

## GOVERNMENT OF THE DISTRICT OF COLUMBIA OFFICE OF THE CHIEF FINANCIAL OFFICER OFFICE OF REVENUE ANALYSIS

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Vincent C. Gray, Mayor

Natwar M. Gandhi, Chief Financial Officer

Fitzroy Lee, Deputy CFO & Chief Economist

# Medicaid enrollment in the District of Columbia increased rapidly during the recession

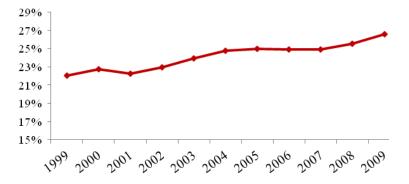
Medicaid is a Federally and locally funded program that provides health coverage to some low-income DC residents. Medicaid covers families with children and pregnant women, medically needy individuals, the elderly, and people with disabilities, if state and federal guidelines are met.

In 2009, 162,916 District residents were enrolled in Medicaid, equivalent to 27.2 percent of the city's total population. For the same year, 20 percent of the total population in the US was enrolled in Medicaid, 14 percent in Maryland, and 11 percent in Virginia.

DC's high enrollment rate reflects the socio-economic characteristics of the city—in 2009, 18.4 percent of the population was living under the poverty line in the District, compared to 14.3 percent in the US, 9.1 percent in Maryland, and 10.5 percent in Virginia. The differences are starker among people 18-or-under (children are the largest recipients of Medicaid Services in the District): 33.4 percent of people younger than 18 years-old are below poverty levels in the District, compared to 22.0 percent in the entire nation, 14.0 percent in Maryland, and 12.8 percent in Virginia.

Medicaid enrollment increased rapidly in DC during the recession – in the first month of 2007, 146,347 District residents were enrolled in Medicaid (or 24.9 percent of the total population), down from the previous all-time-high of 147,225 at the end of 2005 (or 25 percent of the total population). By the end of 2009, Medicaid enrollment increased by 16,569, or 11.3 percent. During this period, the District's population increased by only 11,789 (or 2 percent.) (continued on p. 2)

### Share of population enrolled in Medicaid, District of Columbia



Sources: D.C. Department of Healthcare Finance and U.S. Census Bureau

#### This briefing document was prepared by Yesim Yilmaz, DC Office of Revenue Analysis.

This brief first appeared in the October 2011 <u>DC Economic and Revenue Trends</u>. District of Columbia briefing documents are prepared by the Office of Revenue Analysis, which is part of the Office of the Chief Financial Officer of the District of Columbia government. The purpose of these documents is to make information available that is not of a policy nature. See also *District of Columbia Economic and Revenue Trends* and *Economic Indicators* issued monthly by the D.C. Office of the Chief Financial Officer (<a href="www.cfo.dc.gov/Economy">www.cfo.dc.gov/Economy</a> and Revenue).

For comment or further information, please contact Fitzroy Lee, Deputy Chief Financial Officer and Chief Economist, Office of Revenue Analysis, 1101 4th St., SW, Suite W770, Washington D.C. 20024, fitzroy. lee@dc.gov, 202-727-7775

### DC Medicaid, continued from p.1

The increase in enrollment from 2007 to 2009 was most rapid among the aged—1,608 more elderly enrolled in Medicaid in December 2009, compared to January 2007, representing a 15.9 percent increase in this group. In 2009, the elderly constituted 7.2 percent of total enrollment compared to 6.9 percent in 2007. That said, the shares of eligible groups have remained relatively constant through the recession—children constitute roughly half of the recipients, and non-aged adults constitute about 43 percent, split almost equally between disabled, and non-disabled.

Projecting Medicaid enrollment continues to be a challenge. Medicaid enrollment has been negatively correlated with resident employment (the correlation between the two data series is 0.67). For example, between January 2007 and December 2009, resident employment dropped by approximately 11,110, while Medicaid enrollment increased by 16,569. Continuing economic uncertainty makes it hard to project resident employment.

Between 2005 and 2007, while the unemployment rate in the District declined steadily, Medicaid enrollment held relatively constant. During the recession, unemployment rose rapidly, and the unemployment rate increased at a faster rate than Medicaid enrollments.

Finally, the federal Health Care Reform bill has significantly increased the eligible population for Medicaid starting in 2010. Income eligibility limits were significantly increased—for example from 200 percent to 300 percent of federal poverty limits for children up to age 19, and from 125 percent to 200 percent of federal poverty limits for parents.

-Yesim Yilmaz, Office of Revenue Analysis

DC Medicaid enrollment change, by eligible group Jan 2007 to Dec 2009

	2007	2009	Change	Percentage Change
Aged	10,133	11,741	1,608	15.9%
Children	72,906	81,062	8,156	11.2%
Disabled Adult	31,821	35,811	3,990	12.5%
Non-Disabled Adult	31,487	34,302	2,815	8.9%
Total	146,347	162,916	16,569	11.3%
Population	587,868	599,657	11,789	2.0%
Unemployment	17,874	34,570	16,696	93.4%

Sources: D.C. Department of Healthcare Finance and U.S. Census Bureau

Enrollment by group, 2009

