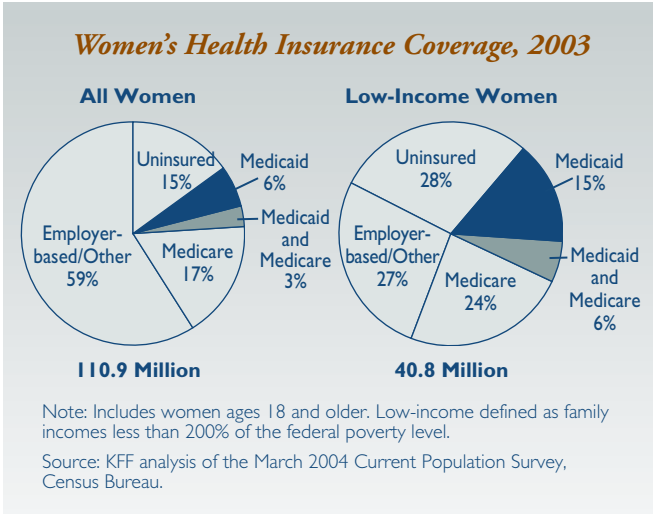
Medicaid:

Vital to Women's Health

Grantmakers with a focus on women's health are paying close attention to proposals to restructure Medicaid, which could have major implications for low-income women's access to health care services. In general, women are eligible for Medicaid if their incomes are at or below the federal poverty level and if they are pregnant, have dependent children, are over 65 and have Medicare, have disabilities, or are deemed medically needy (because they have reduced their assets to meet their state's low-income threshold or they have medical expenses so high that they meet a state-set income standard). In 2003, nearly 10 percent of all women and more than 20 percent of low-income women were covered by Medicaid. Many low-income women do not meet the program's eligibility criteria, but for those women who do, the program provides access to reproductive services, medical and supportive services for women with disabilities, breast and cervical cancer treatment, and long-term care (Kaiser Family Foundation 2004).



Note: Includes women ages 18 and older. Low-income defined as family incomes less than 200% of the federal poverty level.

Source: KFF analysis of the March 2004 Current Population Survey, Census Bureau.

REPRODUCTIVE SERVICES

Medicaid is one of the main payers for pregnancy-related services. Medicaid pays for more than a third of all U.S. births, and covers the costs of more than half of all births in Arkansas, New Mexico, West Virginia, and Mississippi. In most cases, Medicaid beneficiaries are eligible to receive prenatal visits and tests, delivery services, and two months of postpartum care (Kaiser Family Foundation 2004).

Medicaid is also the principal source of public financing for family planning services. Family planning has a special status in the Medicaid program. The federal government gives states an enhanced 90 percent match for family planning; women covered by Medicaid cannot be charged out-of-pocket costs for family planning services; and women in managed care plans can see providers outside of that plan for family planning needs. Family planning services offered by state Medicaid programs include oral contraceptives, gynecological exams, condoms, STD tests, and contraceptive counseling (Kaiser Family Foundation and Alan Guttmacher Institute 2004).

MEDICAL AND SUPPORTIVE SERVICES FOR WOMEN WITH DISABILITIES

Medicaid covers half of this country's nonelderly women with permanent mental or physical disabilities. Medicaid benefits of importance to women with disabilities include home health care, including durable medical equipment; transportation and rehabilitative services; inpatient hospital and intermediate care for mental retardation; prosthetic devices; physical therapy; and case management. Often, a state's Medicaid benefits for people with disabilities are more comprehensive than those offered by private health insurance plans (Kaiser Family Foundation 2004).

BREAST AND CERVICAL CANCER TREATMENT

Medicaid finances breast and cervical cancer treatment for uninsured women in all 50 states and the District of Columbia (Rivera 2005). To be eligible for treatment, women otherwise ineligible for Medicaid must be uninsured, under 65, and diagnosed with cancer through the Centers for Disease Control and Prevention's national screening program. States may enroll a woman in Medicaid for a limited period of time before her application is processed if she is likely to be eligible for the program.

LONG-TERM CARE

Seventy-five percent of nursing home residents and 67 percent of home health users are women, in part because women live longer and experience higher rates of chronic illness and dis-

ability than men (Kaiser Family Foundation 2004). The Medicare program does not provide long-term care coverage and there is little long-term care coverage available in the private market. Medicaid pays for the care of nearly 70 percent of nursing home residents and also provides coverage for limited home- and community-based long-term care. In fact, long-term care makes up over a third of Medicaid spending (Kaiser Commission on Medicaid and the Uninsured 2004).

IMPENDING MEDICAID REFORM

Policymakers have been exploring options for reforming Medicaid in order to reduce the program's costs. In 2003, the Administration proposed converting Medicaid from an entitlement to a block grant. In March of this year, Congress approved a preliminary budget plan with $20 billion in Medicaid spending reductions. And over the past few years, a growing number of states have applied for 1115 waivers that have allowed states to make structural changes to the Medicaid program not otherwise allowed under federal law (Kaiser Commission on Medicaid and the Uninsured 2005).

Women are disproportionately affected by changes to the Medicaid program because they comprise the majority of adult Medicaid beneficiaries. Thousands lose their health care coverage when states reduce eligibility categories or raise income eligibility levels. Those who retain coverage may face barriers to access, such as reduced benefits, increased cost-sharing requirements, or a decreased number of providers willing to accept Medicaid patients (National Women's Law Center 2004).

OPPORTUNITIES FOR GRANTMAKERS

Several foundations and corporate giving programs are supporting efforts to demonstrate Medicaid's critical role in helping eligible low-income women gain access to important primary and preventive care services.

- ***Grantmakers are building coalitions to guide national and state advocacy efforts*** – The Robert Sterling Clark Foundation, John Merck Fund, Overbrook Foundation, Gimbel Foundation, Scherman Foundation, Tortuga Foundation, and Dyson Foundation are currently funding the *Protect Women, Protect Medicaid Campaign*. Recognizing a gap between the women's movement and Medicaid advocacy efforts, the New York-based Institute for Reproductive Health Access initiated the *Protect Women, Protect Medicaid Campaign* as a national effort to respond to the calls to cut Medicaid at both the federal and state levels. The campaign's statement of principles has been endorsed by more than 350 organizations. Campaign members get regular updates about developments in Medicaid, participate in regional and national discussions about threats to Medicaid and how communities are responding, find out about other state-level groups working on Medicaid issues, and obtain financial and technical support from the institute in developing and strengthening Medicaid information and advocacy campaigns.

- ***Foundations and corporate giving programs are also supporting the creation of tools for advocates*** – The Washington, DC-based Public Welfare Foundation and the Pfizer Foundation are funding the National Women's Law Center's *Medicaid Project*, which is playing a unique role in efforts to preserve and enhance Medicaid by amplifying the voice of women in current state and federal debates. The center develops and distributes information and analyses to state and national advocates and policymakers, and facilitates broader participation in the advocacy efforts that will be critical to protecting low-income women's access to Medicaid.

- ***Developing and disseminating policy research is another option for funders*** – The Kaiser Family Foundation (KFF) has supported The Alan Guttmacher Institute's (AGI) research on Medicaid's role as the largest source of public funding for family planning services. The KFF/AGI issue brief *Medicaid: A Critical Source of Support for Family Planning in the United States*, examines the extent to which women of reproductive age in each state rely on Medicaid for their care, the unique preferential status of the family planning services covered under Medicaid, state-initiated federal waiver programs that extend eligibility, and what is known about the cost-effectiveness of family planning. The foundation has also released an issue brief entitled *Medicaid's Role for Women*, which discusses Medicaid's role as a critical safety-net program for the nation's low-income women, and describes the program's roles throughout women's life spans. In November 2004, the foundation hosted a briefing for women's health researchers and advocates, during which panelists discussed what women have at stake in federal and state efforts to restructure the program.

SOURCES

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