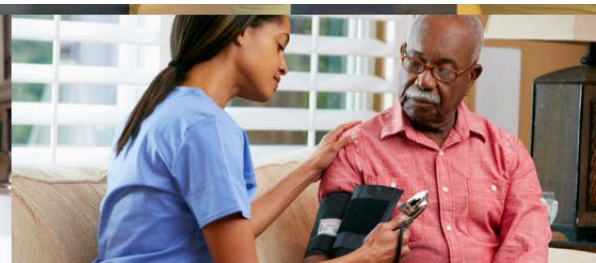
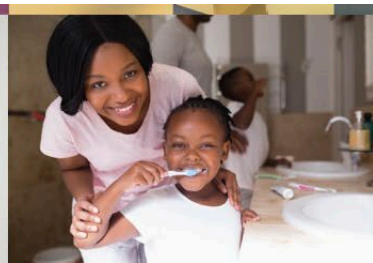
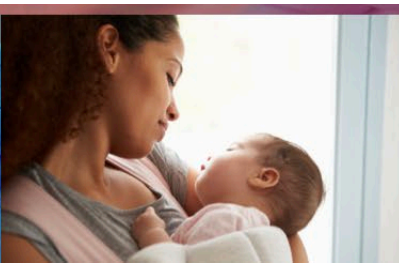




Maryland
DEPARTMENT OF HEALTH

Enrollment and Financial Projections for Proposed Expansion of Medicaid Eligibility Income Criteria to 139-200% FPL

August 2, 2023



Eligible Population

- Hilltop estimated the population size of individuals who may be eligible for and participate in Medicaid coverage under the expanded income criteria
- Hilltop assumed the projected enrollment would be drawn from among members of the following groups:
 - Uninsured & lawfully present adults 20-64 years of age with household income of 139% - 200% FPL [81% uptake rate]
 - Current QHP adult enrollees 20-64 years of age with household income of 139%-200% FPL [81% uptake rate]
 - Adults 20-64 years of age with household income up to 138% FPL eligible for Medicaid but currently uninsured (*woodwork effect*) [+3% of estimate for uninsured 139%-200% FPL group]
 - Adults 20-64 years of age with household income of 139%-200% FPL currently covered by employer-sponsored insurance (ESI) [30% crowd-out rate]
- Estimates of the population size for projected enrollees were mainly sourced from the 2021 American Community Survey of the US Census Bureau, and from 2023 QHP enrollment & eligibility data provided by MHBE

Modeling Assumptions

Parameter	Estimate	Source/Notes
Uptake rate and ESI crowd out among eligible groups	Presented on previous slide	Sourced from uptake rates following Medicaid expansions in other states (inputs provided by an actuarial firm), and from analysis by the Migration Policy Institute of Medicaid participation among US-born income-eligible non-elderly adults in Maryland (2019) ¹
Average revenue PMPM	\$475	Analysis of HealthChoice claims and capitation experience for similar age groups in the A03 (parents /caretakers 124-138% FPL), A02 (childless adults) and F05 (parents/primary caretakers and children <123% FPL) coverage groups using CY 2022 rates
FMAP	50%	Federal match rate of proposed Section 1115 demonstration for applicable population



Enrollment & Expenditure Projections

	Projected Enrollment	Projected Annual Expenditure	State Share (50%)	Federal Share (50%)
Best Estimates	73,650	\$420,447,064	\$210,223,532	\$210,223,532
Lower Bound of 95% CI*	63,182	\$360,516,492	\$180,258,246	\$180,258,246
Upper Bound of 95% CI*	81,589	\$465,546,834	\$232,773,417	\$232,773,417

*These scenarios apply the lower and upper bounds, respectively, of the 95% confidence intervals for the estimated population of uninsured adults 20-64 years of age sourced from the 2021 American Community Survey sample for Maryland.

Limitations & Additional Assumptions

- Due to reporting error, the ACS may understate the number of individuals with Medicaid coverage, and overstate the number of the uninsured. In Maryland, the Medicaid undercount in the ACS was estimated at -17.0% relative to administrative data from CMS in 2021.¹
- The projected woodwork estimates do not currently account for children who may enroll in Medicaid alongside newly eligible parents.
- It is assumed that low-income adults enrolled in the Family Planning Program and receiving family planning services only would report being uninsured in the ACS and would be included in the estimated counts (although they may be covered by other sources of insurance while enrolled in the Program)
- Expenditure projections are based on a blend of the capitation payments for parents/caretakers in the A03 and F05 coverage groups and childless adults in the A02 coverage group. The experience of newly eligible enrollees may differ.
- Expenditure projections are based on analyses of CY 2022 HealthChoice financial reporting and may change significantly when capitation rates for CY 2024 payment are made available
- Expenditure projections are based on claims and capitation payments, and do not include premium taxes, other carrier assessments or fees

¹SHADAC (2023). Tracking the Medicaid Undercount in the 2021 ACS Coverage Data. Available at https://www.shadac.org/sites/default/files/publications/Medicaid_Undercount_ACS_1.23.pdf. Accessed 7/27/2023.