

Source: National Association of State Budget Officers

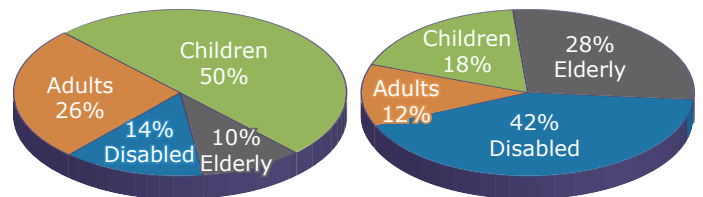
Recession Leads States to Plead for Medicaid Help

States are bracing for a big budget hit as newly unemployed people lose their private health insurance and seek taxpayer-funded care.

Even before the recession, states struggled to pay their share of \$330 billion in fiscal 2007 for Medicaid coverage for more than 59 million low-income Americans, and \$8.6 billion for 7 million children and parents covered by the State Children's Health Insurance Program. States pay about 43 percent of Medicaid costs and 30 percent of SCHIP costs, and the federal government pays the rest.

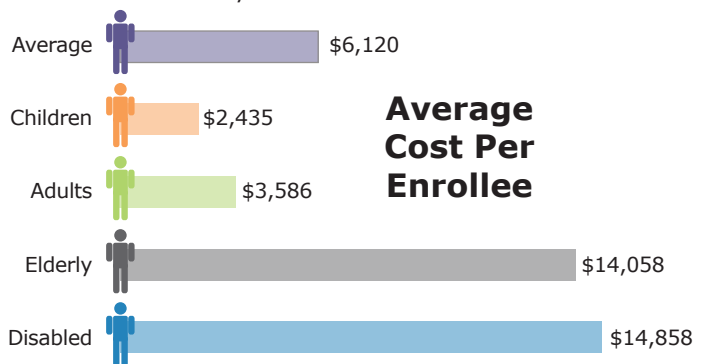
With unemployment rising, states are asking Congress and the White House to boost SCHIP funding plus approve billions in extra federal aid over the next two years to cover states' Medicaid bills. During the last recession, Congress gave states \$10 billion extra in 2003 to help cover Medicaid increases.

Absent federal help, the safety-net programs could be forced to roll back coverage or cut people from the rolls.



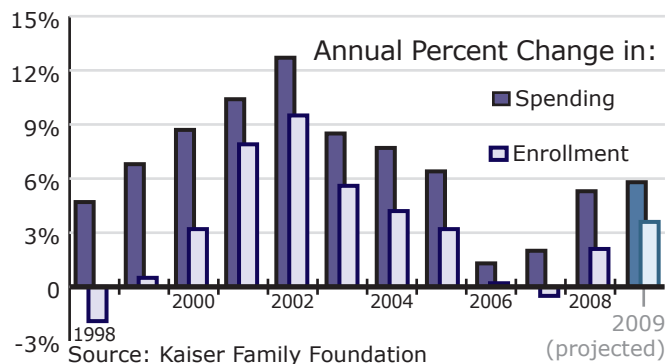
Who is Covered by Medicaid

Source: Kaiser Family Foundation



Source: U.S. Department of Health & Human Services, 2007

Annual Growth in Medicaid



Annual Medicaid Spending

