

RELEASE: March 14, 2014

Contact: Kathryn Ceja
kathryn.ceja@macpac.gov or
(202) 350-2033

MACPAC Releases March 2014 Report to the Congress

Congressional commission says stable coverage important for Medicaid and CHIP enrollees

The Congressional advisory panel charged with analyzing Medicaid and the State Children's Health Insurance Program (CHIP) today called on Congress to take additional steps to ensure that low-income Americans have a steady source of health care coverage, and smooth transitions between sources of coverage as income and family circumstances change.

The recommendations were released as part of the Medicaid and CHIP Payment and Access Commission's (MACPAC) March 2014 Report to the Congress on Medicaid and CHIP. The March report is the first of two in-depth analyses MACPAC publishes annually examining current issues in the two programs that serve low-income children, seniors, and people with disabilities, among others, who have some of the greatest health care needs and challenges. Together, Medicaid and CHIP reach about a quarter of the U.S. population and account for about 15 percent of total U.S. health care spending.

"Assuring a stable source of health care coverage over the course of a year is essential to connecting people to the care they need," said MACPAC Chair Diane Rowland, Sc.D. "Enrollees benefit because they are more likely to get the preventive and primary care that can avert more serious illness and prevent disabling conditions down the road, and states can benefit from less administrative hassle and better managed costs."

There is substantial income volatility in the low-income population. MACPAC's analysis found that about one quarter (23 percent) of adults whose income is below 138 percent of the poverty level have incomes that rise above the Medicaid eligibility level within four months, but that a third of this

group falls back below the limit by the end of the year. In order to minimize the risk of losing coverage, Commissioners recommended that the Congress allow states, at their option, to extend continuous Medicaid eligibility to adults for an entire year. The Commission also recommended extending the current transitional medical assistance program, which enables poor parents to move into the workforce without immediately losing Medicaid. Together these recommendations broaden state flexibility to promote stable coverage.

The March report addresses aligning pregnancy coverage within state Medicaid and exchange coverage. “It’s especially critical that pregnant women have a stable source of health insurance so both mother and child can count on the full range of medical care during pregnancy and after the baby comes into the world,” said MACPAC Vice Chair David Sundwall, M.D., a practicing primary care physician.

The Commission launches an in-depth discussion on the future of CHIP in the March report. “With CHIP’s current funding running out after FY 2015, the Commission saw an opportunity to consider a long-term vision for children’s health coverage,” said MACPAC Executive Director Anne L. Schwartz, Ph.D. The report also looks at the impact of Affordable Care Act eligibility verification requirements and supplemental payments to hospitals and nursing homes, and contains new data on access to care in its standing statistical supplement, MACStats.

MACPAC is a nonpartisan analytic commission charged by statute with providing nonpartisan policy and data analysis to the Congress and making recommendations to the Congress, the Secretary of the U.S. Department of Health and Human Services, and the states on a wide range of issues affecting these programs.

To read MACPAC’s March 2014 Report to the Congress online, please visit:

<http://www.macpac.gov/reports>

####