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Smoothing the Transition: A Medicaid Buy-in Could Reduce Churn and Expand Health Insurance Coverage to Thousands of West Virginians

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Introduction

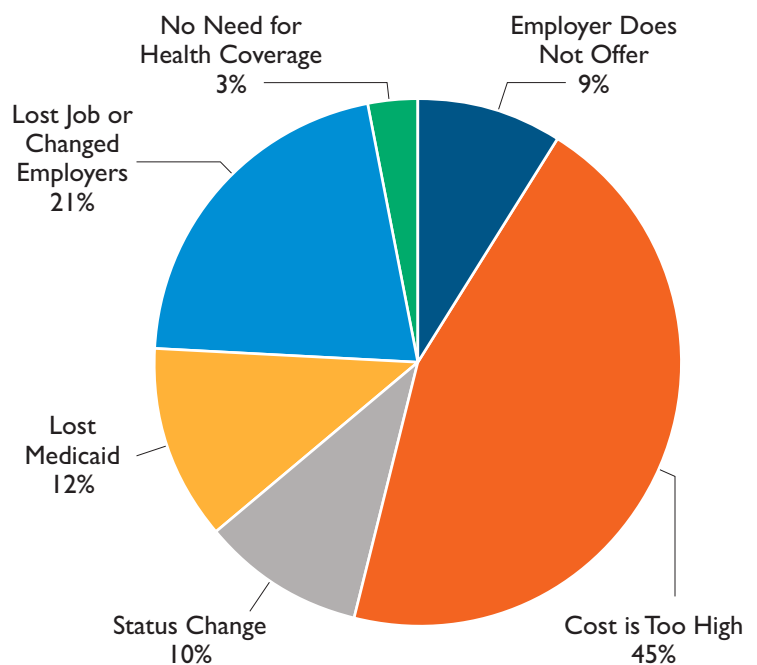
Despite major gains under the Affordable Care Act (ACA), too many low- and middle- income West Virginians still lack consistent affordable health care coverage options. West Virginia saw the largest drop in the uninsured rate in the country after implementation of the ACA and Medicaid expansion, going from 13.5 percent of the population uninsured in 2013 to 4.9 percent in 2016.¹ Among non-elderly adults under 65, the uninsured rate went from 20.5 percent in 2013 to 7.5 percent in 2016.² After a record low in 2016, the state's uninsured rate has begun to climb back upward to 6.7 percent overall and 9.4 percent for non-elderly adults in 2019 and has likely increased due to the COVID-19 health and economic crisis.³

Progress toward the goal of ensuring that all West Virginians have health coverage has stalled for several reasons, including rising costs and lack of choice in the individual insurance market, as well as fluctuating incomes for residents causing them to experience cliff effects and churn with public benefits programs like Medicaid. Because of these challenges, several states are considering alternative coverage options for residents who are unable to access quality affordable health coverage. A worthwhile option for West Virginia policymakers to consider to address these challenges is a Medicaid buy-in program, which could address many of the barriers to coverage that uninsured people report facing (Figure 1).

A Medicaid buy-in is a state-initiated health insurance coverage product that allows people above current Medicaid eligibility levels to pay a monthly premium, possibly with state or federal subsidies to help cover the cost of the premiums, to receive health care coverage through Medicaid or a Medicaid-like plan built atop the state's existing Medicaid infrastructure.

FIGURE 1

A Medicaid Buy-in Could Address the Barriers to Coverage that the Majority of Uninsured People Experience



Source: Kaiser Family Foundation Analysis of 2018 National Health Interview

1 Kaiser Family Foundation, Health Insurance Coverage of the Total Population, Data for West Virginia, downloaded from <https://www.kff.org/other/state-indicator/total-population/> on September 15, 2020.

2 Kaiser Family Foundation, Health Insurance Coverage of Adults 19-64, Data for West Virginia, downloaded from <https://www.kff.org/other/state-indicator/adults-19-64/?dataView=1¤tTimeframe=2&sortModel=%7B%22colld%22:%22Location%22,%22sort%22:%22asc%22%7D> on September 15, 2020.

3 ibid

As states explore opportunities to control health costs, stabilize their insurance markets, and provide consumers with more robust health insurance options, a Medicaid buy-in is emerging as a potential solution in states across the country. Moreover, the 2020 pandemic has only made the need for a Medicaid buy-in more clear. Amid a widespread health and economic crisis stemming from COVID-19, ensuring that residents have health care is more important than ever. And as unemployment is expected to remain high while it takes years for the economy to recover, health coverage options not tied to one's job become increasingly critical.

West Virginians and policymakers have an economic interest in seeing as many West Virginians as possible insured, as uninsured residents receive less preventive care and have poorer health outcomes, creating a fiscal burden both for families and for the health care system.⁴ Fortunately, our state can build upon the successes of the ACA's public insurance supports and enact a Medicaid buy-in to move West Virginia forward on health coverage progress, improving health and well-being across our state.

The Health Coverage Landscape in West Virginia

Who Are the State's Remaining Uninsured?

In 2019, the uninsured rate in West Virginia among non-elderly adults was 9.4 percent with nearly 100,000 West Virginia adults uninsured, reflecting stalled progress and a slow reversal of ACA gains even prior to the COVID-19 health and economic crisis.⁸ An estimated 100,000 West Virginians lost their health coverage for at least a portion of the year due to pandemic-related job loss in 2020, including both workers who directly lost their jobs and those who were dependents of someone who lost their job and coverage, signaling that 2020's uninsured numbers likely look even worse.⁹

Targeted Medicaid Buy-ins Have Been Around for Years

Medicaid buy-in models already exist in West Virginia and states across the country for a targeted population – working people with disabilities. Forty-five states and the District of Columbia have Medicaid buy-ins for this population.⁵

West Virginia's existing buy-in program was launched in 2004 and is called the Medicaid Work Incentive (M-WIN). It allows West Virginians who meet eligibility criteria, including having a serious disability, to buy into Medicaid if they don't qualify for the Medicaid expansion or another Medicaid eligibility category. The M-WIN coverage operates similarly to health insurance by offering coverage upon receipt of an initial enrollment fee and payment of monthly premiums for ongoing enrollment. The monthly premium is calculated as a percentage of the monthly gross income of the eligible individual.⁶ According to the Department of Health and Human Resources' (DHHR) manual, "M-WIN assists individuals with disabilities in becoming independent of public assistance by enabling them to enter the workforce without losing essential medical care."⁷

4 Randall R. Bovbjerg and Jack Hadley. "Why Health Insurance Is Important" The Urban Institute. DC-SPG no. 1, (November 2007), <https://www.urban.org/sites/default/files/publication/46826/411569-Why-Health-Insurance-Is-Important.PDF> (accessed September 15, 2020).

5 Kaiser Family Foundation, Medicaid Eligibility through Buy-in Programs for Working People with Disabilities, all state data, downloaded from <https://www.kff.org/other/state-indicator/medicaid-eligibility-through-buy-in-programs-for-working-people-with-disabilities/?currentTimeframe=0&sortModel=%7B%22colld%22:%22Location%22,%22sort%22:%22asc%22%7D> on September 15, 2020.

6 Online brochure highlighting West Virginia's M-WIN program downloaded at http://www.advancingstates.org/sites/nasud/files/hcbs/files/145/7205/MWIN_spec_sheet_WV.pdf on September 15, 2020.

7 West Virginia Department of Health and Human Services, Income Maintenance Manual, accessed at <https://dhhr.wv.gov/bcf/Services/familyassistance/Documents/Binder4.pdf> on September 15, 2020

8 ibid

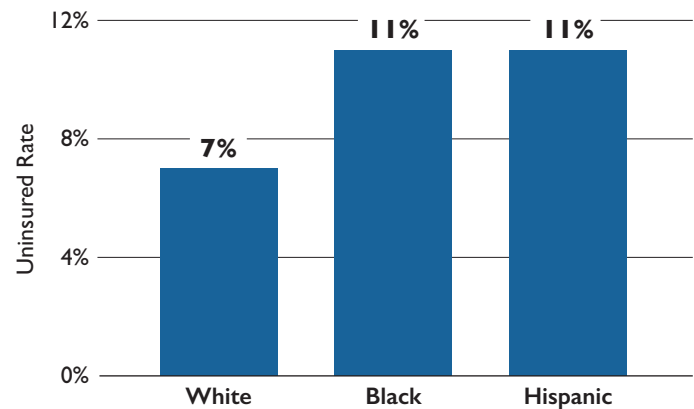
9 Kelly Allen, "COVID-related Health Coverage Losses Continue to Mount", West Virginia Center on Budget and Policy <https://wvpolicy.org/covid-related-health-coverage-losses-continue-to-mount/> accessed on September 15, 2020.

Progress in reducing the uninsured rate has been unequal, with Black and Hispanic West Virginians still much more likely to be uninsured than white, non-Hispanic West Virginians.¹⁰ In West Virginia and around the country, racial and ethnic minorities make up a disproportionate share of the overall uninsured population and the uninsured who are eligible but unenrolled in their state's Medicaid program. Black residents make up 3.6 percent of the state's population but 6.0 percent of the state's uninsured.¹¹

While the Affordable Care Act has done more than any other health policy in recent years to address longstanding racial health disparities due to structural inequities, there is still more that must be done to close the racial gap in health accessibility and outcomes, including continuing to increase insured rates through existing programs and expanding coverage options to include more residents.¹²

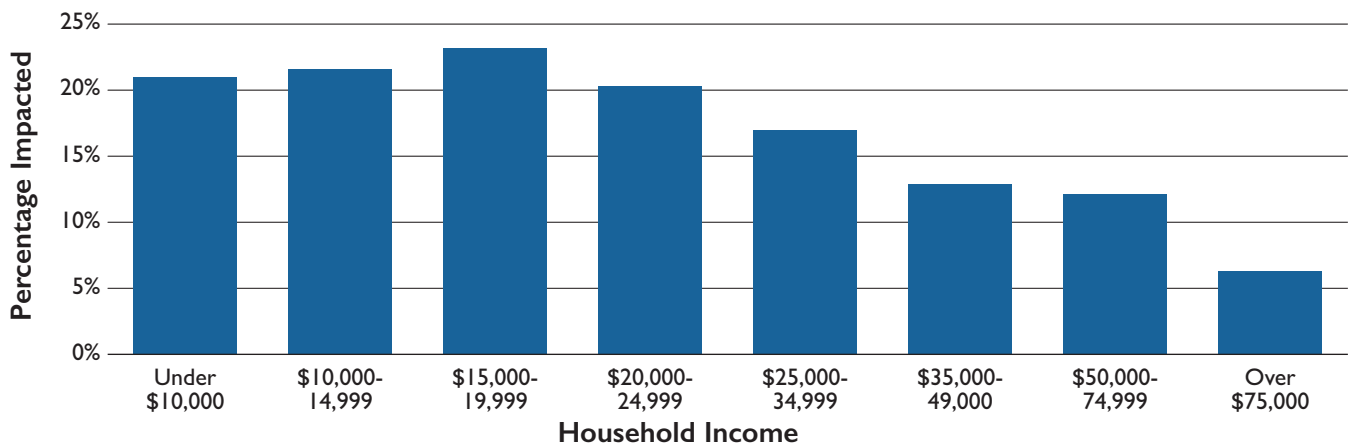
Lower-income West Virginians remain more likely to be uninsured than higher-income residents. Those with higher incomes are more likely to be offered health coverage through work and are less likely to forgo a doctor's visit due to cost concerns¹³ (Figure 3).

FIGURE 2
Despite Gains, Black and Hispanic West Virginians More Likely to Be Uninsured



Source: Kaiser Family Foundation data, 2018

FIGURE 3
Lower Income Households are More than Twice as Likely to Go Without Care Due to Cost Concerns



Source: WVCBP Analysis of Behavioral Risk Factor Surveillance System data, 2016-2018

10 Kaiser Family Foundation, Uninsured Rate by Race and Ethnicity, West Virginia data, downloaded at <https://www.kff.org/uninsured/state-indicator/rate-by-raceethnicity/?currentTimeframe=8&selectedDistributions=white--black--hispanic--total&sortModel=%7B%22colld%22:%22Location%22,%22sort%22:%22asc%22%7D> on September 15, 2020.

11 Kaiser Family Foundation, Uninsured Distribution by Race and Ethnicity, West Virginia data downloaded at <https://www.kff.org/uninsured/state-indicator/distribution-by-raceethnicity-2/?currentTimeframe=0&selectedRows=%7B%22states%22:%7B%22west-virginia%22:%7B%7D%7D%7D&sortModel=%7B%22colld%22:%22Location%22,%22sort%22:%22asc%22%7D> on September 15, 2020.

12 Thomas C. Buckmueller, Zachary M. Levinson, et al, "Effect of the Affordable Care Act on Racial and Ethnic Disparities in Health Insurance Coverage", American Journal of Public Health, 2016 August; 106(8); accessed at [https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4940635/#:~:text=The%20ACA%20has%20reduced%20racial,coverage%2C%20although%20substantial%20disparities%20remain.&text=The%20Affordable%20Care%20Act%20\(ACA\)%20has%20made%20new%20health%20insurance,Blacks%20and%20Hispanics%20are%20overrepresented](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4940635/#:~:text=The%20ACA%20has%20reduced%20racial,coverage%2C%20although%20substantial%20disparities%20remain.&text=The%20Affordable%20Care%20Act%20(ACA)%20has%20made%20new%20health%20insurance,Blacks%20and%20Hispanics%20are%20overrepresented) on September 15, 2020.

13 U.S. Bureau of Labor Statistics, National Compensation Survey, March 2020, downloaded at <https://www.bls.gov/ncs/ebs/benefits/> on September 15, 2020.

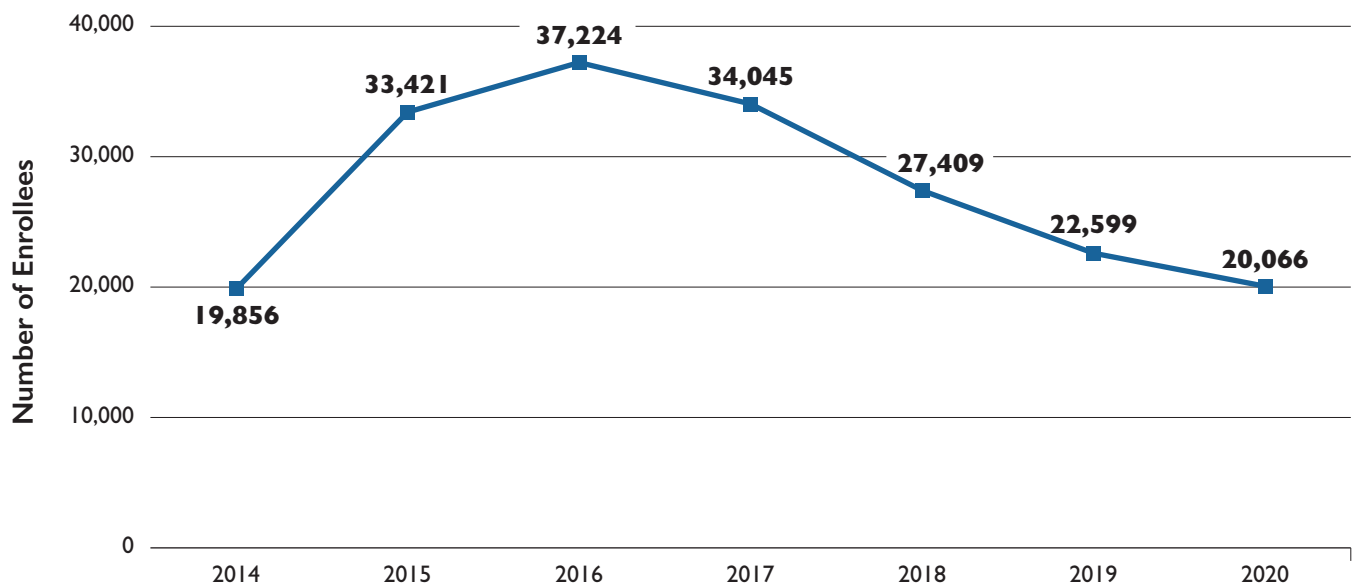
State Marketplace Characteristics

West Virginians who are not eligible for affordable health coverage through their employer or through Medicare or Medicaid can purchase health insurance on the state's health insurance Marketplace. West Virginia's ACA Marketplace has seen declining enrollment in recent years (Figure 4), likely due to a number of factors including rising premium costs.¹⁴ Twenty percent of West Virginia counties have only one insurer offering coverage on the Marketplace and the remaining counties have two insurers.¹⁵ Ninety percent of West Virginia's Marketplace enrollees are eligible for federal subsidies that make their monthly premiums more affordable, but only 49 percent have plans with cost-sharing reductions, which lower the deductibles, co-insurance, and other out-of-pocket costs associated with the plan.¹⁶

Between 2017 and 2020, sticker price premiums for silver plans on West Virginia's Marketplace increased by 37 percent, compared with a 28 percent increase on average in other states that use the federal Marketplace.¹⁷ While most states have seen small declines in the number of Marketplace enrollees since 2016, West Virginia's 46 percent decline in enrollment is unmatched.¹⁸ Moreover, enrollment among residents who are within the income eligibility limits for federal subsidies but not for cost-sharing reductions (those between 250 percent and 400 percent of the Federal Poverty Level) have seen a 37 percent drop in enrollment over this period.¹⁹

FIGURE 4

West Virginia's Marketplace Enrollment has Steadily Declined Since 2016



Source: Kaiser Family Foundation

14 Louise Norris, "West Virginia health insurance marketplace: history and news of the state's exchange", healthinsurance.org, accessed at <https://www.healthinsurance.org/west-virginia-state-health-insurance-exchange/> on September 15, 2020.

15 Kaiser Family Foundation, Insurer Participation on ACA Marketplace 2014- 2020, West Virginia data, downloaded at <https://www.kff.org/private-insurance/issue-brief/insurer-participation-on-aca-marketplaces-2014-2020/> on September 15, 2020.

16 Centers for Medicare and Medicaid Services, "Early 2020 Effectuated Enrollment Snapshot", July 23, 2020, accessed at <https://www.cms.gov/CCIIO/Resources/Forms-Reports-and-Other-Resources/Downloads/Early-2020-2019-Effectuated-Enrollment-Report.pdf> on September 15, 2020.

17 Center on Budget and Policy Priorities analysis of 2020 Marketplace Open Enrollment Period Public Use Files, Centers for Medicare and Medicaid Services, and Kaiser Family Foundation premium data.

18 Louise Norris, "West Virginia health insurance marketplace: History and news of the state's exchange, accessed at <https://www.healthinsurance.org/west-virginia-state-health-insurance-exchange/#enrollment> on September 15, 2020.

19 Center on Budget and Policy Priorities analysis of 2020 Marketplace Open Enrollment Period Public Use Files, Centers for Medicare and Medicaid Services, and Kaiser Family Foundation premium data

Key Goals of a Medicaid Buy-in

A Medicaid buy-in can be structured to achieve several important goals, including increased choice and competition on the health insurance market, increased affordability for consumers, continuity for populations with changing incomes, and potential savings for the state in health costs. Plan design, which is discussed later in this brief, can be tailored depending on which of these priorities is most important.

Increased Choice and Stability

Twenty percent of West Virginia counties have only one insurer offering coverage on the Marketplace and the remaining counties have only two insurers.²⁰ Creating a pathway for people to purchase Medicaid or Medicaid-like coverage could reduce the risk of areas within the state where no insurers offer coverage. Additionally, a buy-in could ensure that a stable option remains available to consumers year after year regardless of the decisions private insurers make.

Increased Affordability for Consumers

A coverage option built atop the framework of West Virginia's existing Medicaid program could provide a more affordable plan option including both premiums and cost-sharing by leveraging the administrative savings and lower per-enrollee costs of the program relative to commercial insurance. Monthly spending for adults averages just over \$400/month for adults.²¹ The lowest full-cost Marketplace plan for a 45-year-old on the Marketplace in Kanawha County is \$682/month.²² The lowest full-cost Marketplace plan for a 55-year-old on the Marketplace in Berkeley County is \$899/month.²³

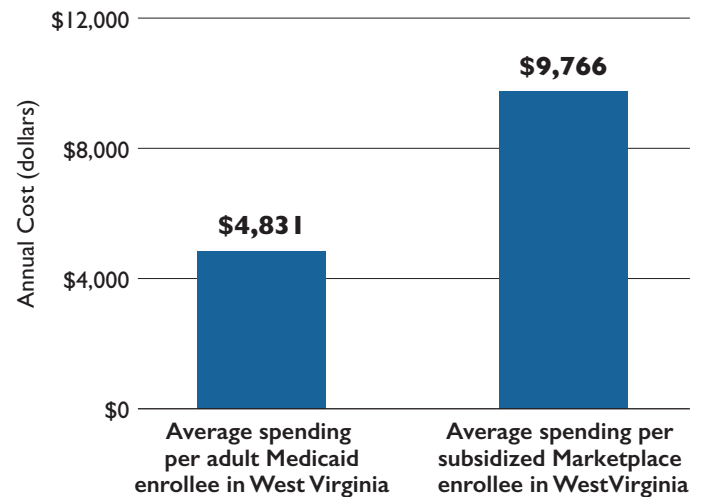
Additionally, the cost of Medicaid per enrollee is significantly lower than the average federal spending to subsidize Marketplace enrollees in West Virginia. This means it costs the government less to enroll residents in Medicaid than to subsidize their private insurance.

Continuity for Populations with Changing Incomes

People who do not receive health coverage through their jobs can experience “churn” in the individual market as their income changes and they move between Medicaid and the private insurance market. Depending on plan design, a Medicaid buy-in can help serve as a transition for people whose incomes rise above current Medicaid eligibility guidelines and minimize the disruption that consumers face when their household and income circumstances change. This can address concerns about work disincentives and can ensure continuity of coverage so that consumers are not forced to go without regular care, prescription medications, and needed medical treatments when they lose coverage or transition from one program to another.

FIGURE 5

Subsidizing Private Insurance Costs Twice as Much as Enrolling Someone in Medicaid in West Virginia in 2020



Sources: Personal communication with Susan Hall at West Virginia Department of Health and Human Resources (DHHR) on September 30, 2020 and Centers for Medicare and Medicaid Services (CMS) 2020 Effectuated Enrollment Report

²⁰ Kaiser Family Foundation, Insurer Participation on ACA Marketplaces 2014-2020, West Virginia data, downloaded at <https://www.kff.org/private-insurance/issue-brief/insurer-participation-on-aca-marketplaces-2014-2020/> on September 15, 2020.

²¹ West Virginia Department of Health and Human Resources, “Medicaid 101: An Overview of West Virginia’s Program”, accessed at <https://dhhr.wv.gov/bms/BMSPUB/Documents/Medicaid%20101.pdf> on September 15, 2020.

²² WVCBP analysis of ACA marketplace plan pricing via <https://www.healthsherpa.com/> accessed on September 17, 2020.

²³ *ibid*

Potential Savings

Potential buy-in savings, which will generate lower premiums for consumers and savings to the state, result from several sources. Administrative efficiencies in the Medicaid infrastructure can lead to lower premiums, as a state-sponsored buy-in can leverage existing infrastructure, reduced overhead, and strong negotiating power. The buy-in product could also leverage state purchasing power, particularly if the risk pool is linked to another government-administered program like Medicaid. A buy-in can also advance population health, streamlining care management for high cost populations, and allowing payment reforms that pay for value rather than volume of services.²⁴

Plan Design and Considerations for Medicaid Buy-In

A Medicaid buy-in for West Virginia should focus on improving coverage affordability and making coverage transitions or “churn” easier to navigate.

On or Off Marketplace

One of the first considerations for a Medicaid buy-in is whether the plan should be placed on or off the state’s Marketplace. This brief looks at an “off-Marketplace” buy-in product modeled after legislation introduced in 2020 in West Virginia. This would avoid direct competition with the state’s commercial insurers and would not devalue the federal subsidy against the cost of other commercial health insurance plans while still giving consumers more choice and continuity.

A targeted off-Marketplace buy-in would help people over 400 percent of the Federal Poverty Level, who are currently ineligible for subsidies to make Marketplace coverage more affordable, as well as workers who cannot obtain affordable family coverage through their employer. Studies in New Mexico and Colorado found that an off-Marketplace buy-in could reduce premiums by up to 28 percent for those who qualified.²⁵

What is Churn?

People move on and off health insurance plans for many reasons — income and job changes, losing or gaining access to Medicaid, moving to a new state, etc. These health coverage transitions are referred to as churn. Prior to the ACA, churn often referred to people moving back and forth between Medicaid and being uninsured. With the implementation of the ACA, churn can refer to individuals’ fluctuating incomes ping-ponging them between Medicaid eligibility and qualified health plans on the Marketplace.

These transitions can be disruptive to the affected individuals, creating challenges accessing provider networks, obtaining needed medications, and seeking care. Additionally, they can result in increased costs for states associated with uncompensated care.

Related to churn is the “cliff effect,” which refers to the scenario in which a small increase in income causes an individual or household to lose Medicaid eligibility and no longer have an affordable health coverage option available.

A Medicaid buy-in can be a tool to minimize churn and the impacts of the cliff effect, allowing someone moving between Medicaid expansion and the buy-in to stay with the same insurer, plan infrastructure, and provider network. Aligning Medicaid with an option available for purchase to individuals at higher income levels enhances the consumer’s experience and complements state fiscal priorities.

24 Manatt Health, “Medicaid Buy-in: State Options, Design Considerations, and Section 1332 Waiver Implications”, May 2018, accessed at <https://www.manatt.com/getattachment/fd64ec7f-de6f-448c-8579-7f37b185fcc3/attachment.aspx> on September 1, 2020.

25 Manatt Health, “A Promising Strategy for an Affordable Medicaid Buy-in Option in Colorado”, December 2018, accessed at https://www.manatt.com/getmedia/21be89cc-b059-4af7-a458-2c6b2801ea21/Manatt-Health_A-Promising-Strategy-for-an-Affordable-Medicaid-Buy-In-Opt on September 1, 2020.

Financing Considerations

A Medicaid buy-in can be funded by enrollee premium contributions, subsidized with state dollars, funded through federal subsidies obtained under a 1332 waiver, or some combination of all three. In order to make the buy-in plan accessible to residents with income or household changes causing them to churn off Medicaid expansion eligibility, a subsidy utilizing state or federal funds will be critical.

Through a 1332 waiver application, West Virginia could receive approval for a global payment for the federal tax credits eligible enrollees would have received had they enrolled in a health plan on the Marketplace. This payment would instead come to the state to be used to fund the buy-in program. Currently, there is no precedent for a state receiving a 1332 waiver to provide subsidies for an off-Marketplace buy-in program. The likelihood of approval is highly dependent on the federal administration when the waiver is submitted and that administration's view of health policy objectives.²⁶

Alternatively, if a 1332 waiver is unsuccessful or insufficient, there could be a state funding mechanism to subsidize premiums for enrollees who meet established program eligibility guidelines. Options for state funding of a Medicaid buy-in subsidy include utilizing funds from a recently passed Managed Care Organization (MCO) provider tax or a new funding stream like increasing the soda tax (\$89 million) or utilizing taxes on medical and recreational cannabis (\$58 million).²⁷ The Medicaid buy-in legislation introduced in West Virginia in 2020 allocated \$12 million from the state's general revenue fund to help cover the cost of premiums.

Finally, enrollees can contribute monthly premiums that partially or fully cover the cost of the health plan.

Plan Administration

The Medicaid buy-in could be administered by the state's current Medicaid MCOs, utilize existing Medicaid provider networks, and be overseen by the Department of Health and Human Resources (DHHR) or the Offices of the Insurance Commissioner (OIC). Having the buy-in administered by the MCOs who offer Medicaid expansion plans would strengthen alignment between Medicaid and the buy-in option by ensuring that the same or partnering issuers, plans, and provider networks would be offered as individuals transition between coverage programs.

Provider Reimbursement Rates

Although the Medicaid buy-in would be built atop the state's Medicaid infrastructure, competitive reimbursement rates would be an important consideration to ensuring provider participation. One way of looking at West Virginia's current Medicaid reimbursement rates in comparison to that of other states is to consider the Medicaid to Medicare fee ratio. West Virginia's current Medicaid reimbursement rates are 81 percent of the Medicare rate, higher than the national average of 72 percent.²⁸ A Medicaid buy-in study in Colorado recommended that the Medicaid buy-in plan reimburse providers at Medicare rates, which could be considered to increase participation among providers.²⁹

Benefits

The buy-in plan's benefits could mirror those offered to Medicaid expansion enrollees. The plan should include the ten essential health benefits required under the ACA, and policymakers can consider offering dental, vision, and non-emergency medical transportation.

26 Manatt Health, "State Medicaid Buy-ins: Key Questions to Consider", April 2019, accessed at <https://www.shvs.org/wp-content/uploads/2019/04/BRIEF-Medicaid-Buy-In-FINAL.pdf> on September 1, 2020.

27 West Virginia Center on Budget and Policy, "Who Pays? Rethinking West Virginia's Tax System", accessed at https://wvpolicy.org/wp-content/uploads/2020/01/WVCPB_TaxPrimer_DIGITAL.pdf on October 8, 2020.

28 Manatt Health, "Medicaid Buy-in: State Options, Design Considerations and Section 1332 Waiver Implications", May 2018, accessed at <https://www.manatt.com/getattachment/fd64ec7f-de6f-448c-8579-7f37b185fcc3/attachment.aspx> on September 1, 2020.

29 Manatt Health, "A Promising Strategy for an Affordable Medicaid Buy-in", accessed at https://www.manatt.com/getmedia/21be89cc-b059-4af7-a458-2c6b2801ea21/Manatt-Health_A-Promising-Strategy-for-an-Affordable-Medicaid-Buy-In-Opt on September 1, 2020.

Eligibility

The buy-in could be open to anyone, with available subsidies or cost sharing assistance only going to those who meet certain criteria, including income eligibility, and who do not have an affordable coverage option for their family through an employer or the Marketplace. The legislation introduced in 2020 limits the program to West Virginians who are ineligible for Medicaid, Medicare, or federal subsidies on the ACA Marketplace, while also allowing the administrative agency to broaden the eligibility categories.

Cost Sharing

Policymakers can determine how cost sharing would work, including whether the plan would have deductibles, copays, and co-insurance. This could vary based on income eligibility guidelines.

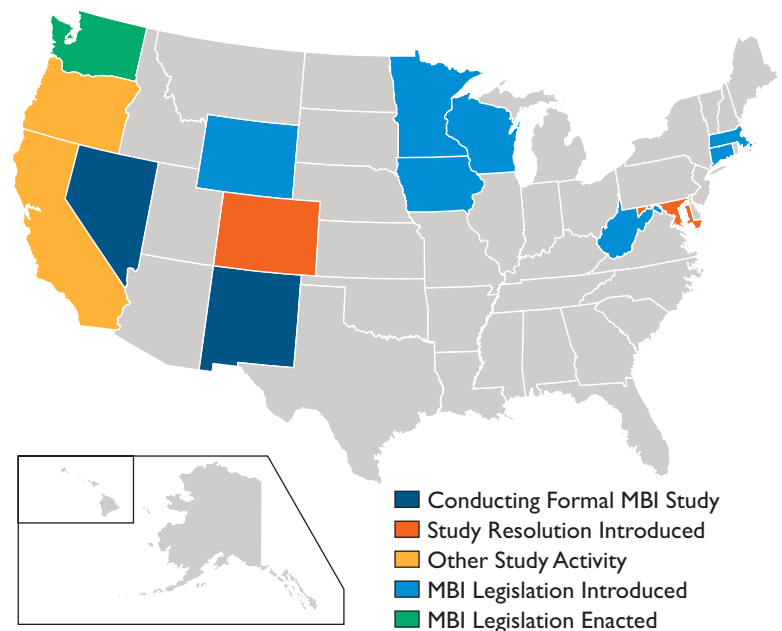
States Considering Medicaid Buy-ins

At least fifteen states have introduced legislation or are considering a Medicaid buy-in in one form or another.

Nevada's state legislature was the first to pass legislation to create a Medicaid buy-in in 2017, but the legislation was vetoed by Governor Brian Sandoval. This bill would have made the state's Medicaid buy-in available for purchase on the state's Marketplace, allowing consumers to use their federal subsidies to purchase the coverage. Plans are underway to reintroduce the legislation based on public feedback and the results of a study passed by the legislature.³⁰

In 2020, Washington's state legislature passed a public option, calling for the development of a state-directed insurance offering which will be available beginning in 2021. This plan, which will offer the ten essential health benefits and other benefits based on the ACA's plan requirements, will be on the state's Marketplace, allowing consumers to utilize their federal subsidies to purchase it. The plans will be administered by private insurance carriers.³¹

FIGURE 6
Fifteen States Are Considering a Medicaid Buy-in



Source: United States of Care

30 Kristin Wikelius and Allison O'Toole, "Medicaid Buy-in: State of Play", United States of Care, accessed at <https://unitedstatesofcare.org/wp-content/uploads/2018/12/MBI-Memo.pdf> on September 15, 2020.

31 James C. Capretta, "Washington State's Quasi-Public Option" The Milbank Quarterly, March 2020 (Volume 98), accessed at <https://www.milbank.org/quarterly/articles/washington-states-quasi-public-option/> on September 1, 2020.

The Path Forward

In 2020, Medicaid buy-in legislation, HB 4789, was introduced in the West Virginia House of Delegates with bipartisan sponsorship, although it was not taken up by a committee.³² The legislation would have created the “Affordable Medicaid Buy-in Program” and required the DHHR to develop and administer the plan to be available to West Virginia residents who are ineligible for Medicare, Medicaid, employer-based coverage, or advanced premium tax credits on the ACA Marketplace, though the department would have had the authority to extend eligibility to additional populations, as well. The plan would have included the ten essential health benefits and maximized coordination and continuity between the plan and Medicaid.

The bill appropriates \$24 million in funding for the program from the general fund, half of which is dedicated to state subsidies to make plans affordable for enrollees and half to cover agency administrative costs.

Federal Landscape

The likelihood of West Virginia being approved for a 1332 waiver, which would allow the state plan to include residents who are eligible for federal subsidies and to put those subsidies toward the cost of the Medicaid buy-in, is highly dependent on whether the Presidential administration in office when the waiver is filed prioritizes the expansion of public health insurance options. As of publication, no state has been approved for a 1332 waiver that would allow federal subsidies to flow to an off-Marketplace public plan.

Regardless, West Virginia can pursue a Medicaid buy-in without federal approval.

Why Now

West Virginians and our state would benefit greatly from expanding quality, affordable health coverage options for residents. Interest around the country is growing with at least fifteen states considering a similar program.³³ The most effective and popular part of the Affordable Care Act driving our reduction in the uninsured rate has been the Medicaid expansion, and a Medicaid buy-in would allow more residents to take advantage of this successful program.

Amid rising costs in the private insurance market and a recovering economy, a Medicaid buy-in would give people additional quality, affordable options not tied to one’s job or employment status. The state should have an interest in pursuing a policy that expands coverage as uninsured residents receive less preventive care and have poorer health outcomes, creating a fiscal burden for families and for the state’s budget and health care system.³⁴ West Virginia should build upon the successes of the ACA’s public insurance supports and enact a Medicaid buy-in to improve overall health and well-being.

32 WV Legislature, House Bill 4789 text, accessed at http://wvlegislature.gov/Bill_Status/bills_history.cfm?INPUT=4789&year=2020&sessiontype=RS on October 8, 2020.

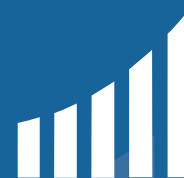
33 Heather Howard, “Map: State Efforts to Develop Medicaid Buy-in Programs”, Princeton University, accessed at <https://www.shvs.org/state-efforts-to-develop-medicare-buy-in-programs/> on September 1, 2020.

34 Randall R. Bovbjerg and Jack Hadley. “Why Health Insurance Is Important” The Urban Institute. DC-SPG no. 1, (November 2007), <https://www.urban.org/sites/default/files/publication/46826/411569-Why-Health-Insurance-Is-Important.PDF> (accessed September 15, 2020).

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