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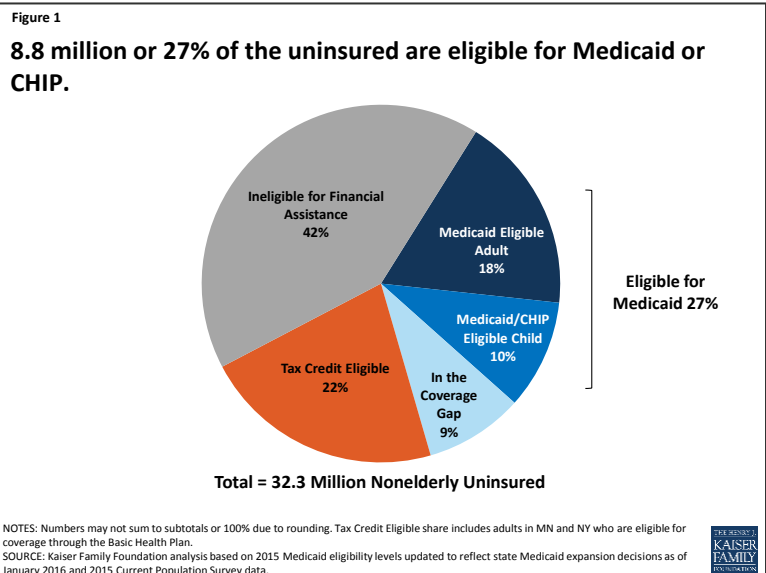
A Closer Look at the Remaining Uninsured Population Eligible for Medicaid and CHIP

Robin Rudowitz, Samantha Artiga, Anthony Damico, and Rachel Garfield

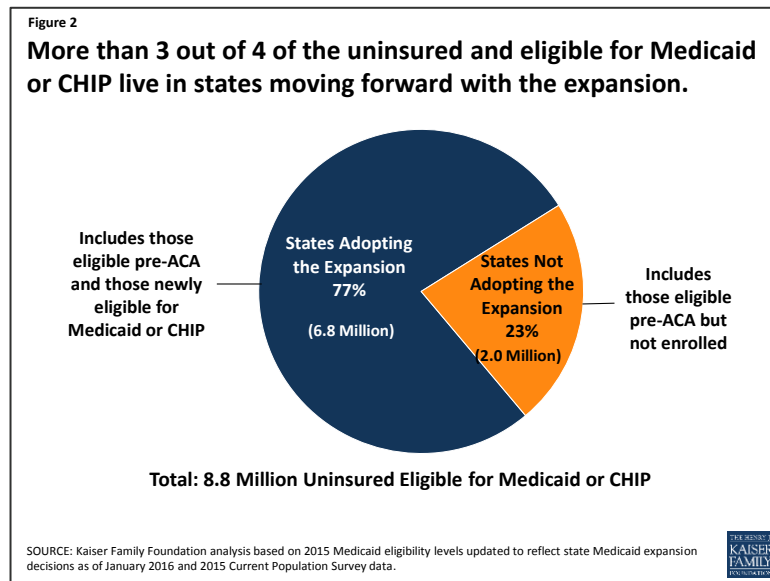
The Affordable Care Act (ACA) extends health insurance coverage to people who lack access to an affordable coverage option. Under the ACA, as of 2014, Medicaid coverage is extended to low-income adults up to 138% of the Federal Poverty Level (FPL) in states that have opted to expand eligibility, and tax credits are available for middle-income people who purchase coverage through a health insurance Marketplace. Millions of people have enrolled in these new coverage options, but millions of others are still uninsured. Recent [analysis](#) shows that 27% or 8.8 million of the 32.3 million non-elderly uninsured are eligible for Medicaid coverage. This issue brief provides a closer look at key characteristics of the uninsured who are eligible for Medicaid and where they live. Analysis is based on state Medicaid expansion decisions as of January 2016 which includes Louisiana’s decision to adopt the expansion. These data may help inform outreach and enrollment efforts to increase coverage gains among the eligible but uninsured population.

How many uninsured are eligible for Medicaid or CHIP?

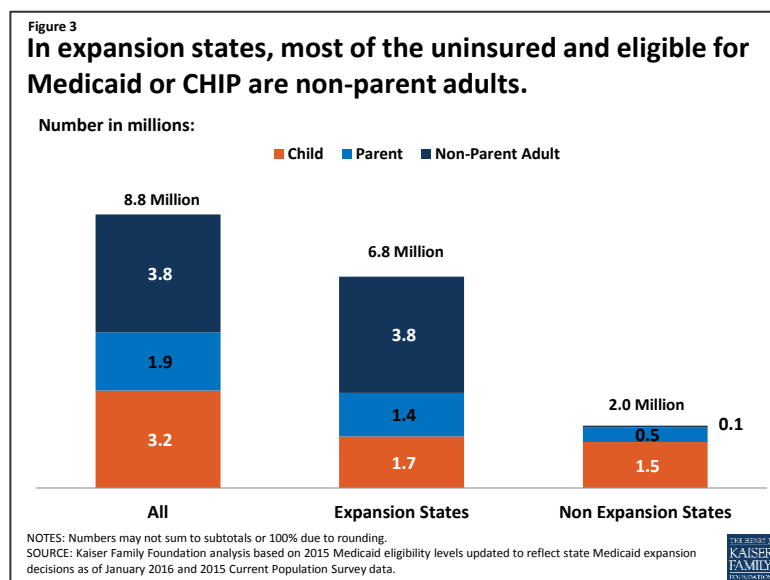
Of the total 32.3 million nonelderly people who remained uninsured as of 2015, an estimated 27% (8.8 million) are eligible for Medicaid or the Children’s Health Insurance Program (CHIP). This 27% (8.8 million) includes 18% (5.7 million) who are Medicaid-eligible adults and 10% (3.2 million) who are Medicaid or CHIP-eligible children (Figure 1). The uninsured and eligible for Medicaid and CHIP (referred to as the uninsured and eligible for the rest of this brief) include both adults made newly eligible for the program by the expansion and individuals who were already eligible under pre-ACA rules but had not enrolled. Among the remaining uninsured, 9% fall into the “coverage gap” because they live in one of the 19 states that have not adopted the Medicaid expansion and the ACA does not provide financial assistance to people below poverty for other coverage options. Another 22% of the uninsured may be eligible for tax credits. This group includes individuals with incomes between 100 and 138% FPL in states that have not adopted the Medicaid expansion.



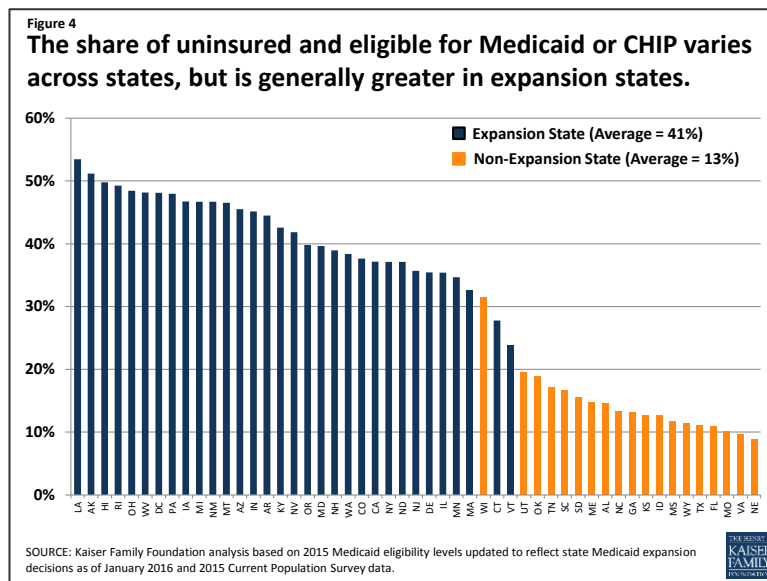
Most of the 8.8 million uninsured and eligible (77%, or 6.8 million people) reside in states that are expanding their Medicaid programs for adults, as these states have higher income eligibility for adults than non-expansion states (Figure 2). The other quarter (23%, or 2.0 million people) are in states that have not expanded Medicaid, but are eligible for Medicaid or CHIP under pathways in place before the ACA.



Patterns of eligibility for Medicaid among the uninsured differ between states that have and have not expanded Medicaid. Overall, about two-thirds of the uninsured and eligible are adults and one-third are children. However, in expansion states, most (5.2 million or 76%) of the uninsured and eligible are adults and over half (3.8 million or 55%) are non-parent adults. These non-parent adults were the primary group affected by the Medicaid expansion. In non-expansion states, three out of four of the uninsured and eligible are children and a very small share (0.1 million or 3%) are non-parent adults (Figure 3).



The share eligible for Medicaid varies across states. A greater share of the nonelderly uninsured is eligible for Medicaid in states that have expanded their programs under the ACA. In these states, 41% of the uninsured are eligible, versus just 13% in non-expansion states. Overall, the share of uninsured and eligible ranges from a high of 53% in Louisiana to a low of 9% in Nebraska (Figure 4). The share of uninsured and eligible is high in Louisiana relative to other states because the state has adopted the Medicaid expansion but not yet implemented it; coverage is set to begin in July 2016. Among non-expansion states, Wisconsin has the highest share of uninsured eligible at 32%. Although not an expansion state, Wisconsin covers parents and other adults up to 100% FPL largely tied to coverage expansions prior to the ACA. In other non-expansion states, parent eligibility levels generally remain very low and other non-disabled adults without dependent children are not eligible regardless of their income level. For adults, the share of the uninsured who are Medicaid eligible ranges from 50% in Louisiana, 44% in Rhode Island and 42% in West Virginia and DC to only 2% in Texas and 3% in Florida and Georgia; for uninsured children the range eligible is from a high of 17% in Minnesota and Utah to a low of 5% in Mississippi (Table 1).

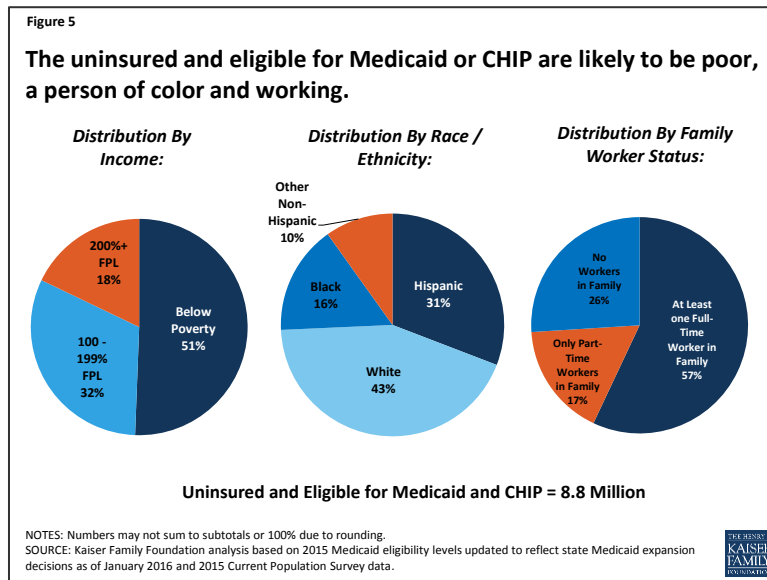


The uninsured eligible for Medicaid are concentrated in a small number of large states.

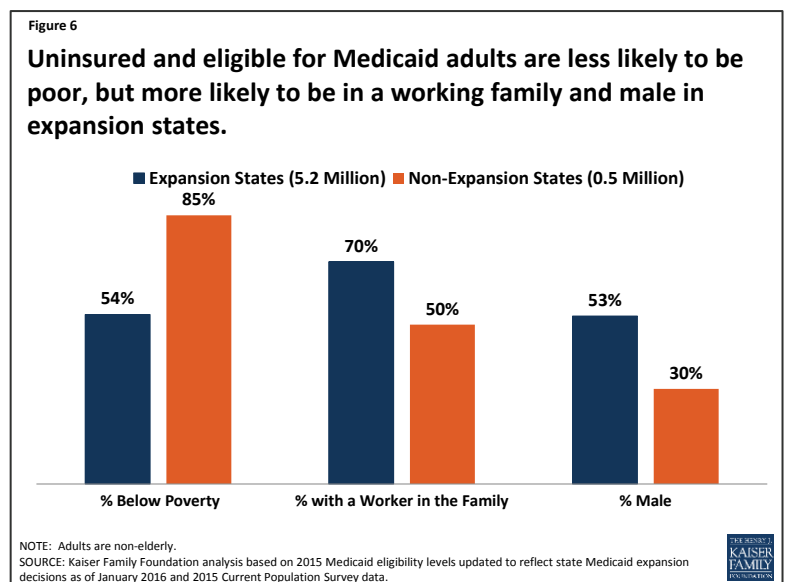
California, New York, Texas and Pennsylvania account for about one-third of the total non-elderly uninsured who are eligible for Medicaid. Among non-elderly uninsured and eligible adults, five states (California, New York, Pennsylvania, Ohio and Illinois) account for more than four in ten; all of these states have adopted the Medicaid expansion. A combination of expansion and non-expansion states, including Texas, California, Florida and New York, account for 37% of uninsured and eligible children (Table 1).

What are the characteristics of the uninsured population eligible for Medicaid or CHIP?

Across all non-elderly uninsured and eligible, half have incomes below poverty, six in ten are people of color and three out of four live in working families (Figure 5). Hispanics account for 31% of those uninsured and eligible, and Blacks account for another 16%. Only one-quarter are in families with no worker. However, there are some key differences between the characteristics of adults who are uninsured and eligible in expansion versus non-expansion states, as discussed below. When examining the characteristics of uninsured and eligible adults it is important to remember that a much higher number of adults (5.2 million) are eligible in expansion states compared to 0.5 million in non-expansion states).

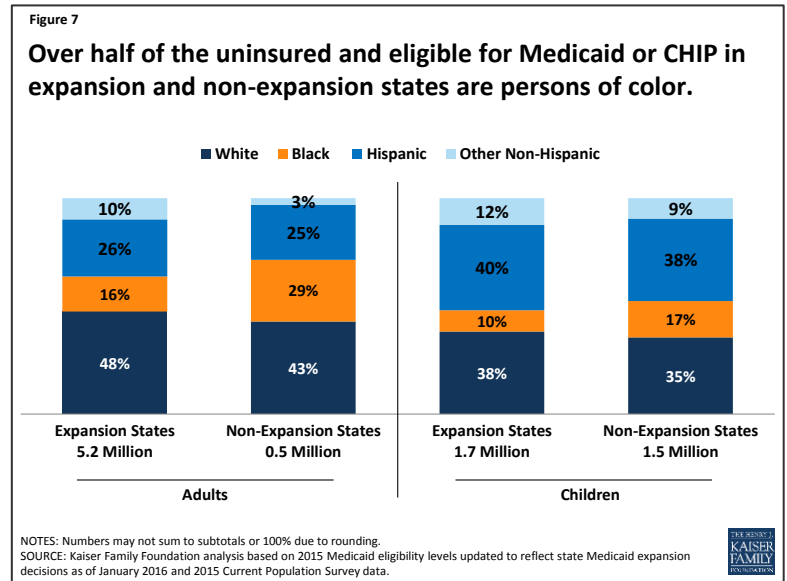


Uninsured and eligible for Medicaid adults in non-expansion states are significantly more likely to have incomes below poverty compared to those in expansion states (85% vs. 54%). This finding reflects the continued limited eligibility limits for adults in non-expansion states (Figure 6). Given the historically higher eligibility thresholds for children in Medicaid, the uninsured and eligible children are less likely than adults to have incomes below poverty, and there are small differences in income across expansion and non-expansion states for children. Because the Medicaid expansion effectively eliminated categorical eligibility requirements, more than half of the uninsured and eligible adults are male in expansion states, compared to non-expansion states where uninsured and eligible adults are mostly women due to historic eligibility criteria for Medicaid.



Consistent with these income findings, uninsured and eligible adults in expansion states are more likely to live in a family with a worker than those in non-expansion states. In expansion states, 70% of uninsured and eligible adults live in a family with a worker, compared to half of eligible but uninsured adults in non-expansion states (Figure 6). In contrast, the majority of uninsured and eligible children in both expansion and non-expansion states live in a working family, reflecting the more expansive eligibility limits for children across states.

Over half of the uninsured and eligible adults in expansion and non-expansion states are persons of color. Blacks make up a higher share of the uninsured and eligible adults in non-expansion states compared to expansion states (29% compared to 16%). In both expansion and non-expansion states, uninsured and eligible children are more likely to be Hispanic compared to adults (Figure 7). There are few differences in the health status of uninsured and eligible adults in Medicaid expansion and non-expansion states. However, children are more likely than adults to report very good or excellent health in both expansion and non-expansion states.



Policy Implications

Though millions of people have gained coverage under the ACA, many remain uninsured. The ACA provides new coverage options across the income spectrum for low and moderate-income people, and more than one in four of the uninsured population appears to be eligible for Medicaid. As such, continued coverage gains may be achieved by reaching and enrolling these individuals into coverage. Better understanding who this group is and where they live can help support outreach and enrollment efforts. These findings show that as a result of the increased coverage potential for adults through the ACA, most of the uninsured and eligible live in states that have expanded Medicaid; however, two million (mostly children) reside in non-expansion states. In planning outreach and enrollment efforts, it is also important to recognize some key differences between the eligible but uninsured population in expansion versus non-expansion states:

- **In non-expansion states, the large majority of uninsured and eligible individuals are children, who are covered up to higher income levels than adults.** Roughly four in ten of these children are Hispanic, demonstrating the importance of outreach and enrollment efforts targeted to Hispanics to achieve coverage gains among this group. Just half a million uninsured adults are eligible for Medicaid in non-expansion states since adult eligibility remains limited. The majority of these adults have incomes below poverty and only half live in a family with a worker. Three in ten of these adults are Black, and seven in ten are women.

- **In expansion states, the majority of the uninsured and eligible population is adults, particularly non-parent adults.** Moreover, most live in working families and, as such, have higher incomes than adults traditionally covered by Medicaid. Further, over half are men, a group that historically has had limited connections to Medicaid. Given these characteristics, it will be important for states to explore new outreach and enrollment avenues to reach these individuals, who may not be touched through previous outreach and enrollment avenues designed to reach low-income families.

States that have achieved significant enrollment success have embraced a full array of outreach and enrollment strategies and approaches. These strategies include implementing broad marketing and outreach campaigns, promoting the expansion through strong leadership and collaboration, establishing a coordinated and diverse network of assisters, developing effective eligibility and enrollment systems that coordinate with Marketplace coverage, and planning ahead to translate coverage gains into improved access to care. While 100% participation in voluntary programs like Medicaid is not likely, sustained efforts over time have resulted in significantly higher rates of coverage for children and low uninsured rates. As many adults are newly eligible for coverage under the ACA, a focus on uninsured adults who are eligible for Medicaid is one of the next challenges in reducing overall uninsured rates.

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Table 1: Number of Nonelderly People Eligible for Medicaid Coverage Among those Remaining Uninsured as of 2015

State	Total Nonelderly Uninsured	Total Medicaid Eligible		Medicaid-Eligible Adults		Medicaid-Eligible Children	
		Number	As a % of Uninsured	Number	As a % of Uninsured	Number	As a % of Uninsured
US Total	32,339,000	8,850,000	27%	5,675,000	18%	3,175,000	10%
Alabama	513,000	75,000	15%	NR	NR	55,000	11%
Alaska	100,000	51,000	51%	37,000	37%	14,000	14%
Arizona	808,000	368,000	46%	280,000	35%	NR	NR
Arkansas	285,000	127,000	44%	112,000	39%	NR	NR
California	3,845,000	1,428,000	37%	1,060,000	28%	368,000	10%
Colorado	593,000	223,000	38%	150,000	25%	73,000	12%
Connecticut	247,000	69,000	28%	56,000	22%	NR	NR
Delaware	63,000	22,000	35%	15,000	24%	NR	NR
DC	42,000	20,000	48%	17,000	42%	NR	NR
Florida	2,788,000	306,000	11%	75,000	3%	231,000	8%
Georgia	1,524,000	201,000	13%	47,000	3%	154,000	10%
Hawaii	70,000	35,000	50%	26,000	37%	NR	NR
Idaho	166,000	21,000	13%	NR	NR	NR	NR
Illinois	1,122,000	397,000	35%	302,000	27%	95,000	9%
Indiana	686,000	310,000	45%	227,000	33%	82,000	12%
Iowa	188,000	88,000	47%	53,000	28%	NR	NR
Kansas	302,000	38,000	13%	NR	NR	NR	NR
Kentucky	285,000	121,000	43%	90,000	32%	NR	NR
Louisiana	582,000	311,000	53%	292,000	50%	NR	NR
Maine	121,000	18,000	15%	NR	NR	NR	NR
Maryland	336,000	133,000	40%	107,000	32%	NR	NR
Massachusetts	288,000	93,000	32%	57,000	20%	36,000	13%
Michigan	685,000	320,000	47%	279,000	41%	NR	NR
Minnesota	364,000	126,000	35%	65,000	18%	61,000	17%
Mississippi	359,000	42,000	12%	24,000	7%	18,000	5%
Missouri	516,000	52,000	10%	NR	NR	47,000	9%
Montana	126,000	59,000	47%	43,000	34%	15,000	12%
Nebraska	178,000	16,000	9%	NR	NR	NR	NR
Nevada	350,000	147,000	42%	110,000	31%	37,000	10%
New Hampshire	94,000	37,000	39%	30,000	32%	NR	NR
New Jersey	940,000	335,000	36%	264,000	28%	71,000	8%
New Mexico	233,000	109,000	47%	80,000	34%	29,000	12%
New York	1,476,000	548,000	37%	376,000	25%	172,000	12%
North Carolina	1,138,000	152,000	13%	NR	NR	120,000	11%
North Dakota	64,000	24,000	37%	15,000	23%	NR	NR
Ohio	834,000	404,000	48%	313,000	38%	91,000	11%
Oklahoma	581,000	109,000	19%	22,000	4%	87,000	15%
Oregon	307,000	122,000	40%	96,000	31%	26,000	9%
Pennsylvania	994,000	477,000	48%	357,000	36%	120,000	12%
Rhode Island	55,000	27,000	49%	24,000	44%	NR	NR
South Carolina	604,000	100,000	17%	36,000	6%	65,000	11%
South Dakota	77,000	12,000	16%	NR	NR	NR	NR
Tennessee	605,000	104,000	17%	NR	NR	71,000	12%
Texas	4,425,000	493,000	11%	80,000	2%	413,000	9%
Utah	337,000	66,000	20%	NR	NR	56,000	17%
Vermont	34,000	8,000	24%	7,000	21%	NR	NR
Virginia	804,000	77,000	10%	NR	NR	61,000	8%
Washington	621,000	238,000	38%	171,000	28%	67,000	11%
West Virginia	116,000	56,000	48%	49,000	42%	NR	NR
Wisconsin	410,000	129,000	32%	86,000	21%	43,000	10%
Wyoming	56,000	6,000	11%	NR	NR	5,000	9%

NOTES: Numbers may not sum to totals due to rounding. NR = point estimates do not meet minimum standards for statistical reliability.

SOURCE: Kaiser Family Foundation analysis based on 2015 Medicaid eligibility levels updated to reflect state Medicaid expansion decisions as of January 2016 and 2015 Current Population Survey data.

Methods

This analysis uses data from the 2015 Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC). The CPS ASEC provides socioeconomic and demographic information for the United States population and specific subpopulations. Importantly, the CPS ASEC provides detailed data on families and households, which we use to determine income for ACA eligibility purposes.

The CPS asks respondents about coverage at the time of the interview (for the 2015 CPS, February, March, or April 2015) as well as throughout the preceding calendar year. People who report any type of coverage throughout the preceding calendar year are counted as “insured.” Thus, the calendar year measure of the uninsured population captures people who lacked coverage for the entirety of 2014 (and thus were uninsured at the start of 2015). We use this measure of insurance coverage, rather than the measure of coverage at the time of interview, because the latter lacks detail about coverage type that is used in our model. Based on other survey data, as well as administrative data on ACA enrollment, it is likely that a small number of people included in this analysis gained coverage in 2015.

Medicaid and Marketplaces have different rules about household composition and income for eligibility. For this analysis, we calculate household membership and income for both Medicaid and Marketplace premium tax credits for each person individually, using the rules for each program. For more detail on how we construct Medicaid and Marketplace households and count income, see the detailed technical Appendix A available [here](#).

Undocumented immigrants are ineligible for Medicaid and Marketplace coverage. Since CPS data do not directly indicate whether an immigrant is lawfully present, we draw on the methods underlying the 2013 analysis by the State Health Access Data Assistance Center (SHADAC) and the recommendations made by Van Hook et. al.^{1,2} This approach uses the Survey of Income and Program Participation (SIPP) to develop a model that predicts immigration status; it then applies the model to CPS, controlling to state-level estimates of total undocumented population from Department of Homeland Security. For more detail on the immigration imputation used in this analysis, see the technical Appendix B available [here](#).

Individuals in tax-filing units with access to an affordable offer of Employer-Sponsored Insurance are still potentially MAGI-eligible for Medicaid coverage, but they are ineligible for advance premium tax credits in the Health Insurance Exchanges. Since CPS data do not directly indicate whether workers have access to ESI, we draw on the methods comparable to our imputation of authorization status and use SIPP to develop a model that predicts offer of ESI, then apply the model to CPS. For more detail on the offer imputation used in this analysis, see the technical Appendix C available [here](#).

As of January 2014, Medicaid financial eligibility for most nonelderly adults is based on modified adjusted gross income (MAGI). To determine whether each individual is eligible for Medicaid, we use each state’s reported eligibility levels as of January 1, 2015, updated to reflect state implementation of the Medicaid expansion as of January 2016 and 2015 Federal Poverty Levels.³ Some nonelderly adults with incomes above MAGI levels may be eligible for Medicaid through other pathways; however, we only assess eligibility through the MAGI pathway.⁴

An individual’s income is likely to fluctuate throughout the year, impacting his or her eligibility for Medicaid. Our estimates are based on annual income and thus represent a snapshot of the number of people in the coverage gap at a given point in time. Over the course of the year, a larger number of people are likely to move and out of the coverage gap as their income fluctuates.

Endnotes

¹ State Health Access Data Assistance Center. 2013. “State Estimates of the Low-income Uninsured Not Eligible for the ACA Medicaid Expansion.” Issue Brief #35. Minneapolis, MN: University of Minnesota. Available at: http://www.rwjf.org/content/dam/farm/reports/issue_briefs/2013/rwjf404825

² Van Hook, J., Bachmeier, J., Coffman, D., and Harel, O. “Can We Spin Straw into Gold? An Evaluation of Immigrant Legal Status Imputation Approaches” *Demography*. Forthcoming.

³ Based on state-reported eligibility levels as of January 1, 2015. Eligibility levels are updated to reflect state implementation of the Medicaid expansion as of January 2016 and 2015 Federal Poverty Levels, but may not reflect other eligibility policy changes since January 2015. The Kaiser Family Foundation State Health Facts. Data Source: Kaiser Commission on Medicaid and the Uninsured with the Georgetown University Center for Children and Families: [Modern Era Medicaid: Findings from a 50-State Survey of Eligibility, Enrollment, Renewal, and Cost-Sharing Policies in Medicaid and CHIP as of January 2015](#), Kaiser Family Foundation, January 20, 2015.

⁴ Non-MAGI pathways for nonelderly adults include disability-related pathways, such as SSI beneficiary; Qualified Severely Impaired Individuals; Working Disabled; and Medically Needy. We are unable to assess disability status in the CPS sufficiently to model eligibility under these pathways. However, previous research indicates high current participation rates among individuals with disabilities (largely due to the automatic link between SSI and Medicaid in most states, see Kenney GM, V Lynch, J Haley, and M Huntress. “Variation in Medicaid Eligibility and Participation among Adults: Implications for the Affordable Care Act.” *Inquiry*. 49:231-53 (Fall 2012)), indicating that there may be a small number of eligible uninsured individuals in this group. Further, many of these pathways (with the exception of SSI, which automatically links an individual to Medicaid in most states) are optional for states, and eligibility in states not implementing the ACA expansion is limited. For example, the median income eligibility level for coverage through the Medically Needy pathway is 15% of poverty in states that are not expanding Medicaid, and most states not expanding Medicaid do not provide coverage above SSI levels for individuals with disabilities. (See: O’Mally-Watts, M and K Young. *The Medicaid Medically Needy Program: Spending and Enrollment Update*. (Washington, DC: Kaiser Family Foundation), December 2012. Available at: <http://www.kff.org/medicaid/issue-brief/the-medicaid-medically-needy-program-spending-and/>. And Kaiser Commission on Medicaid and the Uninsured, “Medicaid Financial Eligibility: Primary Pathways for the Elderly and People with Disabilities,” February 2010. Available at: <http://www.kff.org/medicaid/issue-brief/medicaid-financial-eligibility-primary-pathways-for-the-elderly-and-people-with-disabilities/>.