Medicaid will provide at least half of Affordable Care Act (ACA) expansion coverage. States face intense fiscal pressure to reduce Medicaid spending. What are the implications of recent trends in state Medicaid effort for the future?

- Medicaid "effort" measured relative to...
- Annualized trends in Medicaid enrollments and expenditures, 1992-2009
- How did Medicaid effort change during this period of considerable state discretion to shape enrollment and spending?
- What are the implications of recent trends in state Medicaid effort for the future?

**Background: Medicaid Policy 1992 to Present**
- To limited-degree, federal mandates required Medicaid eligibility expansions: — Children to age 6 and pregnant women below 33% of the poverty line — Phase in coverage of older children up to the poverty line
- But, state flexibility was a hallmark of this period: — G.W. Bush and Clinton Administrations demonstrated willingness to approve Section 1115 Waivers — Section 1915(c) Home and Community Based Services waivers were also popular and encouraged by federal authorities
- The ACA requires eligibility expansions up to 138% of poverty, but states retain considerable flexibility to organize care as they see fit

**Research Questions**
- How did Medicaid effort change during this period of considerable state discretion to shape enrollment and spending?
- What are the implications of recent trends in state Medicaid effort for the future?

**Introduction**

**State Commitment to Medicaid Before the Affordable Care Act: Analysis of Trends**
Joel Cantor Sc.D., Frank Thompson Ph.D., and Jennifer Farnham M.S.

**State Distribution in Annualized Growth**

**Annualized Change in Medicaid Enrollments, 1992-2009**

- **State Distribution**
  - US Total
  - Minimum
  - Bottom Quartile
  - Median
  - Top Quartile
  - Maximum

**Annualized Change in Medicaid Expenditures, 1992-2009**

- **State Distribution**
  - US Total
  - Minimum
  - Bottom Quartile
  - Median
  - Top Quartile
  - Maximum

**Trends in Enrollments and Expenditures**

**Medicaid Enrollments per Person in Poverty** (State rank based on average of 1992 and 1994)

- Highest (VT)
- Bottom Quartile (AK)
- Top Quartile (WV)
- Lowest (AK)
- Median (WA)

**Medicaid Expenditures per Person in Poverty, 2009 Dollars** (State rank based on average of 1992 and 1994)

- Highest (CA)
- Bottom Quartile (AK)
- Top Quartile (WY)
- Lowest (AK)
- Median (WA)

**State Variation in Medicaid Enrollments and Expenditures**

**State Commitment to Medicaid Before the Affordable Care Act: Analysis of Trends**

**Conclusions & Policy Implications**

- Period of unprecedented state empowerment
- Nearly all states matched federal Medicaid effort
- Limited backsliding during Great Recession
- Although, enrollment did not keep up with poverty trend
- Growth did not stem large geographic disparities
- If past is prelude:
  - States will remain on track with ACA implementation
  - But large variations likely to remain

**Background: Medicaid Policy 1992 to Present**

**Study Design**

- Annualized trends in Medicaid enrollments and expenditures, 1992-2009
- Even years, plus 2007 and 2008 (spending only)
- Spending adjusted for the Consumer Price Index and the CPI-medical care component (MCPI)
- Medicaid "effort" measured relative to...
  - Number of persons in poverty
  - State Gross Domestic Product (GDP)
  - Total state spending
- Medicaid data from the Kaiser Family Foundation based on CMS reports, additional data from the US Census Bureau and US Bureau of Economic Analysis

**Geographic Disparities in Trends**

**The authors are grateful to David Rousseau of the Kaiser Family Foundation for providing data for this analysis.**

*Supported by the Investigator Awards in Health Policy Research Program of the Robert Wood Johnson Foundation.*