

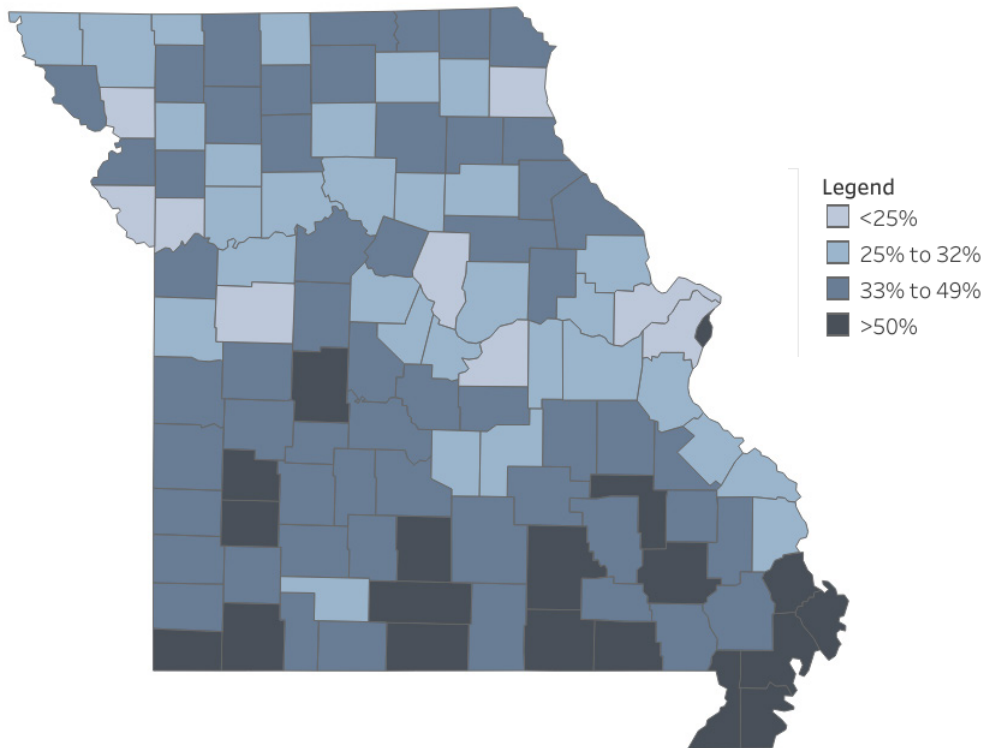

Medicaid & Children's Health Insurance Program in Missouri: 2019 Chartbook



Medicaid Plays an Important Role in Health Care Coverage for Missourians

Percent of Missouri Children with Medicaid Coverage, by County

Source: 2017 American Community Survey 5-Year Estimates



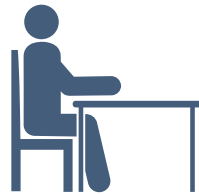
- More than 892,000 Missourians access health care coverage through the state's Medicaid program, known as MOHealthNet.¹
- MO HealthNet covers low-income seniors, people with disabilities, children, pregnant women and very low-income parents.
- The Children's Health Insurance Program (CHIP) allows children in families with incomes above Medicaid limits, but who can't afford private health insurance, to access health care through a premium structure.
- Medicaid & the Children's Health Insurance Program (CHIP) cover 2 of every 5 Missouri kids, and 1 in 12 Missouri seniors.² Nearly two-thirds of Missouri's MO HealthNet enrollees were children.³

Medicaid Has Long-Term Benefits for Kids:⁴

Children with Medicaid Coverage:



Do Better
in School



Miss Fewer
School Days
due to Illness
or Injury



Are More Likely to
Finish High School,
and Attend and
Graduate College

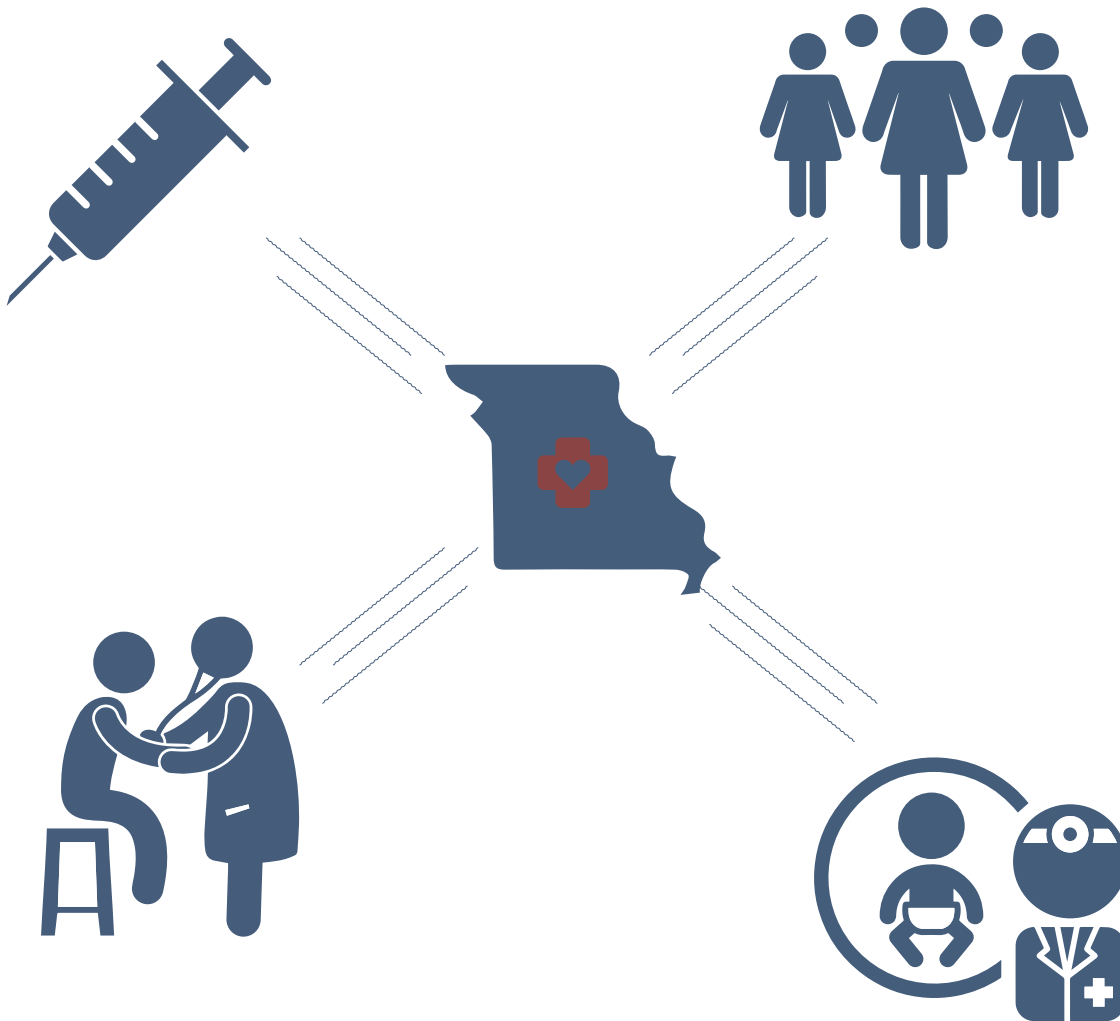


Have Fewer
Emergency
Room Visits &
Hospitalizations as
Adults



Earn More as
Adults

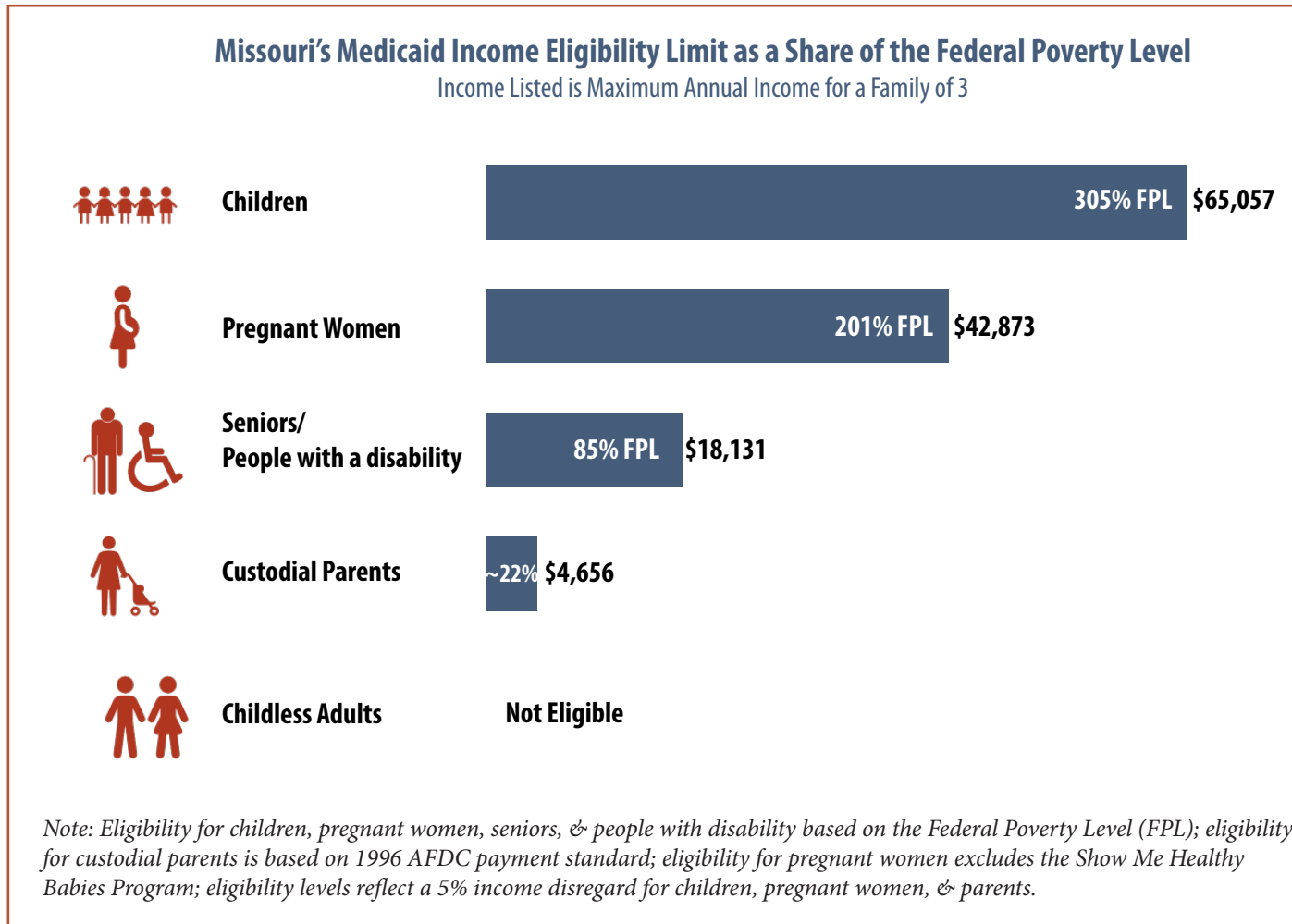
Medicaid Improves Health



- Medicaid patients are more likely than the uninsured to access preventive care, including prenatal care and vaccinations for kids.
- They are also more likely to have a regular doctor or clinic where they can go to get primary care.
- Expanding Medicaid coverage has been proven to reduce maternal and infant mortality, primarily due to increased access and utilization of prenatal and postpartum care.⁵
- Children whose parents are covered by Medicaid are 29% more likely to receive preventive care, such as well-child visits.⁶

Who Qualifies for MO HealthNet?

Although Medicaid was created to serve as a safety net for low wage families and individuals, not all Missourians living in poverty qualify.



Children

- **MO HealthNet for Kids** provides coverage for children under 19 years whose income is below 153% FPL (or below 201% FPL for newborns).
- Additional coverage for children up to 305% FPL is provided through the **Children's Health Insurance Program (CHIP)**.

Pregnant Women

- **MO HealthNet for Pregnant Women** provides coverage during pregnancy, as well as limited postpartum coverage.
- **Show-Me Healthy Babies** provides additional coverage during pregnancy, as well as coverage for the child's first year of life.

Seniors/People Living with a Disability

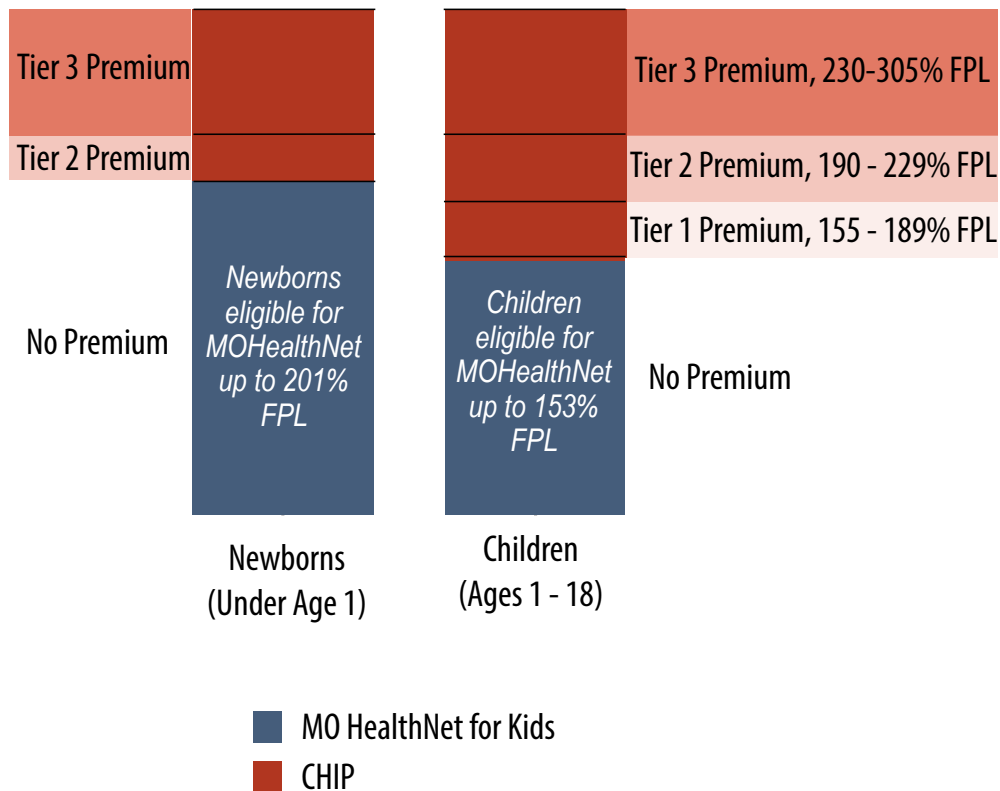
- **Asset Test:** Must have property/assets valued less than \$3,000 (or \$6,000 for couples).
- **Spend Down:** Monthly income is reduced by the amount spent on medical expenses in order to determine eligibility.

Custodial Parents

- **MO HealthNet for Families** provides coverage for low-wage parents. In order to qualify, parents can earn no more than \$388 per month for a family of three. This is the lowest level allowed under federal law.
- Missouri's eligibility level for parents is the third lowest in the nation. Low-wage adults without children do not qualify for assistance in Missouri.

Children's Health Insurance Program (CHIP) Premiums

Children's Eligibility & Premiums for MO HealthNet & CHIP

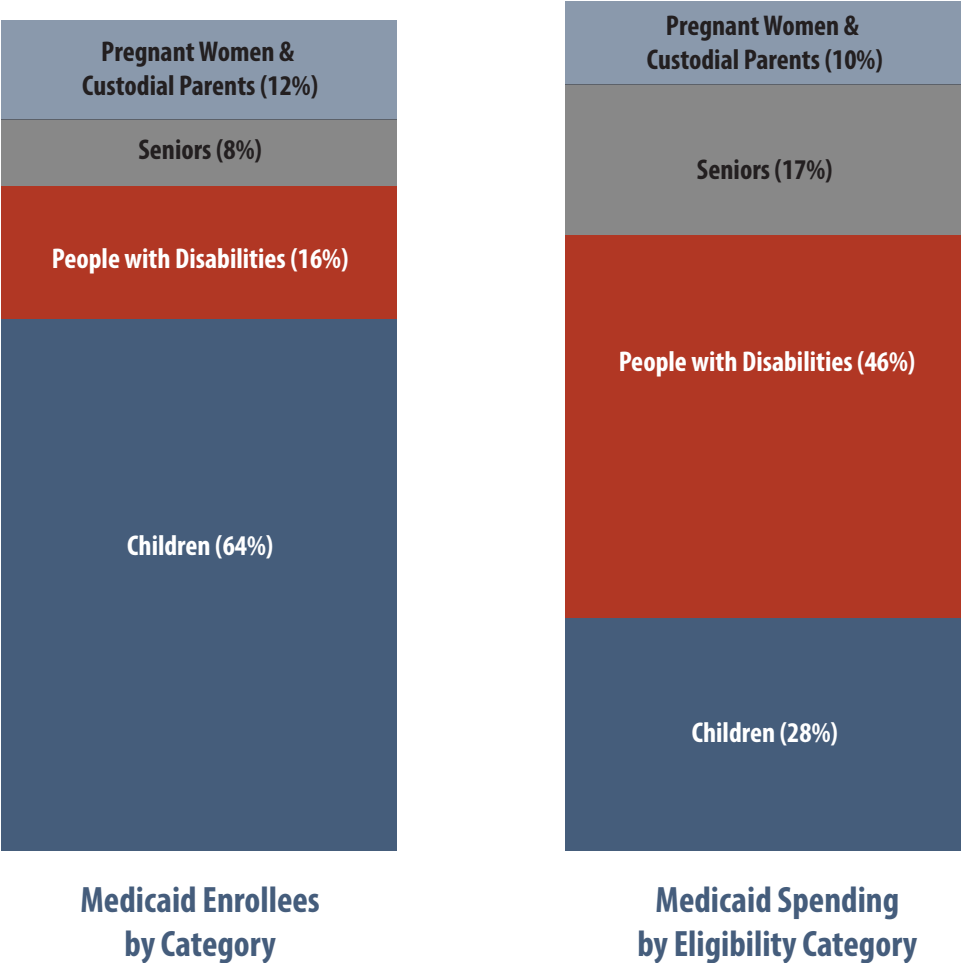


- Children with incomes above 153% FPL (and newborns with incomes above 201% FPL) are covered under the Children's Health Insurance Program (CHIP).
- Children with incomes above 155% FPL (and newborns that exceed the 201% FPL MOHealthNet threshold) must pay a premium to enroll in CHIP.
- Missouri's CHIP premiums are among the highest in the nation.
- A single mother with two children making \$33,000 a year is required to pay \$300 annually in premiums in Missouri. This is the second highest fee in the nation - only 11 other states charge a fee to parents at this income level.⁷

CHIP Premium Schedule					
as of July 1, 2019					
		Family Size			
		1	2	3	4
	<155%FPL	\$0	\$0	\$0	\$0
Tier 1	155-189% FPL	\$15	\$20	\$25	\$30
Tier 2	190%-229% FPL	\$48	\$65	\$82	\$99
Tier 3	230%-305% FPL	\$117	\$159	\$200	\$241

The Majority of Missouri’s Medicaid Dollars Support Services for Seniors and People with Disabilities

Missouri Medicaid Enrollment & Spending by Population
FY 2018

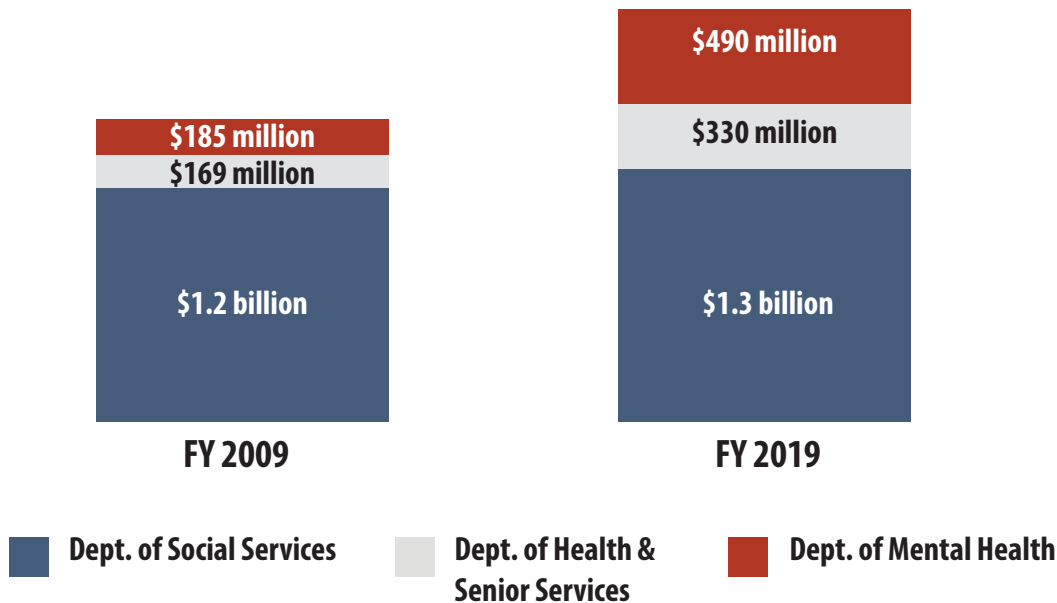


- While children make up the majority of Medicaid enrollees (64%), they only account for 28% of the cost of the program.
- The majority of the funding in Medicaid goes toward covering care for seniors and people with disabilities, who account for 63% of MO HealthNet spending.
- Missouri’s distribution of Medicaid enrollment and payments for services by enrollment group mirrors the national average where most of the budget is spent caring for those with the most complex medical needs.⁸

Source: DSS 2019 Department Overview; Subcommittee on Appropriations

General Revenue Spending on Medicaid

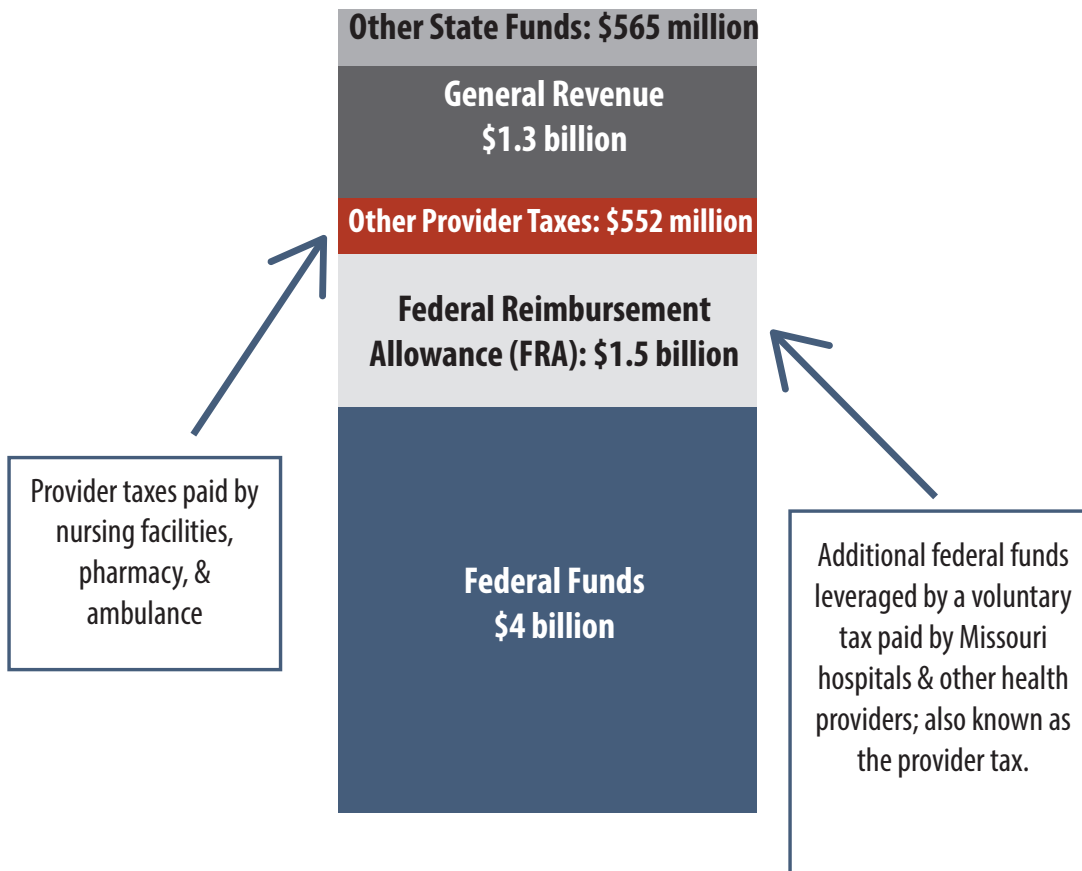
Medicaid General Revenue Appropriations by Department
FY 2009 and FY 2019



- In FY 2019, Medicaid accounted for 22% of the General Revenue budget, up from 18% in FY 2009.
- In FY 2019, around 60% of General Revenue spending on Medicaid is housed in the Department of Social Services (DSS) to pay for MOHealthNet and other DSS programs. This funding has remained relatively flat over the past decade.
- Over 87% of growth in GR spending on Medicaid over the past decade has occurred in the Department of Mental Health (DMH) and the Department of Senior Services (DHSS).
- This growth reflects the leveraging of increased federal Medicaid dollars to provide mental health services for Missourians and to address the opioid crisis, as well as rising need due to Missouri’s aging population and the rising cost of health care more broadly.

Medicaid is a Good Deal for Missouri Taxpayers

Medicaid Appropriations in the Department of Social Services FY 2019

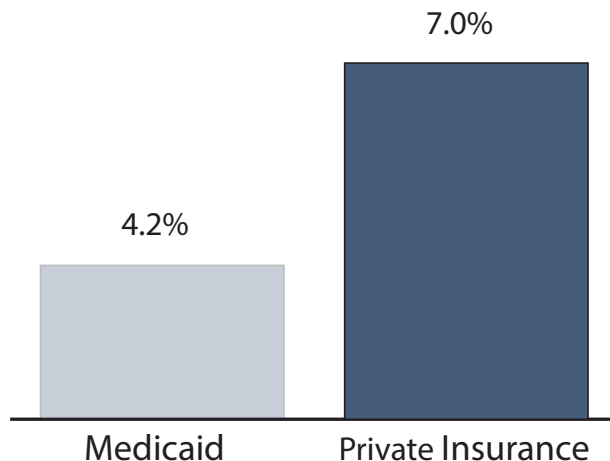


- Created as part of the Social Security Act in 1965, Medicaid is a partnership between the state and federal governments.
- Each state enjoys flexibility in designing and managing its program, within the parameters of national guidelines. In exchange, the federal government provides the majority of funding.
- In state FY 2020, for every dollar Missouri spends on coverage, the federal government provides \$1.91, maximizing the funds available to care for Missourians.⁹
- Over 3/4 of Missouri's Medicaid program is financed through federal funds or provider taxes. State general revenue funds only 16% of the total cost of Medicaid in Missouri, making it a good deal for Missouri taxpayers.¹⁰

Medicaid Controls Costs and Encourages Innovation

Medicaid Spending Has Grown More Slowly Than Private Insurance

Average annual growth rate per enrollee, 1987-2014



- Not only does Medicaid provide access to critical health care services, it also does it less expensively than private insurers do, spending less per enrollee than private insurers for both children and adults.¹¹
- Medicaid spending per patient grows more slowly than private insurance. Between 1987 and 2014, costs per patient covered through Medicaid on average grew by just 4.2% annually, while cost per patient covered through private insurance grew by 7% on average each year.¹²
- The Medicaid program allows a great deal of flexibility to innovate and design changes to the program that are specific to the needs of Missouri.
- Through the waiver process, Missouri has been able to create projects that demonstrate both cost savings and better patient outcomes.
- For example, the Community Mental Health Center Health Homes project is a pioneering program that coordinates care for participants with multiple chronic conditions to improve outcomes and lower costs. Its demonstrated success has garnered national attention.¹³

Notes

1. Missouri Department of Social Services, Caseload Data as of October 2016
2. Source: Missouri Budget Project calculations using Missouri Department of Social Services, Caseload Data as of October, 2016 and U.S. Census Bureau Population estimates for 2016, and the FY 2017 MO HealthNet budget
3. Ibid #1
4. See “The Effect of Child Health Insurance Access on Schooling: Evidence from Public Insurance Expansions,” National Bureau of Economic Research (NBER) Working Paper No. 20178, May 2014; “Childhood Medicaid Coverage and Later Life Health Care Utilization,” NBER Working Paper No. 20929, February 2015; “The Long-Term Effects of Early Life Medicaid Coverage,” Miller, Sarah and Laura R. Wherry,” accessed at http://www-personal.umich.edu/~mille/MillerWherry_Prenatal2015.pdf.
5. Georgetown - Medicaid fills gap in maternal health coverage. “Medicaid Expansion Fills Gaps in Maternal Health Coverage Leading to Healthier Mothers and Babies,” Adam Searing and Donna Cohen Ross, Georgetown University Health Policy Institute, Center for Children and Families, May 2019.
6. “Spillover Effects of Adult Medicaid Expansions on Children’s Use of Preventive Services,” Maya Venkataramani, MD, MPH, & Craig Evan Pollack, MD, MHS, a Eric T. Roberts, PhD. *Journal of the American Academy of Pediatrics*, December 2017, Volume 140, Issue 6.
7. “Medicaid and CHIP Eligibility, Enrollment, and Cost Sharing Policies as of January 2019: Findings from a 50-State Survey,” Tricia Brooks and Lauren Roygardner, Georgetown University Health Policy Institute, Center for Children and Families, March 27, 2019.
8. State Health Care Spending on Medicaid, Pew Charitable Trusts & MacArthur Foundation, Composition of Medicaid enrollees, p. 9
9. Kaiser State Health Facts. See <https://www.kff.org/state-category/medicaid-chip/>, Federal Medical Assistance Percentage for Medicaid and Multiplier, FY 2020
10. Based on the FY 2017 MoHealthNet Budget, Revenue Sources
11. “Medicaid Spending Growth Compared to Other Payers: A Look at the Evidence,” Kaiser Family Foundation, April 2016
12. “Frequently Asked Questions About Medicaid,” Center on Budget & Policy Priorities, August 2016
13. Health Home Project Wins Gold Award, <http://dmh.mo.gov/mentalillness/docs/goldaward.pdf>