



Wyoming Medicaid

Education Resources About the Current Program and Future Options

Medicaid was first established under the Social Security Act in 1965. Broad guidelines established by the Centers for Medicare and Medicaid Services (CMS) govern the program, but each state administers its own program. Medicaid is jointly funded by the state and federal government.

Current Medicaid Eligibility Requirements and Covered Groups

Children

- Children ages 0-5 are covered if their family's income is equal to or less than 133% FPL
- Children ages 6-18 are covered if their family's income is equal to or less than 100% FPL

Pregnant Women

- Family income is equal to or less than 133% FPL

Family Care Adults (Adults with Children)

- In practice, today adults with children who earn more than the 1996 Family Care Standard, are not eligible for Medicaid services
- Family income is less than the 1996 Family Care Standard
 - 1996 Family Care Standard = \$512 for a two-person household, \$590 for a three-person household, and no more than \$659 for a four-person household

Aged, Blind and Disabled

- Citizen enrolled, or eligible for Supplemental Security Income (SSI)
- Citizens eligible for home and community based waiver programs, citizens who live in a nursing home, hospital, hospice, intermediate care facility or a state hospital with personal income less than 300% of the SSI standard
- Low income Medicare beneficiaries

Other Special Groups

- Uninsured women diagnosed with breast or cervical cancer with a personal income less than 250% FPL
- Individuals diagnosed with tuberculosis with incomes at or below the SSI standard and who meet resource guidelines
- Non-citizens who meet other eligibility requirements – but only receive benefits for emergency services.

Kid Care CHIP

The Wyoming Dept. of Health administers a separate health insurance plan called Kid Care CHIP, which offers a low-cost medical, dental, and vision plan to children under the age of 19. In order to qualify for Kid Care CHIP, a child or teenager must be uninsured, have a familial income less than or equal to 200% FPL, and also be ineligible for Wyoming Medicaid. Kid Care, like Medicaid, is jointly funded by state and federal government dollars.

Medicaid Statistics

- Approximately 90,000 people were enrolled in WY Medicaid in 2011.
- In 2011 WY Medicaid provided services to 77,207 recipients.
- More than 70% of enrollees were in the Children or Family Care Adult categories.
- Children outnumber adults by roughly 7-1, but children and Family Care adults only account for 1/3 of total state Medicaid spending.
- WY spends an average of \$6,720 annually per recipient, which is only \$17 higher than the WY Medical Inflation Rate.
- WY Medicaid spent a total of \$518.9 million in 2011.
- 80% of WY Medicaid recipients only accounted for 17% of the spending.
- Aged, Blind & Disabled accounted for 59% of spending in 2011.



Medicaid Expansion

Options Available - and the Numbers

Expansion Realities and Explanations

On June 28, 2012, the United States Supreme Court ruled on various provisions in the Patient Protection and Affordable Care Act (PPACA), including a mandatory expansion of the Medicaid program to cover all individuals living in families below 133% of the federal poverty level (in 2012, \$30,660 for a family of four) beginning January 2014. The Court ruled against that provision, primarily because the law gave HHS the authority to withdraw all federal matching funds if a state did not expand Medicaid, threatening a state's entire Medicaid program. Now the decision about expanding Medicaid as part of the PPACA will be made state-by-state. Governor Mead has not yet made a public decision and is studying the implications of expansion.

Now that the decision to expand Medicaid is voluntary, it is assumed that Wyoming will need enabling legislation to do so. In order to expand on January 1, 2014 per the PPACA, a bill would need to be passed in the 2013 session of the Wyoming Legislature and signed by Governor Mead. Until further guidance or information is available from HHS, the following is known, or assumed, about the program and expansion options.

Non-Optional Medicaid Expansion

There are several expansions to Wyoming's Medicaid program that are involuntary by the state and will happen regardless of enabling legislation or policy decisions. These mandatory expansions are outlined as follows:

- Children ages 6-18 with family incomes less than 138% (133% plus disregards) of FPL will now be eligible for Wyoming Medicaid.

Optional Medicaid Expansion

If Wyoming expands Medicaid, as recommended by the PPACA, and doesn't alter any of the provisions by exploring different options, the following would occur:

Form a New Eligibility Category

Wyoming can choose to expand Medicaid by creating a new category of eligible individuals which would be all adults under 65, not eligible for Medicare, with incomes of 133% (138%) FPL. This essentially means that all adults in Wyoming, regardless of whether they have children, or not, would be eligible for Medicaid if they earned less than 138% FPL.

Expanding Medicaid, as outlined above, will increase the number of adults who qualify for Wyoming Medicaid in the Family Care eligibility program, add a new eligibility program for adults without dependent children, and will also cause some of the children who currently participate in Kid Care CHIP to be moved to the Wyoming Medicaid program.

Expansion Numbers

Full expansion of Medicaid is estimated to increase WY Medicaid population by 28,200 people by 2016.

- 3,700 are people already eligible for Medicaid based on today's eligibility requirements. This group is NOT OPTIONAL.
- 6,900 are children who are also NOT OPTIONAL to include in the automatic expansion.
- 17,600 are adults who are in question and OPTIONAL for coverage by WY Medicaid if the Governor and Legislature so choose.

Expansion Costs

The OPTIONAL expansion is estimated to cost WY roughly \$35.7 million, with the Federal Government contributing \$737.6 million in years 2014 through 2020. This represents a 20 to 1 spending ratio between state and Federal funds to cover the expansion population.

Federal Government will cover 100% of the cost to expand the OPTIONAL adults for three years. The Federal match scales back to 90% by 2020.



Issues of greatest interest or concern to Wyoming physicians & Wyoming Medical Society

The Wyoming Medical Society Board of Trustees met in October and spent considerable time debating the merits of expanding Wyoming Medicaid, while considering the serious concerns expressed by members throughout our organization. In arriving at the current policy position in support of expansion, WMS dedicated a great deal of time researching the issue, learning the positives and negatives associated with expanding, or not expanding, and came up with key questions to ask of Wyoming policy makers as they debate the best course of action for Wyoming's healthcare future. WMS is primarily focused on quality patient care, ensuring access to care for all Wyomingites, and strives to be a valuable resource to lawmakers as difficult decisions regarding healthcare in Wyoming are discussed. The following questions highlight just a few of WMS' concerns regarding expansion of Medicaid in Wyoming:

- How will the health status and outcomes of Wyomingites be impacted by a Medicaid expansion to more individuals?
- How does the state plan to address the current concerns about access to primary and specialty care; will those access problems increase with an expansion and what are the solutions being considered to ensure access to care?
- Will the reimbursement rates to physicians be enough to entice them to serve new Medicaid clients and continue to participate in the existing program?
- How will the state implement the Medicaid primary care rate increase to parity with Medicare in 2013-2014? Is the state considering a way to continue that rate increase beyond 2015?
- Is the state considering other reimbursement changes in order to ensure access to specialists? Is there a unique impact on hospital-based specialties?
- What changes will be made to Wyoming's current Medicaid program to increase efficiencies and quality of care?
- Will there be penalties for physicians who choose not to see Medicaid patients, or who limit the number they can include in their patient mix?
- Will the Federal Government be able to continue their portion of the matching funds long-term? If not, is Wyoming prepared to limit eligibility or cover the portions not covered by the promised Federal match?

Generally Governors and other elected officials advocate for flexibility and state choice when it comes to health policy and financing decisions, but the unexpected ruling from the Court that gives states the choice of whether to expand Medicaid came as a surprise to most. Embedded in that choice are moral, financial, and political factors that will resonate for years regardless of the policy choice made by elected officials. Physicians who serve the very people impacted the most by that policy choice should have a seat at the table, and offer their knowledge, experience, and quantifiable data to inform the policy deliberation.