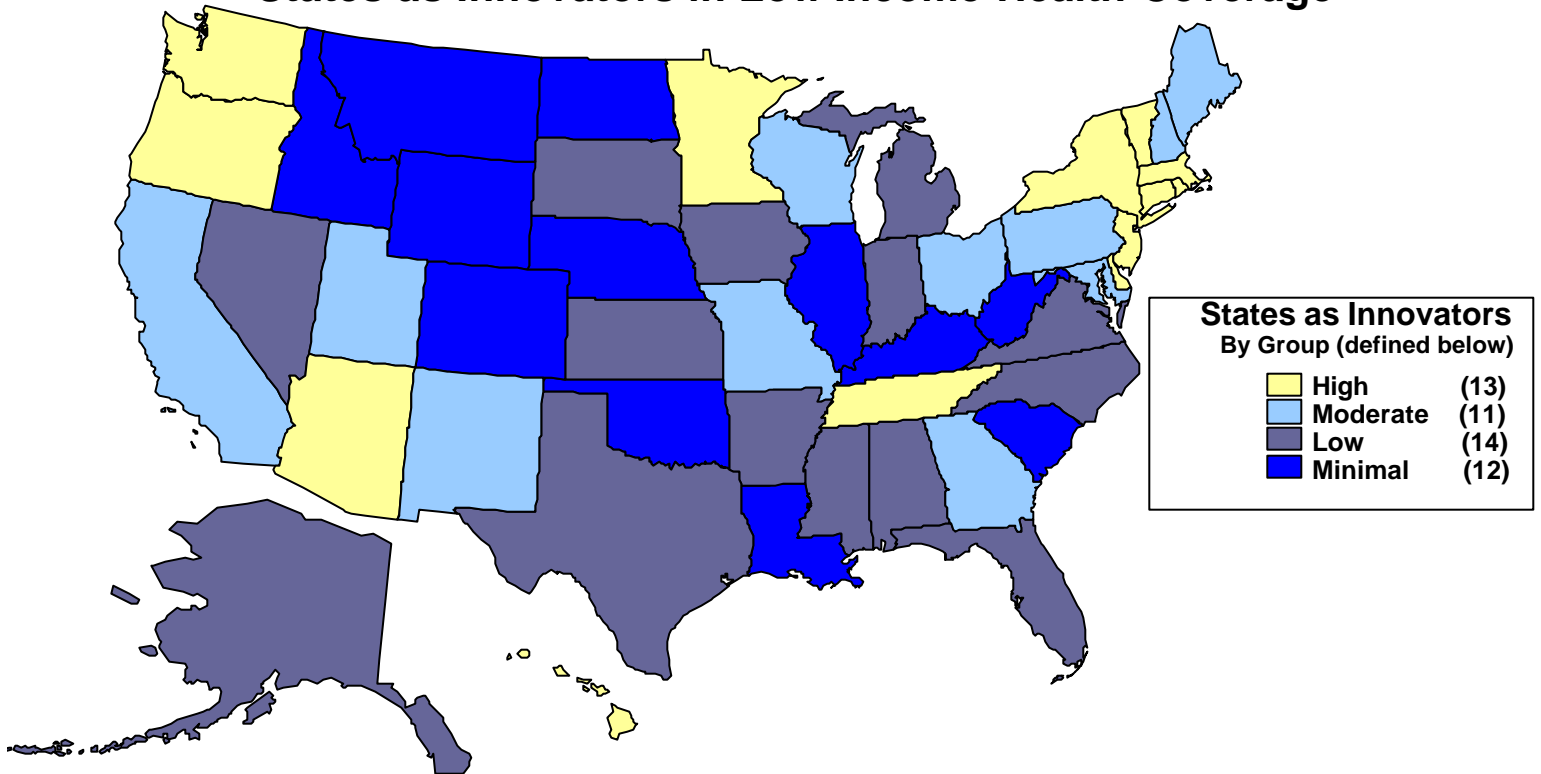


Fast Facts on Welfare Policy



States as Innovators in Low-Income Health Coverage



States can be considered innovative in providing health insurance coverage to the extent that they expand coverage beyond the federally mandated minimums. This includes coverage of nonparents to at least 100 percent of the federal poverty level (FPL), children above 200 percent of the FPL, and parents to 150 percent of the FPL or above. Research results show that it is only a minority of states that have seriously attempted to extend coverage beyond what are essentially levels required for Medicaid and SCHIP. These states have used considerable creativity in employing diverse funding streams and have fought many difficult political battles to achieve what they have. In contrast, the majority of states have done relatively little to expand coverage beyond minimum federal requirements. States can be divided into four groups, ranging from most to least innovative:

- **High Innovation:** States (13) that have covered nonparents to at least 100 percent of FPL. Group I also includes states that have extended coverage of children above 200 percent of FPL and to parents to 150 percent of FPL or above.
- **Moderate Innovation:** States (11) that have had a significant coverage expansion for children and/or their parents. These states cover children with income levels above 200 percent of FPL and/or cover parents to at least 100 percent of FPL.
- **Low Innovation:** States (14) that cover children to 200 percent of FPL through the SCHIP program and, although these states have not extended coverage to parents beyond AFDC levels, they have eliminated the 100-hour rule, thereby covering two-parent, working families.
- **Minimal Innovation:** States (12) that have not extended coverage for children to 200 percent of FPL or have not eliminated the 100-hour rule. These states have not extended coverage to parents beyond AFDC levels.

To learn more, see Table 1 on the next page.

Table 1: States by Groupings with Current Eligibility Levels for Children, Parents, and Nonparents

	Children	Parents ^a	Nonparents	Expansion Type	100 hour rule elimination?	Notes
Group I						
Arizona	200	200	100	1115/HIFA	Yes	HIFA parent expansion (100-200%) scheduled to begin October 1, 2002.
Connecticut ^b	300	150	—	1931	Yes	At 185% when legislation initially passed, but scaled back to 150% prior to implementation.
Delaware	200	100	100	1115	Yes	
Hawaii	200	200	100	1115	Yes	
Massachusetts ^b	200	200	133	1115	Yes	Other coverage up 400% (Medical Security Plan).
Minnesota ^b	275 ^c	275	175	SCHIP 1115	Yes	
New Jersey	350	200	100	SCHIP 1115	Yes	
New York ^b	250	150	100	1115	Yes	
Oregon ^b	170	100	100	1115/SF	Yes	State plans to submit HIFA waiver.
Rhode Island ^b	250	185	—	SCHIP 1115	Yes	
Tennessee	400	400	400	1115	No	Enrollment for adults closed since 1995. Pending waiver will scale back to 250%.
Vermont ^b	300	185	150	1115	Yes	
Washington ^b	250	200	200	SF	Yes	Submitted 1115/HIFA waiver to receive match for state funded populations.
Group II						
California ^b	250	100	—	1931	Yes	State's budget crisis indefinitely delayed SCHIP 1115/HIFA expansion to parents to 200%.
Georgia	235	64	—	—	Yes	
Maine	200	150	—	1931	Yes	
Maryland	300	44	—	—	Yes	
Missouri	300	100,125	—	1115	Yes	Custodial parents up to 100%, non-custodial parents actively paying child support up to 125%.
New Hampshire ^b	300	64	—	—	No	No 100-hour rule elimination; recipient remains eligible to 102%.
New Mexico	235	60	—	—	Yes	
Ohio	200	100	—	1931	Yes	
Pennsylvania ^b	235	68	—	—	Yes	
Utah	200	150	150	HIFA	Yes	Comprehensive care only to TANF families; other adults eligible for only primary care services.
Wisconsin ^b	185	185	—	SCHIP 1115	No	No 100-hour rule elimination for Medicaid, but two parent working families are eligible through BadgerCare; recipient remains eligible to 200% FPL.
Group III						
Alabama	200	31	—	—	Yes	
Alaska	200	82	—	—	Yes	Recipient remains eligible to 124%.
Arkansas	200	22	—	—	Yes	No 100-hour rule elimination for Medicaid; recipient remains eligible to 54%.
Florida	200	33	—	—	Yes	Recipient remains eligible to 68%.
Indiana	200	32	—	—	Yes	Eligibility threshold at 100% for TANF families.
Iowa ^b	200	90	—	—	Yes	
Kansas ^b	200	42	—	—	Yes	Recipient remains eligible to 65%.
Michigan ^b	200	66	—	—	Yes	State plans to submit HIFA waiver.
Mississippi	200	39	—	—	Yes	Recipient remains eligible to 57%.
Nevada	200	59	—	—	Yes	Allows 134% for the first three months of coverage and then eligibility drops to 59%.
North Carolina	200	64	—	—	Yes	
South Dakota	200	68	—	—	Yes	
Texas	200	34	—	—	Yes	Allows 45% for the first four months of coverage and then eligibility drops to 34%.
Virginia	200	32	—	—	Yes	Recipient remains eligible to 47%.
Group IV						
Colorado	185	43	—	—	Yes	
Idaho	150	35	—	—	Yes	
Illinois	185 ^c	58	—	—	Yes	Recipient remains eligible to 96%. Pending HIFA waiver.
Kentucky	200	52	—	—	No	100-hour rule applied to applicants only; recipient remains eligible to 77%.
Louisiana	200	22	—	—	No	No 100-hour rule elimination for Medicaid.
Montana ^b	150	71	—	—	Yes	
Nebraska	185	45	—	—	No	No 100-hour rule elimination for Medicaid.
North Dakota	140	89	—	—	Yes	Allows 151% for the first six months of coverage and then eligibility drops to 89%.
Oklahoma	185	50	—	—	No	No 100-hour rule elimination for Medicaid.
South Carolina	150 ^c	56	—	—	Yes	
West Virginia	150	46	—	—	No	No 100-hour rule elimination for Medicaid.
Wyoming	133	67	—	—	Yes	

a. FPL levels for parent coverage estimated by the dollar amount for a family of three. Kathleen A. Maloy, Kyle Anne Kenney, Julie Darnell, and Soeurette Cyprien, *Can Medicaid Work for Low-Income Working Families?* (Washington, D.C.: The Kaiser Commission on Medicaid and the Uninsured, 2002).

b. State has a medically need program with an eligibility level at 60% FPL or higher.

c. State offer coverage at a higher level for infants. Minnesota, 280% FPL. Illinois, 200% FPL. South Carolina, 185% FPL.

For more information on state innovation: Holahan, John and Mary Pohl, June 2002. [States as Innovators in Low-Income Health Coverage](#). Washington, DC.; The Urban Institute. *Assessing the New Federalism* Discussion Paper 02-08.