



HEALTH INSURANCE REFORM AT A GLANCE MAINTAINING AND IMPROVING MEDICAID

Medicaid covers health and long-term care services for over 60 million low-income Americans. States have over forty years of experience operating the program with federal matching funds. The Senate-passed health insurance reform bill as improved by reconciliation builds upon this existing state-based administrative structure to extend coverage to all low-income Americans who are not eligible for assistance with their premiums and cost-sharing in the health insurance exchange. To address concerns about access to needed services by Medicaid beneficiaries, the bill will also improve Medicaid payments to primary care physicians for primary care services.

The Children's Health Insurance Program (CHIP) covers over 6 million low-income children who are not eligible for Medicaid. CHIP expires at the end of 2013, just before the new health insurance exchange would begin operation. PPACA extends full funding for CHIP for two additional years, through 2015.

COVERING LOW-INCOME UNINSURED AMERICANS

- Effective 2014, most individuals under the age of 65—children, pregnant women, parents, individuals with disabilities, and childless adults—with family incomes at or below 133% of the poverty level (\$14,400 per year for an individual and \$29,300 for a family in 2010) will be eligible for Medicaid.
- The cost of care for those newly enrolled in Medicaid as a result of this policy will be paid entirely by the federal government, with no state contribution for the first three years; thereafter, the federal share would decline slowly until it reached 90% of the cost in 2020 and every year thereafter.
- No state will receive favorable treatment with respect to federal share of Medicaid costs.

IMPROVING ACCESS TO PRIMARY CARE SERVICES

- Medicaid payments to primary care physicians for primary care services will be increased to 100% of Medicare rates in 2013, the year before the health insurance exchange is established and the expansions in Medicaid coverage begin, and in 2014. The costs of raising these payment rates would be paid entirely by the federal government.

IMPROVING ACCESS TO HOME AND COMMUNITY-BASED SERVICES

- Effective in 2011, states would have the option of covering home and community-based attendant services and supports for individuals who require institutional care but choose to remain in the community and who meet state income levels for nursing home care. The federal share of the cost of these services and supports for these individuals would be 6 percentage points greater than the state's regular federal matching rate.