



## Expanding Access to Medicaid Insurance Coverage for Rural Populations

Medicaid is the nation's largest public insurance provider and plays a central role in helping to fill gaps in private insurance in rural areas. The program is a vital source of coverage for rural populations and payer for rural providers. Additional coverage access to Medicaid is needed to keep rural residents insured and rural hospitals supported. At present, 12 states have not expanded Medicaid, leaving the 2.2 million adults who would be eligible for Medicaid under expansion uninsured and vulnerable.<sup>i</sup> Further, the Public Health Emergency (§319 PHE) has allowed for continuous Medicaid enrollment. When it expires millions of people living in rural areas could lose coverage or face higher costs in accessing care.<sup>ii</sup>

## Policy Recommendations

Policy makers must take steps to expand access to Medicaid insurance coverage. To increase coverage, policy makers could explore different routes for expanded access under Medicaid:

- Extend the continuous Medicaid enrollment from the §319 PHE to allow for 12-month continuous eligibility.
- Provide continuous coverage eligibility for children enrolled in Medicaid and Children's Health Insurance Program (CHIP).
- Create a federal level Medicaid look-alike program to eliminate the coverage gap in states that did not expand Medicaid.
- Permanently ensure that all pregnant individuals on Medicaid and CHIP retain health coverage during the first critical year postpartum.
- Provide permanent authorization of CHIP.
- Maintain disproportionate share hospital (DSH) payments for all safety-net providers that care for high volumes of low-income Medicaid and uninsured patients.
- Invest in and improve access to Medicaid home and community-based services (HCBS).

## Recommended Action

Solutions to expand Medicaid at the federal level include [S. 2315 Medicaid Saves Lives Act](#) which proposes a federal level Medicaid look-alike program. Further, [H.R.340 - Incentivizing Medicaid Expansion Act of 2021](#) and would provide states with an increased federal matching rate. As for continuous coverage, [S.646 - Stabilize Medicaid and CHIP Coverage Act of 2021](#) proposes 12-month continuous enrollment under CHIP and Medicaid. Support of proposals to expand Medicaid access and coverage is essential at both the state and federal level.

## Overview

In rural areas, nonelderly individuals have a lower rate of private coverage compared to those in urban and other areas, reflecting greater employment in jobs that do not offer employer-sponsored health insurance and the lower labor force participation rate in rural areas. Medicaid helps fill this gap in private coverage for rural populations.<sup>iii</sup> Twelve states have not yet expanded Medicaid, leaving some rural area hospitals and residents vulnerable. Between 2013 and 2015, Medicaid coverage rate in rural expansion states increased from 21% to 26%, while those states that did not expand rose from 20% to 21%.<sup>iv</sup>





# National Rural Health Association

- i. <https://www.kff.org/medicaid/issue-brief/the-coverage-gap-uninsured-poor-adults-in-states-that-do-not-expand-medicaid/>
- ii. <https://www.kff.org/coronavirus-covid-19/issue-brief/what-happens-when-covid-19-emergency-declarations-end-implications-for-coverage-costs-and-access/#:~:text=Millions%20of%20people%20could%20lose,the%20continuous%20enrollment%20requirement%20ends.>
- iii. <https://www.kff.org/medicaid/issue-brief/the-role-of-medicaid-in-rural-america/>
- iv. The Impact of COVID-19 on the Rural Health Care Landscape, May 2022, Bipartisan Policy Center
- v. <https://www.shepscenter.unc.edu/programs-projects/rural-health/rural-hospital-closures/>
- vi. <https://www.chartis.com/sites/default/files/documents/Rural%20Hospital%20Vulnerability-The%20Chartis%20Group.pdf>
- vii. <https://ccf.georgetown.edu/wp-content/uploads/2021/07/Continuous-Coverage-Medicaid-CHIP-final.pdf>
- viii. <https://www.kff.org/health-reform/state-indicator/state-adoption-of-12-month-continuous-eligibility-for-childrens-medicaid-and-chip/?currentTimeframe=0&selectedDistributions=medicaid--chip&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>
- ix. <https://www.kff.org/medicaid/issue-brief/medicaid-postpartum-coverage-extension-tracker/>
- x. <https://www.kff.org/medicaid/issue-brief/state-policy-choices-about-medicaid-home-and-community-based-services-amid-the-pandemic/>