

# Will Federalism Improve the U.S. Health Care System?

## Session IV: Medicaid

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Filling the need for trusted information on national health issues.

# Medicaid's Framework

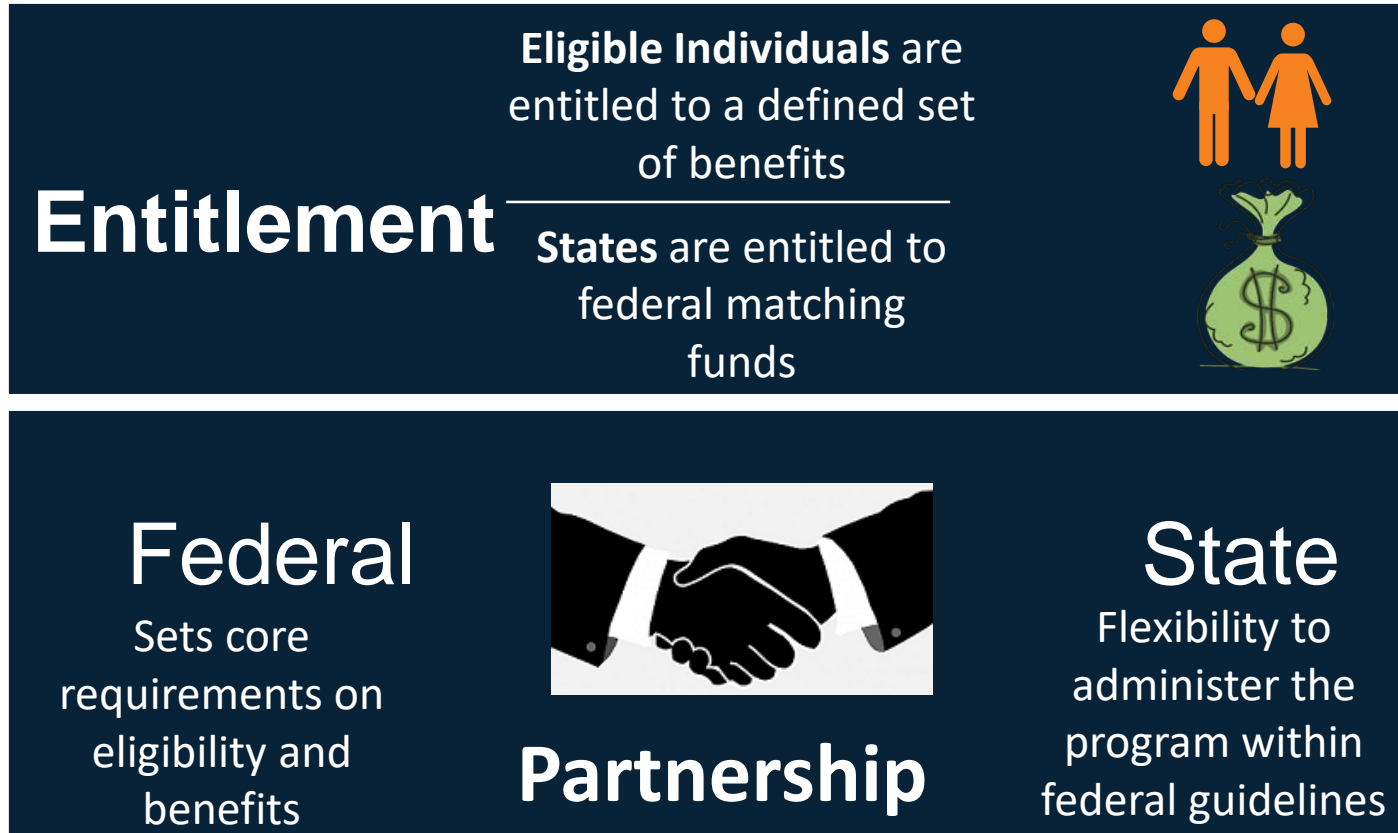


Figure 2

# Medicaid's Evolution

Millions of Medicaid Beneficiaries

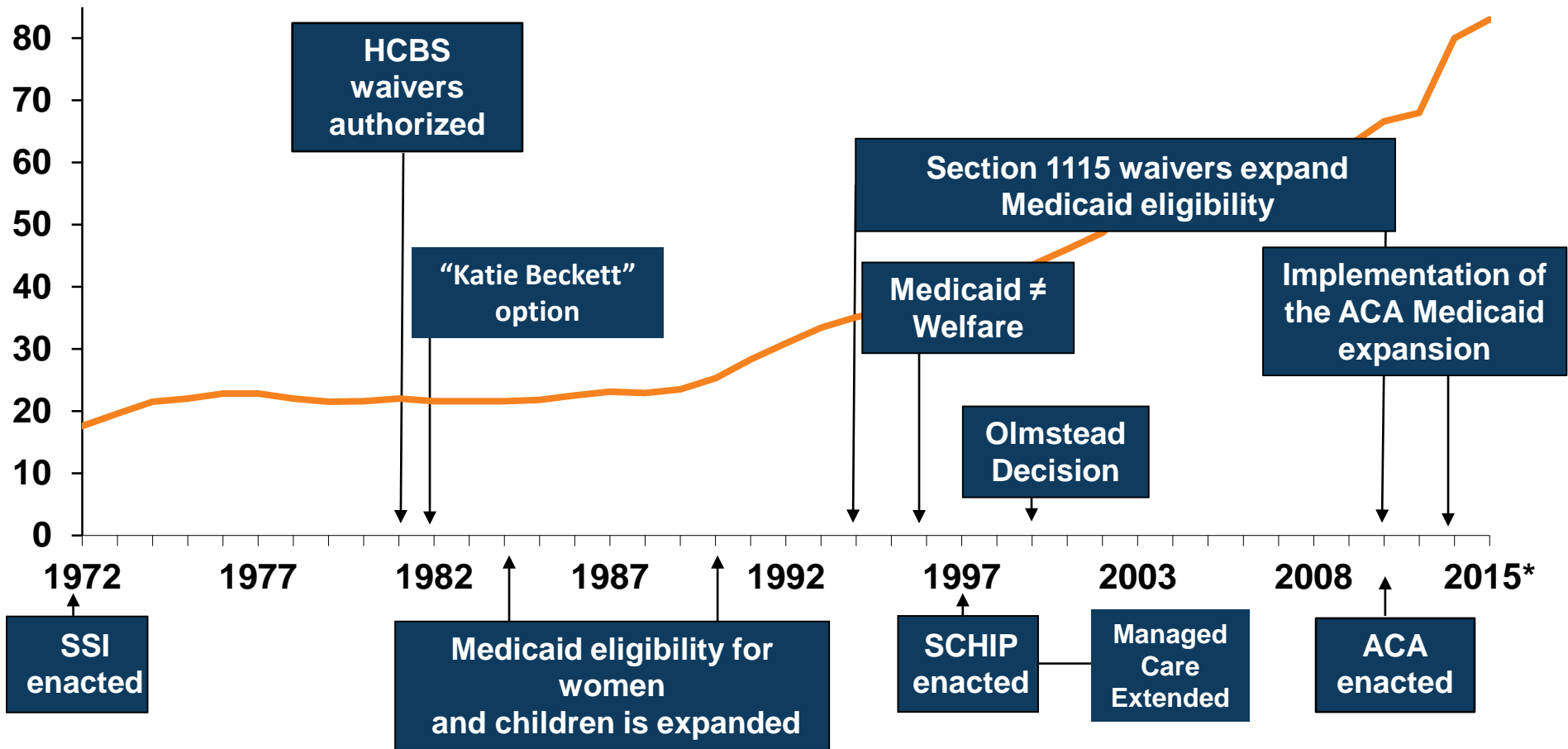


Figure 3

# Medicaid's Role

Health Insurance Coverage  
For 1 in 5 Americans



Assistance to 10 million  
Medicare Beneficiaries



> 50% Long-Term Care  
Financing



**MEDICAID**

Support for Health Care System  
and Safety-Net



State Capacity to Address Health  
Challenges



Figure 4

# Federal Rules/State Options

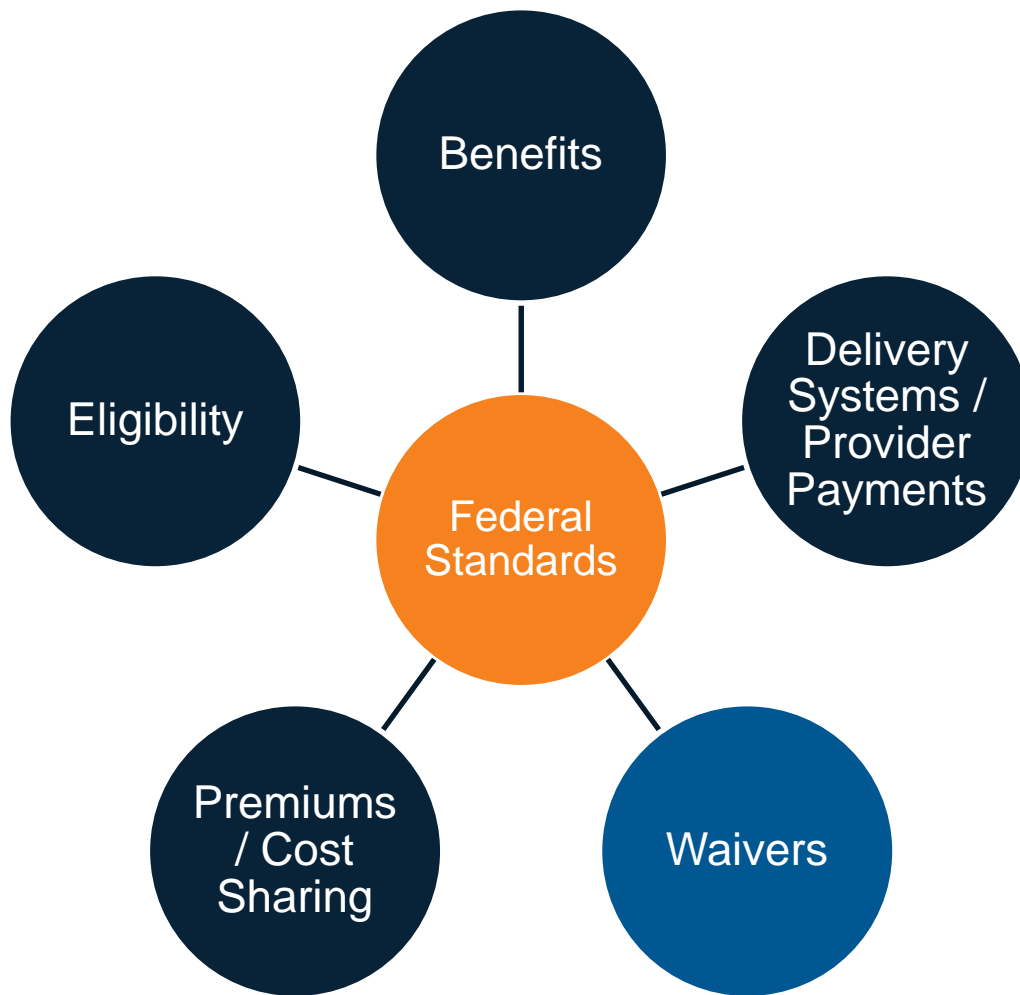


Figure 5

# Traditional Federal – State Financing

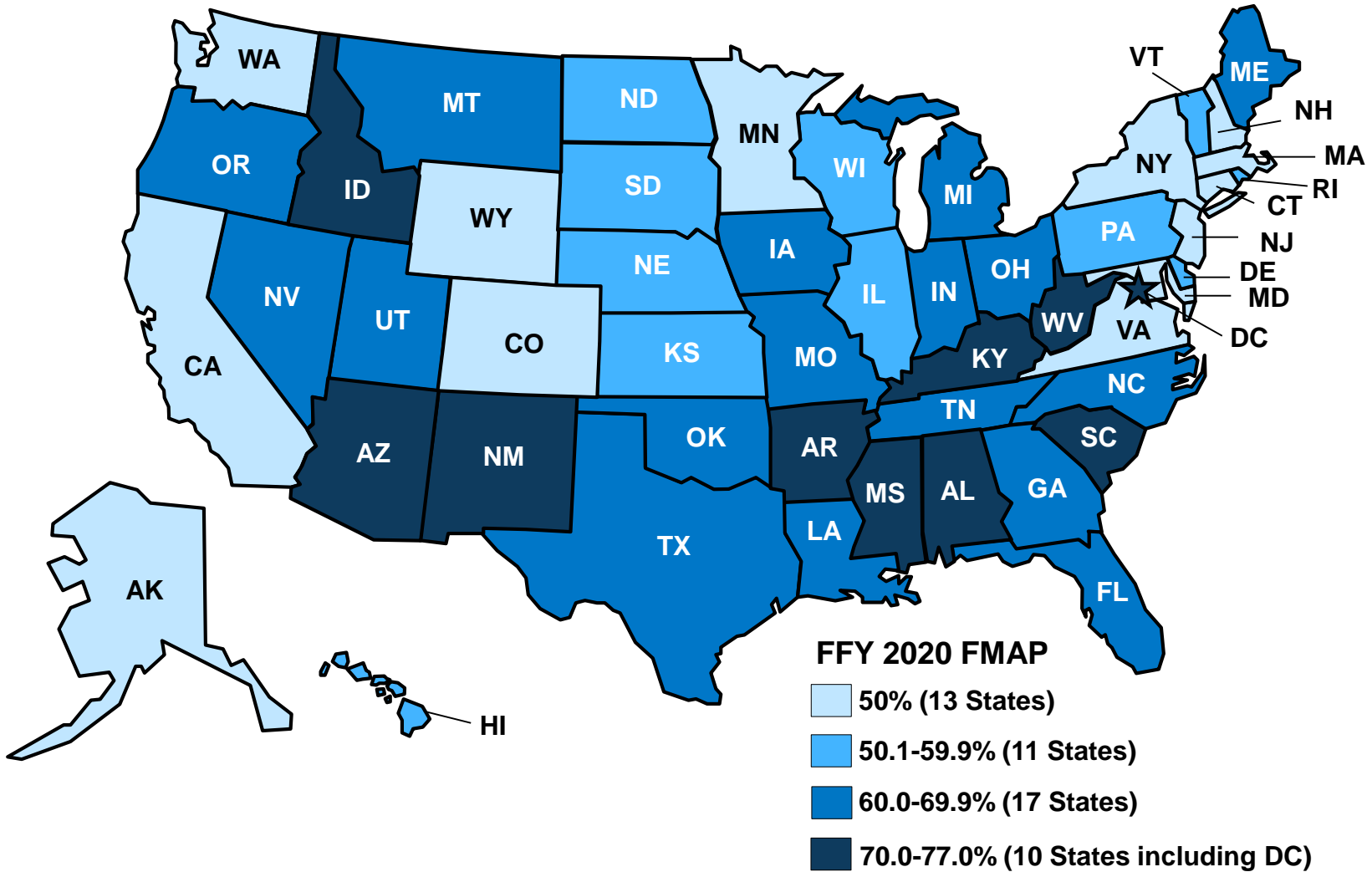


Figure 6

# Common Framework ↔ State Variation

**MEDICAID  
SPENDING  
VARIES ACROSS  
STATES**

**Available Revenue:** per capita income, total taxable resources, tax collections

**Demand for Public Services:** poverty, unemployment, need for health services (coverage, age, disability, chronic conditions)

**Health Care Markets:** employer premiums, Medicare spending per enrollee, primary care shortage areas, supply of providers and health facilities

**Medicaid Policy Choices:** eligibility levels, benefits, payment and delivery system choices, long-term care delivery systems

**Budget and Policy Process:** political affiliation of Governor and legislature, legislative sessions, state budget process

Figure 7

# Where is the Right Balance?

National  
Standards



State  
Flexibility