# Minnesota

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### **Medicaid and CHIP Overview**

Medicaid is a health insurance program for certain groups of people with low incomes, including children, parents, disabled individuals, and elderly individuals.

The Children's Health Insurance Program (CHIP) provides coverage to low-income uninsured children with incomes that are too high to qualify for Medicaid but are less than or equal to the maximum CHIP income limits.

States can operate their CHIP program as an expansion of their Medicaid program, a separate program, or a combination (i.e., some children are covered through a separate state program, others through Medicaid).

Table 1. Structure of CHIP program, April 23, 2010

Separate State	Medicaid	Combination
Program	Expansion	Program
		X

Source: Centers for Medicare and Medicaid Services

http://www.cms.hhs.gov/LowCostHealthInsFamChild/downloads/CHIPStatePlanActivityMap.pdf

Table 2. Total Medicaid and CHIP enrollment

Time Period	Medicaid Enrollment	CHIP Enrollment	Source
National Data Sources			
June 2009	660,500	2,226	The Kaiser Family Foundation, <a href="http://www.statehealthfacts.org/">http://www.statehealthfacts.org/</a>
FY 2007 (Medicaid) FY 2008 (CHIP)	785,600	5,621	The Kaiser Family Foundation, <a href="http://www.statehealthfacts.org/">http://www.statehealthfacts.org/</a>
State Data Sources			
December 2009	605,712	N/A	Minnesota Department of Human Services, www.dhs.state.mn.us/

*Note*: There are various ways to count the number of individuals enrolled in Medicaid or CHIP; different methods and time periods can result in slightly different counts. Counts from national data sources are included here for comparisons between states. When more recent counts are available on state websites, this information is also included.

Table 3. Medicaid and CHIP income eligibility limits as a percent of Federal Poverty Level,

December 2009

	% FPL
Medicaid	
Infants age 0 – 1	280%
Children ages 1 – 5	275%
Children ages 6 – 19	275%
Parents*	215%
Childless Adults*	N/A
Pregnant Women	275%
Aged, Blind and Disabled <sup>+</sup>	100%
Separate CHIP program	N/A

Source: The Kaiser Family Foundation, http://www.statehealthfacts.org/

\*Income limits are for working parents and childless adults and are based on a family of three with one earner. This category includes "Medicaid look-alike" programs that are funded with state funds only.

†Income limits for the aged, blind, and disabled category are based on a single adult; limits may be slightly higher for couples.

### Federal matching rate for Medicaid and CHIP

The federal government matches a certain percentage of state Medicaid and CHIP expenditures.

- The Medicaid matching rate (the Federal Medical Assistance Percentage, or FMAP) varies across states and from year to year. Each state's rate is based on the state's per capita income relative to the national average and can be no less than 50%.
- The American Recovery and Reinvestment Act of 2009 (ARRA) temporarily increased the Medicaid matching rate for all states for Fiscal Years 2009 and 2010.
- States receive an enhanced matching rate for CHIP.

Table 4. Federal matching rate for Medicaid and CHIP, FY 2010

Medicaid		CHID
Baseline Estimated actual rate after ARRA adjustments		CHIP
50.00%	61.59%	65.00%

Source: Kaiser Family Foundation, <a href="http://www.statehealthfacts.org/">http://www.statehealthfacts.org/</a>

*Note*: More information on ARRA and the Medicaid matching rate is available at <a href="http://www.statehealthfacts.org/">http://www.statehealthfacts.org/</a> under the Temporary Federal Medicaid Relief section.

Table 5. Medicaid managed care enrollment as a percent of total Medicaid enrollment, June 30, 2008

Comprehensive	Any managed care
managed care plans	plan
62.4%	62.4%

Source: Kaiser Family Foundation, <a href="http://www.statehealthfacts.org/">http://www.statehealthfacts.org/</a>

*Note*: Percentages based on unduplicated counts of enrollees. Comprehensive managed care plans include commercial or Medicaid-only managed care organizations that provide comprehensive services to enrollees. Any managed care plans includes individuals receiving comprehensive or limited benefits from managed care plans and includes individuals enrolled in Primary Care Case Management programs.

### Resources for additional information on Medicaid and CHIP in Minnesota

- → Minnesota's Medicaid website: <u>www.dhs.state.mn.us/</u>
- → Kaiser Family Foundation's State Health Facts website: http://www.statehealthfacts.org/

#### Medicaid in Rural Areas

The information below defines "Rural" as residing in a non-metropolitan county and "Urban" as residing in a metropolitan county. These definitions are based on the Core Based Statistical Area (CBSA) designations from the Office of Management and Budget. Non-metropolitan counties include micropolitan counties and counties not in a CBSA.

Table 6. Percent of residents enrolled in Medicaid by age and rurality, 2008-2009 (based on survey data)

Age	Urban % on Medicaid	Rural % on Medicaid
0-18	16.7	33.2
19-64	7.0	15.4
65 and Over	5.3	6.7

Source: Current Population Survey, 2008 - 2009

*Note*: Figures are the percent of rural and urban residents who reported that were ever enrolled in Medicaid during 2008 and 2009. The Current Population Survey is the most commonly used source of state-level health insurance coverage information. These data may vary from the administrative data collected from state websites in Table 7. Estimates from the Current Population Survey of the number of people covered by Medicaid are usually lower than those from other surveys and administrative data.

Table 7. Medicaid enrollment and expenditures by rurality (based on administrative data from the state's Medicaid website)

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	Urban	Rural
I. Total Medicaid Enrollees (Dec 2009)	431,092	174,560
<b>II. Enrollees as Percent of Population</b> (Dec 2009)	10.9%	13.2%
III. Dollars Spent (Dec 2009)	\$5,061,599,070	\$1,947,646,930
IV. Dollars Spent per Enrollee (Dec 2009)	\$11,741	\$11,157
V. Managed Care Enrollees	N/A	N/A

Sources and Notes:

I: Minnesota Medical Assistance. Enrollees eligible in Dec 2009 as of May 02 2010

II: Figure is Total Enrollees/Total Population. Total Population based upon US Census Bureau data.

III: Minnesota Medical Assistance. Payments in calendar year 2009 by county of financial responsibility. Accessed June 6, 2010.

IV: Minnesota Medical Assistance. Payments in calendar year 2009 by county of financial responsibility. Accessed June 6, 2010.

V: N/A

# Critical Access Hospital payment under Medicaid

Under federal law, Critical Access Hospitals (CAHs) must receive cost-based reimbursement from Medicare. It is up to the individual states whether or not to provide CAHs with cost-based reimbursement for Medicaid. This chart identifies the form of payment a CAH receives from the state Medicaid program as of 2010.

Table 8. Critical Access Hospital payment under Medicaid, 2010

Care	Payment Type
Inpatient	Not cost-based
Outpatient	Not cost-based

Source: Judy Bergh, Minnesota Flex Coordinator

For more information see:

http://www.shepscenter.unc.edu/research\_programs/rural\_program/pubs/finding\_brief/FB94.pdf