



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													2021-	2021-
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2026	2031
BUDGET INFORMATION														
Billions of dollars, by fiscal year														
Estimated Outlays^a	458	519	545	513	520	542	571	602	636	671	709	748	3,210	6,576
Components of the Medicaid Program														
Benefits														
Acute care														
Fee for service	99	113	115	105	108	112	118	123	129	135	142	148	671	1,349
Managed care	207	234	242	239	248	263	279	298	318	338	360	384	1,505	3,203
Medicare premiums	12	14	15	14	15	16	17	18	20	21	23	25	90	197
Long-term care														
Institutional care	39	43	43	39	39	39	39	40	41	41	42	42	242	448
Home- and community-based care	<u>69</u>	<u>81</u>	<u>94</u>	<u>80</u>	<u>78</u>	<u>79</u>	<u>82</u>	<u>86</u>	<u>90</u>	<u>93</u>	<u>97</u>	<u>101</u>	495	961
Subtotal	426	484	509	476	488	509	536	566	597	629	664	700	3,003	6,158
Disproportionate Share Hospitals	10	11	12	11	5	6	6	6	7	9	11	13	50	96
Vaccines for Children	3	4	5	5	6	6	6	7	7	7	8	8	32	69
Administration	19	19	20	20	21	22	23	24	25	26	27	28	125	253
PARTICIPATION AND BENEFIT INFORMATION														
By fiscal year														
Federal Benefit Payments by Eligibility Category (Billions of dollars)														
Aged	57	67	70	61	60	61	64	66	69	71	74	76	383	740
Blind and Disabled	137	159	166	149	151	155	162	169	177	185	193	202	942	1,869
Children	89	95	100	94	98	101	106	112	118	124	131	138	594	1,218
Adults—Traditional eligibility categories	66	73	77	78	80	85	90	95	100	106	113	120	482	1,016
Adults—Made eligible by the ACA	<u>80</u>	<u>91</u>	<u>94</u>	<u>95</u>	<u>100</u>	<u>106</u>	<u>114</u>	<u>123</u>	<u>133</u>	<u>142</u>	<u>153</u>	<u>163</u>	601	1,315
Total	430	484	509	476	488	509	536	566	597	629	664	700	3,003	6,158
Average Monthly Enrollment by Eligibility Category (Millions of people)^b														
Aged	7	7	7	7	6	7	7	7	7	7	7	7	n.a	n.a
Blind and Disabled	9	10	9	9	9	9	9	9	9	9	9	9	n.a	n.a
Children	32	31	31	31	30	30	30	30	30	30	30	30	n.a	n.a
Adults—Traditional eligibility categories	16	16	16	16	15	15	15	15	15	15	15	15	n.a	n.a
Adults—Made eligible by the ACA	<u>13</u>	<u>14</u>	<u>14</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>	n.a	n.a
Total	77	78	77	76	75	75	75	75	75	76	76	77	n.a	n.a
Memorandum:														
Total Enrolled Within a Fiscal Year	91	92	92	91	89	90	90	90	90	91	91	92	n.a	n.a



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	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021- 2026	2021- 2031
Average Federal Spending on Benefit Payments per Enrollee (Dollars)^c														
Aged	8,730	9,820	10,680	9,300	9,310	9,430	9,720	10,060	10,410	10,760	11,120	11,500	n.a	n.a
Blind and Disabled	14,530	16,530	17,560	15,960	16,400	16,890	17,630	18,480	19,350	20,230	21,130	22,050	n.a	n.a
Children	2,840	3,060	3,220	3,070	3,230	3,370	3,540	3,740	3,940	4,140	4,350	4,560	n.a	n.a
Adults—Traditional eligibility categories	4,170	4,440	4,730	4,950	5,240	5,540	5,870	6,210	6,590	6,990	7,390	7,850	n.a	n.a
Adults—Made eligible by the ACA	5,990	6,520	6,790	6,810	7,270	7,680	8,110	8,570	9,170	9,720	10,220	10,750	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 of about 65 percent, on average. In addition, the Families First Coronavirus Relief Act increased Medicaid matching rates by 6.2 percentage points for services to those not made eligible by the ACA. The American Rescue Plan Act of 2021 increased the federal medical assistance percentage by 10 percentage points for certain Medicaid home- and community-based services from April 1, 2021 through March 31, 2022, provided that states use the enhanced funding to improve those services. In total, CBO estimates, the average federal matching rate for Medicaid in 2021 and 2022 will be about 67 percent.
- 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 of 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.