



AFSCME Facts

Medicaid Expansion

The Affordable Care Act (ACA) created an opportunity to reduce the number of uninsured among working families, by expanding Medicaid eligibility to lower income families who are at or below 138 percent of the Federal Poverty Level. The federal government will pay 100 percent of the costs for those newly eligible for Medicaid from 2014 through 2016; after this initial period the federal government will pay 90 percent of these costs, while states' financial participation will increase to 10 percent.

When the ACA's constitutionality was challenged by several states, the Supreme Court examined the law and ruled the administration could not withhold existing federal Medicaid dollars from states that decide not to expand Medicaid, thus making the expansion optional. Many governors already announced they will participate in expanding Medicaid because of the tremendous value for their states and citizens.

States that choose not to participate in Medicaid expansion will face many challenges in the upcoming years, as the Affordable Care Act is implemented. When the law was authored, Medicaid expansion was not considered optional and the law was built with the understanding that Medicaid expansion would significantly reduce the number of uninsured; as such it included reductions to the federal financing of programs that aid states and hospitals in defraying the costs of the uninsured and uncompensated care. While there is no deadline for states to decide to participate in Medicaid expansion, the federal government initially pays 100 percent of the cost of expansion. Federal funding declines to 90 percent of the cost over time. So, states that delay expansion lose valuable federal dollars in the early years. As a strong supporter of Medicaid and the Affordable Care Act, AFSCME will continue to work with our members across the country to encourage the expansion of Medicaid.

Status of State Action on the Medicaid Expansion Decision as of May 30, 2013

Please note: Not all states have made final decisions. Some states are considering special legislative sessions to determine the state's participation in Medicaid expansion. In addition, some states' support of Medicaid expansion depends on receiving a Medicaid waiver. These states are denoted by an asterisk.

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AFSCME Facts

Medicaid Expansion (cont.)

Opposes: Alabama, Alaska, Georgia, Idaho, Louisiana, Mississippi*, Nebraska, North Carolina, Oklahoma, South Carolina, South Dakota, Texas, Virginia, Wisconsin and Wyoming.

Supports: Arizona, Arkansas*, California, Colorado, Connecticut, Delaware, District of Columbia, Florida*, Hawaii, Illinois, Iowa*, Kentucky, Maryland, Massachusetts, Michigan*, Minnesota, Missouri, Montana*, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Oregon, Rhode Island, Vermont, Washington and West Virginia.

Undecided: Indiana*, Kansas, Maine, Pennsylvania, Tennessee* and Utah.

July 2013