



The following snapshot highlights demographic and other changes occurring within the District’s Medicaid program as a result of Medicaid expansion authorized under the Affordable Care Act. Major take-aways include:

- The District experienced significant growth in both young adult and older adult managed care populations;
- The largest expansion in enrollment was among young childless adults, but the older childless adult population grew more in comparison to its existing enrollment numbers.

The DC Department of Health Care Finance (DHCF) finances the health insurance coverage (Medicaid and Alliance) of approximately 240,000 people – about one in three District residents. Health care services are delivered

through two delivery models: a managed care model that contracts with managed care organizations (MCO), which are paid a monthly capitation rate to finance the care for each Medicaid beneficiary, and a fee-for-service (FFS) model, where service providers are reimbursed directly by DHCF for providing beneficiaries’ care. Typically, children and families are served through the managed care model, while individuals who are elderly or disabled are served through the fee-for-service model.

In 2010, the District expanded Medicaid coverage to childless adults aged 19 to 64 years of age with incomes up to 200% of poverty. This expansion allowed many residents not previously eligible for Medicaid to enroll in the program. In particular, some 30,000 individuals enrolled in the DC Health Care Alliance program, the District’s safety net program for uninsured residents not eligible for DC Medicaid, transitioned into Medicaid.

Figure 1 illustrates the growth in population from 2010 to 2013, by age group, as a percentage of the enrollment at the time of expansion. The largest increase in enrollment was among the 50- to 64-year-old population. In 2010, this group had the lowest enrollment, but experienced a substantial increase in enrollment (over 350%) due to the expansion of Medicaid to childless adults. Figure 2 illustrates a comparison of the contribution to enrollment growth for Medicaid managed care beneficiaries enrollment by age group from 2010 to 2013. This is calculated as the fraction of total growth attributable to each age group. The enrollment figures show that enrollment growth among young adults contributed the most to Medicaid expansion growth. While older adults experienced the largest relative growth (due to a smaller base population), young adults showed the largest absolute growth in enrollment and thus drove the largest share of expansion-related enrollment growth. Increasing expenditures parallel the growth of enrollment. Figure 3 shows the total capitation payments made in January 2010 compared to January 2013 by age group, and the different rates of growth by age group are visible. Figure 4 shows the average per-member, per-month cost by age group for January 2013.

Taken together, the data provide insight on the growth the District experienced through Medicaid expansion. The 19- to 36-year-olds experienced the largest total enrollment increase, but the 50- to 64-year-olds experienced the largest percentage increase. The highest increase in capitation rates were among 50- to 64-year-olds, which makes intuitive sense as this population generally experiences higher rates of chronic conditions. Together, both the absolute changes in enrollment and the growth in higher-cost older adults have driven increases in managed care expenditures.

Figure 1. Growth in Medicaid Managed Care population by age group, from January 2010 to January 2013

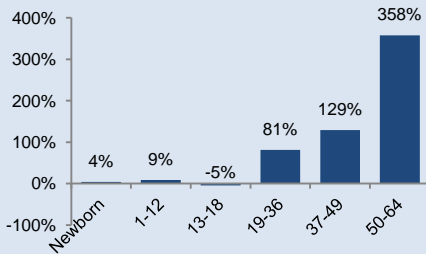


Figure 2. Contribution to growth in Medicaid Managed Care population by age group, from January 2010 to January 2013

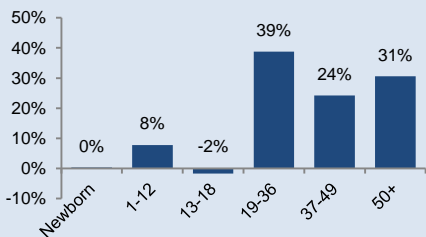


Figure 3. Total capitation payments by age group, January 2010 and January 2013

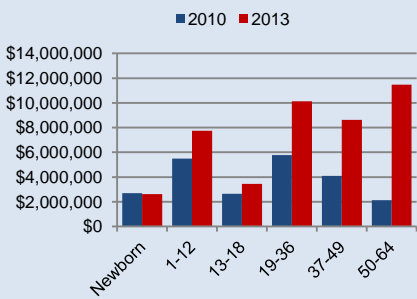


Figure 4. Average per-member per-month costs, January 2013, by age group

