

# MEDICAID ENROLLMENT AND SPENDING

## 2009–2010 FISCAL YEAR UPDATE

The recession increased Medicaid enrollment growth in the 2009 fiscal year higher than originally projected.

- ▶ Growth in Medicaid enrollment rose by 7.5 percent across all states from June 2008 to June 2009. This represents the first time in decades that enrollment has grown in every state, and in 32 states enrollment grew at least twice as fast as the year before.<sup>1</sup>
- ▶ Enrollment is projected to grow in the 2010 fiscal year by 6.6 percent above the 2009 fiscal year levels. This would be the highest annual rate of growth in Medicaid since the 9.3 percent increase in the 2002 fiscal year at the height of the last recession.<sup>2</sup>
- ▶ Every state expects enrollment to increase in the 2010 fiscal year; two-thirds expect growth higher than in the 2009 fiscal year and one-third expect growth of at least 8 percent.<sup>2</sup>
- ▶ The largest growth in enrollment (60 percent) has been in families and children who are more affected by the economy, employment and loss of health insurance.<sup>1</sup>



The growth rate of Medicaid spending also increased in the 2009 fiscal year.

- ▶ Growth in Medicaid spending averaged 7.9 percent above spending in the 2008 fiscal year. This was the highest growth rate in six years and considerably higher than the 5.8 percent rate originally predicted.<sup>2</sup>
- ▶ Initial legislatively adopted budgets for the 2010 fiscal year authorized a 6.3 percent increase in Medicaid spending, which is lower than growth in the 2009 fiscal year and lower than expected enrollment growth in the 2010 fiscal year. Medicaid spending has historically grown faster than enrollment.<sup>2</sup>
- ▶ For the first time in the history of Medicaid, state funding decreased by 6.9 percent due to the American Recovery and Reinvestment Act enhanced match rate. State legislatures decreased general fund appropriations by 5.6 percent for the 2010 fiscal year.<sup>2</sup>

The economic recession was the main factor in the growth in Medicaid enrollment and spending.

- ▶ Over the year, jobless rates increased in all 50 states and Washington, D.C. According to the Bureau of Labor Statistics, the national unemployment rate rose to 10 percent in November 2009, up 3.2 percentage points from November 2008.
- ▶ For every increase of 1 percentage point in the national unemployment rate, an estimated additional 1 million Americans turn to Medicaid for coverage and another 1.1 million go uninsured.<sup>3</sup>
- ▶ From the start of the recession through April 2009, an estimated 2.4 million workers lost the health coverage their jobs had provided.<sup>4</sup>

Sources:

<sup>1</sup>Kaiser Commission on Medicaid and the Uninsured, "Medicaid Enrollment: June 2009 Data Snapshot," February 2010. Accessed from <http://www.kff.org/medicaid/kcmu021810pkg.cfm>.

<sup>2</sup>Kaiser Commission on Medicaid and the Uninsured, "The Crunch Continues: Medicaid Spending, Coverage and Policy in the Midst of a Recession," September 2009.

<sup>3</sup>Kaiser Commission on Medicaid and the Uninsured, "Rising Unemployment, Medicaid and the Uninsured," January 2009.

<sup>4</sup>Center for American Progress, "More Americans Are Losing Health Insurance Every Day," May 4, 2009. Available at <http://www.americanprogress.org/issues/2009/05/pdf/healthinsurancelosses.pdf>.

## MEDICAID ENROLLMENT AND SPENDING

State	Total Medicaid Spending, in \$ millions		Monthly Enrollment, in thousands		Unemployment Rate	
	FY 2006	FY 2007	June 08	June 09	Dec 08	Dec 09
Alabama	\$3,885	\$4,117	698.0	736.1	6.5	11.0
Alaska	\$960	\$954	83.3	86.9	6.8	8.8
Arizona	\$6,195	\$6,617	969.2	1,105.7	6.6	9.1
Arkansas	\$2,895	\$3,097	487.6	514.0	5.7	7.7
California	\$34,247	\$35,968	6,538.9	6,852.6	8.7	12.4
Colorado	\$2,873	\$2,928	407.2	467.6	5.8	7.5
Connecticut	\$4,213	\$4,351	431.5	459.5	6.6	8.9
Delaware	\$946	\$990	153.1	166.7	5.7	9.0
District of Columbia	\$1,302	\$1,388	128.7	133.8	8.2	12.1
Florida	\$12,763	\$13,584	2,151.7	2,502.8	7.6	11.8
Georgia	\$6,840	\$7,009	1,266.9	1,387.1	7.5	10.3
Hawaii	\$1,100	\$1,098	192.3	214.4	5.1	6.9
Idaho	\$1,043	\$1,097	175.1	185.5	6.1	9.1
Illinois	\$10,118	\$12,662	2,043.4	2,191.5	7.2	11.1
Indiana	\$5,674	\$5,120	827.4	920.3	7.8	9.9
Iowa	\$2,614	\$2,538	335.0	374.4	4.4	6.6
Kansas	\$2,078	\$2,137	253.7	264.4	5.0	6.6
Kentucky	\$4,378	\$4,593	698.5	748.5	7.6	10.7
Louisiana	\$4,861	\$5,382	860.1	898.4	5.5	7.5
Maine	\$1,954	\$1,991	254.5	262.1	6.5	8.3
Maryland	\$5,000	\$5,436	520.2	626.5	5.4	7.5
Massachusetts	\$9,697	\$10,295	1,051.6	1,068.3	6.4	9.4
Michigan	\$8,288	\$9,269	1,539.0	1,645.5	10.2	14.6
Minnesota	\$5,666	\$6,192	603.8	660.5	6.6	7.4
Mississippi	\$3,270	\$3,286	530.6	568.3	7.8	10.6
Missouri	\$6,477	\$6,593	750.7	778.3	7.1	9.6
Montana	\$726	\$733	78.1	82.5	5.0	6.7
Nebraska	\$1,537	\$1,537	177.3	190.0	3.9	4.7
Nevada	\$1,178	\$1,244	188.9	213.5	8.4	13.0
New Hampshire	\$1,107	\$1,165	114.3	123.9	4.3	7.0
New Jersey	\$9,084	\$8,917	781.3	812.4	6.8	10.1
New Mexico	\$2,490	\$2,634	408.6	432.1	4.7	8.3
New York	\$44,712	\$44,339	4,139.6	4,417.9	6.6	9.0
North Carolina	\$9,140	\$9,829	1,238.0	1,328.9	8.1	11.2
North Dakota	\$504	\$508	51.9	58.7	3.3	4.4
Ohio	\$12,251	\$13,055	1,653.3	1,797.6	7.4	10.9
Oklahoma	\$2,972	\$3,373	522.4	563.0	4.6	6.6
Oregon	\$2,941	\$2,895	356.5	393.4	8.3	11.0
Pennsylvania	\$15,512	\$15,930	1,925.7	2,017.8	6.4	8.9
Rhode Island	\$1,697	\$1,727	158.7	159.3	9.4	12.9
South Carolina	\$4,069	\$4,164	626.2	664.3	8.8	12.6
South Dakota	\$607	\$620	90.9	95.3	3.7	4.7
Tennessee	\$6,065	\$7,129	1,237.0	1,266.3	7.6	10.9
Texas	\$18,116	\$20,590	2,882.6	3,099.6	5.6	8.3
Utah	\$1,473	\$1,390	203.1	241.1	4.1	6.7
Vermont	\$948	\$904	124.5	133.9	5.9	6.9
Virginia	\$4,654	\$4,963	665.8	720.6	5.0	6.9
Washington	\$5,579	\$5,791	885.7	966.4	6.5	9.5
West Virginia	\$2,099	\$2,174	307.4	320.1	4.5	9.1
Wisconsin	\$4,653	\$4,937	754.6	878.7	5.9	8.7
Wyoming	\$421	\$433	55.6	61.2	3.2	7.5
<b>United States</b>	<b>\$303,882</b>	<b>\$319,677</b>	<b>43,579.6</b>	<b>46,858.3</b>	<b>7.2</b>	<b>10.0</b>

Source: Bureau of Labor Statistics, Kaiser Commission on Medicaid and the Uninsured.  
Note: State data is the most current available.