

June 2017 | Fact Sheet

## Medicaid's Role in Nevada

## Medicaid in Nevada

- Over **631,000** people in Nevada are **covered by Medicaid** (17% of the population). While eight in ten (80%) enrollees are children and adults, more than half (59%) of the state's Medicaid spending is for the elderly and people with disabilities.
- **50,500** (13%) of Nevada **Medicare enrollees** are also **covered by Medicaid**, which accounts for over a quarter (28%) of Medicaid spending.
- **61% of all children** in Nevada are **covered by Medicaid**, including 27% of children with special health care needs.
- 58% of nursing home residents in Nevada are covered by Medicaid and 35% of Medicaid longterm care spending is for nursing home care. Medicare beneficiaries rely on Medicaid for assistance with services not covered by Medicare, particularly long-term care.

## How Many Medicaid Expansion Adults are at Risk by Ending the Enhanced Federal Matching Funds?

- 203,900 adults (34% of total enrollees) in Nevada gained coverage under the Medicaid expansion. Nevada has one of the highest shares of federal expansion funding as a share of all federal Medicaid (40%). The Better Care Reconciliation Act of 2017 phases out the enhanced federal match to states that adopted the Medicaid expansion by 2024, putting coverage at risk for these adults.
- The Medicaid expansion has helped reduce longstanding disparities in health coverage faced by Hispanics in Nevada. Between 2013 and 2015, the uninsured rate for nonelderly Hispanics in Nevada fell from 34% to 19%.

## What is at Risk under a Per Capita Cap or Block Grant?

- Capping Medicaid funding would reduce the federal assistance for Nevada to maintain its current Medicaid program.
  - Nevada has a low per capita income and therefore a relatively high federal Medicaid matching assistance percentage (FMAP) at 66%. For every \$1 spent by the state, the Federal government matches \$1.85. More than half (59%) of all federal funds Nevada receives are for Medicaid.
  - Urban Institute estimates that federal funding for Medicaid in Nevada would be \$1.4 billion lower in 2022 under the Better Care Reconciliation Act of 2017 compared to the Affordable Care Act (ACA), a 43% decline. The gap in federal funding would widen substantially after 2025.

- Reducing federal funds through a per capita cap or block grant would limit Nevada's ability to respond to public health crises such as the opioid epidemic, HIV, or Zika.
  - $\circ$  Nevada has an estimated HIV diagnosis rate of 20.1 per 100,000 population compared to a national average of 14.7 per 100,000 population, the 7<sup>th</sup> highest in the country. Medicaid is the single largest source of coverage for people with HIV in the U.S.
  - o Nevada's opioid death rate is 13.8 deaths per 100,000 population in 2015, compared to a national average of 10.4 deaths per 100,000 population.
  - o Nearly two-thirds (65%) of people in Nevada are overweight or obese and more than one-third (35%) report poor mental health status.
- Limited availability of revenue resources in the state puts states at higher risk under reductions or caps in federal financing as it would be more difficult to offset the loss of federal funds with state funds. Nevada has low state and local spending per capita from all sources.
- Capping federal Medicaid funding could jeopardize Medicaid programs designed to improve quality of life and access to long-term care for people with disabilities. 13% of Nevada's non-institutionalized population reported a disability.
- Capping Medicaid can limit states' ability to respond to demographic changes in their state that affect demand for Medicaid and other public health services. Nevada has the second highest projected growth rate of its 85+ population (95%) between 2015 and 2030, a population more likely to require nursing home care. Medicaid is the primary payer for nursing home care.