

## Medicaid Expansion: A Critical Lifeline for Latinos

For more than 50 years, the Medicaid program has been a critical part of our health care system, serving as our nation’s single largest source of health coverage. The Affordable Care Act (ACA) even allowed states to expand eligibility for their Medicaid programs and cover more low-income adults. The following gives an overview of the ACA's Medicaid expansion provision and highlights state-specific Latino coverage gains. However, these gains are threatened by efforts to repeal the ACA and attempts to strip funding for Medicaid from the federal budget.

### What is Medicaid Expansion?

The original design of the ACA required states to expand their Medicaid programs to serve individuals younger than 65 with incomes below 138% of the federal poverty level who met certain qualifications.<sup>1</sup> The Supreme Court’s 2012 ruling on the constitutionality of the ACA upheld Medicaid expansion but limited the ability of the U.S. Department of Health and Human Services (HHS) to enforce it.<sup>2</sup> As such, states have the option to reject the federal funding for Medicaid expansion and deny potentially eligible residents affordable coverage under the ACA.<sup>3</sup>

### Who Benefits from Medicaid Expansion?

Eleven million low-income adults, including an estimated three million Latinos, have gained Medicaid coverage in the 31 states, plus DC, where officials elected to expand their programs.<sup>4</sup> Latinos tend to work in low-wage, part-time, or hourly sectors of the economy that are less likely to provide job-based insurance, which has made expansion a critical lifeline for the community.<sup>5</sup> In the top four states with the greatest share of Latinos gaining coverage via Medicaid expansion—California, New Mexico, Arizona, and Nevada—Latinos accounted for at least 40% of the newly eligible Medicaid expansion population (see Figure 1).

**Figure 1: Approximate Hispanic Share of Newly-Eligible Medicaid Expansion Enrollees<sup>6</sup>**

	<b>Newly Eligible Medicaid Expansion Group</b>	<b>Hispanic Share of the Newly Eligible Medicaid Expansion Group*</b>
<b>California</b>	3,535,354	50%
<b>New Mexica</b>	243,110	50%
<b>Arizona</b>	109,603	46%
<b>Nevada</b>	203,929	40%
<b>New York</b>	259,461	29%
<b>Colorado</b>	423,462	28%
<b>Illinois</b>	635,774	25%
<b>Oregon</b>	478,568	25%
<b>New Jersey</b>	536,741	25%
<b>Pennsylvania</b>	664,051	19%

\* Figures are estimates based on a two-year average of U.S. Census Bureau’s 2015-2016 Current Population Survey ASEC and covers Medicaid recipients ages 19-64 living in Medicaid expansion states who are members of tax units with adjusted gross income below 138% of the HHS poverty guideline, omitting persons eligible under pre-ACA rules.

## How is Medicaid Expansion Under Threat?

The latest attempt to repeal the ACA includes \$834 billion in federal funding cuts to state Medicaid programs, including repeal of federal funding for Medicaid expansion. President Trump's FY18 budget proposes an additional \$616 billion in reduced federal funding over 10 years. Both would decimate Medicaid and undermine access to basic health care services for the most vulnerable Americans. Medicaid expansion has given more hard-working Americans the opportunity for health coverage and it is critical that both the traditional Medicaid program and the expansion provision are maintained and strengthened.

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All sources accessed June 2017.

<sup>1</sup> Sara Rosenbaum and Timothy Westmoreland, "The Supreme Court's Surprising Decision on the Medicaid Expansion: How Will the Federal Government and States Proceed?," *Health Affairs* 31 (August 2012): 1663-1672.

<sup>2</sup> MaryBeth Musumeci, "A Guide to the Supreme Court's Decision on the ACA's Medicaid Expansion," (Menlo Park, CA: Kaiser Family Foundation, 2012) <http://www.kff.org/health-reform/issue-brief/a-guide-to-the-supreme-courts-decision/>

<sup>3</sup> Sara Rosenbaum and Timothy Westmoreland, "The Supreme Court's Surprising Decision on the Medicaid Expansion."

<sup>4</sup> Center on Budget and Policy Priorities, "Latinos and Programs That Fight Poverty: In the 50 States and District of Columbia" (data report, Center on Budget and Policy Priorities, 2017).

<sup>5</sup> The Center for Construction Research and Training, *Hispanic Workers in Construction and Other Industries* (Silver Spring, MD: The Center for Construction Research and Training, 2013)

<http://www.cpwr.com/sites/default/files/publications/5th%20Edition%20Chart%20Book%20Final.pdf>; and U.S. Census Bureau, "Health Insurance Coverage Status and Type of Coverage by Selected Characteristics," *Current Population Survey*. Washington, DC, 2016, <https://www.census.gov/data/tables/time-series/demo/income-poverty/cps-hi/hi-01.html>, Table HI-01.

<sup>6</sup> National Council of La Raza analysis of U.S. Census Bureau, "2015-2016 Annual Social and Economic Supplement," *Current Population Survey*. Washington, DC, 2016, <https://www.census.gov/programs-surveys/cps/data-detail.html> with assistance from the Center on Budget and Policy Priorities; and Centers for Medicare and Medicaid Services, *Total Medicaid Enrollees – VIII Group Break Out Report* (Washington, DC: U.S. Department of Health and Human Services, 2016) <https://www.medicare.gov/medicaid/program-information/downloads/cms-64-enrollment-report-jan-mar-2016.pdf>.