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Services
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Medicaid 101

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Introduction to Medicaid

- Medicaid is a federal-state partnership providing comprehensive health coverage for eligible populations, including:
 - Low-income children and families
 - Seniors
 - People with disabilities
 - Pregnant women
- Medicaid is the largest health insurance program in the U.S., serving ~80 million individuals in 2024
- The Affordable Care Act (ACA) allows states to expand coverage to include non-elderly, childless adults with incomes up to 138% FPL; 41 states and the District of Columbia have adopted the ACA expansion

How Medicaid is Administered

- States administer their Medicaid programs within broad federal guidelines set by the Centers for Medicare & Medicaid Services (CMS)
- Each state operates under a CMS-approved State Plan, which describes how the state administers its Medicaid program, including:
 - Covered individuals
 - Services provided
 - Provider reimbursement methodologies
 - Administrative activities

Medicaid Covered Services

- Each state determines the benefits covered under Medicaid. Federal law mandates certain mandatory benefits, while states can offer additional optional benefits

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| Inpatient hospital services | Laboratory and X-ray services |
| Outpatient hospital services | Nurse midwife services |
| EPSDT: Early and periodic screening, diagnostic, and treatment services | Certified pediatric and family nurse practitioner services |
| Nursing facility services | Freestanding birth center services |
| Home health services | Tobacco cessation counseling for pregnant women |
| Physician services | Rural health clinic & federally qualified health center services |
| <u>Mandatory & optional Medicaid benefits</u> | |

Medicaid Financing

- The Federal Medical Assistance Percentage (FMAP) determines the federal government's share of Medicaid costs, calculated using a formula based on state per capita income compared to the national average
- The federal government reimburses a significant portion of states' Medicaid expenses, with separate matching rates for services and administrative costs
 - Services: FMAP avg. 57% (varies from 50% to 83% depending upon a state's per capita income)
 - Administrative costs: FMAP varies from 50% to 100%, depending on the administrative activity