

Medicaid Frequently Asked Questions:

A Background Brief for Patients

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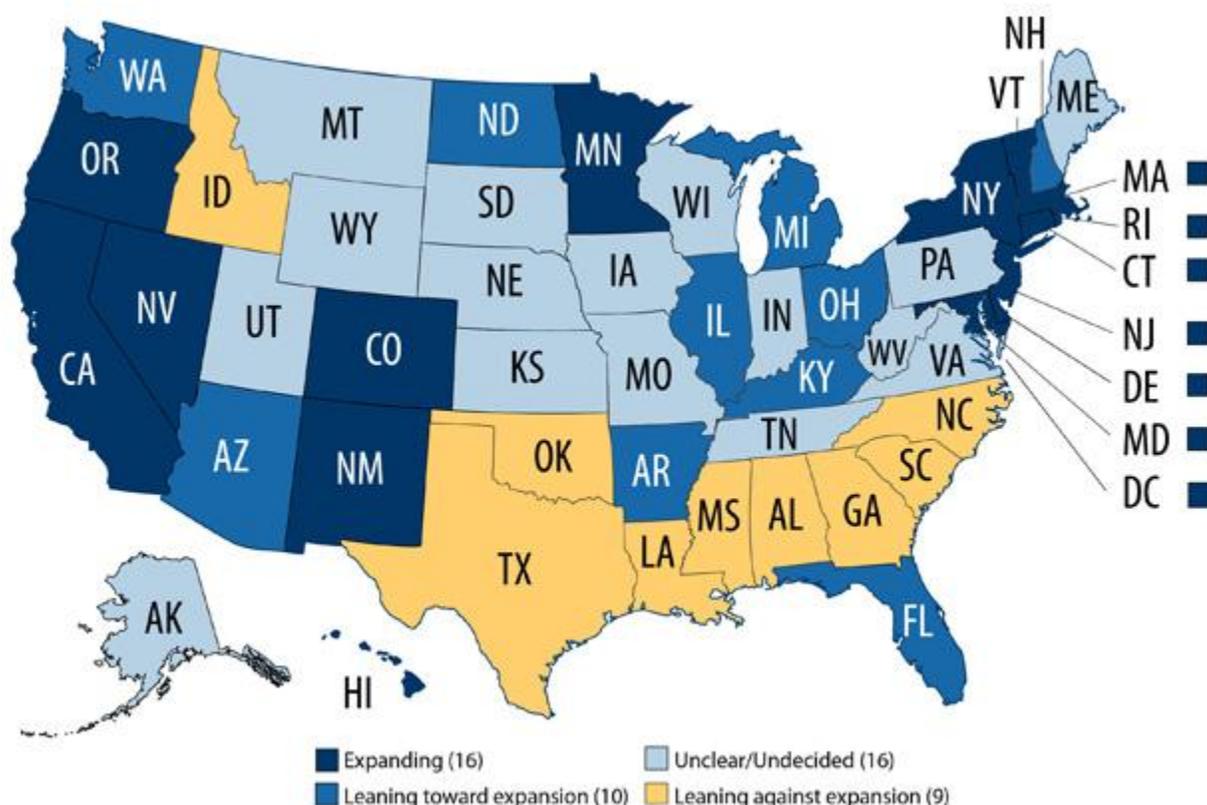


Image: Center on Budget and Policy Priorities, Health Reform's Medicaid Expansion, February 2013

What is Medicaid?

A large part of the mandatory federal budget is the Medicaid entitlement program. Funded jointly by the federal and state governments, Medicaid delivers a variety of health care services to certain needy populations along with Medicare and the Children's Health Insurance Program (CHIP). The program began in 1965 as part of the Social Security Amendments of 1965 ([P.L. 89-97](#)). At the beginning, states were given the option to participate in the program, and all states do. States participate in the program with the understanding that they must follow federal rules in order to receive money from the federal government to make up for a portion of their Medicaid program costs. Each state government manages its own Medicaid program, thus, eligibility and utilization rules and regulations can be different depending on which state you live in.

What is the Medicaid Expansion?

The Medicaid Expansion is an option each state was given under the ACA to “expand” the requirements for its Medicaid program to cover adults under the age 65 with individual incomes of up to 138% of the Federal Poverty Level, or about \$15,000 per year, starting in 2014. In order to make the expansion of the Medicaid program in the states more affordable, the federal government will pick up 100% of the costs for the first couple of years. After ten years, the federal government’s payments to the state program will go down to 90%, and the state will pitch in 10% for the cost of the program. Each state’s Medicaid program is different, and some states will choose to expand their programs, while others will choose to continue running their current program.

Why is Medicaid in the News Today?

The 2010 [Patient Protection and Affordable Care Act](#) (ACA), required states to expand their Medicaid programs to cover individuals who make less than or equal to 138% of the federal poverty level. The law said that if a state did not do this, they would lose all federal dollars for the program. Some governors and business owners objected to parts of the ACA, and filed a lawsuit against the government. This lawsuit made it all the way to the United States Supreme Court. In June 2012, the Court ruled that the ACA’s requirement that each state expand its Medicaid program, or lose all federal Medicaid money was unconstitutional. As a result, states were given the option to expand their current Medicaid programs, or to leave their programs as is.

Am I Eligible for Medicaid?

To be eligible for Medicaid, you must meet certain requirements; some are determined by your state. People with disabilities are eligible for Medicaid in all 50 states. In select states, people with disabilities qualify automatically if they receive Supplemental Security Income (SSI) benefits. Financial requirements, like an applicants’ income and their resources or assets, as well as where they fall within one of 50 distinct eligible population groups defined in [Title XIX](#) of the Social Security Act, also entitle participants to Medicaid coverage. In addition, some states have programs that allow the disabled with incomes above regular Medicaid limits to enroll in the program. Further, some states allow disabled children to qualify for Medicaid either under family-based income or the disability-related rules.

How Do I Enroll in Medicaid?

You can find out if you qualify for Medicaid by using the [HealthCare.gov](#) website [Insurance Finder](#). The website tool will walk you through a number of questions that will help you find the health insurance program that is best suited for your needs whether it’s private insurance for individuals, families and small business, or public programs like Medicaid, Medicare or CHIP. The insurance tool was created to help consumers understand the ACA. If you do not have access to a computer, or you cannot read, you can call your state’s Medicaid agency and speak with a representative to find out if you are eligible for public or private health care insurance.

Where Can I Get More Information?

For more information, visit [HealthCare.gov](#).

Why Does My Family Doctor Think That Expanding Medicaid is a Good Idea?

The AAFP believes that it is in the best interest of states to expand their Medicaid programs because this will ensure that more people have access to high quality, affordable, accessible health insurance.