

## 5.7 MEDICAID SHARE OF STATE HEALTH SPENDING ACROSS STATES\*

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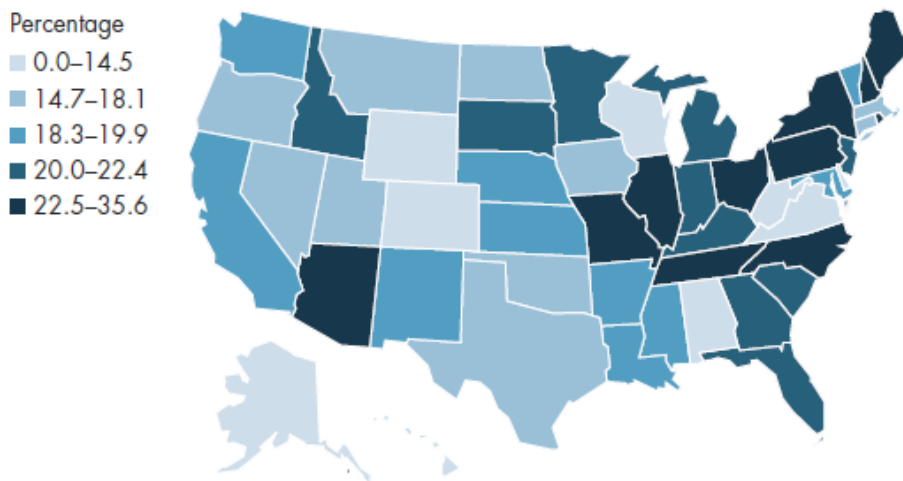
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### Abstract

The Medicaid share of state health spending varies by a factor of three across states.

Medicaid spending now is the largest single component of state government expenditures. With the exception of Arizona, states that have the largest Medicaid programs relative to all other spending are concentrated in the eastern half of the United States, predominantly in the northeastern region (figure 5.7a).

### 5.7a FY2007 Medicaid expenditures as a percentage of total state government expenditures are highest in the Northeast



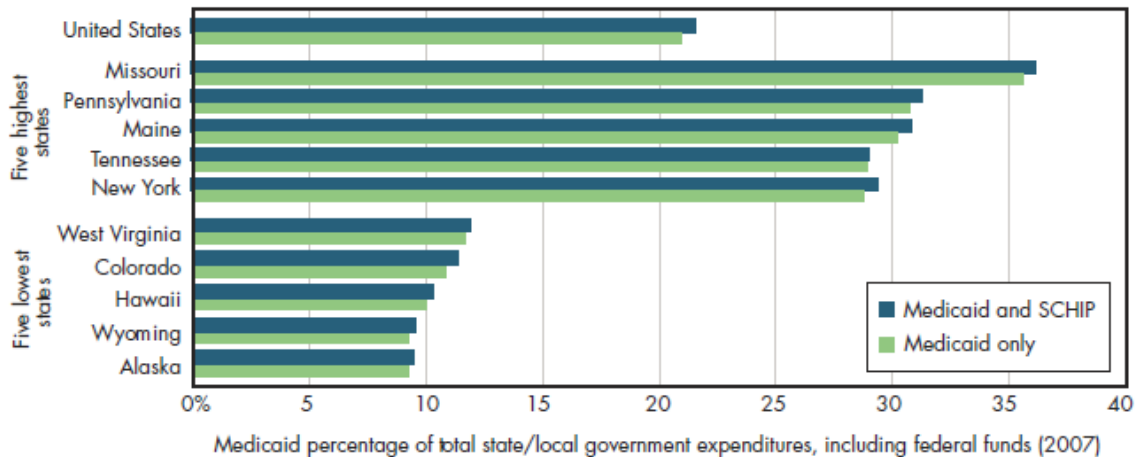
These numbers are for 2007 because it might be more representative of relative differences across states than data from more recent years. The federal government now finances almost 60 percent of Medicaid and SCHIP costs. The federal share of overall spending for these programs ranges from a high of 76.3 percent in Mississippi to 50 percent in 12 states whose high per capita income precludes their qualifying for a higher federal matching rate. The numbers on the map are derived by counting all Medicaid/SCHIP spending (including federal funds), and dividing this amount by the total amount of consolidated state expenditures (which also include federal funds). Using this measure, the Medicaid share of total spending

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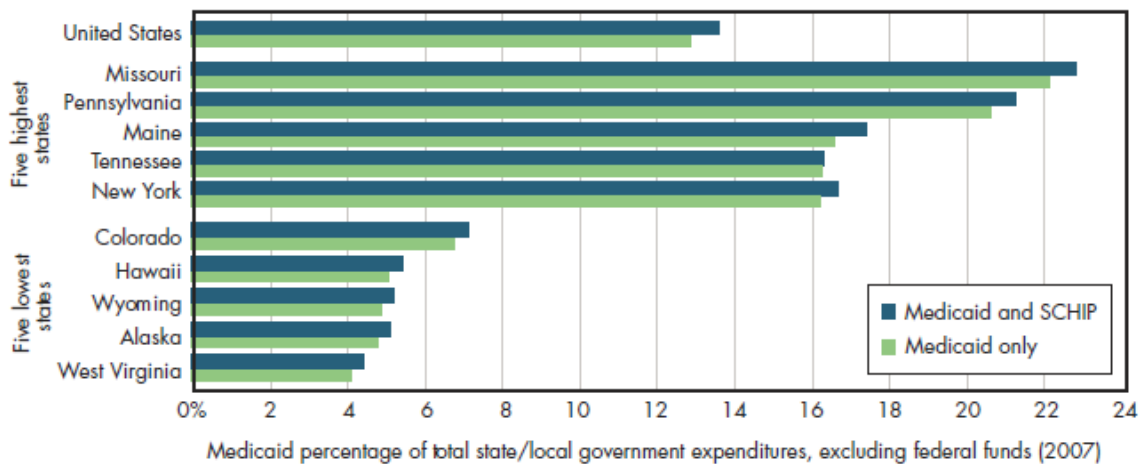
averages approximately 21 percent nationally but varies by a factor of three across states (figure 5.7b). In the five states that have the largest shares, Medicaid spending represents approximately 30 cents of every dollar spent. Conversely, in states with the lowest shares, Medicaid spending is only approximately 10 cents on the dollar.

**5.7b The Medicaid share of state spending varies by a factor of three across states**



When federal Medicaid spending is excluded, a somewhat different view emerges. The national Medicaid share of state spending is approximately 13 percent, but by this metric, there is a four-fold difference across the states (figure 5.7c). However, although the rankings change a bit, the states included in the top and bottom five are identical to the states facing the highest and lowest burdens when federal funds are included.

**5.7c If federal funds are excluded, the Medicaid share of state expenditures is much smaller, but this share varies by a factor of four**



**1 Downloads**

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- Figure 5.7a Image Slide (as it appears above)<sup>1</sup>
- Figure 5.7a Editable Slide (can be formatted as desired)<sup>2</sup>

<sup>1</sup><http://https://hub.mili.csom.umn.edu/content/m10034/latest/5.7aIMG.ppt>

<sup>2</sup><http://https://hub.mili.csom.umn.edu/content/m10034/latest/5.7aDATA.ppt>

- Figure 5.7b Image Slide (as it appears above)<sup>3</sup>
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- Figure 5.7c Image Slide (as it appears above)<sup>5</sup>
- Figure 5.7c Editable Slide (can be formatted as desired)<sup>6</sup>

There's no table for figures since source is included directly on the slides.

## 2 References

- A. National Association of State Budget Officers. State Expenditure Report Fiscal Year 2008. <http://www.nasbo.org/Publications/2008/06/15/2008-06-15-01> (accessed June 15, 2010).

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<sup>3</sup><http://https://hub.mili.csom.umn.edu/content/m10034/latest/5.7bIMG.ppt>

<sup>4</sup><http://https://hub.mili.csom.umn.edu/content/m10034/latest/5.7bDATA.ppt>

<sup>5</sup><http://https://hub.mili.csom.umn.edu/content/m10034/latest/5.7cIMG.ppt>

<sup>6</sup><http://https://hub.mili.csom.umn.edu/content/m10034/latest/5.7cDATA.ppt>