

Medicaid *Expansion*

Medicaid expansion is a provision under the Affordable Care Act (ACA) that allows states to extend Medicaid coverage to more low-income individuals. Specifically, it enables states to cover adults with incomes up to 138% of the federal poverty level. Access to health insurance through Medicaid decreases uncompensated care costs and, ultimately, supports a state's economy.

State Decisions to Expand Medicaid a Matter of Life and Death, Research Shows

Cumulative impact on mortality among older adults, 2014-2017

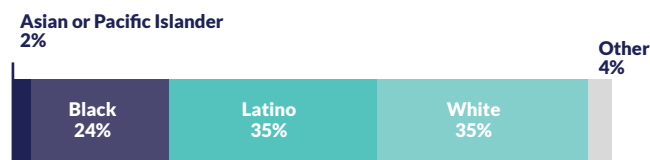


Note: Older adults are those aged 55 to 64 at the onset of the study period, 2014.
Source: Miller et al., "Medicaid and Mortality," 2021

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Most Adults in the Coverage Gap Are People of Color

Uninsured adults in the coverage gap, by race/ethnicity



Note: Estimates include non-elderly adults ages 19 to 64. All race categories are non-Latino, except where otherwise noted. Latino people may be of any race. Income eligibility for Medicaid and Marketplace coverage is determined by grouping individuals into health insurance units for each program and applying eligibility rules to modified adjusted gross income (MAGI). The estimated undocumented population is excluded.

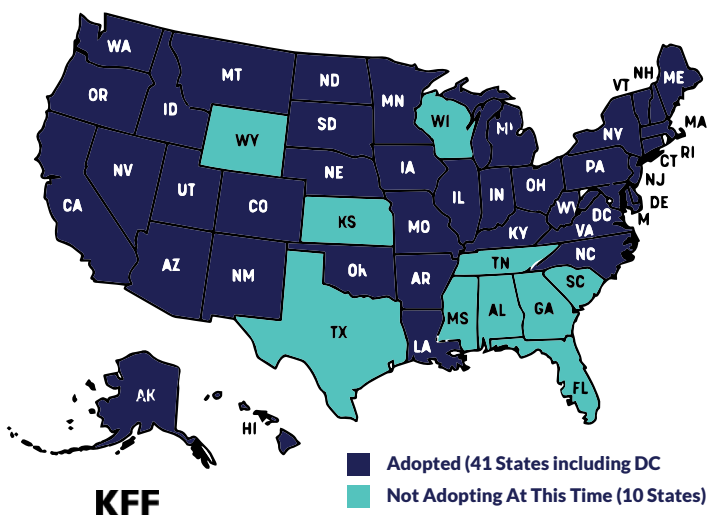
Source: CBPP estimates based on the 2022 American Community Survey

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The **Medicaid coverage gap** refers to individuals who do not qualify for Affordable Care Act (ACA) marketplace assistance because they have incomes below the poverty line. They are ineligible for Medicaid because their state hasn't enacted the ACA Medicaid expansion.

Alabama is one of seven Southern states that has yet to expand Medicaid. A family of three must make less than \$4,475 a year – just 18% of the federal poverty level – for the parents to qualify for Alabama Medicaid. Unless that family makes at least \$24,860 a year, they will not qualify for subsidies to buy a private plan on the marketplace created under the Affordable Care Act. [Source: Alabama Arise](#)

Status of State Medicaid Expansion - May 2024



Notes: Current status for each state is based on KFF tracking and analysis of state activity. See link below for additional state-specific notes.
Source: "Status of State Medicaid Expansion Decisions." <https://www.kff.org/medicaid/issue-brief/status-of-state-medicaid-expansion-decisions-interactive-map/>

Tracking the impacts: States that have not expanded Medicaid (as of August 2024)

	# covered by Medicaid/ Chip as of January 2024	# of additional residents who would be covered if state accepted expansion	# residents disenrolled from Medicaid as of February 2024*	Federal money left on the table by not expanding Medicaid
Alabama	1,064,281	365,000	306,403	\$2.0 billion
Florida	4,081,001	1,463,000	1,806,366	\$5.0 billion
Georgia	2,081,407	434,000	638,130	\$3.6 billion
Kansas	428,177	159,000	165,553	\$700 million
Mississippi	690,851	224,000	138,191	\$1.5 billion
South Carolina	1,173,572	351,000	333,973	\$1.9 billion
Tennessee	1,592,846	339,000	412,844	\$1.4 billion
Texas	4,136,551	1,849,000	2,066,708	\$11.9 billion
Wisconsin	1,316,114	89,700	342,391	\$4.8 million
Wyoming	73,408	36,000	7,891	\$66 million

Source: "Medicaid Guidelines by State," [Healthinsurance.org](https://www.healthinsurance.org/medicaid/). Accessed October 7, 2024

*About 69% of disenrollment often occurs because of procedural issues: like an incomplete renewal application or outdated contact information

A Call to Action for NC Communities



Access to care

More adults with low incomes getting check-ups and other preventative care, and getting regular care for chronic conditions; greater access to mental health care, including treatment for depression.



Health outcomes

Fewer premature deaths among older adults, with at least 19,000 lives saved in the first four years of expansion; improvements in overall self-reported health; decreases in opioid overdose deaths; for chronic conditions, better disease management and decreased mortality; increases in early-stage cancer diagnoses; decreases in rates of maternal and infant mortality.



Financial security

Reductions in share of low-income adults struggling to pay medical bills; \$1,140 reduction in debt per person; reductions in evictions among low-income renters



Economic mobility

Better access to credit, including lower-interest mortgages and auto and other loans, with annual interest savings amounting to \$280 per adult gaining coverage; majorities of adults gaining coverage through expansion in Michigan and Ohio report coverage makes it easier for them to work or look for work.



Reducing uncompensated care

Hospital uncompensated care costs are less than half as large in expansion states as in non-expansion states; improvements in hospital budgets and reductions in closures, especially for rural hospitals.

Source: Center on Budget and Policy Priorities | cbpp.org

MYTH: Medicaid expansion is too costly to implement.

FACT: States benefit financially from adopting Medicaid expansion. Between 2014 and 2017, Medicaid expansion was associated with a 4.4% to 4.7% decrease in state expenditures on traditional Medicaid.

MYTH: Medicaid is a welfare system for people who don't work.

FACT: Sixty five percent (65%) of people who receive Medicaid are working families. The leading reasons for people on Medicaid not working are caregiving responsibilities, illness or disability, and school attendance.

MYTH: Medicaid covers too many people and crowds out private health insurance.

FACT: Medicaid addresses many of the private insurance market's failures, acting as the "safety net" that covers populations and services that the private system, by its design, excludes. Most of the people who are covered by Medicaid do not have access to other insurance, because their employers do not offer them coverage, or they are ineligible for it or, in the case of about 15% of working Medicaid enrollees, they cannot afford the insurance sponsored by their employer.

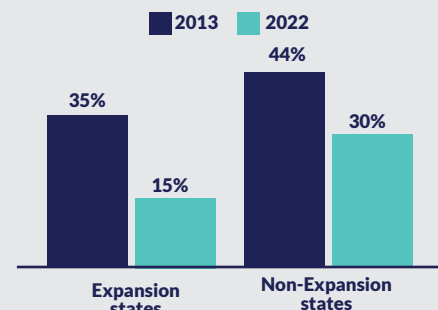
Amount of \$ NC is estimated to gain from Medicaid expansion

\$ 1.6 BILLION

Source: Center on Budget and Policy Priorities, estimates using 2022 data from the Medicaid Budget Expenditure System, May 2023 Congressional Budget Office baseline projections, and the Medicaid and CHIP payment and Access Commission's Medicaid and CHIP Data Book.

Expansion States Saw Large Drop in Uninsured Rates

Uninsured rate among non-elderly adults with incomes below 200% of poverty line



Note: Expansion states defined as those that expanded as of January 2022.

Source: CBPP analysis of 2013 and 2022 American Community Survey

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