

National Health Care Reform: What Does It Mean for Medicaid?



Presented by:
Katherine Howitt

Electronic copies of this presentation are available by calling 617-338-6035. Organizations seeking to distribute or otherwise make widespread use of this publication are asked to notify Community Catalyst.

Community Catalyst, Inc.
30 Winter Street, 10th Fl.
Boston, MA 02108
617-338-6035
Fax: 617-451-5838
www.communitycatalyst.org

Community Catalyst

Community Catalyst is a national non-profit advocacy organization dedicated to quality affordable health care for all. Since 1997, Community Catalyst has been working in partnership with national, state and local consumer organizations, policymakers, and foundations to build the consumer and community leadership required to transform the American health system so it serves everyone—especially vulnerable members of society.

Our staff of experienced policy analysts, attorneys, community organizers, and communications specialists has worked with organizations in over 40 states. From Oregon to Orlando, Community Catalyst strengthens organized consumer voices wherever important decisions about the health system are made: in communities when hospitals go up for sale; in courtrooms where consumers challenge the illegal practices of drug companies; and in statehouses when advocates strive to win improvements in health care programs.



Overview of Presentation

- ✓The Big Picture
- ✓Who will be eligible?
- ✓How will it be financed?
- ✓How will Medicaid beneficiaries' care be improved?
- ✓What happens before the expansion is implemented?



The Big Picture

Key takeaway: Medicaid enrollment represents a significant portion of coverage gains under health reform

Nationally, health reform will:

- ✓ Reduce the number of uninsured by **32 million** people
- ✓ Increase Medicaid and CHIP enrollment by **16 million** people

In Pennsylvania, health reform will:

- ✓ Provide affordable coverage to **1.3 million** uninsured Pennsylvanians
- ✓ Provide access to Medicaid for **637,031** newly-eligible Pennsylvanians

Who Will Be Eligible?

Key takeaway: The new law expands Medicaid to most people earning less than 133% of the federal poverty level (approximately \$30,000/annually for a family of four.)

- ✓ All states must expand eligibility by 2014
 - state option to expand earlier
- ✓ No asset test
- ✓ Restrictions on immigrants here less than 5 years

How Will It Be Financed?

Key takeaway: The Medicaid expansion is financed primarily by the federal government, with the state eventually taking on a small portion of the costs.

- ✓ Federal financing for “newly eligible”:
 - 2014-2016: 100% fed; 0% state
 - 2017-2020: phase-in of state share
 - By 2020 & on: 90% fed; 10% state

- ✓ This will bring \$18 billion in federal funding into Pennsylvania during just the first five years of this coverage expansion

Getting Beyond Coverage: How Will Medicaid Beneficiaries' Care Be Improved?

Key takeaway: National health reform increases Medicaid payments for primary care services, improving beneficiaries' access to doctors.

- ✓ 2013, 2014: Medicaid payments to primary care services = Medicare payment rates
- ✓ Incentives to reduce medical errors in Medicaid
- ✓ Pilot programs and new state options for improving the quality of care while reducing costs:

What Happens Before The Expansion is Implemented?

Key takeaway: The law requires states to maintain their current Medicaid eligibility for adults until 2014 and for children until 2019.

✓ Other types of cuts to the program are still possible (i.e. optional benefits)

National Health Care Reform: What's does it mean for Medicaid?

*Katherine Howitt
Community Catalyst
PHAN conference
April 2010*

Questions?

Please feel free to contact me with any questions that we don't get to today:
khowitt@communitycatalyst.org

