



Medicaid

Medicaid, which is jointly financed by federal and state governments, is the main source of health insurance coverage for Americans who have very low income. States administer their Medicaid programs under federal guidelines that mandate a minimum set of services that must be provided to certain categories of low-income people. On average, the federal government pays for about 65 percent of Medicaid services, depending on the year. State Medicaid programs cover a comprehensive set of services, including hospital care (both inpatient and outpatient), physicians' services, nursing home care, home health care, and certain additional services for children. States have the authority to cover other services and populations and have used that authority extensively. Moreover, many states seek and receive waivers of federal statutory limitations that allow them to provide benefits and cover groups that would otherwise be excluded.

Medicaid

	Actual, 2023*	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2025- 2029	2025- 2034
BUDGET INFORMATION														
Billions of dollars, by fiscal year														
Estimated Outlays^a	616	607	600	614	642	680	717	756	796	838	886	933	3,254	7,462
Components of the Medicaid Program														
Benefits														
Acute care														
Fee for service	130	120	116	118	122	130	138	146	154	163	174	184	623	1,444
Managed care	282	281	280	288	300	317	334	353	373	394	420	443	1,519	3,502
Medicare premiums	16	15	16	18	20	22	23	25	27	29	32	34	99	247
Long-term care														
Institutional care	63	63	63	63	65	68	70	73	74	76	78	80	329	710
Home- and community-based care	<u>88</u>	<u>90</u>	<u>90</u>	<u>92</u>	<u>96</u>	<u>102</u>	<u>108</u>	<u>113</u>	<u>118</u>	<u>124</u>	<u>129</u>	<u>135</u>	488	1,107
Subtotal	579	569	565	578	604	639	673	710	747	787	833	877	3,058	7,010
Disproportionate Share Hospitals	11	11	8	8	8	10	11	12	13	13	13	14	45	109
Vaccines for Children	5	5	6	6	6	7	7	7	8	8	9	9	31	73
Administration	21	21	22	23	24	25	26	27	28	30	31	33	120	269
PARTICIPATION AND BENEFIT INFORMATION														
Federal Benefit Payments by Eligibility Category														
Aged	115	121	124	128	136	145	153	162	169	178	186	195	687	1,576
Blind and Disabled	182	196	196	198	206	216	227	238	249	261	274	288	1,043	2,354
Children	74	70	70	71	74	77	80	84	88	93	101	107	372	844
Adults—Traditional eligibility categories	77	69	65	67	69	73	77	81	85	90	95	101	351	803
Adults—Made eligible by the ACA	<u>131</u>	<u>114</u>	<u>110</u>	<u>113</u>	<u>119</u>	<u>127</u>	<u>136</u>	<u>145</u>	<u>155</u>	<u>165</u>	<u>176</u>	<u>187</u>	605	1,433
Total	579	569	565	578	604	639	673	710	747	787	833	877	3,058	7,010
Average Monthly Enrollment by Eligibility Category (Millions of people)^b														
Aged	8	7	7	8	8	8	9	9	9	9	9	9	n.a.	n.a.
Blind and Disabled	10	9	9	9	10	10	10	10	10	10	10	10	n.a.	n.a.
Children	37	33	31	31	31	31	31	31	31	31	32	32	n.a.	n.a.
Adults—Traditional eligibility categories	23	19	18	18	18	18	18	18	18	18	18	18	n.a.	n.a.
Adults—Made eligible by the ACA	<u>20</u>	<u>15</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>	n.a.	n.a.
Total	97	83	79	80	81	81	81	82	82	83	84	85	n.a.	n.a.

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	Actual, 2023*	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2025- 2029	2025- 2034
Memorandum:														
Total Enrolled Within a Fiscal Year	117	100	96	97	98	98	98	98	99	99	101	102	n.a	n.a
Average Federal Spending on Benefit Payments per Enrollee (Dollars)^c														
Aged	14,930	16,810	16,830	16,630	16,720	17,280	17,910	18,570	19,200	19,880	20,610	21,350	n.a	n.a
Blind and Disabled	18,630	20,960	21,200	21,210	21,520	22,290	23,220	24,190	25,170	26,220	27,340	28,550	n.a	n.a
Children	2,010	2,150	2,240	2,280	2,360	2,470	2,590	2,720	2,860	3,000	3,140	3,300	n.a	n.a
Adults—Traditional eligibility categories	3,310	3,630	3,700	3,750	3,870	4,060	4,280	4,500	4,730	4,980	5,250	5,530	n.a	n.a
Adults—Made eligible by the ACA	6,630	7,630	7,970	8,110	8,400	8,960	9,500	10,050	10,620	11,240	11,890	12,560	n.a	n.a

Components may not sum to totals because of rounding; ACA = Affordable Care Act; n.a. = not applicable.

- a. On average, before fiscal year 2014, federal Medicaid payments represented approximately 57 percent of total Medicaid payments. The ACA, which expanded Medicaid coverage starting in 2014, provides enhanced federal matching rates for services to those made eligible by that act, leading to a federal share for all Medicaid payments of about 65 percent, on average. In addition, for the duration of the coronavirus public health emergency, the Families First Coronavirus Relief Act increased matching rates by 6.2 percentage points for services provided to people who were not made eligible by the ACA. The Consolidated Appropriations Act of 2023 terminated that provision, establishing a gradual phasedown of the increased matching rates beginning in April 2023 through the end of calendar year 2023.
- b. These figures represent the number of beneficiaries with full and partial benefits who are enrolled on an average monthly basis. The total number of people enrolled in Medicaid for any length of time during the fiscal year is shown in the memorandum line.
- c. These figures are based on the annual cost for enrollees who receive any Medicaid benefit—including those who receive only partial Medicaid benefits, such as family planning services or assistance with Medicare cost sharing and premiums.

* On July 2, 2024, CBO updated amounts for "Actual, 2023."