

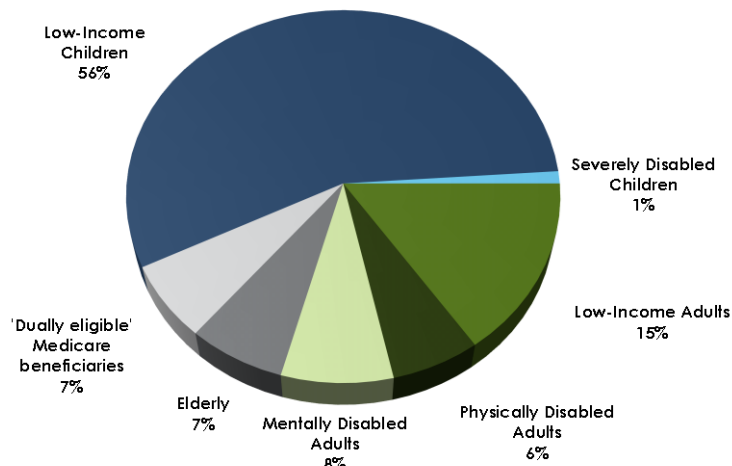
NEW HAMPSHIRE MEDICAID AND THE MEDICAID EXTENSION

Medicaid Now

More than 132,000 New Hampshire residents relied on Medicaid during FY 2010, representing roughly one out of every ten people in the state. Medicaid in New Hampshire provides access to doctors' appointments, hospital care, prescription drugs, and medical equipment such as wheel chairs and insulin pumps. Our current Medicaid program provides coverage for limited groups of low-income adults, while covering mostly low-income children, people with disabilities, and senior citizens.

Children Make Up Most of the Medicaid Membership

New Hampshire Medicaid Membership, by Eligibility Group, FY 2011



While New Hampshire runs its own Medicaid program, it shares the costs of the program with the federal government. In simple terms, for every dollar New Hampshire spends on Medicaid, the federal government covers a minimum of 50 cents. In state fiscal year 2010, New Hampshire's Medicaid program had expenditures of approximately \$1.42

billion.

Medicaid Extension

Under the new coverage option, adults ages 19 through 64 with household incomes at or below 138 percent of the federal poverty line would become eligible for Medicaid. For an individual, this is equal to \$15,415 in 2012; for a family of four, it works out to \$31,809.

New Hampshire's Medicaid Program Currently Fails to Cover the Poorest Residents

New Hampshire Medicaid Income Eligibility Limits, 2012

Eligibility Category	Income Limit as Percentage of Federal Poverty Level (FPL)	Income Limit in Dollar Terms (2012)
Parents	40%	\$7,636
Disabled	76%	\$8,489
Seniors	76%	\$8,489
Children (Ages 1-18)	185%	\$20,665
Pregnant women	185%	\$20,665
Working disabled	450%	\$50,265

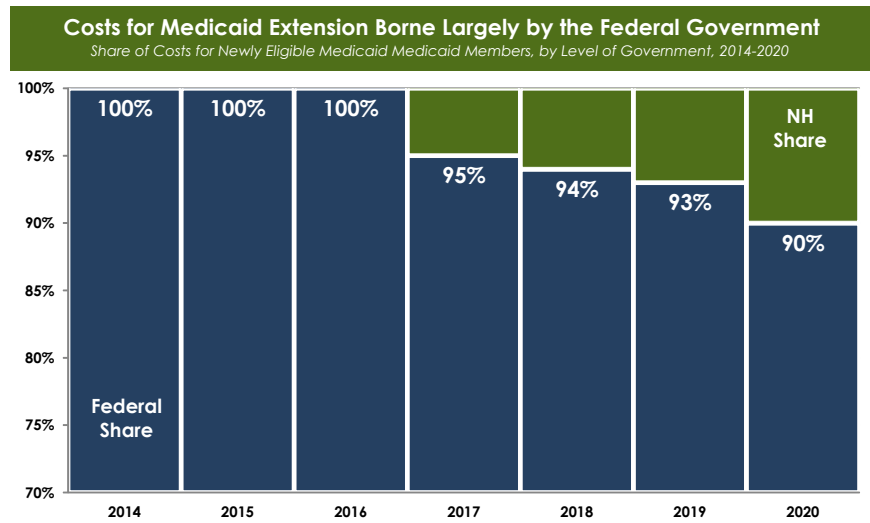
Adults without children or a disability

Currently ineligible regardless of income

The law calls for the federal government to pay 100 percent of the costs of Medicaid for the newly eligible from 2014 through 2017. New Hampshire would pay for administrative costs and start picking up a portion of the medical costs for the newly eligible starting in 2017.

We can only estimate the costs to the state because we don't know exactly how many people will enroll and what their medical needs will be. Everyone eligible won't show up to participate. It is also hard to estimate how many people who are eligible under the

current Medicaid program will step forward as a result of the publicity around Medicaid and the new requirement that everyone have insurance or pay a penalty.



New Hampshire could make changes to its current Medicaid program to try to get more people covered at the new and higher reimbursement level. All coverage options must be carefully explored to make sure they don't cause more problems than they solve because different rules apply for different groups of people.

Changes Are Coming to Medicaid Even Without the Extension

The federal government will increase what it pays for children from the current level of 65 percent to 88 percent. That will save the state money, but covering children is the least expensive part of our Medicaid program. We will receive this higher percentage regardless of our decision about extending Medicaid to low-income adults.

The federal government will decrease what it pays in Disproportionate Share Hospital (known as DSH) monies for hospitals that provide care for people who can't pay for their medical treatment. These DSH allotments will be reduced between 2014 and 2020 – the idea being that more people will have insurance so fewer health care costs will go unpaid. This will happen whether we extend Medicaid or not. Still, the DSH reductions could hit hospitals hard, especially if there are no funds coming from the Medicaid expansion to help compensate for fewer DSH dollars.

If New Hampshire chooses not to extend Medicaid, those who would have been eligible will not qualify for federal subsidies to help pay for private health insurance through a Health Benefits Exchange. This is a gap in the law arising from the Supreme Court's ruling.