# The Affordable Care Act and Medicaid Coverage: Arizona, California, New Mexico, and Texas

The Affordable Care Act (ACA) established two health insurance options for low-income adults. One was expanding Medicaid eligibility for childless adults to 138-percent of the federal poverty level (around $32,500 for a family of four in 2013; $15,856 for an individual); the other was providing premium tax credits to help people with moderate incomes purchase insurance directly through the new health insurance marketplaces.

The June 2012 Supreme Court ruling made Medicaid expansion optional for states. Arizona, California, and New Mexico were among 27 states that implemented Medicaid expansion in 2014. Texas is one of 21 states that did not.

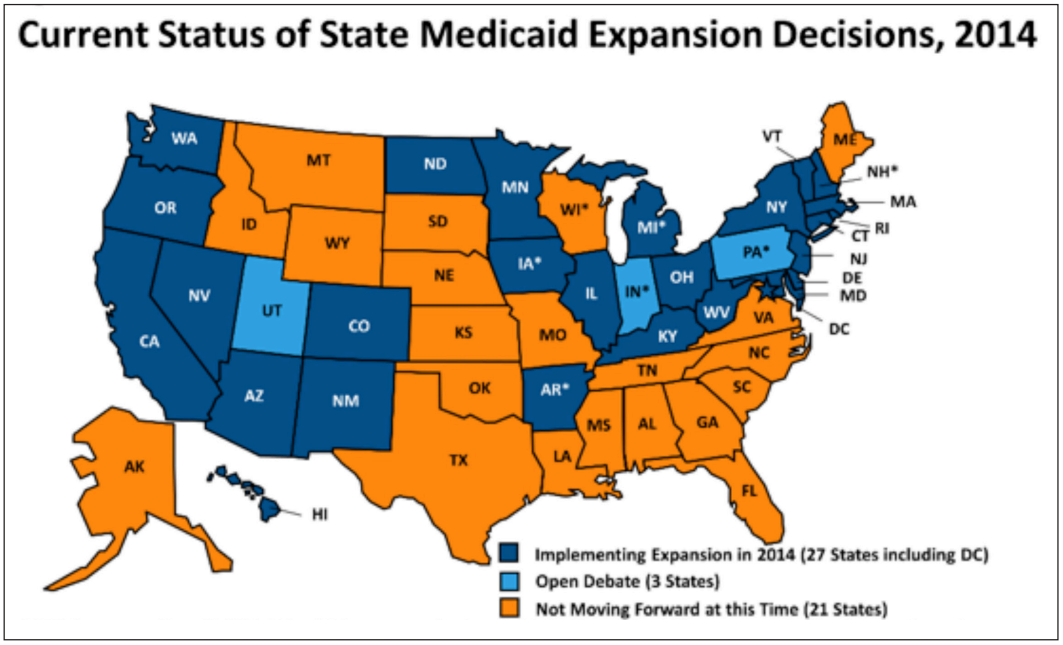
According to the Centers for Medicare & Medicaid Services (CMS), Medicaid and Children's Health Insurance Program (CHIP) enrollment has grown in nearly all states since ACA implementation, regardless of whether the state expanded Medicaid.

It's important to note that before the ACA went into effect, all states had expanded the eligibility for children to higher federal poverty levels than for adults.

Illegal immigrants are not eligible for Medicaid or CHIP in any state.

## Arizona — increased Medicaid enrollment 15.32 percent

Arizona expanded its Medicaid eligibility to cover almost all nonelderly adults up to 138 percent of poverty. More than 184,170 — 15.32 percent of Arizonians — have enrolled in Medicaid and CHIP through May 2014. Another 120,000 people gained private coverage through the marketplace. It is estimated that more than 350,000 Arizona residents likely are eligible for coverage.




*Source: Kaiser Family Foundation*

**continued on back**

Border Health Caucus
Access to Care

During this same period, uncompensated care dropped from $246 million in 2013 to $170 million in 2014, a decline of 31 percent.

Arizona legislators opposing Medicaid expansion are fighting to push through legislation to cap the Medicaid program.

## California — more Medicaid (Medi-Cal) sign-ups than any other state

California has signed up more new Medicaid (Medi-Cal) customers than any other state under Medicaid expansion. California has nearly 2 million more enrollees, bringing its total to 10.6 million.

California is one of six states experiencing a large backlog of Medicaid applications.

The number of physicians in California who accept Medicaid has declined by nearly 25 percent from 109,000 in spring 2013 to 82,605 in May 2014 (38,845 primary care, 43,760 specialists), according to the California Department of Health Care Services. This is reflective of the extremely low pay that exists under the program in California.

## New Mexico — increased Medicaid enrollment 13 percent

Medicaid eligibility in New Mexico covers almost all nonelderly adults up to 138 percent of poverty.

As a result, nearly half (48 percent) of uninsured New Mexicans are eligible for Medicaid or CHIP. While some of these people (such as children) were eligible before the ACA, most adults are newly eligible through the ACA expansion.

Medicaid expansion in the state increased its Medicaid rolls by 74,118 — almost a 13-percent increase through May 2014.

## Texas — More Medicaid and CHIP sign-ups despite nonexpansion

Even though Texas did not expand Medicaid, the state still saw a 1.8-percent increase (80,435) in Medicaid and CHIP enrollees as of May 2014.

The Texas Health and Human Services Commission reported that Medicaid and CHIP started growing before the ACA took full effect. Enrollment grew even more after parents started signing up on the exchanges and realized their children qualified for Medicaid.

The ACA did broaden Texans' eligibility for Medicaid in certain circumstances. Young adults formerly in foster care now can maintain their Medicaid coverage past the age of 21, up to the age of 26, because of the health law. The numbers of new enrollees are still small in comparison with the estimated 874,000 (more than 700,000 of whom are children) Texans who are eligible for Medicaid or CHIP but have not yet enrolled (Kaiser Family Foundation).