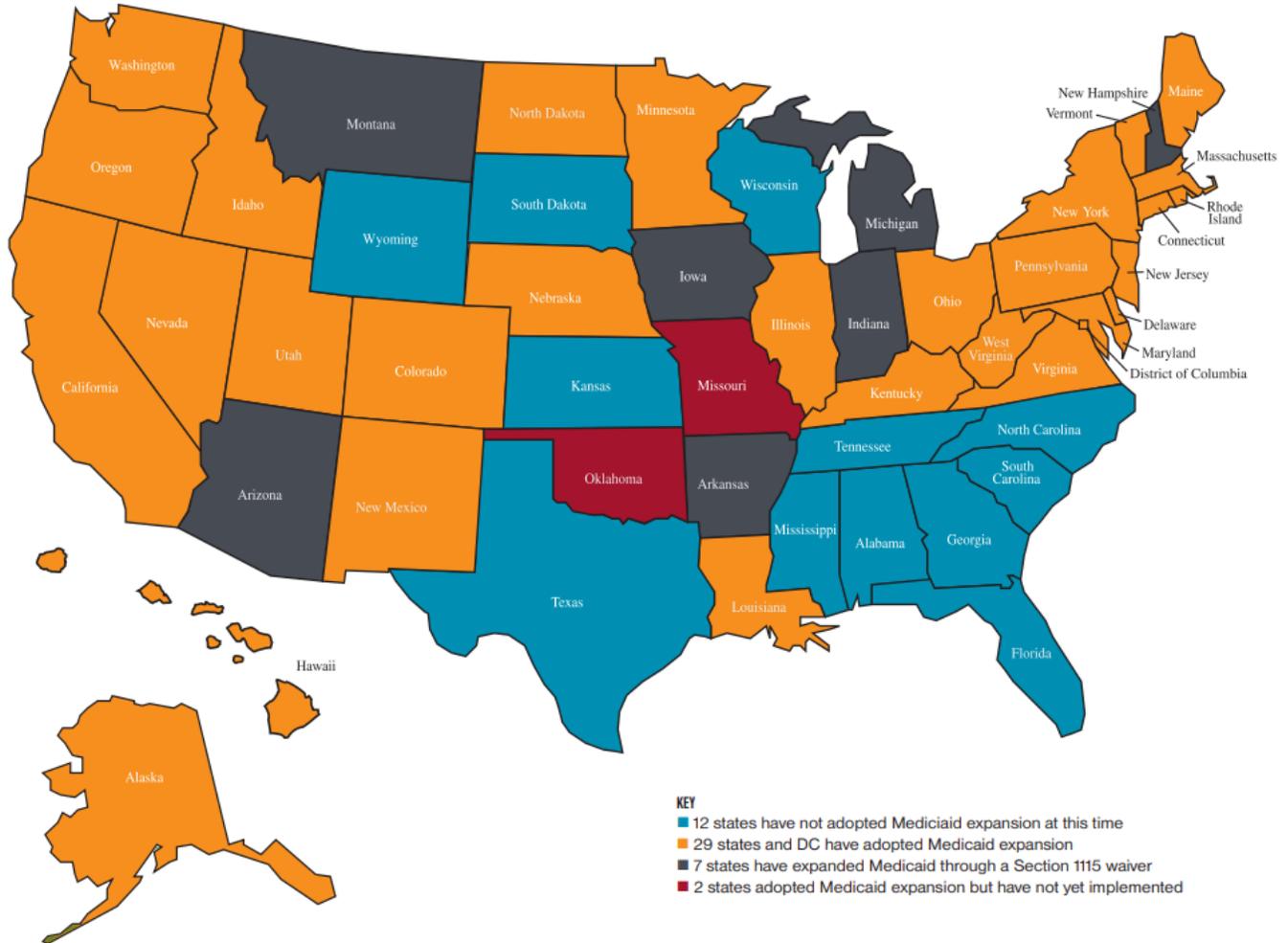




## MEDICAID EXPANSION: STATE BY STATE



Prior to the passage of the Affordable Care Act (ACA) in 2010, individuals' eligibility under the federal-state Medicaid program varied by state, but was generally limited to certain vulnerable populations, including children, individuals with disabilities, pregnant mothers, and others. Under the ACA, Medicaid was expanded to all individuals with incomes below 138 percent of the federal poverty level (FPL) for the first time. While the ACA originally made Medicaid expansion "mandatory" for states as a condition of federal financial support, the Supreme Court later made Medicaid expansion optional for states.

### Types of Medicaid Expansion

#### *Traditional Expansion*

Thirty-one states (AK, CA, CO, CT, DE, HI, ID, IL, KY, LA, MA, MD, ME, MN, MO, ND, NE, NJ, NM, NV, NY, OH, OK, OR, PA, RI, UT, VA, VT, WA, WV) and DC have adopted Medicaid expansion

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through either the standard legislative process, executive action, or ballot initiative.<sup>1,2</sup> The standard legislative process involves the passing of a standalone bill or as a part of budget legislation and expansion is then implemented under a state plan amendment (SPA). Medicaid expansion through executive action involves proceeding without approval from the state legislature, as was the case in [West Virginia](#), [Kentucky](#), and [Alaska](#). In Alaska, the governor was unable to persuade the state legislature to adopt Medicaid expansion and therefore expanded through [executive action](#) in July 2015.

### *Ballot Initiative*

Advocates have implemented Medicaid expansion through ballot initiative in six states (ID, ME, MO, NE, OK, UT). Of the remaining twelve states that have not expanded Medicaid, three (FL, SD, WY) allow citizens to initiate ballot measures. Qualifications to include initiatives on the ballot vary by state. Although ballot initiatives can push the initiative to expand Medicaid, implementation may be delayed, altered, or outright refused by the governor or state legislature.<sup>3</sup> Two of the most recent ballot initiatives passed include [Oklahoma](#) in June 2020 and [Missouri](#) in August 2020 which required each state to submit SPAs to CMS and implement the programs by July 2021,<sup>4</sup> although Missouri legislators have [withheld funding](#) from the budget, citing concerns with long-term funding. In June 2021, a Missouri court ruled that the ballot measure violated the state's constitution by failing to include a funding mechanism. Attorneys for the plaintiffs are expected to appeal the decision.

### *Section 1115 Demonstration Waivers*

Section 1115 of the Social Security Act gives the HHS Secretary the authority to approve experimental, pilot, or demonstration projects that promote the objectives of the Medicaid program by waiving certain provisions of the Medicaid law.<sup>5</sup> This process of expanding Medicaid may largely be the same as traditional expansion at the state level, with state legislature approval, but differs in the extra steps needed to approve the Section 1115 waiver at the federal level. Lawmakers in seven states (AZ, AR, IA, IN, MI, MT, NH) used a Section 1115 waiver to expand Medicaid. In [Michigan](#), Medicaid expansion legislation outlined the requests for cost sharing provisions for Medicaid beneficiaries through a Section 1115 waiver. [New Hampshire](#) took a two-step approach; while quickly expanding through SPA authority at first, state law required the state to seek approval for a Section 1115 waiver to allow the state to transition to a Marketplace premium assistance model, in which the state can appropriate Medicaid funds to help enroll newly eligible adults in Marketplace Qualified Health Plans.

### **Special Considerations**

Medicaid expansion can change over time in response to elections and or policy.<sup>6</sup> For example, Pennsylvania shifted away from a waiver program to a traditional expansion. Additionally, many states that expanded through traditional means are now seeking Section 1115 waivers to make program changes, including the addition of eligibility and enrollment restrictions or benefit, copay, and/or healthy behavior provisions. The direction of the state legislature or requirements in the original legislation can also cause expansion programs to evolve. For example, Michigan's original Medicaid expansion legislation requires the state to submit waiver and waiver amendments multiple times in a specified number of years. If the waiver is not approved by CMS, the expansion program would be terminated.

States can partially expand Medicaid to cover adults with incomes up to 100% FPL.<sup>7</sup> [Utah](#) was the first state to undergo a partial Medicaid expansion, in which the federal government did not pay the full 90 percent enhanced Medicaid expansion federal matching assistance percentage (FMAP) initially offered under the ACA, but rather the 70 percent FMAP associated with the state's traditional Medicaid expansion. As of December 2019, Utah adopted full Medicaid expansion.

*Updated: June 2021*

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<sup>1</sup> The Commonwealth Fund. (2021). "Status of Medicaid Expansion and Work Requirement Waivers." Web.

<sup>2</sup> Antonisse L, Rudowitz R. (2019). "An Overview of State Approaches to Adopting the Medicaid Expansion." *Kaiser Family Foundation*. Web.

<sup>3</sup> Kliff S. (2020) "How progressives flipped the script on Medicaid expansion." *The New York Times*. Web.

<sup>4</sup> Kaiser Family Foundation. (2021). "Status of State Medicaid Expansion Decisions: Interactive Map." Web.

<sup>5</sup> Centers for Medicare & Medicaid Services. (2021). "About Section 1115 Demonstrations." Web.

<sup>6</sup> Antonisse L, Rudowitz R. (2019). "An Overview of State Approaches to Adopting the Medicaid Expansion." *Kaiser Family Foundation*. Web.