

Medicaid Expansion Could Cut Native Americans' Uninsurance Rate by Half

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Despite having a legal right to health care as part of longstanding treaties and laws, many American Indians and Alaska Natives still lack access to health coverage and are disproportionately affected by chronic conditions such as diabetes and heart disease. Expanding Medicaid in 2014 will significantly reduce their uninsurance rate and increase their access to needed health care services.

Across the United States, more than 1.2 million — or nearly a quarter — of American Indians and Alaska Natives lacked health insurance coverage in 2011. Of those who were uninsured, approximately 530,000 had incomes below 138 percent of the poverty level (\$26,344 for a family of three), which means they would qualify for Medicaid under the expansion. If all states expanded Medicaid in 2014, the percentage of uninsured Native Americans and Alaska Natives could be cut nearly in half.

The Medicaid expansion is particularly critical for those Native Americans who do not have easy access to an Indian Health Service (IHS) or tribally-run facility. The IHS was created to provide comprehensive health care services to American Indians and Alaska Natives who belong to federally recognized tribes. Most IHS facilities are located in reservations, making them inaccessible to those who reside outside reservations. In 2009, an estimated 43 percent of American Indians and Alaska Natives lived outside of areas served by the IHS.¹

Expanding Medicaid will also likely have the effect of allowing the Indian Health Service to expand its services and better meet the needs of the people it serves. For those who rely on IHS facilities, chronic underfunding of the IHS has limited its ability to provide more comprehensive services. For example, most IHS facilities only provide primary care and there can be a long wait to be seen at an IHS facility. Currently, the IHS is only able to meet about 60 percent of estimated need.²

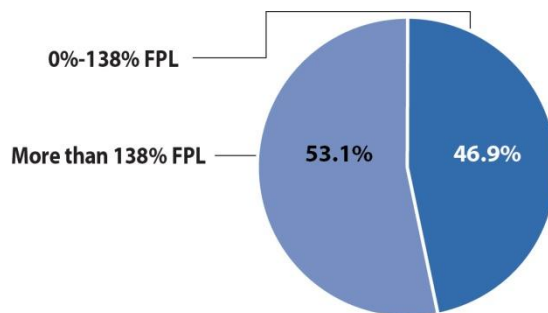
However, when an American Indian or Alaska Native who is enrolled in Medicaid receives services through an IHS or tribally-run facility, the federal government pays for 100 percent of the cost of that covered service. If all states expanded Medicaid, more American Indians and Alaska Natives who get their care through the IHS would also qualify for Medicaid. The resulting increased Medicaid payments would help free up IHS funds and resources, which in turn could allow the IHS to expand and enhance the services it now provides to American Indians and Alaska Natives. This also means that there would be no state expansion costs for providing Medicaid to American Indians and Alaska Natives who get their care through the IHS, even after 2016 when the state will begin paying a modest portion of the cost of the Medicaid expansion for other newly eligible state residents.

¹ Cara James, Karyn Schwartz, and Julia Berndt, "Race, Ethnicity & Health Care: A Profile of American Indians and Alaska Natives and Their Health Care," Kaiser Family Foundation, September 2009.

² Ibid.

FIGURE 1:

Nearly Half of Uninsured American Indians/Alaska Natives Would Be Eligible for the Medicaid Expansion



Source: Center on Budget and Policy Priorities' analysis using 2011 American Community Survey data.