



## Medicaid

Medicaid, which is jointly financed by federal and state governments, is the main source of health insurance coverage for people with 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**

	By Fiscal Year, Billions of Dollars												2024-2028	2024-2033
	Actual, 2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033		
<b>BUDGET INFORMATION</b>														
<b>Estimated Outlays<sup>a</sup></b>	592	594	539	537	574	613	650	690	733	777	826	879	<b>2,912</b>	<b>6,817</b>
<b>Components of the Medicaid Program</b>														
<b>Benefits</b>														
<b>Acute care</b>														
Fee for service	122	127	106	100	109	117	125	134	143	153	164	176	<b>558</b>	<b>1,329</b>
Managed care	272	281	264	265	283	302	319	340	361	385	412	440	<b>1,432</b>	<b>3,371</b>
Medicare premiums	16	16	17	18	20	22	24	26	28	31	33	37	<b>101</b>	<b>255</b>
<b>Long-term care</b>														
Institutional care	50	49	45	44	46	48	48	49	50	51	52	53	<b>231</b>	<b>488</b>
Home- and community-based care	<u>95</u>	<u>82</u>	<u>72</u>	<u>73</u>	<u>78</u>	<u>84</u>	<u>89</u>	<u>94</u>	<u>99</u>	<u>105</u>	<u>110</u>	<u>116</u>	<b>395</b>	<b>918</b>
Subtotal	556	556	503	500	536	573	605	642	682	725	772	822	<b>2,717</b>	<b>6,361</b>
Disproportionate Share Hospitals	10	11	7	8	8	9	10	12	13	14	14	15	<b>42</b>	<b>110</b>
Vaccines for Children	6	6	6	7	7	7	8	8	9	9	10	10	<b>35</b>	<b>81</b>
Administration	20	22	22	22	23	24	27	28	30	28	29	31	<b>119</b>	<b>265</b>
<b>PARTICIPATION AND BENEFIT INFORMATION</b>														
<b>Federal Benefit Payments by Eligibility Category</b>														
Aged	106	103	98	101	109	118	124	132	139	147	155	163	<b>550</b>	<b>1,286</b>
Blind and Disabled	176	163	151	154	164	174	183	193	204	216	229	242	<b>827</b>	<b>1,912</b>
Children	63	64	55	54	58	61	63	66	70	74	79	86	<b>289</b>	<b>664</b>
Adults—Traditional eligibility categories	94	99	84	80	86	91	97	103	110	117	125	133	<b>438</b>	<b>1,026</b>
Adults—Made eligible by the ACA	<u>118</u>	<u>126</u>	<u>116</u>	<u>111</u>	<u>120</u>	<u>129</u>	<u>138</u>	<u>149</u>	<u>159</u>	<u>171</u>	<u>184</u>	<u>198</u>	<b>613</b>	<b>1,474</b>
Total	556	556	503	500	536	573	605	642	682	725	772	822	<b>2,717</b>	<b>6,361</b>
<b>Average Monthly Enrollment by Eligibility Category (Millions of people)<sup>b</sup></b>														
Aged	7	8	7	7	8	8	8	8	8	9	9	9	n.a	n.a
Blind and Disabled	10	10	9	9	9	9	9	9	9	10	10	10	n.a	n.a
Children	37	37	34	32	32	32	32	31	31	31	32	33	n.a	n.a
Adults—Traditional eligibility categories	21	21	18	16	16	16	16	16	16	16	16	16	n.a	n.a
Adults—Made eligible by the ACA	<u>18</u>	<u>19</u>	<u>16</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>16</u>	<u>16</u>	<u>16</u>	n.a	n.a
Total	92	94	85	80	80	80	81	81	81	81	82	84	n.a	n.a

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	Actual, 2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033		
<b>Memorandum:</b>														
Total Enrolled Within a Fiscal Year	110	112	102	95	96	96	97	97	97	98	99	100	n.a	n.a
<b>Average Federal Spending on Benefit Payments per Enrollee (Dollars)<sup>c</sup></b>														
Aged	14,520	13,650	13,150	13,550	14,080	14,640	15,180	15,790	16,440	17,150	17,880	18,620	n.a	n.a
Blind and Disabled	17,960	17,170	16,310	16,890	17,810	18,700	19,480	20,450	21,520	22,670	23,870	25,080	n.a	n.a
Children	1,720	1,730	1,600	1,670	1,800	1,910	1,980	2,090	2,210	2,350	2,490	2,630	n.a	n.a
Adults—Traditional eligibility categories	4,540	4,650	4,650	4,950	5,290	5,620	5,950	6,320	6,730	7,160	7,620	8,070	n.a	n.a
Adults—Made eligible by the ACA	6,490	6,650	7,100	7,580	8,080	8,600	9,160	9,730	10,320	10,960	11,620	12,270	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 phase down of the increased matching rates beginning in March 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.