

# STATES **NOT** EXPANDING MEDICAID: IMPLICATIONS FOR THE HCH COMMUNITY

## Frontline Staff Frequently Asked Questions

MAY 2014

The Affordable Care Act intended to expand health insurance in two ways: expanding Medicaid in all states to adults earning at or below 138% of the federal poverty level (FPL, ~\$16,000 a year for a single adult) and creating state-level marketplaces (or exchanges) for purchasing private insurance where those earning between 100% and 400% FPL would be eligible for subsidies and tax credits to help pay for a plan. When the Supreme Court decided the health law, it kept the marketplaces and the subsidies but allowed states to choose whether they wanted to expand Medicaid to most low-income adults. *As of May 1, 2014, 24 states have chosen not to expand Medicaid; hence, the 5 million people living in these areas who earn below 100% FPL are not eligible for any insurance expansions.* This has direct implications for the HCH community—below are answers to frequently asked questions.

### How does the ACA work in states who do not expand Medicaid?

- Insurance marketplaces operate in every state and those earning over 100% FPL can purchase private plans (subsidies & tax credits are available to those earning 100%-400% FPL to make the plans more affordable, but premiums and other costs will still apply)
- People earning under 100% FPL likely will remain uninsured, unless they meet the current Medicaid criteria

### What changes can I expect to see?

- **A simpler Medicaid enrollment process:** online enrollment portal, no asset tests, no requirement for a fixed address, electronic verification of citizenship, income, and identity (*no paper documentation needed*)
- **Confusion and uncertainty:** Enrollment campaigns aimed at those newly eligible may give the impression that everyone can sign up for insurance—be prepared to explain why many of our clients are not eligible

### In the 24 non-expansion states:

- ✓ 2 million adults are currently eligible for Medicaid but are not enrolled
- ✓ 2.3 million adults earning 100-138% FPL are able to purchase private insurance & receive financial help to afford it
- ✓ 5 million adults earning <100% FPL are not eligible for new insurance options
- ✓ States can decide to expand Medicaid at any time

### What is the role of HCH?

- Facilitate Medicaid enrollment among those who may qualify under current rules
- Continue providing health care and support services regardless of insurance status
- Advocate for your patients and clients

### What do I say to consumers who not eligible?

- Explain they can still access HCH services the same as they always have
- Make it clear that expanding Medicaid is a **state** decision, not a federal one
- Understand that some consumers may be upset that health insurance is not available to them
- Consider posting a sign that explains this situation clearly

### What can I do to help fix this?

- Your state can decide to expand Medicaid at any time
- Organize staff, consumers, and community members to advocate for Medicaid expansion
- Write letters, make phone calls, and participate in coalitions calling for expansion
- Contact Dan Rabbitt at the National HCH Council to develop a strategy: [drabbitt@nhchc.org](mailto:drabbitt@nhchc.org)