



KanCare Expansion: Just the Facts

STATES CAN COUNT ON FEDERAL FINANCIAL SUPPORT FOR EXPANSION

The Federal “enhanced” match covers the vast majority of expansion costs and is part of federal law. It cannot be changed without Congressional and Presidential approval.

- The law requires the federal government to pick up 100% of expansion costs through 2016; it drops to 95% in 2017 but never goes below 90%. This means that when the maximum 10% state share is in effect (in 2020), the federal government will pay \$90 for every \$100 in health care costs for newly eligible Kansans.^{i,ii}
- New federal law would be required to change the federal funding commitment, and history shows little evidence that this is likely. Congress has modified Medicaid's overall matching rate only three times over the last three and a half decades. President Reagan and Congress enacted a temporary cut in 1981, but the most recent changes involved temporary increases to aid states during the last two economic downturns.ⁱⁱⁱ
- In the event that the match rate changes – or for any other reason – states can drop their Medicaid expansion. Several states have included sunset provisions in their authorizing legislation.^{iv}

ⁱ “The Patient Protection and Affordable Care Act” (PL 111–148, 111–152, 23 March 2010).

ⁱⁱ “The Social Security Act” (§1905(y)(1), 14 August 1935).

ⁱⁱⁱ Park, E. (3 February 2014). *History Rebuts Claim That Federal Medicaid Matching Rates Are Unstable*. Retrieved from <http://www.cbpp.org/blog/history-rebuts-claim-that-federal-medicaid-matching-rates-are-unstable>.

^{iv} Center for Medicaid and Medicaid Services (10 December 2012). *Frequently Asked Questions on Exchanges, Market Reforms, and Medicaid*. Retrieved from <https://www.cms.gov/CCIIO/Resources/Files/Downloads/exchanges-faqs-12-10-2012.pdf>.