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Expanding Medicaid under Health Reform: A Look at Adults at or below 133% of Poverty

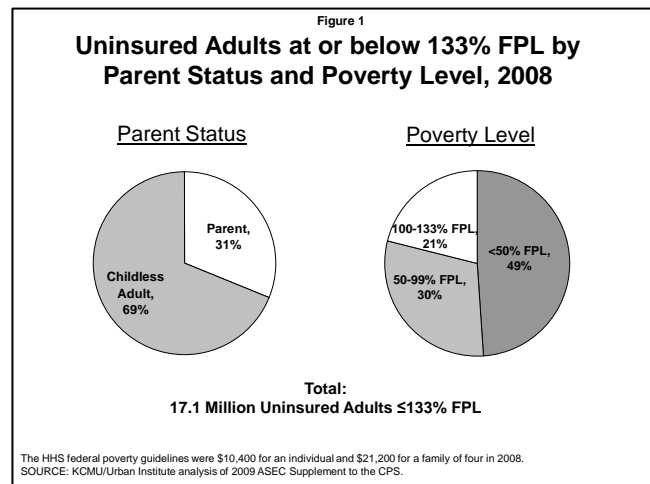
The Patient Protection and Affordable Care Act signed into law in March 2010 will expand the Medicaid program to cover all of the lowest-income Americans, many of whom are now ineligible for this coverage. This change will primarily extend coverage to adults who are currently ineligible for Medicaid, since all states already provide public coverage to the lowest income children through Medicaid and the Children’s Health Insurance Program (CHIP). Starting in 2014, the health reform law will expand Medicaid to 133% of the federal poverty level (133% of the federal poverty line was \$14,404 for an individual or \$29,327 for a family of four in 2009). This expansion establishes a national foundation of coverage based on income and ends the historic exclusion of individuals from Medicaid coverage based on family status, which was a lingering vestige of the program’s early ties to welfare.

This brief provides data on the key characteristics of the 17.1 million nonelderly uninsured adults who currently have incomes that will qualify them for Medicaid under this expansion. This analysis does not take into account immigration status, so some of the adults included in our analysis will not gain Medicaid eligibility either because they are undocumented immigrants or because they have not legally been in the U.S. for five years.¹ Additionally, some of these adults may already be eligible for Medicaid.

Adults whose incomes will make them eligible for Medicaid under health reform comprise 37% of all the uninsured in the United States. The majority of these uninsured adults do not have dependent children and about half have family incomes below 50% of the federal poverty line (FPL). Uninsured adults at or below 133% FPL are at an increased risk of having problems accessing care compared to their counterparts on Medicaid, and about one-third of uninsured adults in this income group have been diagnosed with a chronic condition.

Who are the uninsured adults at or below 133% FPL who will be covered by this Medicaid expansion?

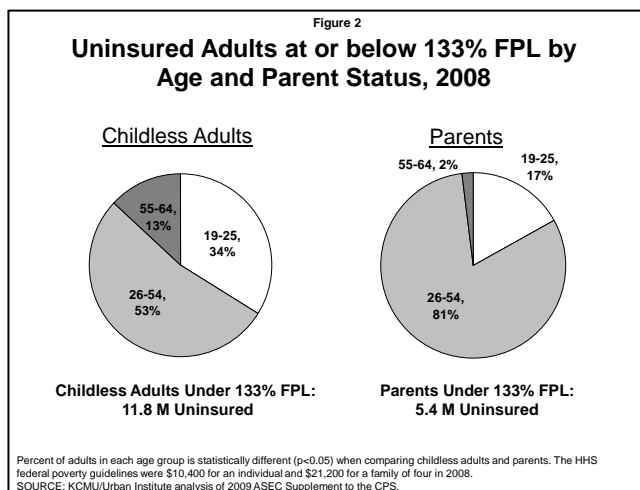
Most of the 17.1 million uninsured adults at or below 133% FPL do not have dependent children and are very poor—about half have family incomes below 50% FPL (Figure 1). Adults with family incomes below 50% FPL (\$5,415 for an individual or \$11,025 for a family of four in 2009) have very limited access to private coverage. Even if these adults could afford the premiums for private coverage, the co-payments and deductibles found in most



¹ States have the option to provide Medicaid coverage to immigrant children and pregnant women who have legally been in the United States for less than five years.

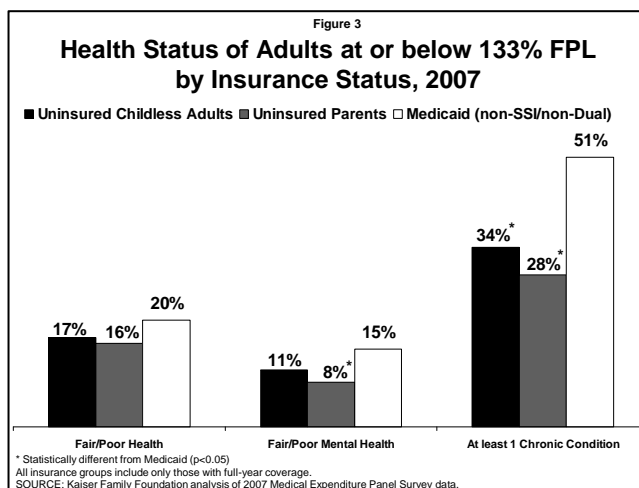
private insurance plans would likely be unaffordable. The uninsured childless adults at or below 133% FPL are significantly more likely to be below 50% FPL than their counterparts who are parents, which is due to higher rates of Medicaid coverage among the lowest income parents. More than half (57%) of these uninsured childless adults have family income below 50% FPL compared to 32% of parents.

Adults age 25 and younger comprise a minority of uninsured adults at or below 133% FPL (Figure 2). Most uninsured adults in this income group are between ages 26-54. Uninsured parents are predominantly in this age range, with 81% of these adults falling in the 26-54 year-old age group. Uninsured childless adults span a broader age spectrum and are more likely to be either on the younger end of the age spectrum (34% are age 19-25) or to be older adults (13% are age 55-64) compared to parents. The uninsured adults ages 55-64 are particularly vulnerable when uninsured, since they are at an increased risk of serious health problems.



Some uninsured adults age 19-25 may qualify to remain on a parent’s private health insurance policy under the health reform law. These individuals may choose to retain the health insurance they had when they were dependent children even after they become eligible for Medicaid in 2014. This extension of dependent coverage will start to become available in September 2010. The regulations regarding exactly who will be eligible to participate in this dependent coverage expansion have not been released, but this option only applies to young adults with a parent who has private coverage.²

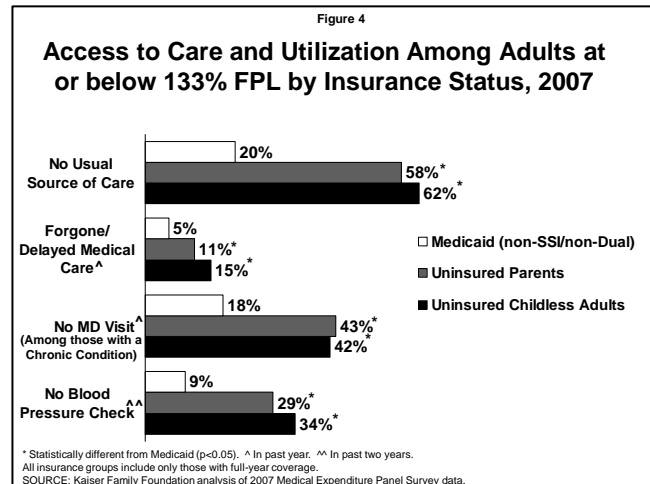
Many uninsured adults in this income group face health problems that may worsen due to their lack of coverage. About one-in-six of these uninsured adults is in fair or poor health and about one-third have a diagnosed chronic condition (Figure 3). While fewer uninsured adults at or below 133% FPL have been diagnosed with a chronic condition compared to those on Medicaid, that difference may be due to higher rates of undiagnosed chronic conditions among the uninsured.



² Kaiser Commission on Medicaid and the Uninsured. “Explaining Health Care Reform: Questions About the Extension of Dependent Coverage to Age 26.” April 2010 (#8065).

Uninsured adults at or below 133% FPL have significantly worse access to care and receive less preventive care than their counterparts with Medicaid (Figure 4).

Uninsured parents and uninsured childless adults at or below 133% FPL have similar levels of access problems, and these problems could potentially put their health at risk. About 60% of these uninsured adults have no usual source of care, which can make it more difficult for them to access care when needed and may make it less likely that they will receive preventive care. About one-third of these adults have not had their blood pressure checked in the past two years, even though this low-cost screening can detect hypertension before it leads to disability or death. Similar results were found for other types of preventive care (see Appendix). Among those with a chronic condition, more than four-in-ten uninsured adults at or below 133% FPL did not have a doctor's office visit in the past year.



Policy Implications

The uninsured adults with incomes at or below 133% FPL are a diverse group but include many poor and sick individuals for whom public and private coverage is currently often unavailable. These uninsured adults are at an increased risk of going without needed medical care and often lack even basic preventive screenings. Given the health problems these adults face and their current lack of basic medical care, it will be important for the Medicaid program to provide outreach to enable them to access needed care once they are enrolled.

The health reform law takes the key step of eliminating the historical exclusion of adults without dependent children from Medicaid. In addition, establishing a floor of Medicaid eligibility based on income will reduce long-standing disparities across states in the reach of public coverage, build on Medicaid's role as a cost-effective source of health coverage for those with low-incomes who cannot afford or obtain private coverage, and facilitate preventive and coordinated care for millions of uninsured Americans.

This Kaiser Commission on Medicaid and the Uninsured policy brief was prepared by Karyn Schwartz and Anthony Damico of the Kaiser Family Foundation.

**Appendix
Uninsured Adults at or below 133% FPL, 2008**

	All Adults ≤133% FPL (millions)	Percent of All Adults ≤133% FPL	Uninsured Adults ≤133% FPL (millions)	Percent of Uninsured Adults ≤133% FPL	Uninsured Rate for Adults ≤133% FPL
Total - Adults ≤ 133% FPL	39.1	100.0%	17.1	100.0%	44%
Family Poverty Level¹					
<50%	16.0	41%	8.4	49%	52%
50%-99%	13.6	35%	5.2	30%	38%
100-133%	9.5	24%	3.6	21%	38%
Family Work Status					
2 full-time workers	0.9	2%	0.4	3%	48%
1 full-time worker	13.2	34%	6.7	39%	50%
Part-time worker	8.2	21%	3.7	22%	46%
Non-Workers	16.9	43%	6.3	37%	37%
Education					
Less than high school	10.6	27%	5.3	31%	50%
High school graduate	14.3	37%	6.6	38%	46%
Some college/Assoc. degree	10.2	26%	3.9	23%	38%
College grad or greater	3.9	10%	1.4	8%	35%
Gender					
Male	18.2	47%	9.0	52%	49%
Female	20.9	53%	8.2	48%	39%
Age					
Age 19-25	11.6	30%	4.9	29%	43%
Age 26-34	8.6	22%	4.4	26%	52%
Age 35-54	13.8	35%	6.1	36%	44%
Age 55-64	5.2	13%	1.6	9%	31%
Marital Status					
Married adults	10.6	27%	4.5	26%	42%
Not married	28.5	73%	12.6	74%	44%
Region					
South	11.4	29%	5.9	34%	52%
East	9.5	24%	3.4	20%	35%
Midwest	8.5	22%	3.3	19%	39%
Mountain/Pacific	9.7	25%	4.6	27%	47%
Race/Ethnicity					
White only (non-Hispanic)	19.2	49%	7.3	42%	38%
Black only (non-Hispanic)	7.6	19%	3.1	18%	40%
Hispanic	9.5	24%	5.6	33%	59%
Asian/S. Pacific Islander	1.8	5%	0.8	5%	43%
Am. Indian/Alaska Native	0.4	1%	0.2	1%	46%
Two or More Races	0.5	1%	0.2	1%	41%

¹ The HHS federal poverty guidelines were \$10,400 for an individual and \$21,200 for a family of four in 2008. The term family as used in family poverty level is defined as a health insurance unit.

Source: Kaiser Commission on Medicaid and the Uninsured and Urban Institute analysis of the 2009 ASEC Supplement to the CPS

**Appendix
Uninsured Childless Adults at or below 133% FPL, 2008**

	All Childless Adults ≤133% FPL (millions)	Percent of All Childless Adults ≤133% FPL	Uninsured Childless Adults ≤133% FPL (millions)	Percent of Uninsured Childless Adults ≤133% FPL	Uninsured Rate for Childless Adults ≤133% FPL
Total - Childless Adults ≤ 133% FPL	26.0	100.0%	11.8	100.0%	45%
Family Poverty Level¹					
<50%	11.9	46%	6.7	57%	56%
50%-99%	8.6	33%	3.1	26%	36%
100-133%	5.5	21%	2.0	17%	37%
Family Work Status					
2 full-time workers	0.2	1%	0.1	1%	52%
1 full-time worker	6.4	25%	3.6	31%	56%
Part-time worker	5.8	22%	2.8	24%	49%
Non-Workers	13.6	52%	5.3	45%	39%
Education					
Less than high school	6.4	25%	3.2	27%	50%
High school graduate	9.5	36%	4.6	39%	48%
Some college/Assoc. degree	7.2	28%	2.9	25%	41%
College grad or greater	3.0	11%	1.0	9%	35%
Gender					
Male	14.2	55%	7.1	61%	50%
Female	11.8	45%	4.6	39%	39%
Age					
Age 19-25	9.1	35%	4.0	34%	44%
Age 26-34	4.2	16%	2.5	21%	60%
Age 35-54	7.9	30%	3.7	32%	47%
Age 55-64	4.8	18%	1.5	13%	31%
Marital Status					
Married adults	3.8	15%	1.5	13%	40%
Not married	22.2	85%	10.2	87%	46%
Region					
South	7.5	29%	3.8	32%	51%
East	6.6	25%	2.4	21%	37%
Midwest	5.7	22%	2.4	20%	42%
Mountain/Pacific	6.3	24%	3.2	27%	51%
Race/Ethnicity					
White only (non-Hispanic)	14.1	54%	5.6	47%	40%
Black only (non-Hispanic)	5.0	19%	2.2	19%	44%
Hispanic	5.0	19%	3.1	26%	62%
Asian/S. Pacific Islander	1.3	5%	0.6	5%	45%
Am. Indian/Alaska Native	0.3	1%	0.1	1%	53%
Two or More Races	0.4	1%	0.2	1%	42%

¹ The HHS federal poverty guidelines were \$10,400 for an individual and \$21,200 for a family of four in 2008. The term family as used in family poverty level is defined as a health insurance unit.

Source: Kaiser Commission on Medicaid and the Uninsured and Urban Institute analysis of the 2009 ASEC Supplement to the CPS

**Appendix
Uninsured Parents at or below 133% FPL, 2008**

	All Parents ≤133% FPL (millions)	Percent of All Parents ≤133% FPL	Uninsured Parents ≤133% FPL (millions)	Percent of Uninsured Parents ≤133% FPL	Uninsured Rate for Parents ≤133% FPL
Total - Parents ≤ 133% FPL	13.1	100.0%	5.4	100.0%	41%
Family Poverty Level¹					
<50%	4.1	31%	1.7	32%	41%
50%-99%	5.0	38%	2.1	39%	42%
100-133%	4.0	30%	1.5	29%	39%
Family Work Status					
2 full-time workers	0.7	5%	0.3	6%	47%
1 full-time worker	6.8	52%	3.1	57%	45%
Part-time worker	2.4	18%	0.9	17%	39%
Non-Workers	3.2	25%	1.0	20%	32%
Education					
Less than high school	4.2	32%	2.1	38%	49%
High school graduate	4.9	37%	2.0	37%	41%
Some college/Assoc. degree	3.1	23%	1.0	18%	32%
College grad or greater	1.0	7%	0.3	6%	33%
Gender					
Male	4.0	30%	1.8	34%	46%
Female	9.1	70%	3.5	66%	39%
Age					
Age 19-25	2.4	19%	0.9	17%	37%
Age 26-34	4.4	34%	1.9	36%	44%
Age 35-54	5.9	45%	2.4	45%	41%
Age 55-64	0.4	3%	0.1	2%	31%
Marital Status					
Married adults	6.8	52%	3.0	56%	44%
Not married	6.3	48%	2.4	44%	38%
Region					
South	3.9	30%	2.1	39%	54%
East	2.9	22%	0.9	17%	32%
Midwest	2.8	21%	0.9	17%	33%
Mountain/Pacific	3.5	26%	1.4	26%	41%
Race/Ethnicity					
White only (non-Hispanic)	5.2	39%	1.7	32%	33%
Black only (non-Hispanic)	2.6	20%	0.9	16%	34%
Hispanic	4.5	34%	2.5	46%	55%
Asian/S. Pacific Islander	0.6	4%	0.2	4%	37%
Am. Indian/Alaska Native	0.2	1%	0.1	1%	35%
Two or More Races	0.2	1%	0.1	1%	37%

¹ The HHS federal poverty guidelines were \$10,400 for an individual and \$21,200 for a family of four in 2008. The term family as used in family poverty level is defined as a health insurance unit.

Source: Kaiser Commission on Medicaid and the Uninsured and Urban Institute analysis of the 2009 ASEC Supplement to the CPS

Appendix
Health Status, Access to Care and Utilization for Adults (19-64) at or below 133% FPL
by Insurance Status and Parent Status, 2007

Health Status	Medicaid (non-SSI, non-dual) at or below 133%		Uninsured at or below 133%		vs. Medicaid	Uninsured Parents at or below 133%		vs. Medicaid	Uninsured Childless Adults at or below 133%		vs. Medicaid
	Population 4,378,994	% 100.0%	Population 13,877,185	% 100.0%		Population 4,918,518	% 100.0%		Population 8,958,666	% 100.0%	
Health Status											
General Health: % in Fair/Poor Health	868,266	20.0%	2,217,942	16.3%		770,938	15.7%		1,447,004	16.7%	
Mental Health: % in Fair/Poor Health	632,949	14.6%	1,339,578	9.8%	*	412,304	8.4%	*	927,274	10.7%	
% with zero Chronic Conditions	2,163,566	49.4%	9,462,890	68.2%	*	3,518,581	71.5%	*	5,944,309	66.4%	*
% with at least 1 Chronic Condition	2,215,429	50.6%	4,414,295	31.8%	*	1,399,937	28.5%	*	3,014,357	33.6%	*
% with only 1 Chronic Condition	833,613	19.0%	2,517,076	18.1%		852,000	17.3%		1,665,076	18.6%	
% with 2 or more Chronic Conditions	1,381,815	31.6%	1,897,219	13.7%	*	547,938	11.1%	*	1,349,281	15.1%	*
% with Mental Chronic Condition only	355,647	8.1%	988,078	7.1%		323,467	6.6%		664,611	7.4%	
% with both Mental and Physical Chronic Conditions	632,399	14.4%	657,833	4.7%	*	176,542	3.6%	*	481,290	5.4%	*
% Limited or Unable to Work	544,188	12.4%	873,953	6.3%	*	181,868	3.7%	*	692,086	7.7%	*
Access to Care											
No Usual Source of Care	887,037	20.4%	8,078,295	60.5%	*	2,807,554	58.0%	*	5,270,741	62.0%	*
No Doctor Visit	1,515,049	34.6%	9,669,565	69.7%	*	3,224,387	65.6%	*	6,445,178	71.9%	*
Unable to Receive/ Delayed Getting Medical Care	229,923	5.3%	1,835,257	13.5%	*	543,617	11.1%	*	1,291,640	14.8%	*
Unable to Receive/ Delayed Getting Rx	191,044	4.4%	1,188,189	8.7%	*	272,801	5.6%	*	915,387	10.5%	*
Access to Care among people with 1+ Chronic Conditions											
No Usual Source of Care	348,818	15.9%	2,086,342	48.0%	*	692,666	49.5%	*	1,393,676	47.3%	*
No Doctor Visit	390,890	17.6%	1,862,959	42.2%	*	604,196	43.2%	*	1,258,763	41.8%	*
Unable/Delayed Getting Medical Care	166,075	7.5%	1,033,394	23.6%	*	257,036	18.4%	*	776,358	26.1%	*
Unable/Delayed Getting Rx	133,496	6.0%	873,416	20.0%	*	204,710	14.7%	*	668,706	22.5%	*
Prevalence Rates											
Cancers, Leukemias, Other Malignancies	104,792	2.4%	135,715	1.0%		59,471	1.2%		76,244	0.9%	
Diabetes Mellitus	423,348	9.7%	524,126	3.8%	*	231,367	4.7%	*	292,759	3.3%	*
Heart Conditions	172,364	3.9%	242,075	1.7%	*	42,033	0.9%	*	200,042	2.2%	*
Hypertension	685,263	15.6%	1,051,090	7.6%	*	346,861	7.1%	*	704,229	7.9%	*
Hyperlipidemias	377,009	8.6%	526,491	3.8%	*	130,821	2.7%	*	395,670	4.4%	*
Chronic Pulmonary Conditions	377,665	8.6%	549,113	4.0%	*	150,304	3.1%	*	398,809	4.5%	*
Kidney Disorders	31,460	0.7%	15,449	0.1%	*	4,633	0.1%	*	10,816	0.1%	*
Vertebral Disc Problems	100,023	2.3%	312,883	2.3%		122,543	2.5%		190,340	2.1%	
Psychoses	177,887	4.1%	149,662	1.1%	*	67,849	1.4%	*	81,813	0.9%	*
Depression	715,647	16.3%	1,109,038	8.0%	*	266,661	5.4%	*	842,378	9.4%	*
Use of Medical Care											
No Medical Care in 2007	805,356	18.4%	7,032,043	50.7%	*	2,240,986	45.6%	*	4,791,057	53.5%	*
Check-up in past 2 years	3,200,336	76.4%	5,974,150	46.8%	*	2,276,690	48.4%	*	3,697,460	45.9%	*
BP Check in past 2 years	3,840,107	91.4%	8,635,636	67.8%	*	3,329,466	71.1%	*	5,306,170	66.0%	*
Cholesterol Check in past 2 yrs (35+ M / 45+ F)	808,938	74.5%	2,063,767	45.7%	*	561,353	41.4%	*	1,502,414	47.5%	*
Pap Smear in past 3 years (all Females)	2,724,571	89.7%	3,775,600	65.4%	*	2,187,086	77.6%	*	1,588,514	53.7%	*
Mammogram in past 2 years (Female 50+ yrs)	234,829	71.7%	525,226	44.5%	*	108,945	58.9%	*	416,280	41.8%	*

* Statistically significant difference from Medicaid (p<0.05).

Note: All insurance categories are for full-year coverage. Individuals with part-year coverage were not included in this analysis.

Source: KFF analysis of 2007 Medical Expenditure Panel Survey Data

This publication (#8052-02) is available on the Kaiser Family Foundation's website at www.kff.org.