

## Medicaid Expansion Would Benefit Thousands of Texas Veterans

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Over 66,000 Texas veterans and their spouses could gain health care coverage if the state moves forward with Medicaid expansion under the Affordable Care Act (ACA).<sup>1</sup>

Nineteen bills supporting Medicaid expansion for low-income adults have been filed during the 2013 legislative session,<sup>2</sup> and budget directions for expansion are included in both the House and Senate appropriations bills. One reason that it is imperative for Texas to move forward with healthcare coverage is to safeguard the health and wellbeing of the men and women—and their families—who have put their own health and lives at risk serving in the armed forces.

### Over 200,000 Texas Veterans and their Spouses are Uninsured

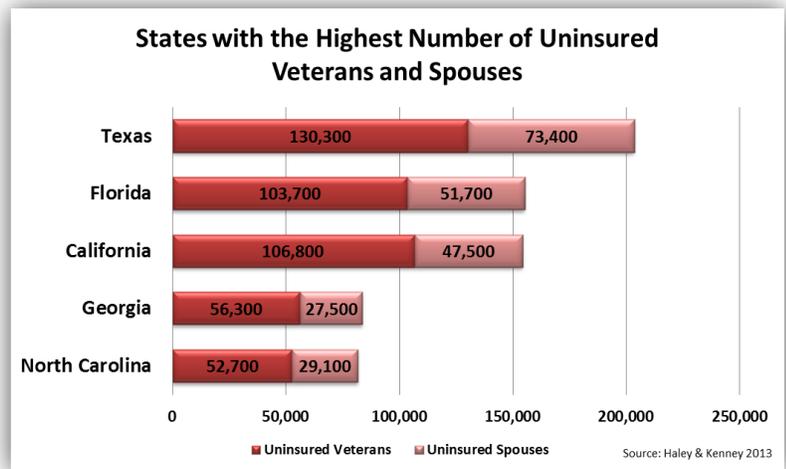
Texas has the highest number of uninsured veterans and spouses of any state in the nation, with just over 130,000 veterans and over 73,000 spouses of veterans currently living without health insurance.<sup>3</sup>

While many people assume that all veterans receive coverage through the U.S. Department of Veterans Affairs (VA), only 37% of veterans are enrolled in VA coverage nationally.<sup>4</sup>

VA health care eligibility is determined by a variety of factors. Not all veterans qualify, others are not aware that they can apply for coverage, and some do not live near enough to a VA health facility to access care regularly.<sup>5</sup>

Family members of veterans can only access VA coverage under limited, narrowly defined circumstances, and VA care does not typically extend to spouses.<sup>6</sup>

Moreover, uninsured veterans on average are less likely to be married or have a full-time job than insured veterans, suggesting that lower access to employer sponsored insurance contributes to their lack of coverage.<sup>7</sup>



### Gaps in Access May Affect Veterans with Serious Health Needs

Veterans who lack coverage often report serious medical problems:

- One in three uninsured veterans report having at least one chronic health condition.
- Just over 15 percent report being in only fair or poor health.
- Nearly 16 percent face significant physical, mental or emotional problems.
- Over 40 percent report having unmet medical needs.
- Roughly one third have delayed seeking health care due to cost.

Statistics are similar amongst uninsured family members of veterans.<sup>8</sup>

### Expanding Medicaid Coverage for Veterans and their Spouses

Under the ACA, states have the opportunity to extend Medicaid coverage to U.S. citizen adults with incomes up to 138% of the federal poverty income level (FPL), roughly \$32,000 annually for a family of four.<sup>9</sup> In Texas, this expansion would

extend Medicaid coverage to many low-income parents, caretakers, and childless adults who do not currently qualify<sup>10</sup>—including a substantial number of veterans and their spouses.

According to a recent report published by the Urban Institute, an estimated 48,900 uninsured Texas veterans (38% of all uninsured Texas vets) will be eligible for Medicaid coverage if Texas chooses to participate in the expansion.<sup>11</sup>

Moreover, three-quarters of these veterans—over 36,000—have incomes below 100% of FPL and would not be eligible for subsidies in the exchange. **This group will only qualify for new coverage options under the ACA if Texas chooses to expand Medicaid.**<sup>12</sup>

Over 17,000 uninsured spouses of veterans (24%) are projected to also become eligible for Medicaid in Texas with the expansion.<sup>13</sup>

About two thirds of these spouses have incomes below 100% of FPL and, as with a significant portion of the uninsured veteran population, would not qualify for exchange subsidies.<sup>14</sup>

Implementation of Medicaid expansion in Texas will be critical to ensuring that our lowest-income veterans and their spouses have access to affordable health care.

Even for those veterans and spouses whose incomes fall between 100% and 138% of FPL, and who would thus be eligible for exchange subsidies, Medicaid will likely offer lower premiums, deductibles, and out-of-pocket cost-sharing than exchange coverage options.<sup>15</sup> Medicaid expansion would thus offer a more affordable option for this income group.

In total, Medicaid expansion in Texas would extend eligibility to approximately one third of low-income, uninsured Texas veterans and their spouses, over 66,000 people.

The federal government has made it extremely affordable for Texas to extend coverage to this population. Federal funds would cover 100 percent of the expansion for the first three years, and no less than 90 percent in subsequent years.

CPPP health policy intern Megan Randall researched and authored this brief.

**Sources**

<sup>1</sup> Calculations made with data provided by the Urban Institute. See Haley, Jennifer and Genevieve M. Kenney. “Uninsured Veterans and Family Members: State and National Estimates of Expanded Medicaid Eligibility Under the ACA.” The Urban Institute (2013).  
<sup>2</sup> “Take Action! Urge House and Senate Leaders to Move Forward on Medicaid!” *Texas Impact*. April 2, 2013. < <https://texasimpact.org/content/take-action-urge-house-and-senate-leaders-move-forward-medicaid>>.  
<sup>3</sup> Haley & Kenney 2013  
<sup>4</sup> Kizer, Kenneth W. “Veterans and the Affordable Care Act.” *Journal of the American Medical Association* 307.8 (2012): 789-790.  
<sup>5</sup> Haley & Kenney 2013  
<sup>6</sup> Haley & Kenney 2013  
<sup>7</sup> Haley, Jennifer and Genevieve M. Kenney. “Uninsured Veterans and Family Members: Who Are They and Where Do They Live?” The Urban Institute (2012).  
<sup>8</sup> Haley & Kenney 2012  
<sup>9</sup> “2013 Poverty Guidelines.” *U.S. Department of Health and Human Services*. April 2, 2013. <<http://aspe.hhs.gov/poverty/13poverty.cfm>>.  
<sup>10</sup> Texas Health and Human Services Commission. *Texas Medicaid and CHIP in Perspective*. 9th ed. Austin, TX: 2013.  
<sup>11</sup> Haley & Kenney 2013  
<sup>12</sup> Haley & Kenney 2013  
<sup>13</sup> Haley & Kenney 2013  
<sup>14</sup> Haley & Kenney 2013  
<sup>15</sup> Haley & Kenney 2013

