Georgetown University
Health Policy Institute
CENTER FOR CHILDREN
AND FAMILIES

Coverage Trends for American Indian and Alaska Native Children and Families

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Key Findings

- Children in American Indian and Alaska Native (AI/AN) families rely on Medicaid at considerably higher rates than all children. *In 2015, 54 percent of AI/AN children were enrolled in Medicaid or CHIP as compared to 39 percent of all children*.
- Alaska ranked first in proportion of the Medicaid population that is AI/AN for both children and adults in 2015. Other states with the largest proportions of AI/AN populations are South Dakota, North Dakota, Montana, New Mexico, Arizona, and Oklahoma. The importance of Medicaid to families in these states has grown considerably since 2008.
- All of these states with high proportions of their AI/AN children on Medicaid *saw very large double digit declines in their uninsured rates for these children* between 2008 and 2015. *The largest declines were in New Mexico (38 percent to 11 percent), and Alaska (32 percent to 17 percent). Nationally, the uninsured rate for AI/AN children declined from 25 percent to 15 percent during the time period*.
- *Nationally, the uninsured rate for AI/AN adults declined from 36 percent to 28 percent between 2008 and 2015*. The top five states with the largest percentage point increase in Medicaid coverage were all in states that expanded their Medicaid programs to non-disabled, non-elderly adults under the Affordable Care Act (ACA): New Mexico (25 percentage points), Washington (15 percentage points), California (13 percentage points), North Dakota (nine percentage points), and Alaska (eight percentage points). These states all saw considerable improvement in their uninsured rates for AI/AN adults during the time period examined.
- While uninsured rates for AI/AN children and adults have declined significantly, they remain high and will likely rise if substantial cuts are made to the Medicaid program.

This report analyzes data using the racial categories established by the U.S.Census Bureau.[1] The time period examined ranges from 2008 and 2015. Previous research by the Georgetown University Center for Children and Families shows that AI/AN children consistently have the highest rates of uninsurance.[2] This issue brief builds on that research by examining trends in health coverage for AI/AN children and families nationally and in states with substantial AI/AN populations.

All children have seen a decline in uninsured rates over this period, including AI/AN children, largely due to the growing importance of Medicaid and the Children's Health Insurance Program (CHIP). Medicaid is the primary source of public coverage for these children, covering more than eight in 10 children with public coverage. In this report, children enrolled in CHIP are included in the Medicaid data. The Affordable Care Act (ACA) has also played a significant role for children building on the many years of progress made by Medicaid and CHIP. Adults have also seen improvements in coverage more recently thanks to the Affordable Care Act—especially those living in states that expanded Medicaid under the ACA option (see Figures 1 and 2).[3]

Figure 1. The Rate of Uninsured AI/AN Children and Adults Declined between 2008 and 2015

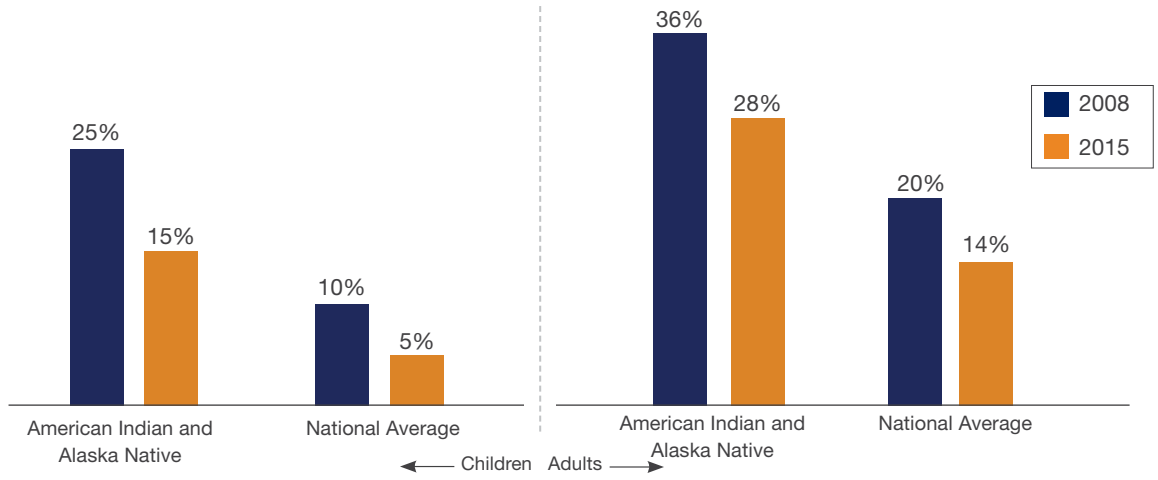
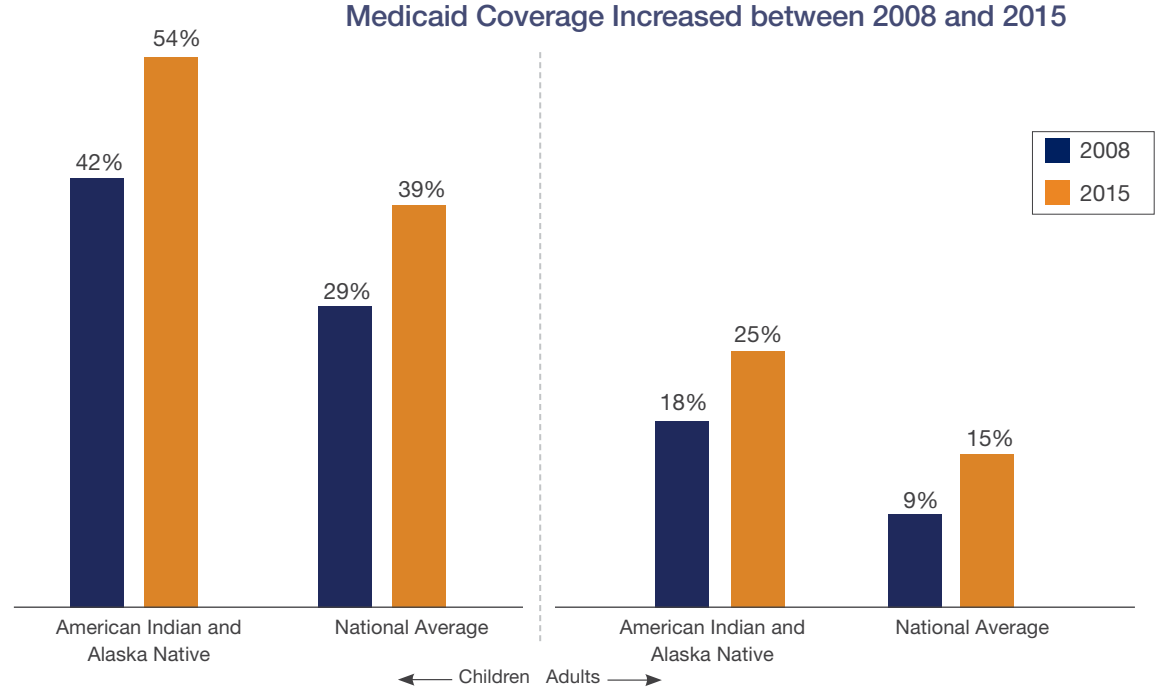


Figure 2. The Percent of AI/AN Children and Adults with Medicaid Coverage Increased between 2008 and 2015



Note: Medicaid counts include CHIP enrollees.

Even though much progress has been made in extending Medicaid coverage to AI/ANs, the uninsured rate for AI/AN children and families remain unacceptably high. There is a widespread misconception that AI/ANs are covered by the Indian Health Service (IHS). As explained in more detail below, that is not the case: AI/ANs who have access to the IHS but do not have public or private insurance coverage are uninsured. This is one of several reasons why expanding Medicaid to AI/ANs is so important. It is also why proposed large cuts and caps to Medicaid under consideration by Congress would prove very harmful to AI/AN families who are more likely to rely on Medicaid for their health coverage and who are already suffering from very high rates of poverty.[4] These families are most likely to be living in the states we examined for this report: Alaska, Arizona, California, Minnesota, Montana, New Mexico, North Carolina, North Dakota, Oklahoma, South Dakota, and Washington.

Where is Medicaid Most Important for AI/AN Families?

This report examines states with substantial AI/AN Medicaid populations. The states were selected by meeting one of two criteria: (1) Eight percent or more of a state's child or adult Medicaid population reported their race as AI/AN, or (2) a state had more than 10,000 AI/AN children or adults with Medicaid coverage. Figure 3 shows states with eight percent or more of their Medicaid population falling into this category.

Alaska ranked first in proportion of the Medicaid population that is AI/AN for both children and adults: In 2015, Alaska's child Medicaid population was 30 percent AI/AN, and Alaska's adult Medicaid population was 27 percent AI/AN. South Dakota, North Dakota, New Mexico and Montana all had more than 10 percent of Medicaid beneficiaries who report AI/AN as their race. Other states that had a smaller percentage but more than 10,000 children or adults using Medicaid include California, Minnesota, North Carolina, and Washington. For the estimated number of AI/AN children and adults with Medicaid coverage in the selected states for this report, see Appendix tables 1 and 2.

Figure 3. States with at Least 8 Percent of their Medicaid Population Who Are AI/AN, 2015

State	Percent of the child Medicaid population that is AI/AN, 2015	Percent of the adult Medicaid population that is AI/AN, 2015
Alaska	30%	27%
Arizona	8%	8%
Montana	17%	11%
New Mexico	13%	13%
North Dakota	22%	15%
Oklahoma	8%	8%
South Dakota	28%	22%

Note: Medicaid counts include CHIP enrollees.

Why do AI/AN children and adults need Medicaid when they have the Indian Health Service?

The Census Bureau considers individuals who report having access to the IHS but no public or private insurance coverage to be uninsured. The reason is that the IHS is a health care delivery system with 45 hospitals and 343 health centers operated either by a federal agency (the Indian Health Service) or by Indian Tribes in 22 states.[5] IHS is funded by the federal government and is responsible for the care of some 2.2 million AI/ANs who are members of the 567 Tribes recognized by the federal government. Members of federally recognized Tribes represent about three fifths of the 2.9 million AI/ANs nationwide.[6]

In contrast, Medicaid is a health insurance program operating in all 50 states and the District of Columbia. It is jointly funded by the states and the federal government and pays for health and long-term care services needed by children, families, and other beneficiaries, including those services furnished by IHS or Tribal hospitals and clinics to AI/AN beneficiaries who are members of federally-recognized Tribes.

AI/AN children and families are eligible for Medicaid on the same basis as any other children or families in the state. For example, if an AI/AN child's family income is below 138 percent of the Federal Poverty Level ($28,180 for a family of 3), that child is eligible for Medicaid, regardless of whether the child also qualifies for services at an IHS/Tribal facility as a member of a federally-recognized Tribe.

The same would be true for parents in Medicaid expansion states; in non-expansion states, the state's income eligibility thresholds for parents would apply equally to AI/AN parents and non-AI/AN parents. In either case, whether the parent has access to an IHS/Tribal hospital or clinic would be irrelevant to his/her Medicaid eligibility.

Medicaid is not just a critical health insurer for AI/AN children and families; it is also an important revenue stream from IHS/Tribal hospitals and clinics. IHS/Tribal hospitals and clinics are funded primarily by the federal government through an annual, relatively small appropriation.[7] The annual appropriation is fixed; it does not change during the year in response to increases in the health care prices (e.g., prescription drugs), introduction of costly new technologies, or increases in the demand for services. The annual appropriation is widely acknowledged to be insufficient to meet the needs of the 2.2 million AI/ANs for which the IHS views itself as responsible.[8]

For many IHS/Tribal hospitals and clinics, especially those in Medicaid expansion states, Medicaid is the most important source of insurer reimbursements. Thus, Medicaid not only pays for services needed by its AI/AN beneficiaries; it is also an important source of financial support for IHS/Tribal hospitals and clinics, which are often one of the largest employers on the reservations and rural communities where they are located.

How Has Medicaid's Role for AI/AN Children and Adults Changed Over Time?

Between 2008 and 2015, Medicaid has become increasingly important to AI/AN children. Seven out of nine states examined saw a double digit percentage point increase in the percent of AI/AN children covered through Medicaid (see Figure 4). Four states (New Mexico, Alaska, South Dakota, and North Dakota) had at least a 20 percentage point increase. In 2015, seven out of nine states had more than half of their AI/AN children in Medicaid. The top three states were South Dakota (75 percent), New Mexico (72 percent) and Alaska (66 percent).

Figure 4. Percent of AI/AN Children with Medicaid Coverage, 2008 and 2015

State	Percent of AI/AN children with Medicaid coverage, 2008	Percent of AI/AN children with Medicaid coverage, 2015
Alaska	46%	66%
Arizona	46%	56%
California	34%	52%
Montana	45%	63%
New Mexico	40%	72%
North Dakota	35%	54%
Oklahoma	34%	42%
South Dakota	55%	75%
Washington	47%	49%

Note: Medicaid counts include CHIP enrollees.

AI/AN adults also gained Medicaid coverage during the time period. The top five states with the largest percentage point increase in Medicaid coverage for AI/AN adults were states that expanded Medicaid under the ACA: New Mexico, Washington, California, North Dakota, and Alaska (see Figure 5). The two states (Montana and South Dakota) with declines in the percent of AI/AN adults covered through Medicaid did not adopt the Medicaid expansion under the Affordable Care Act (ACA) during the time period the data covers. It is worth noting that Alaska was still phasing in its Medicaid expansion during this time period.

Figure 5. Percent of AI/AN Adults with Medicaid Coverage, 2008 and 2015

State	Percent of AI/AN adults with Medicaid coverage, 2008	Percent of AI/AN adults with Medicaid coverage, 2015
Alaska*	17%	26%
Arizona*	29%	35%
California*	18%	31%
Minnesota*	30%	35%
Montana	26%	17%
New Mexico*	13%	38%
North Carolina	14%	21%
North Dakota*	17%	26%
Oklahoma	10%	10%
South Dakota	30%	23%
Washington*	15%	30%

*States that expanded Medicaid through the ACA during the time period.

What Has Happened to Uninsured Rates for AI/AN Children and Adults?

As Figure 6 shows, AI/AN children in all of the examined states saw a sharp decline in their uninsured rates. Every examined state saw a double-digit percentage point decline from 2008 to 2015 except for California, which started with the lowest uninsured rate of AI/AN children in 2008. *The two states with the largest declines in uninsured AI/AN children were New Mexico (38 percent to 11 percent), and Alaska (32 percent to 17 percent).*

Figure 6. Rate of Uninsured AI/AN Children, 2008 and 2015

State	Rate of uninsured AI/AN children, 2008	Rate of uninsured AI/AN children, 2015
Alaska	32%	17%
Arizona	33%	19%
California	12%	10%
Montana	36%	24%
New Mexico	38%	11%
North Dakota	37%	25%
Oklahoma	23%	20%
South Dakota	28%	16%
Washington	21%	10%

For adults, nine of 11 states had a decline in the rate of uninsured AI/AN adults during the examined time period.[9] As Figure 7 shows, states that expanded Medicaid saw sharper declines in general than states that did not. However, North Carolina and Oklahoma still had a decline in the rate of uninsured AI/AN adults, even though they did not expand Medicaid. This is likely due to other effects of the ACA.

Figure 7. Rate of Uninsured AI/AN Adults, 2008 and 2015

State	Rate of uninsured AI/AN adults, 2008	Rate of uninsured AI/AN adults, 2015
Alaska*	49%	40%
Arizona*	42%	29%
California*	26%	16%
Minnesota*	32%	23%
Montana	49%	50%
New Mexico*	55%	33%
North Carolina	35%	22%
North Dakota*	42%	36%
Oklahoma	40%	35%
South Dakota	40%	57%
Washington*	32%	23%

*States that expanded Medicaid through the ACA during the time period.

Conclusion

Medicaid plays a disproportionately important role for American Indian and Alaska Native children and families across the country but particularly in the states with substantial AI/AN populations—Alaska, Arizona, California, Minnesota, Montana, New Mexico, North Carolina, North Dakota, Oklahoma, South Dakota, and Washington. Overall, the role of Medicaid for AI/AN families in these states grew considerably between 2008 and 2015 while the uninsured rate declined, especially for children. These improvements are particularly important for a group that has high rates of uninsurance and poverty. Research shows that Medicaid provides families with access to necessary health services, protects the family against medical debt, and improves economic insecurity.[10, 11] Cuts to Medicaid will prove especially harmful to this population.

Methodology

This report analyzes data from the Census Bureau's American Community Survey (ACS). It uses an augmented version of the 2008 and 2015 ACS, the Integrated Public Use Microdata Series (IPUMS), prepared by the University of Minnesota Population Center.[12] We establish national and state-level estimates of Medicaid coverage and the uninsured for children (under age 19) and adults (age 19 to 64). States included had either eight percent or greater of their Medicaid populations reporting as AI/AN (remaining states were 3 percent or under) or an absolute threshold of higher than 10,000 AI/AN children or adults with Medicaid coverage. The American Indian and Alaska Native population examined in this report are of non-Hispanic ethnicity and are of AI/AN race alone.

Appendix Table 1. States with More Than 10,000 AI/AN Children with Medicaid Coverage, 2015

State	Number of AI/AN children with Medicaid coverage, 2015
Arizona	49,000
New Mexico	38,300
Oklahoma	34,300
Alaska	21,500
South Dakota	17,900
North Carolina	15,100
Montana	14,900
California	14,200
Washington	11,200

Notes: Medicaid counts include CHIP enrollees. Estimates are rounded to the nearest hundred.

Appendix Table 2. States with More Than 10,000 AI/AN Adults with Medicaid Coverage, 2015

State	Number of AI/AN adults with Medicaid coverage, 2015
Arizona	58,300
New Mexico	41,800
California	27,000
Oklahoma	16,300
Washington	15,800
Alaska	15,700
North Carolina	14,200
Minnesota	10,700

Note: Estimates are rounded to the nearest hundred.

Endnotes

[1] This report uses data from the American Community Survey as described in the methodology section. For a further explanation of the changing uninsured rates for children please see J. Alker and A. Chester, "Children's Health Coverage Rate Now at Historic High of 95 Percent" (Washington: Georgetown University Center for Children and Families, October 2016).

[2] See Figure 6 in J. Alker and A. Chester, "Children's Health Coverage Rate Now at Historic High of 95 Percent" (Washington: Georgetown University Center for Children and Families, October 2016).

[3] S. McMorrow et al., "The ACA Medicaid Expansion Led to Widespread Reductions in Uninsurance Among Poor, Childless Adults" (Washington, DC: The Urban Institute, 2017).

[4] J. Schubel, "Coverage for American Indians and Alaska Natives at Risk Under Senate GOP Health Bill," (July 12, 2017), available at https://www.cbpp.org/research/health/coverage-for-american-indians-and-alaska-natives-at-risk-under-senate-gop-health.

[5] See "IHS 2016 Profile," https://www.ihs.gov/newsroom/factsheets/ihsprofile/.

[6] "Profile of General Population and Housing Characteristics: 2010 Demographic Profile Data," American FactFinder, https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=DEC_10_DP_DPDP1&src=pt.

[7] In FY 2017, Congress appropriated $4.8 billion.

[8] Frosch and Weaver, "People Are Dying Here': Federal Hospitals Fail Tribes; Indian Health Service facilities sanctioned for dangerous, faulty care, leaving often-impoverished patients on remote reservations without services required by law," *Wall Street Journa*l, July 7, 2017.

[9] South Dakota and Montana had increases in the percent of uninsured AI/AN adults. As mentioned earlier, neither state had adopted the Medicaid expansion under the ACA as of the time period of the data. Montana began to implement the expansion in 2016.

[10] K. Wagnerman, "Medicaid Provides Needed Access to Care for Children and Families" (Washington: Georgetown University Center for Children and Families, March 2017).

[11] K. Wagnerman, "Medicaid: How Does It Provide Economic Security for Families" (Washington: Georgetown University Center for Children and Families, March 2017).

[12] S. Ruggles, et al., *Integrated Public Use Microdata Series: Version 6.0* (Minneapolis, MN: University of Minnesota, 2015), available at http://doi.org/10.18128/D010.V6.0.

The Center for Children and Families (CCF) is an independent, nonpartisan policy and research center whose mission is to expand and improve health coverage for America's children and families. CCF is based at Georgetown University's McCourt School of Public Policy.

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