

Briefly...

Policy Brief: Strengthening Medicaid Family Planning

In 2006, 17.5 million women were in need of publicly funded contraceptive services.¹ However, only four in ten of these women actually received services from a publicly funded family planning provider. Medicaid is now the largest public funding source for family planning, accounting for \$1.3 billion, or 71 percent, of all state and federal dollars spent on these services in 2006. Studies continue to show that expanding access to Medicaid family planning services not only reduces unplanned pregnancy, but it produces substantial cost savings for state and federal budgets.²

Given the important role that Medicaid plays in providing access to family planning services, especially for low-income individuals, several steps should be taken to ensure that these services are widely available to the women, men, and teens who need them by reducing barriers to states who are trying to expand access and reducing barriers to individuals seeking to apply for these critical services.

Recommendation

Policymakers should ensure that Medicaid family planning services are more widely available to the women and men who need them by (1) allowing states to expand access to these services in a less burdensome manner—such as through an optional plan amendment—rather than through the existing, onerous waiver process; (2) repealing or ameliorating the citizenship documentation requirement for individuals applying for full Medicaid coverage as well as for single services, such as a state's family planning waiver program; and (3) allowing states the option to offer Medicaid coverage to legal immigrants who are otherwise eligible to enroll in Medicaid or to receive services through a waiver.

Key Facts

- Currently, 27 states have Medicaid Family Planning Waivers to expand coverage for family planning services to individuals who are otherwise ineligible for Medicaid and unable to access reproductive health care. The majority of states with waivers expand access on the basis of income—typically covering individuals up to 185 or 200 percent of the federal poverty level—and most others offer services to women who lose Medicaid coverage after giving birth.
- A Congressional Budget Office analysis that reviewed the cost implications for the expansion of Medicaid family planning eligibility in all fifty states to match Medicaid eligibility for pregnancy-related services showed a **cost savings of at least \$400 million** over 10 years.³
- A 2003 evaluation funded by the U.S. Department of Health and Human Services found that six states that expanded access to Medicaid-funded family planning services saved money—a total of \$56 million over three years in South Carolina and nearly \$30 million in a single year in Arkansas. In addition, these programs expanded the geographic availability of family planning services, served more clients, and resulted in a measurable reduction in unintended pregnancy among Medicaid-eligible women.

- Only eight states with family planning waivers allow men to obtain services. More than one-third of births among all men were reported to be the result of an unplanned pregnancy.⁴ California, which serves men in its waiver program, saw a nearly 400 percent increase in the number of male clients between 1997 (when the program began) and 2003.
- Ten states limit family planning services to those 19 or older, eliminating a critical source of care for some adolescents. In some cases, teens receive family planning services through SCHIP; but unlike Medicaid, these visits may not be confidential and eligibility for coverage is based on the income of the parent or guardian rather than that of the individual teen.
- The new citizenship documentation requirement has reduced access to Medicaid coverage by citizens and legal residents who have had difficulty procuring documentation. Since enactment, a number of states have reported significant enrollment declines and application backlogs. In Kansas, a backlog of pending applications has resulted in loss of coverage for about 18,000 individuals, the majority of whom will qualify once their applications are processed and eligibility is determined. In Oregon, where a “one-time-exception” strategy allows applicants who meet all other eligibility criteria to receive one waiver-covered visit for family planning services, 60 percent of these clients were able to produce the required documentation within six months of a visit.

Legislative Background

There have been a number of legislative efforts to increase access to family planning services, especially for low-income and uninsured individuals who depend on publicly funded programs for health care. Given the success of Medicaid family planning demonstrations across the country, there is a strong consensus that it is time to move beyond the burdensome waiver process and to allow states to expand access to these services in a more streamlined manner, whether as an optional plan amendment or by linking eligibility for family planning services to the eligibility for pregnancy-related care. Several bills introduced in the 110th Congress would allow or require states to expand Medicaid eligibility for family planning services to match the state’s eligibility for pregnancy-related care. This provision was included in one version of the reauthorization of the State Children’s Health Insurance Program (SCHIP); the Reducing the Need for Abortion and Supporting Parents Act (H.R. 1074), introduced by Reps. Rosa DeLauro (D-CT) and Tim Ryan (D-OH); and the Unintended Pregnancy Reduction Act (S. 1075/H.R. 2523), introduced by Sens. Harry Reid (D-NV) and Hillary Rodham Clinton (D-NY) and by Rep. Nita Lowey (D-NY).

Effective July 1, 2006, the Deficit Reduction Act of 2005 (DRA) required that citizens applying for or renewing Medicaid coverage must present “satisfactory documentary evidence” of their citizenship. This is the case not only for those seeking full coverage under the Medicaid program but also for those seeking access to single services, including family planning programs. States not in compliance are at risk of losing federal matching funds. Obtaining the necessary documentation is especially problematic for those seeking family planning services inasmuch as these services are generally time-sensitive. The new law may also disproportionately affect low-income individuals who are less likely to have the required documents. In the 110th Congress, both House and Senate SCHIP Reauthorization bills included language amending the citizenship documentation law; however, the President vetoed versions that included those provisions and related language was not included in the final SCHIP extension legislation. Prior to the passage of the DRA, only 4 states mandated documentation as a condition of application, and none of these mandates were as stringent as the current federal law.

Medicaid has had some limits on coverage of immigrants since 1996 when a ban was put in place to prohibit legal immigrants from applying for enrollment for the first five years they reside in the United States. The House-passed version of SCHIP Reauthorization in the 110th Congress included a provision that would have improved this restriction, giving states the option to expand coverage to otherwise-eligible legal immigrants under the age of 19. Many states are opting to forgo the federal match and to provide services to eligible immigrants with their own funds.

Sources

1. Guttmacher Institute (2008). *Women in Need 2006*. <http://www.guttmacher.org/pubs/win/index.html>.
2. The National Campaign to Prevent Teen and Unplanned Pregnancy (2008). *The Direct Medical Costs of Unplanned Pregnancy and Cost Effectiveness of Preventing Unplanned Pregnancy, Fast Facts*; and Kearney, M. S., Levine, P. *Reducing Unplanned Pregnancies through Medicaid Family Planning Services*. Washington, DC: Center for Children and Families, Brookings Institution (2008). http://www.brookings.edu/~media/Files/rc/papers/2008/07_reducing_pregnancy_kearney/07_reducing_pregnancy_kearney.pdf.
3. <http://www.cbo.gov/ftpdocs/85xx/doc8519/HR3162.pdf>
4. The National Campaign to Prevent Teen and Unplanned Pregnancy (2008). *Men in the United States: Unplanned Pregnancy, Sexual Activity, and Contraceptive Use, Fast Facts*.