

Medicaid Eligibility and Enrollment

Nearly 75 million people, or one in five Americans, are enrolled in Medicaid and the Children's Health Insurance Program (CHIP) across all 50 states, U.S territories, and the District of Columbia.¹ Medicaid is the primary source of coverage for low-income Americans. Not only does Medicaid provide health care coverage for low-income children and families, but it is also a critical source of coverage for older adults and people with disabilities.

Medicaid Eligibility

People must meet certain eligibility criteria set by their state's Medicaid agency to enroll in Medicaid. Federal law requires that states offer coverage to over 25 different groups of people, who are referred to as *categorically eligible*. This includes children, adults in families with dependent children, pregnant women, people with disabilities, and adults over age 65. It is important to note that Medicaid eligibility is determined at the individual level, meaning some members of a family may be eligible while others are not (e.g., children are eligible, but parents are not). People must meet income eligibility requirements in addition to fitting into one of these categories. Income eligibility requirements vary by state and are linked to the *Federal Poverty Level (FPL)*. In 2019, FPL is an annual income of \$12,140 for one person, or \$25,100 for a family of four.

Enrollee Snapshot

A quick look at some of the people Medicaid serves:

- Medicaid covers **one third of all children** and **seven in ten children** living at the poverty level.
- **Half of all births** in the U.S. are covered by Medicaid.
- Medicaid supports **one in five people** with Medicare.
- **Two-thirds of nursing home residents** are covered by Medicaid.

Medicaid Enrollee Groups

Children. Together with the Children's Health Insurance Program (CHIP), Medicaid is the largest health insurer of children in the United States. Over one third of American children, and three-quarters of children in families with incomes less than 100 percent of the federal poverty level (FPL)² are covered by Medicaid or CHIP.³ The 35 million children enrolled in Medicaid and CHIP make up 50 percent of the total enrollment in the two programs.⁴ However, while low-income children and families represent nearly half of the enrollment, they account for only about 20 percent of total Medicaid expenditures.

Adults. States must cover certain low-income adults in families with dependents, and also pregnant women. Nearly half of all births in the United States are covered by Medicaid.⁵ The Affordable Care Act created the option for states to extend coverage to all adults with incomes up to 138 percent of the poverty level. As of July 2019, 37 states and the District of Columbia have adopted Medicaid expansion.

Age and Disability. Medicaid is a key source of coverage for older adults and people with disabilities. One in five Medicare beneficiaries are also covered by Medicaid, receiving assistance with Medicare premiums and cost sharing, and other services not covered by Medicare such as long-term care. Medicaid covers two thirds of nursing home residents in the country and provides coverage for 45 percent of non-elderly adults with disabilities.⁶ While only about a quarter of Medicaid enrollees are in the aged or disability categories, they account for over 60 percent of Medicaid spending.

1 CMS. [September 2018 Medicaid & CHIP Application, Eligibility Determinations, and Enrollment Report](#). 2018.

2 Federal poverty level for a family of four is \$25,100 annual income in 2019

3 MACPAC. [MacStats: Medicaid and CHIP Data Book](#). December 2017.

4 Ibid.

5 Kaiser Family Foundation. [Births Financed by Medicaid](#). 2016

6 Kaiser Family Foundation. [10 Things to Know About Medicaid: Setting the Facts Straight](#). Figure 4: Medicaid Plays a Key Role for Select Populations. 2018.

Enrollment

While some state Medicaid programs administer their own enrollment systems, many contract with an *enrollment facilitator*, an organization that administers Medicaid enrollment processes and enrollee services on behalf of the state. In states with managed care programs, different populations may be included in managed care on a voluntary or mandatory basis. In mandatory programs, if a Medicaid enrollee does not choose a particular managed care plan, the enrollment facilitator may auto-assign the enrollee into a managed care plan based on the enrollee's location and ongoing provider relationships. Managed care plans are not permitted to market their plans or enroll members directly, though many do community outreach and education.

Four Profiles – People with Medicaid

- **Steve** is a 34-year old man with a physical disability that limits his mobility. His state's Medicaid program provides him with support from a paid caregiver who assists him with eating, bathing and dressing; a wheelchair, and non-emergency medical transportation to doctor's appointments. Thanks to Medicaid, he can live independently in his home instead of in a long-term care facility.
- **Stella** is a thriving six-year old enrolled in Medicaid. Her state's program includes an *Early and Periodic Screening, Diagnostic, and Treatment (EPSDT)* benefit of comprehensive and preventive health care services for children under age 21. Her Medicaid coverage ensures that she will continue to meet developmental milestones and be able to make the most of school.
- **Fred** is 47 and works part-time in construction. Over the past few years, he developed diabetes and bursitis. His income is higher than limits for traditional Medicaid, but his state expanded Medicaid in 2014. Medicaid covers his doctor visits, diabetic testing strips, and medications to keep his diabetes and bursitis under control so he can continue to work and support his family.
- **Ada** is 94 and served in the Army in World War II. She has several chronic conditions and memory impairments. She is enrolled in both Medicare and Medicaid. Her Medicare covers most medical services and prescription drugs, while her Medicaid covers her long-term care in a nursing home.

For more information on Medicaid, please refer to other briefs in AHIP's Medicaid 101 series

- [Medicaid 101 — Program Overview](#)
- [Medicaid Managed Care](#)
- [Medicaid Administration and Financing](#)
- [Medicaid Prescription Drug Coverage](#)
- [Children's Health Insurance Program \(CHIP\)](#)
- [Long Term Services and Supports \(LTSS\) in Medicaid](#)