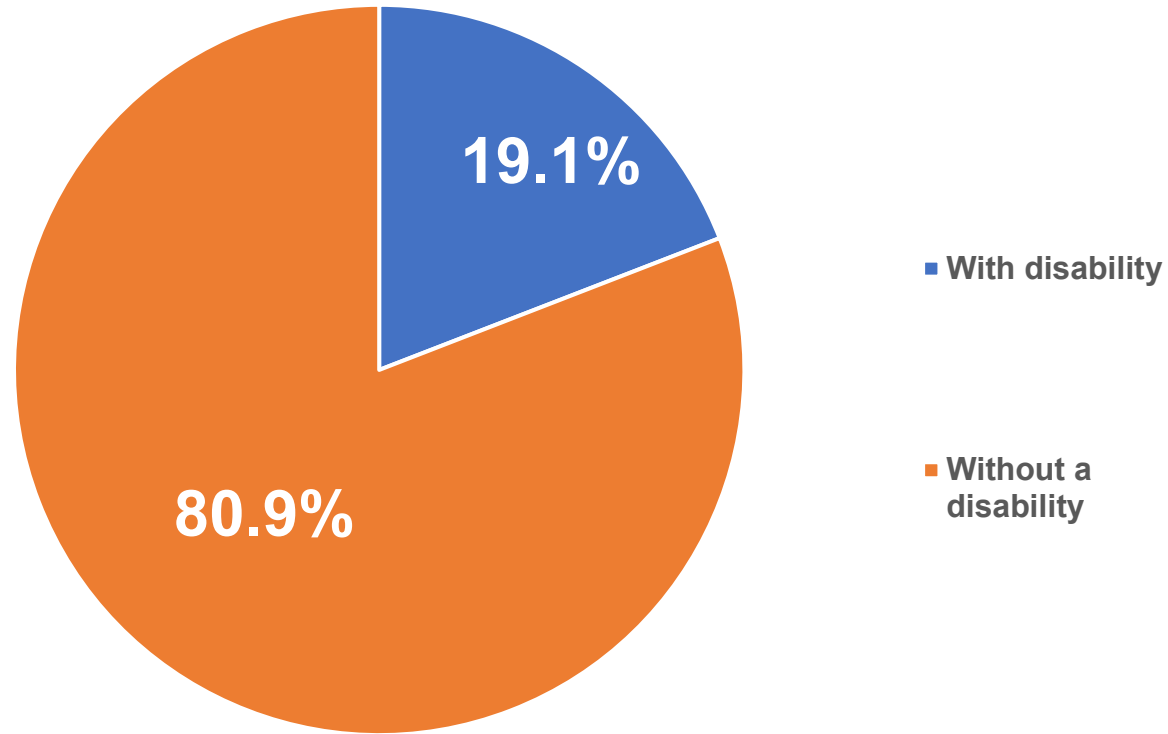


Note: Total Unemployed adults age 19-64  $\leq$  138% FPL likely eligible for Medicaid if expanded = 76,072. Total does not include individuals already enrolled in Medicaid or Medicare.

Source: Kansas Health Institute Analysis of IPUMS USA 2022 American Community Survey Data and Estimates of poverty level use SHADAC's Health Insurance Unit (HIU) definition of family



# Adults Not Employed Age 19-64 $\leq$ 138% FPL Likely Eligible for Medicaid if Expanded, by Disability Status, 2022

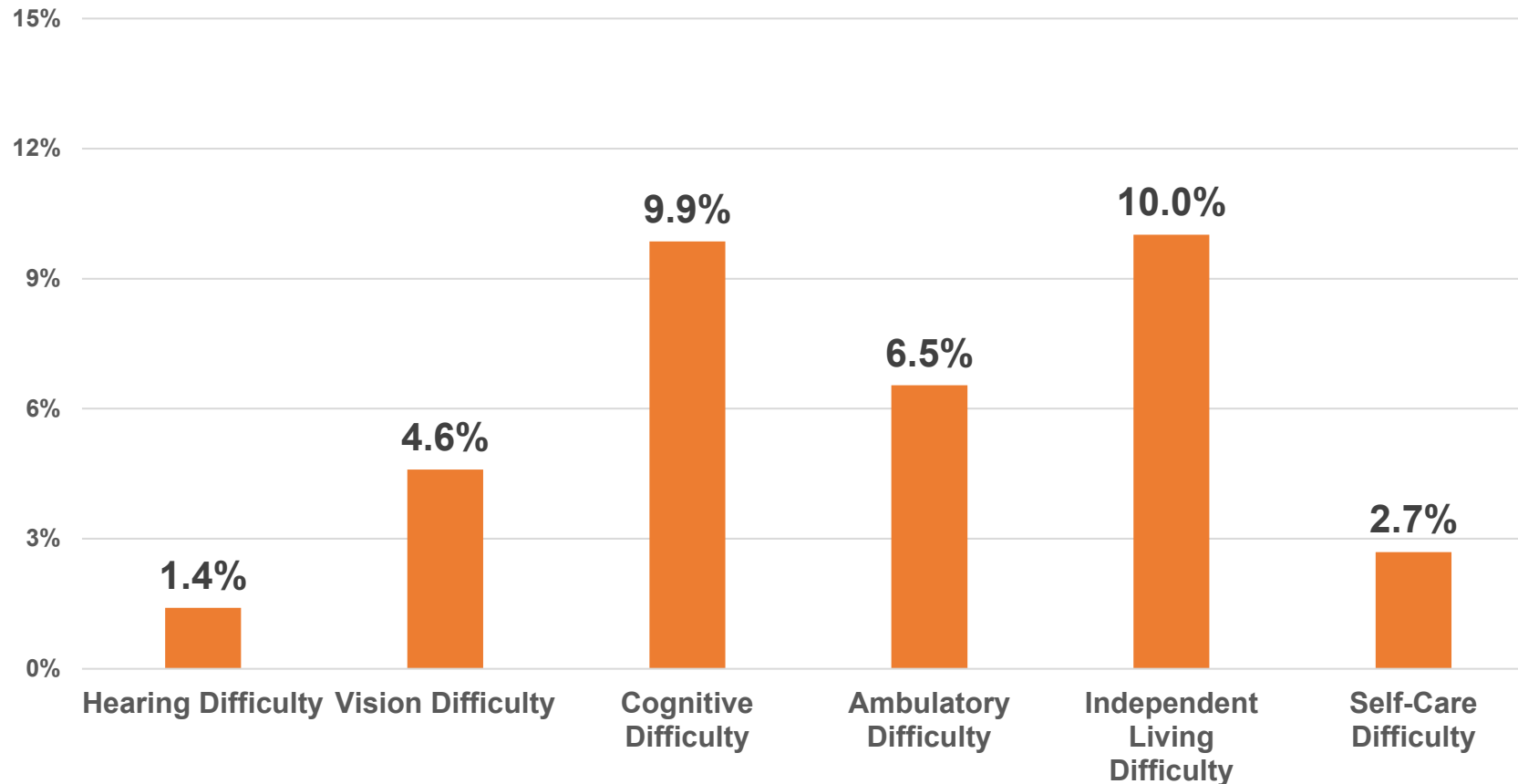


Note: Total Unemployed adults age 19-64  $\leq$  138% FPL likely eligible for Medicaid if expanded = 76,072. Total does not include individuals already enrolled in Medicaid or Medicare.

Source: Kansas Health Institute Analysis of IPUMS USA 2022 American Community Survey Data and Estimates of poverty level use SHADAC's Health Insurance Unit (HIU) definition of family



# Adults Not Employed Age 19-64 $\leq$ 138% FPL Likely Eligible for Medicaid if Expanded, by Disability Type, 2022

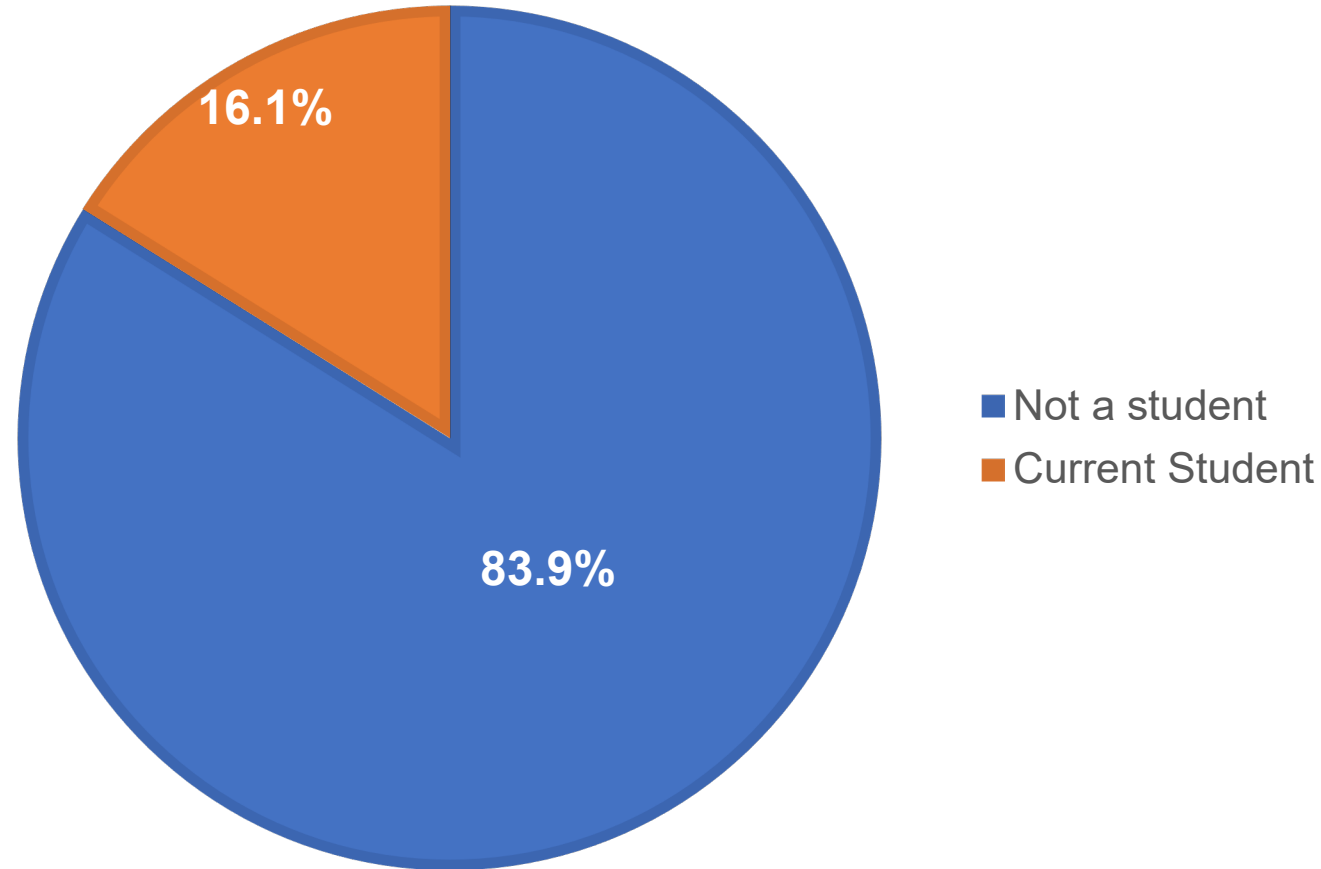


Note: Total Unemployed adults age 19-64  $\leq$  138% FPL likely eligible for Medicaid if expanded = 76,072. Total does not include individuals already enrolled in Medicaid or Medicare. These disability categories are not mutually exclusive.

Source: Kansas Health Institute Analysis of IPUMS USA 2022 American Community Survey Data and Estimates of poverty level use SHADAC's Health Insurance Unit (HIU) definition of family



# Adults Not Employed Age 19-64 $\leq$ 138% FPL Likely Eligible for Medicaid if Expanded, by Student Status, 2022

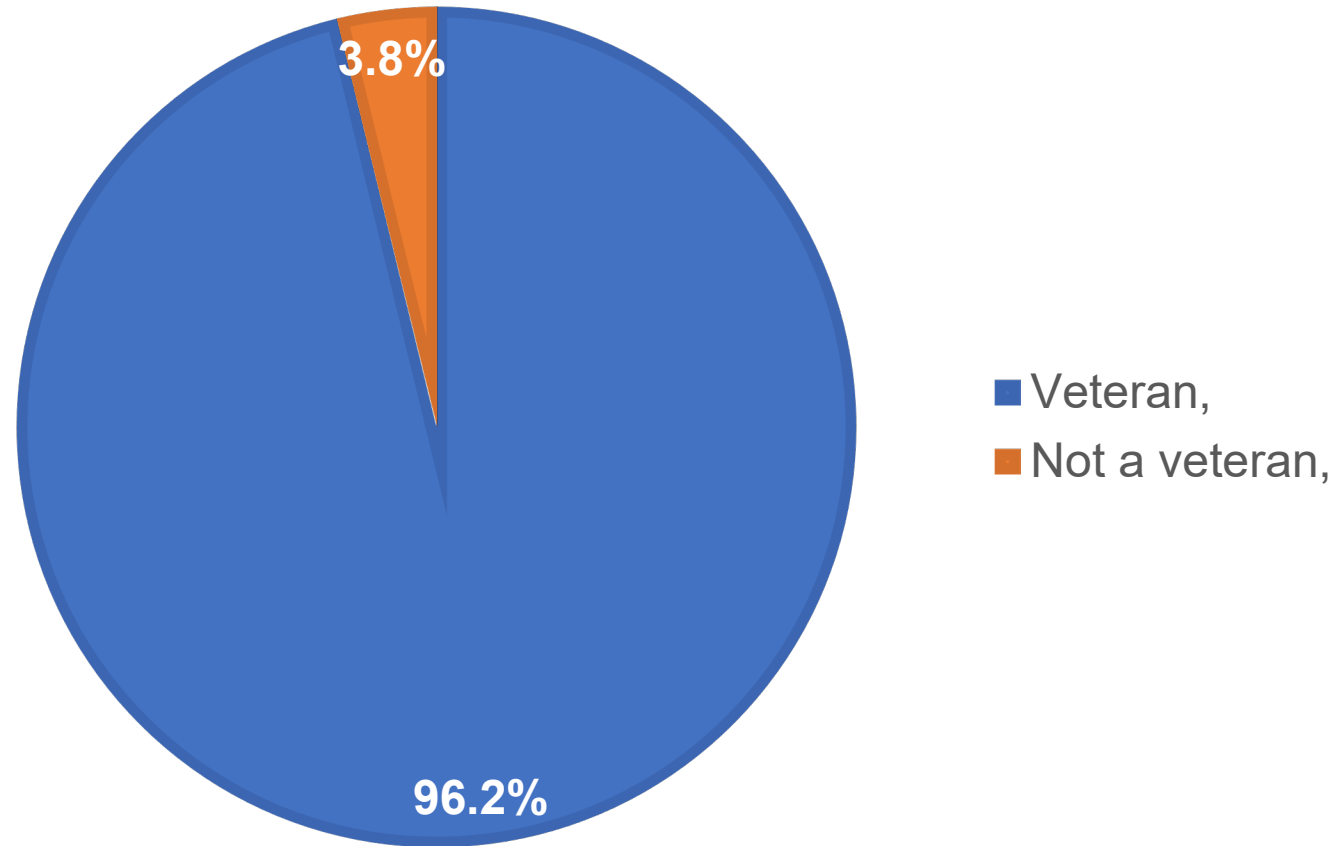


Note: Total Unemployed adults age 19-64  $\leq$  138% FPL likely eligible for Medicaid if expanded = 76,072. Total does not include individuals already enrolled in Medicaid or Medicare.

Source: Kansas Health Institute Analysis of IPUMS USA 2022 American Community Survey Data and Estimates of poverty level use SHADAC's Health Insurance Unit (HIU) definition of family



# Adults Not Employed Age 19-64 $\leq$ 138% FPL Likely Eligible for Medicaid if Expanded, by Veteran Status, 2022



Note: Total Unemployed adults age 19-64  $\leq$  138% FPL likely eligible for Medicaid if expanded = 76,072. Total does not include individuals already enrolled in Medicaid or Medicare.

Source: Kansas Health Institute Analysis of IPUMS USA 2022 American Community Survey Data and Estimates of poverty level use SHADAC's Health Insurance Unit (HIU) definition of family



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# Characteristics of the Expansion Population: Q & A



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## WATERFALL QUESTION

**What are other characteristics of the expansion population you would be interested in learning more about?**





# Additional Medicaid Work

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## Important Links:

- [Kansas Medicaid: A Primer 2024](#)
- [Medicaid Expansion's Impact on the Kansas Behavioral Health System and Users of Behavioral Health Services](#)
- [Event Recap: Bring It Learning Series- Kancare 3.0, What's next for Medicaid managed care?](#)
- [Event Recap: Medicaid and the Children's Health Insurance Program in Kansas- A sneak peek at the 2024 Kansas Medicaid Primer](#)
- [Event Recap: Medicaid Unwinding in Kansas: Strategies for Reaching Kansans at Risk of Disenrollment](#)

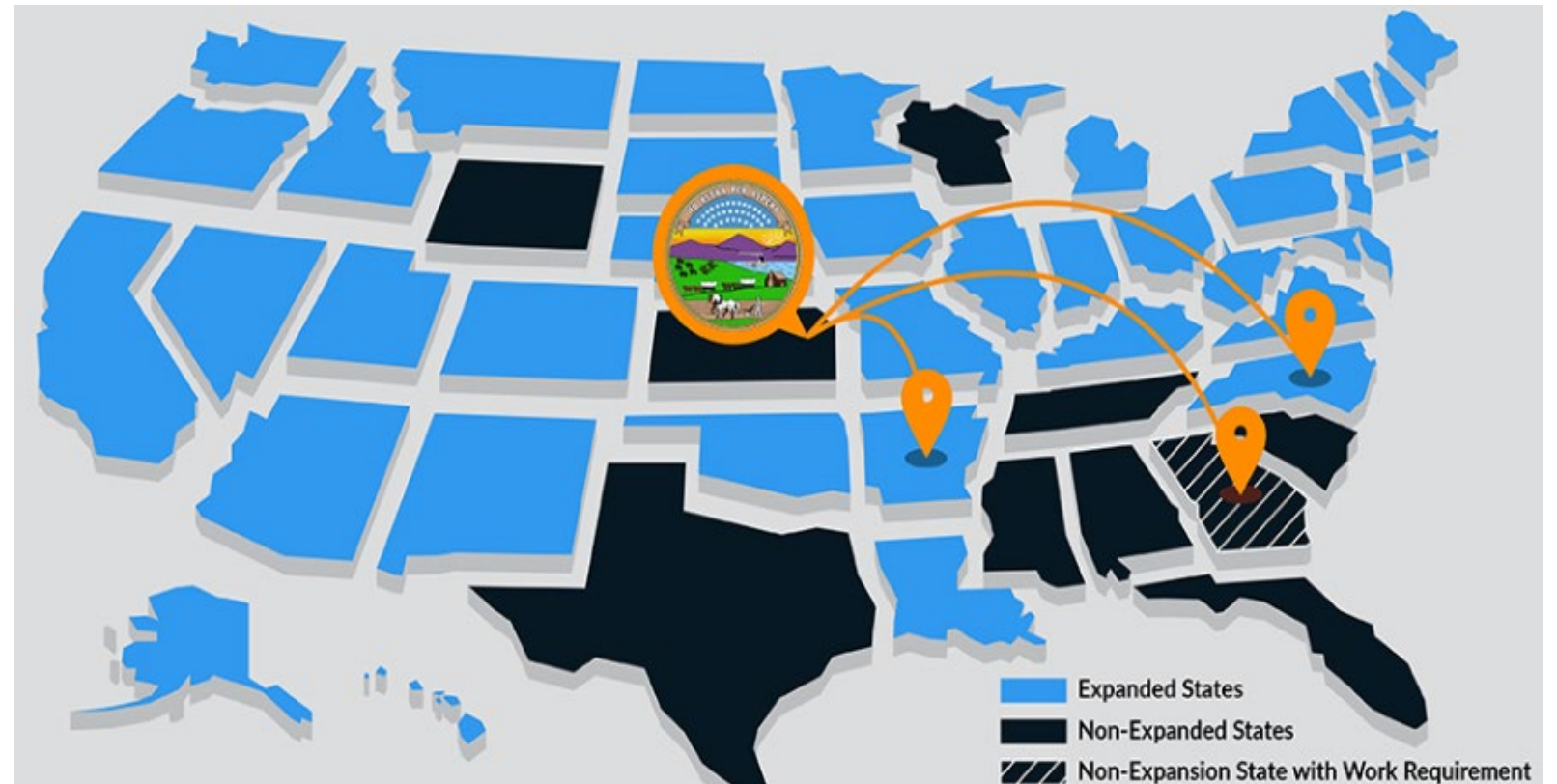


# Upcoming Convening on Medicaid Expansion

## Exploring Medicaid Expansion: Experiences in Other States

**When:** Thursday,  
February 29

**Where:** Hybrid (In  
person and virtual)



**THANK YOU!**

Any Questions?



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# Connect With Us

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