

Maintaining Medicaid & CHIP in an Economic Downturn: The View from Maryland

AcademyHealth Meeting

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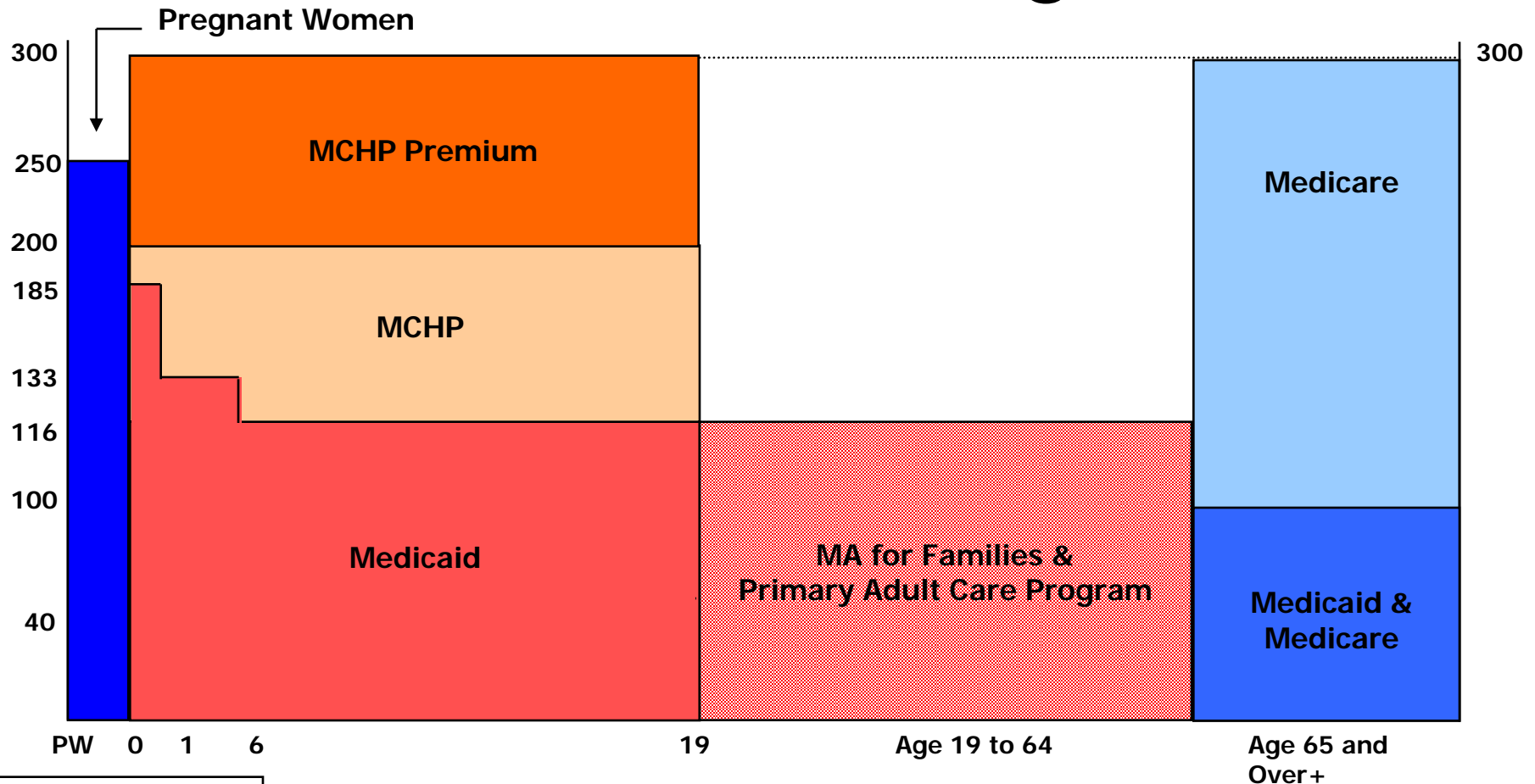
Secretary, DHMH



Working Families and Small Business Health Coverage Act (SB6)

- Medicaid Expansion
 - Parents to 116% of FPL (\$21,000 for family of 3)
 - Gradually expand PAC program for childless adults (\$12,500)
 - Can limit enrollment and/or benefits
 - Pay as you go
 - Changes in enrollment will effect ARRA additional reimbursement
 - 44,000 parents and caretaker relatives enrolled since July 1, 2008
- Small Business
 - Subsidy
 - 2-9 employees, \$50,000 average wage, not offering for 12 months
 - 50% of premium to employer and employee
 - Wellness benefit and § 125 plan requirements
 - Capped program at \$15 million
 - Wellness benefit available to all small businesses
 - 190 small businesses covering 900 individuals enrolled since October 1, 2008
- Funded through non-general fund sources through FY2010

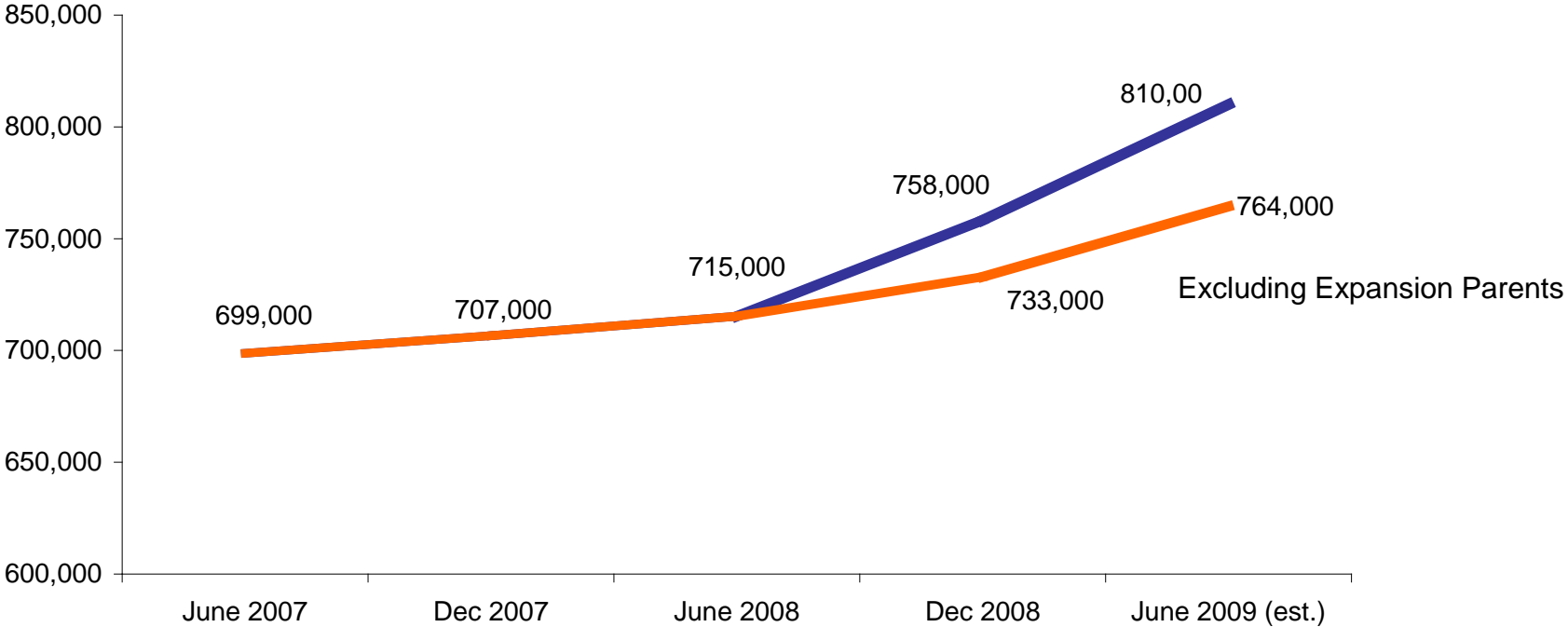
Public Coverage



Poverty Level:
 1 person = \$10,830
 2 persons = \$14,570
 3 persons = \$18,310
 4 persons = \$22,050
 As of 1/23/2009

Note: This chart is for illustrative purposes only. Each coverage group has specific eligibility and some asset requirements, which are not shown.

Enrollment – Medicaid & MCHP



MD Medicaid ARRA Funding

Time Period	Federal Matching Rate	Additional Federal Amount
Prior to 10/08	50%	N/A
10/08 – 12/08	58.78%	\$137 M
1/09 – 3/09	58.78%	\$141 M
4/09 – 6/09	60.19%	\$169 M (est.)
7/09 – 6/10	61.59%	\$827 M (est.)
7/10 – 12/10	?	?

Budget Reductions

- FY09 – Medicaid reductions = \$89M
- FY10 – Medicaid reductions = \$234M –
to date
- ARRA Constraints
 - No cuts to eligibility – What’s left?
 - Good news/bad news with higher FFP
 - More federal dollars
 - Cuts to Medicaid generate less State savings