



# NEW HAMPSHIRE MEDICAID FUNDING AND POTENTIAL FEDERAL CHANGES

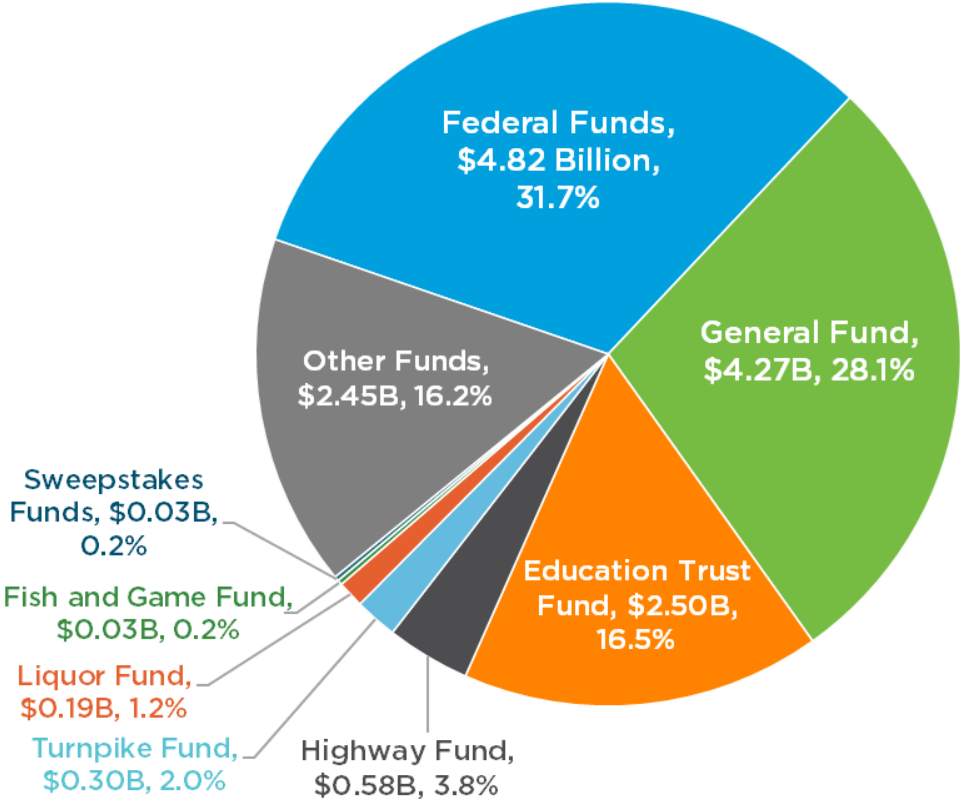
STATE HEALTH ASSESSMENT-STATE HEALTH IMPROVEMENT PLAN  
ADVISORY COUNCIL

PHIL SLETTEN, NHFPI RESEARCH DIRECTOR

MARCH 25, 2025

# FEDERAL TRANSFERS FUND NEARLY A THIRD OF NH STATE BUDGET-FUNDED SERVICES

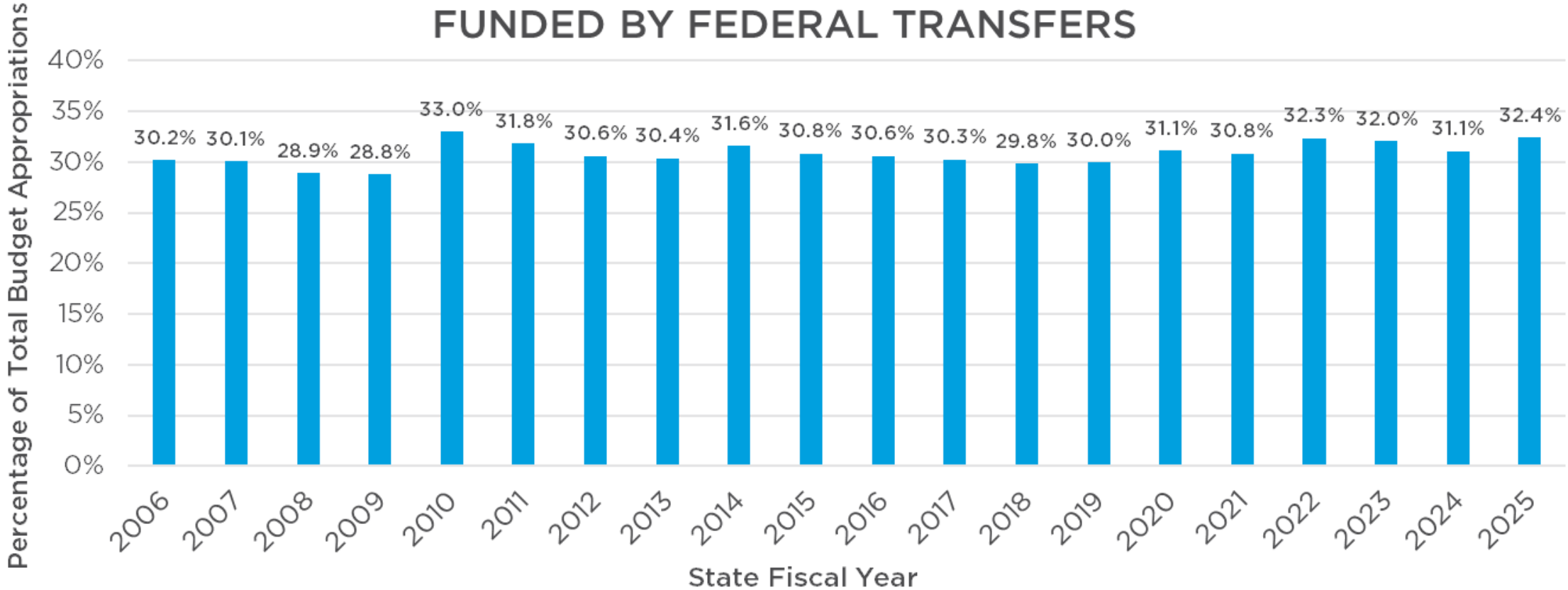
THE STATE BUDGET FOR FISCAL YEARS 2024 AND 2025, BY FUND  
*Includes Operating Budget and Trailer Bill Appropriations*



Sources: New Hampshire Office of Legislative Budget Assistant, Senate Finance Committee Surplus Statements, June 2023; 2023-2054s; 2023-2092s; 2023-2171s; 2023-2139s

# RELIANCE ON FEDERAL FUNDS IS NOT NEW OR UNIQUE TO NEW HAMPSHIRE'S BUDGET

## PERCENTAGE OF THE NEW HAMPSHIRE STATE BUDGET FUNDED BY FEDERAL TRANSFERS

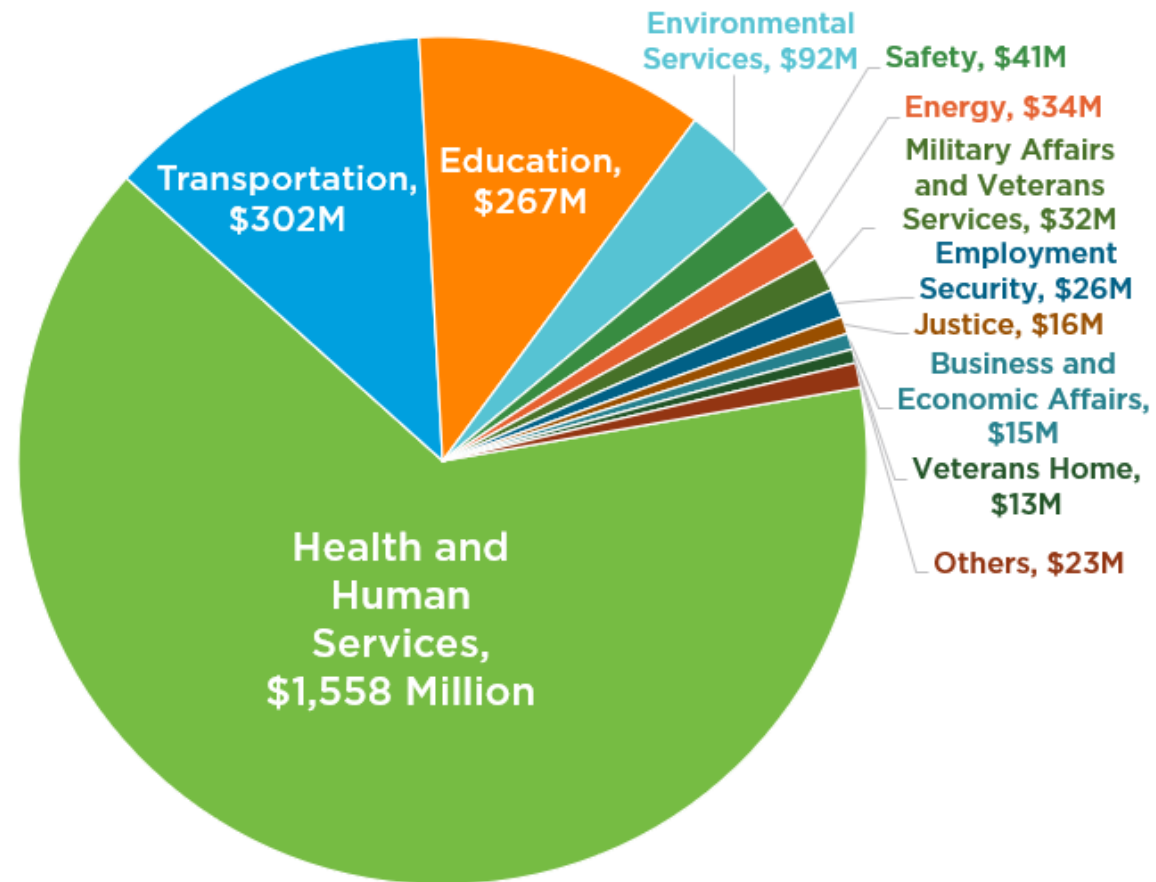


Note: Includes Trailer Bill and Back of Budget adjustments as represented in Surplus Statements, and Back of Budget reductions only for State Fiscal Years 2006 to 2009. Appropriations of surplus from prior budget biennium included in the first year of each new State Budget, not including Rainy Day Fund appropriations.

Source: New Hampshire Office of Legislative Budget Assistant

# FEDERAL FUNDS FLOW TO MOST STATE AGENCIES TO SUPPORT SERVICES

## FEDERAL FUNDS IN THE NEW HAMPSHIRE STATE BUDGET BY STATE AGENCY, SFY 2025

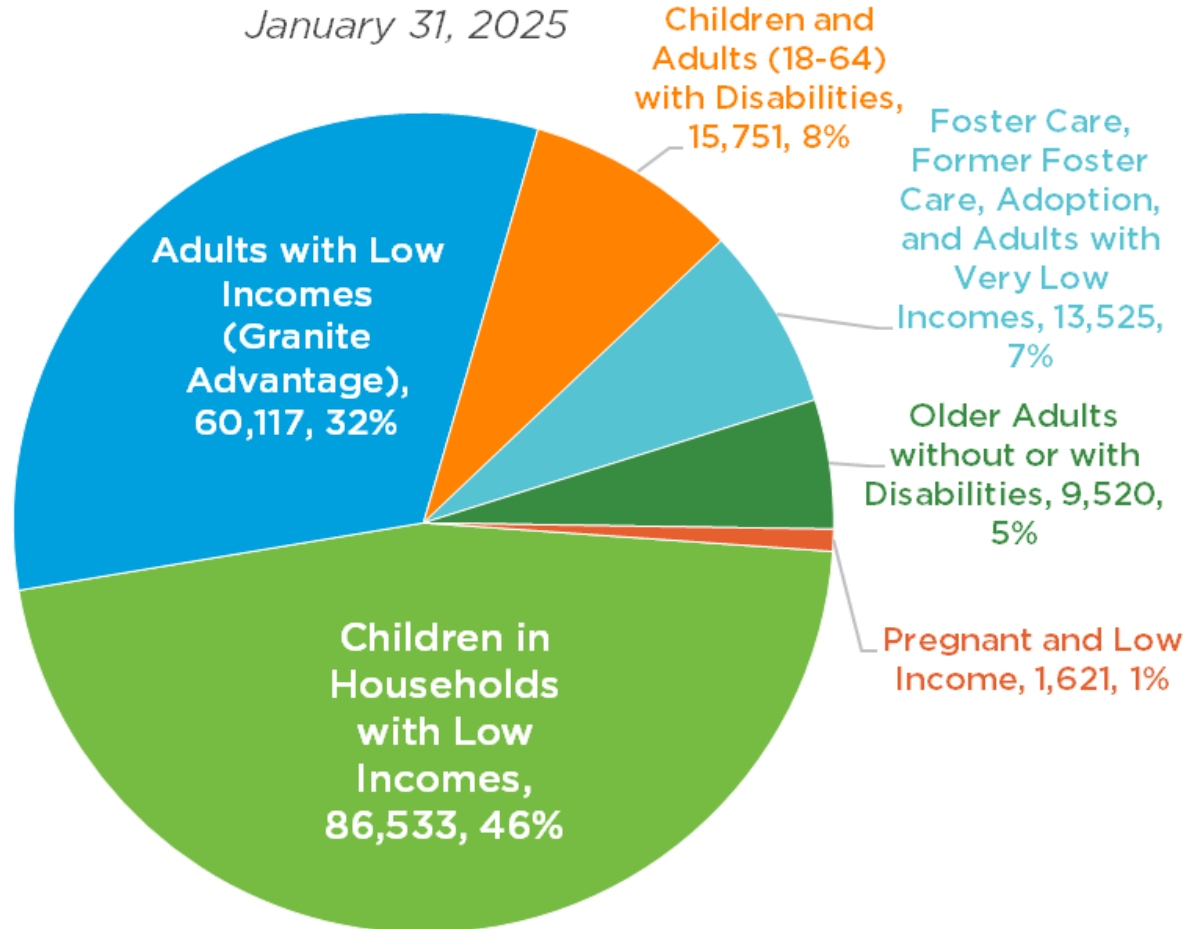


Source: Chapter 106, Laws of 2023

# CHILDREN NEARLY HALF OF MEDICAID ENROLLEES, GRANITE ADVANTAGE ADULTS 1 IN 3

## MEDICAID ENROLLMENT IN NEW HAMPSHIRE

January 31, 2025



Source: New Hampshire Department of Health and Human Services, February 4, 2025

Medicaid enrollment as of February 28, 2025:

- 186,892 across program
- 13.3 percent of state July 2024 population
- Larger than Supplemental Nutrition Assistance Program enrollment (75,933), Temporary Assistance to Needy Families (5,040), free and reduced-price school/pre-school meals (38,471, October 2024)

Sources: New Hampshire Department of Health and Human Services, U.S. Census Bureau Population Estimates Program, New Hampshire Department of Education

# FEDERAL FUNDING FOR NH MEDICAID

- Medicaid, including all parts of the program, is the largest program the State operates (\$2.5 billion in SFY 2024)
- Federal funds for Medicaid was the single largest source of revenue to the State in SFY 2024 (\$1.4 billion)
- Several federal proposals under consideration would substantially change Medicaid funding to states (block grants, permitted expenses, work requirements, others)
- Two measurable proposals, implemented together, would cost the State of New Hampshire \$493 million more during SFY 2025 to keep the same level of service

## COST TO STATE OF NEW HAMPSHIRE FROM POTENTIAL MEDICAID FEDERAL FUNDING MATCH REDUCTIONS

### MEDICAID STATE MATCH FLOOR REMOVAL

*Current Federal Law Provides a Minimum 50 Percent Match for State Medicaid Programs, Otherwise Adjusted by Formula Based on State Per Capita Income*

Removal of Minimum Federal Match Floor (Currently 50%)	Estimated Additional State Share Cost of Projected Calendar Year 2025 Costs for Medicaid Program Except for Granite Advantage if Match Had Been Lower
Estimated New Match Rate for New Hampshire (2025): 42%	\$194 Million

### MEDICAID EXPANSION MATCH CHANGES

*Current Federal Law Provides a 90 Percent Match for Cost of Providing Granite Advantage Program Health Coverage*

Federal Medical Assistance Percentage (FMAP) - Federal Match Rate Reductions (90% in Current Law)	Estimated Additional State Share of Projected State Fiscal Year 2025 Costs for Granite Advantage Program if Match Had Been Lower
80%	\$63 Million
70%	\$125 Million
60%	\$187 Million
50%	\$249 Million
42%	\$299 Million

Sources: New Hampshire Department of Health and Human Services Point-in-Time Expenditure Estimates; Center on Budget and Policy Priorities, "Medicaid Threats in the Upcoming Congress," December 13, 2024; NHFPI Calculations

# ADDITIONAL RESOURCES

- Newsletter: The latest New Hampshire economic research and fiscal analysis – delivered straight to your inbox each week: <http://nhfpi.org/subscribe/>
- Blog: Potential Federal Medicaid Policy Changes Could Shift Substantial Costs to States – January 28, 2025: <https://nhfpi.org/blog/potential-federal-medicaid-policy-changes-could-shift-substantial-costs-to-states/>
- Presentation: The Federal Budget and Potential Fiscal Policy Impacts in New Hampshire – December 6, 2024: <https://nhfpi.org/resource/the-federal-budget-and-potential-fiscal-policy-impacts-in-new-hampshire/>
- Column: Federal Policy Choices in 2025 Could Impact State and Local Finances – October 21, 2024: <https://nhfpi.org/columns/federal-policy-choices-in-2025-could-impact-state-and-local-finances-new-hampshire-bulletin/>
- Publication: New Hampshire Policy Points, Second Edition – December 6, 2024: <https://nhfpi.org/nhpp/>
- Resource Pages: Budget, Health <https://nhfpi.org/topic/budget/>, <https://nhfpi.org/topic/health/>



# NHFPI NEWSLETTER SIGNUP

