



Medicaid Expansion

OVERVIEW

The Patient Protection and Affordable Care Act (ACA) required states to expand Medicaid to a newly eligible adult population—those who are younger than 65 years old, not pregnant, not eligible for Medicare, and who have family incomes up to 133% of the federal poverty level (FPL, 138% with 5% income disregard). However, the 2012 US Supreme Court decision on the constitutionality of the ACA made this expansion optional for states. The federal government will finance the Medicaid expansion at 100% for the first 3 years (2014-2016) and begin to taper each year after through 2020, when federal financing will be fixed at 90%.

Because the Medicaid expansion is a state option, some are expanding, others are not. Still others have proposed a “private option” using federal Medicaid funds to subsidize the state’s expansion population’s insurance premiums on plans purchased through an insurance marketplace.

There is no deadline for states to decide to expand Medicaid to this newly eligible population.

AAP POSITION

- The AAP supports state chapter advocacy for ACA Medicaid expansions to the newly eligible adult population.
- The AAP has concerns about some “private option” proposals that include the elimination of EPSDT coverage for 19-20 years olds and cost sharing for individuals earning more than 100% FPL.
- The AAP supports outreach efforts to former foster care children who have graduated from the foster care program and are eligible for Medicaid to age 26.
- States should replicate effective strategies—similar to those that have been effective in the Children’s Health Insurance Program (CHIP)—for enrolling children in Medicaid.

