

MassHealth Enrollment Growth Since Reform

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As is always the case in challenging fiscal times, MassHealth, the state's Medicaid program, is under scrutiny from legislators, policymakers and the public. MassHealth spending now exceeds \$10 billion and current appropriations make up one-third of the total state budget. The recent increases in spending have been because of significant growth in the number of people enrolled in MassHealth as the effects of the recession continue.

Although many observers have attributed the Medicaid enrollment and spending increases to the state's health reform law, Chapter 58, this is not the case. In fact, as shown in the figure below, most (76 percent) of the MassHealth enrollment and spending growth have been in eligibility categories that existed before health reform, and so would have occurred in the absence of the state's health reform law.

Chapter 58 expanded eligibility for MassHealth in three ways:

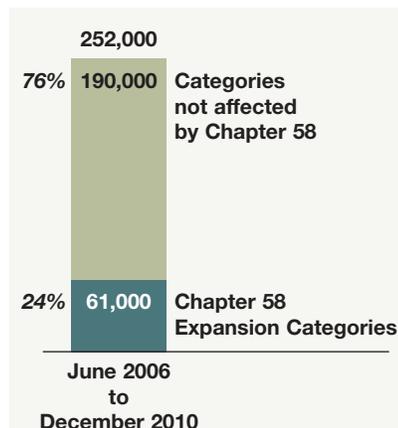
- the income limit for children in MassHealth Family Assistance increased from 200 percent of the federal poverty level (FPL) to 300 percent of FPL;
- the income limit for the Insurance Partnership program increased from 200 percent to 300 percent of FPL; and

- the enrollment cap for MassHealth Essential was initially increased from 44,000 to 60,000 people. Since then, MassHealth has eliminated this cap under its 1115 demonstration waiver.

The table below shows the growth in MassHealth enrollment since June 2006, in total, for individuals with incomes above 200 percent of FPL, and for the MassHealth Essential program. While the MassHealth caseload grew by 252,000 (or 24 percent), the expansions in eligibility from Chapter 58 accounted for only an increase of 61,000 MassHealth members, about one-quarter of the total increase. The highest growth in membership for the Chapter 58 expansion categories has been in MassHealth Essential, a program for long-term unemployed adults — a group that has been particularly affected by the economic downturn and its negative impact on job opportunities in the state. Therefore, enrollment growth in MassHealth has been driven primarily by the economic downturn and not by the eligibility expansions included in the state's health reform law.

The Massachusetts Medicaid Policy Institute thanks the Office of Medicaid for provision of detailed enrollment data to support the analysis in this brief.

Growth in MassHealth Enrollment by Reform Expansion Categories vs. Non-reform Expansion Categories



MassHealth Enrollment* (nearest 000)

	June 2006	December 2010	Change 2006 to 2010	As % of Total MassHealth Enrollment Increase
Eligibility Categories Available Pre-reform				
MassHealth enrollment in categories available pre-reform	974,000	1,164,000	+190,000	76%
Chapter 58 Expansion Categories				
Children with family income >200% FPL	7,000	23,000	+15,000	6%
Adults with family income >200% FPL	30,000	32,000	+2,000	1%
Essential program membership	44,000	88,000	+44,000	17%
Total MassHealth enrollment growth related to health reform			+61,000	24%
Total MassHealth Enrollment				
Total MassHealth Enrollment	1,055,000	1,307,000	+252,000	100%

Source: MassHealth budget office.

* All enrollment figures are average monthly figures, except MassHealth Essential, which is based on the December 31, 2010 Snapshot report. Totals may not add due to rounding.