

## UTAH/FEDERAL GOVERNMENT NEXUS

# Medicaid

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Nearly 130 years ago, Utah became the 45th state in the nation. This long battle for statehood set in motion a beneficial and, at times, tumultuous relationship between the U.S. government and the Beehive State. Among other national contributions, Utah settled vast acreages of land, led out on women's suffrage, provided raw materials, served as the connection point for the transcontinental railroad, supported

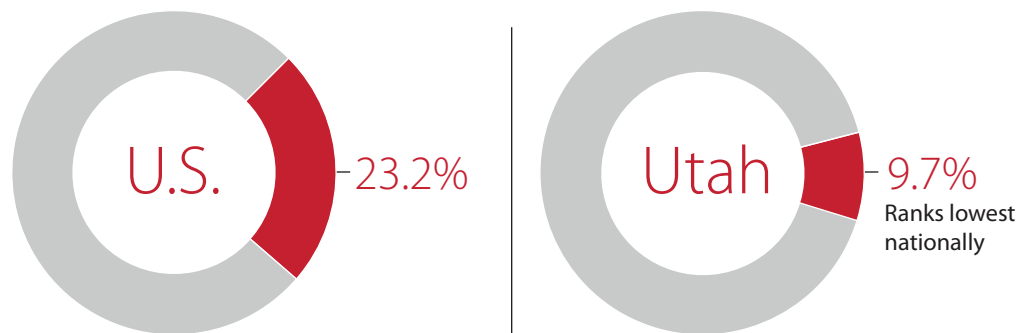
two World Wars, and, more recently, emerged as one of the nation's most successful and dynamic economies. As the federal government reinvents itself through significant policy changes and cost-cutting measures, decision-makers will benefit from a data summary of the key economic linkages between Utah and the federal government. This data summary presents the Utah-federal government nexus for Medicaid.

## Size and Composition

Medicaid is a public health care coverage program that helps eligible individuals with limited income and resources pay for medical services. Jointly financed by federal and state governments, the federal government matches state Medicaid spending according to federally-set formulas.

Medicaid and CHIP (the Children's Health Insurance Program) fund health care services for about 353,000 Utahns with low income as of February 2025. This represents about 10% of Utah's population. Medicaid primarily serves low-income children, pregnant women, adults with a qualifying status (e.g., parents/caretakers), and individuals with disabilities. In 2018, Utah voters also expanded Medicaid eligibility to low-income adults with annual incomes up to 138% of the federal poverty level (FPL).

**Figure 1: Share of Population Enrolled in Medicaid/CHIP, October 2024**



Source: Centers for Medicare & Medicaid Services, U.S. Census Bureau

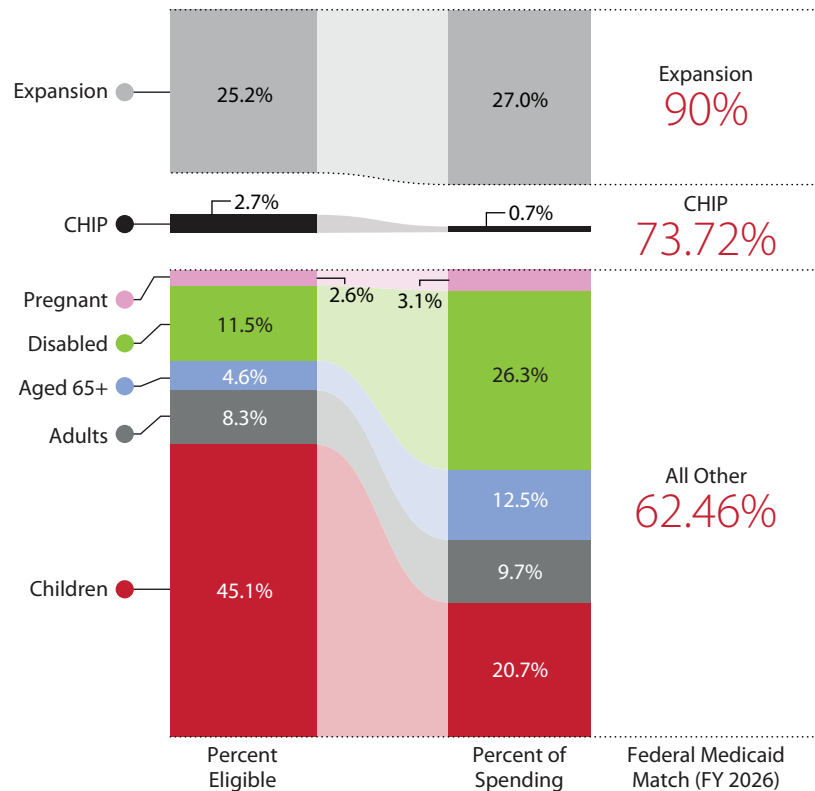
**Figure 2: Total Federal and State Funding for Utah Medicaid, FY 2024**



Source: Utah Department of Health and Human Services

The federal government funded \$3.6 billion (68%) of Utah's \$5.3 billion overall Medicaid costs in FY 2024. The state of Utah along with local governments and certain health care entities funded the remaining \$1.7 billion (32%). Most Medicaid services are eligible for the traditional federal Medicaid match, which funds about 64% of the FY 2025 total traditional Medicaid costs. This generally means for every one dollar spent on these services, the federal government pays 64 cents and Utah pays 36 cents. The federal government provides an enhanced match (90%) for the Medicaid expansion population, while Utah funds the remaining 10%. Medicaid expansion enrollment costs represented approximately 27% of total Utah Medicaid enrollment costs in FY 2024.

**Figure 3: Utah Medicaid Enrollment Category Share and Spending Share, FY 2024**

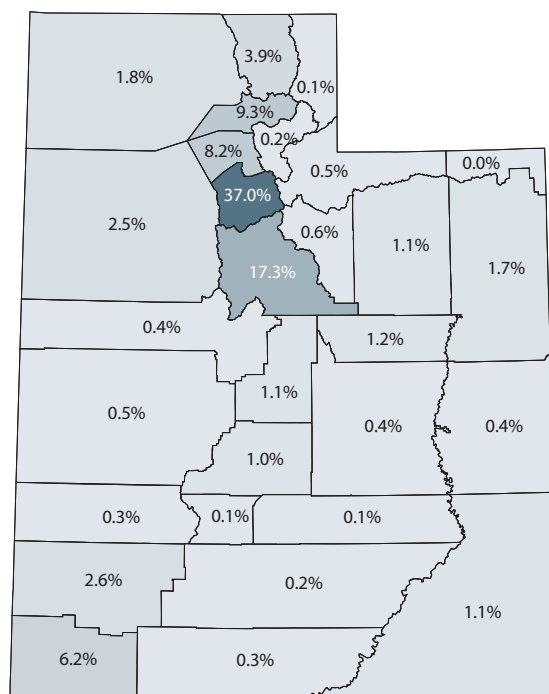


Source: Utah Department of Health and Human Services

## Location

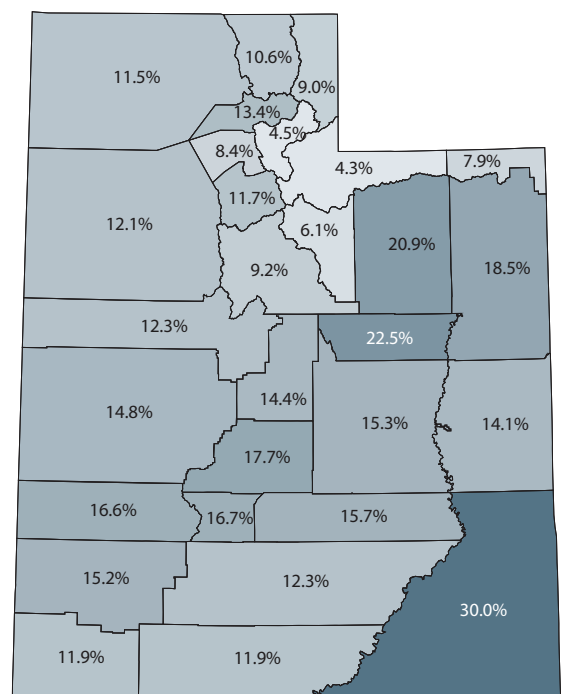
Most Medicaid enrollees reside along the Wasatch Front. When viewed as a share of each county's total population, Medicaid enrollment is highest in San Juan County (30.0%), Carbon County (22.5%), and Duchesne County (20.9%). Medicaid enrollment as a share of population is lowest in Summit County (4.3%) and Morgan County (4.5%).

**Figure 4: County Enrollment as Share of State Enrollment, FY 2024**



Source: Kem C. Gardner Policy Institute analysis of Utah Department of Health and Human Services enrollment data

**Figure 5: County Enrollment as Share of County Population, FY 2024**



Source: Kem C. Gardner Policy Institute analysis of Utah Department of Health and Human Services enrollment data

## Historical Context

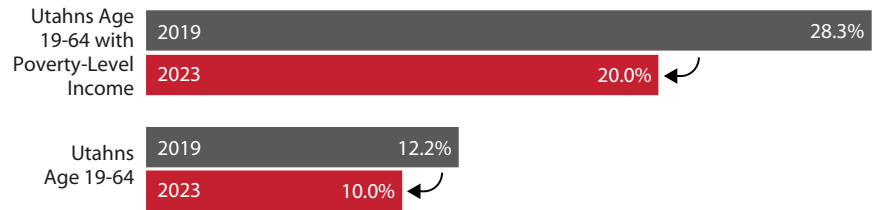
The 1965 Social Security Act established Medicaid at the federal level. Utah adopted Medicaid in 1966. To receive federal funding, states must provide certain mandatory services and provide services to mandatory populations. Over time, changes in federal requirements and within the Utah Medicaid program expanded coverage to new population groups (e.g., Medicaid expansion low-income adults) and additional services (e.g., behavioral health and dental services).

Medicaid expansion, implemented in January 2020, is the largest eligibility expansion since initial adoption in 1966 and extended Medicaid eligibility to low-income adults with incomes below 138% FPL. Uninsured rates for Utah adults 19-64 years fell from 12.2% in 2019 to 10.0% in 2023 with the largest gains among Utahns with incomes below the poverty level (28.3% in 2019 to 20.0% in 2023).

The federal government declared the COVID-19 public health emergency in March 2020, requiring states to not disenroll any existing or new Medicaid participants through the duration of the public health emergency. In March 2023, the Utah Department of Workforce Services began reviewing eligibility for all Medicaid enrollees as part of the COVID-19 public health emergency “unwinding” process, which continued until April 2024. Medicaid enrollment peaked in April 2023 at approximately 522,000 Utahns (149,000 enrolled in Medicaid expansion), in large part due to continuous enrollment requirements. As of February 2025, enrollment totaled over 353,000 (nearly 85,000 low-income adults remain enrolled through the expansion program).<sup>1</sup>

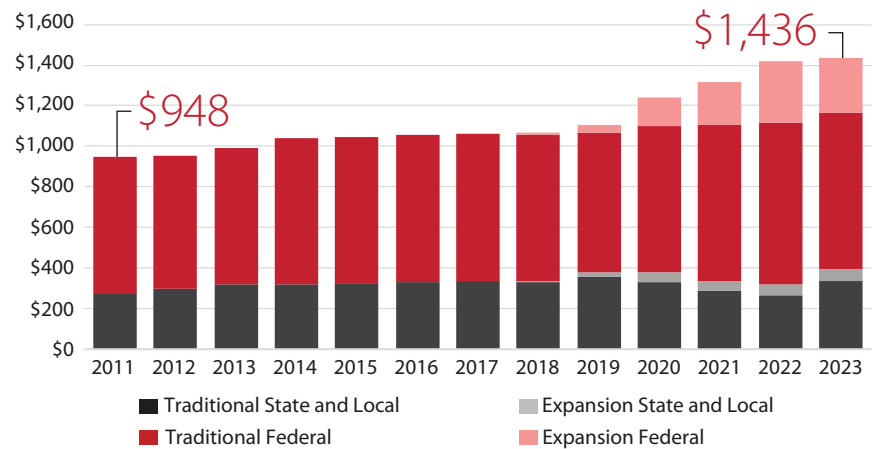
In FY 2024, Medicaid federal funds comprised 50% of total federal funds in the state budget. From FY 2006 through FY 2024, federal funds for Medicaid averaged approximately 45% of total federal funds in the Utah state budget, with a peak at nearly 53% in FY 2019 and a trough at approximately 35% in FY 2010.

**Figure 6: Utah Uninsured Rates, Age 19-64, 2019 and 2023**



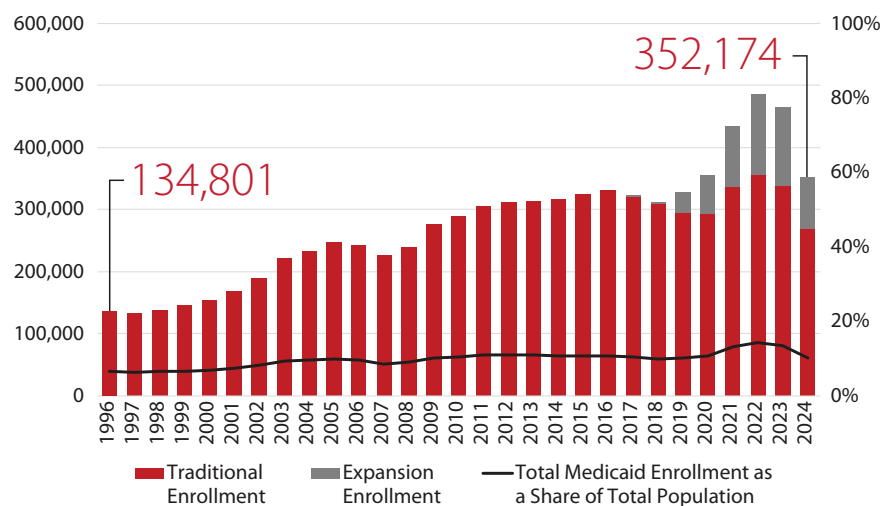
Note: Poverty is adults with incomes below 100% of the federal poverty level (FPL).  
Source: Kaiser Family Foundation estimates based on the 2019 and 2023 American Community Survey, 1-Year Estimates

**Figure 7: Utah Medicaid Real Spending per Capita by Federal or State and Local Funds, FY 2011-2023**



Note: Values inflation-adjusted to 2023 dollars.  
Source: Utah Office of the Legislative Fiscal Analyst and Utah Population Committee, Utah Department of Health and Human Services

**Figure 8: Average Total Monthly Utah Medicaid Enrollment Count by Traditional and Expansion Population and Enrollment as a Share of the Total Utah Population, FY 1996-2024**

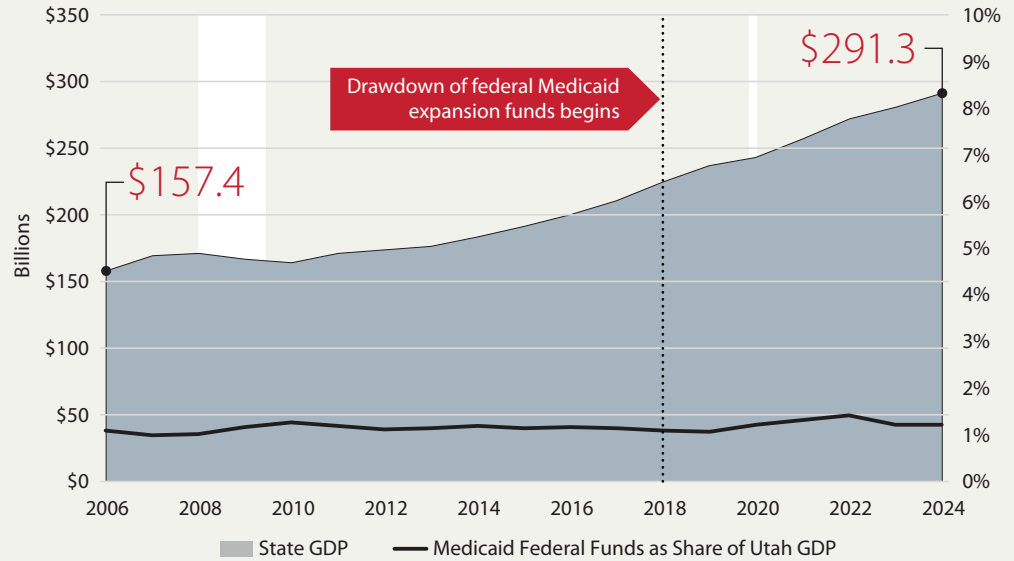


Source: Kem C. Gardner Policy Institute analysis of Utah Department of Health and Human Services enrollment data

# Impact on Utah's Economy

The federal government funded over \$3.6 billion of Utah Medicaid costs in FY 2024, with the remaining \$1.7 billion funded by state and local governments along with certain health care entities. Of the \$3.6 billion in federal funds, Utah drew down approximately \$1.3 billion (approximately 36%) in federal funds for Medicaid expansion in FY 2024. Federal funds associated with Medicaid expansion total approximately \$5.1 billion cumulatively since adoption of a smaller-scale expansion in 2017.

**Figure 9: Real Utah Medicaid Federal Fund Expenditures and Utah GDP, FY 2006-2024**



Note: Inflation-adjusted to 2024 dollars. White bars indicate periods of recession.

Source: Office of the Legislative Fiscal analyst, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics

# Key Concepts

- **Children’s Health Insurance Program (CHIP)** – A federally and state funded health insurance program that provides health insurance coverage for children in low-income households who do not have other insurance and earn too much to qualify for Medicaid.
- **Federal Medical Assistance Percentage (FMAP)** – The Federal Medical Assistance Percentage (FMAP) represents the share of Medicaid costs funded by the federal government. A federal statutory funding formula determines the percentage of Medicaid services paid by the federal government, leaving the remainder funded from state and local coffers. This percentage is known as the state’s traditional FMAP. The traditional FMAP calculation uses a three-year average per capita income for each state (62.46%, FY 2026), so the traditional FMAP changes over time. Several FMAP variations also exist, including the CHIP Enhanced FMAP (73.72%, FY 2026) and Medicaid Expansion FMAP (90%).<sup>2</sup> Because federal law sets the Expansion FMAP at 90%, changing the Medicaid Expansion FMAP would require legislative action by Congress.
- **Medicaid expansion eligibility** – Eligibility criteria include (1) being a Utah resident, (2) age 19 through 64 years, (3) a U.S. citizen or legal resident, and (4) meeting income requirements which vary by household size.
- **Continuous Medicaid enrollment** – At the start of the COVID-19 pandemic, the federal government enacted the Families First Coronavirus Response Act (FFCRA), which included a requirement that Medicaid programs keep people continuously enrolled through the end of the COVID-19 public health emergency in exchange for enhanced federal funding. Congress ended the continuous enrollment provision on March 31, 2023.
- **Medicaid unwinding** – In December 2022, Congress separated the federal public health emergency and Medicaid’s continuous enrollment policy as part of the Consolidated Appropriations Act. This Act established April 1, 2023 as the end of the continuous enrollment requirement for Medicaid. On March 1, 2023, the Utah Department of Workforce Services began reviewing eligibility for all Medicaid cases, which continued until April 2024.
- **Medicaid financing** – While this brief provides a high-level overview of Medicaid funding, the Medicaid program is supported by a complex set of funding streams such as supplemental payments to hospitals and other providers, payments to managed care organizations, enhanced match rates, intergovernmental transfers, provider taxes and assessments, graduate medical education financing, etc.

## Additional Resources

- [Medicaid Funding 101](#)
- [Medicaid: What is FMAP and Why Does it Matter?](#)
- [Utah’s Health Care Coverage Landscape](#)
- [Medicaid \(medicaid.gov\)](#)
- [Utah Medicaid](#)

## Endnotes

1. Total enrollment includes Targeted Adult Medicaid (TAM) population.
2. Federal Register/Vol. 89, No 230. <https://www.govinfo.gov/content/pkg/FR-2024-11-29/pdf/2024-27910.pdf>

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