

## **Medicaid—CBO’s May 2019 Baseline**

Medicaid, which is jointly financed by federal and state governments, is the main source of health insurance coverage for Americans who have very low income. States administer their Medicaid programs under federal guidelines that mandate a minimum set of services that must be provided to certain categories of low-income people. On average, the federal government pays for about 62 percent of Medicaid services, depending on the year. State Medicaid programs cover a comprehensive set of services, including hospital care (both inpatient and outpatient), physicians’ services, nursing home care, home health care, and certain additional services for children. States have the authority to cover other services and populations and have used that authority extensively. Moreover, many states seek and receive waivers of federal statutory limitations that allow them to provide benefits and cover groups that would otherwise be excluded.

# Medicaid—CBO's May 2019 Baseline

By Fiscal Year

May 2, 2019

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Average Annual Rate of Growth 2019-2029 (Percent)
<b>Federal Medicaid Payments (Billions of dollars)<sup>a</sup></b>													
<b>Benefits</b>													
Acute care													
Fee for service	91	95	98	103	109	115	121	128	135	142	149	157	5.2
Managed care	163	170	179	190	204	219	234	250	266	283	301	319	6.5
Medicare premiums	10	11	11	12	13	14	15	16	17	18	19	21	6.8
Long-term care	93	97	99	103	107	112	117	123	128	134	141	148	4.3
Subtotal	358	372	387	408	433	460	487	516	546	577	610	645	5.7
Disproportionate Share Hospitals	9	10	8	5	5	5	6	6	7	8	10	12	2.1
Vaccines for Children	4	4	5	5	5	6	6	6	7	7	7	8	6.2
Administration	18	18	19	20	21	22	23	24	25	27	28	29	4.7
<b>Total</b>	<b>389</b>	<b>405</b>	<b>418</b>	<b>438</b>	<b>464</b>	<b>492</b>	<b>521</b>	<b>552</b>	<b>585</b>	<b>619</b>	<b>655</b>	<b>694</b>	<b>5.5</b>
<b>Year to Year Change in Federal Medicaid Payments (Percent)</b>													
<b>Benefits</b>													
Acute care													
Fee for service		3.9	3.7	4.7	5.7	5.8	5.4	5.5	5.5	5.3	5.2	5.2	—
Managed care		4.2	5.0	6.6	7.5	7.2	6.7	6.7	6.6	6.4	6.3	6.3	—
Medicare premiums		3.8	6.3	6.6	6.5	6.8	7.5	7.1	7.0	6.9	6.7	6.6	—
Long-term care		3.8	2.7	3.9	4.1	4.4	4.4	4.7	4.7	4.8	4.8	4.9	—
Subtotal		4.0	4.1	5.4	6.2	6.1	5.9	5.9	5.9	5.7	5.7	5.7	—
Disproportionate Share Hospitals		3.6	-22.1	-38.5	6.2	5.8	5.5	5.2	20.9	20.4	19.6	18.5	—
Vaccines for Children		5.0	4.6	6.4	6.6	6.5	6.3	6.2	6.1	6.1	6.3	6.4	—
<b>Total</b>		<b>4</b>	<b>3</b>	<b>5</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>—</b>
<b>Federal Benefit Payments by Eligibility Category (Outlays in billions of dollars)</b>													
Aged	50	52	53	55	57	60	62	66	69	73	76	80	4.5
Blind and Disabled	116	122	128	134	141	149	157	166	176	186	197	209	5.5
Children	71	76	81	86	91	97	102	108	114	120	127	134	5.8
Adults	121	122	126	133	144	154	165	176	187	198	210	221	6.1
<b>Total</b>	<b>357</b>	<b>372</b>	<b>387</b>	<b>408</b>	<b>433</b>	<b>460</b>	<b>487</b>	<b>516</b>	<b>546</b>	<b>577</b>	<b>610</b>	<b>645</b>	<b>5.7</b>
<b>Average Monthly Enrollment by Eligibility Category (Millions of people)<sup>b</sup></b>													
Aged	6	6	7	7	7	7	7	7	7	7	7	7	1.4
Blind and Disabled	9	9	9	9	9	9	9	9	9	9	9	10	0.5
Children	32	31	31	31	31	31	31	31	31	31	31	31	0.1
Adults	28	28	28	28	29	29	29	30	30	30	30	30	0.7
<b>Total</b>	<b>75</b>	<b>75</b>	<b>74</b>	<b>74</b>	<b>75</b>	<b>76</b>	<b>77</b>	<b>77</b>	<b>77</b>	<b>78</b>	<b>78</b>	<b>79</b>	<b>0.5</b>
<b>Memorandum:</b>													
Total Enrolled Within a Fiscal Year	97	96	96	96	97	98	99	100	100	101	101	102	0.6
<b>Average Federal Spending on Benefit Payments per Enrollee (Dollars)<sup>c</sup></b>													
Aged	7,700	7,950	8,130	8,370	8,630	8,900	9,170	9,480	9,800	10,130	10,480	10,840	3.1
Blind and Disabled	12,680	13,470	14,150	14,860	15,610	16,410	17,210	18,070	18,970	19,910	20,910	21,950	5.0
Children	2,260	2,450	2,630	2,790	2,940	3,110	3,280	3,460	3,640	3,840	4,050	4,270	5.7
Adults	4,260	4,360	4,510	4,750	5,030	5,320	5,620	5,940	6,260	6,610	6,960	7,340	5.3

Components may not add up to totals because of rounding.

a. On average, before fiscal year 2014, federal Medicaid payments represented approximately 57 percent of total Medicaid payments. The Affordable Care Act, which expanded Medicaid coverage starting in 2014, provides enhanced federal matching rates those made eligible by the Act, leading to an average federal share for all Medicaid that averages about 62 percent.

b. These figures represent the number of beneficiaries, with full and partial benefits, who are enrolled on an average monthly basis. The total number of people enrolled in Medicaid at any point during the fiscal year is shown in the memorandum line.

c. These figures are based on the annual cost of enrollees who receive any Medicaid benefit—including those who receive only partial Medicaid benefits, such as family planning services or assistance with Medicare cost sharing and premiums.