Medicaid Expansion and Jail-Involved Individuals: Opportunities to Promote Coverage, Improve Health, and Reduce Recidivism

Medicaid expansion for low-income adults under the Affordable Care Act (ACA) offers the potential to connect many former jail inmates—the “jail-involved”—to health insurance coverage for the first time. Compared to the general population, these individuals have very high rates of both mental health and substance abuse disorders. Access to much-needed health and mental health services as they leave jail could improve health and reduce recidivism. This fact sheet provides a demographic profile of former inmates in the United States and details opportunities to enroll this population into health care coverage.¹

Demographics of Jail-Involved Individuals
Approximately 10 million individuals are released from U.S. jails each year. This population is disproportionately young, male, minority, low income, and poorly educated.²

Of note:
- **Mental illness and substance use disorders are prominent health conditions in jails.** Roughly 63 percent of men and 75 percent of women entering jails exhibit symptoms of a mental health disorder.³ Alcohol plays a role in more than 50 percent of incarcerations, and illicit drugs in more than 75 percent.⁴
- **People in jails experience higher rates of chronic and acute physical health conditions compared to the general population.** Conditions include hypertension, asthma, arthritis, cervical cancer, and hepatitis.⁵
- **Most individuals released from jails have no health insurance.** As many as 90 percent of people entering county jails are uninsured.⁶
- **Without ongoing physical and mental health care, many released individuals are susceptible to relapse of conditions that may have contributed to their arrest.**

Opportunities for the Jail-Involved Under the ACA
The ACA provides new options, particularly in states that are expanding Medicaid, to provide coverage and access to needed services for individuals upon release from jail:
- **The ACA allows states to expand Medicaid to nonelderly adults with incomes up to 138 percent of the federal poverty level ($16,105 per year).** Furthermore, in all states, subsidies to purchase marketplace coverage are available for individuals and families with incomes between 100 and 400 percent FPL ($11,490 and $45,960 per year).⁷
- **Up to 30 percent of people released from jails could enroll in Medicaid in states that expand the program.**⁸ An additional 20 percent could enroll in a marketplace plan. However, individuals with mental illness and substance abuse disorders may have greater difficulty obtaining stable employment than healthier jail-involved individuals. This could result in relatively higher Medicaid enrollment and lower marketplace enrollment for that subset of the population.
- **Benefit plans offered to the Medicaid expansion population and on the marketplaces must include mental health and substance abuse services at parity with comparable medical benefits.** Given these requirements, most states expanding Medicaid are increasing covered mental health and substance abuse treatment services.
State Opportunities to Support Enrollment and Navigation for Former Inmates

States have new opportunities to connect jail-involved individuals with health care coverage upon release:

- **Tailoring Medicaid and marketplace outreach programs to connect individuals to coverage.** States can direct navigators, who provide education about the marketplaces and help individuals select appropriate coverage, to facilitate enrollment of incarcerated individuals upon release. States could also consider adopting training and certification requirements for Medicaid outreach programs to promote out-stationing of eligibility workers at corrections facilities or promoting enrollment activities through probation.

- **Suspending rather than terminating Medicaid eligibility for incarcerated people.** Historically, for the small percentage of inmates who enter jail with Medicaid coverage, states either terminate or suspend eligibility, usually requiring concerted action to reinstate coverage upon release. By suspending rather than terminating coverage during incarceration, states can more easily reinstate coverage upon release, thereby supporting more continuous coverage for the jail-involved. Additionally, states can use Medicaid 1115 waivers to limit the number of times a person’s eligibility is scrutinized in a given year. This could reduce administrative burden and eliminate coverage breaks caused by short jail stays.

- **Leveraging enhanced funding to upgrade information technology infrastructure.** Changes to ACA eligibility policies, such as the use of Modified Adjusted Gross Income for income determinations and a streamlined application, have required most states to upgrade data systems. The Centers for Medicare & Medicaid Services offers enhanced funding for these upgrades, providing an opportunity to increase data exchange between corrections and human services programs and streamline eligibility processes.

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**Connecticut: Example from the Field**

In 2005, officials in Connecticut launched a pilot program within its joint state and local correctional system to identify individuals with a serious mental illness (SMI) who would need services immediately post-release. These individuals received assistance completing Medicaid applications, thereby expediting eligibility determinations prior to release.

Within two years the state expanded the program beyond the SMI population, now including all inmates in prison and jail and all parolees. Officials from the Department of Corrections worked with the Department of Social Services and the Department of Mental Health to create a centralized application process. Key elements include:

- **Discharge planners** employed by correctional health providers and based in correctional facilities to complete Medicaid applications prior to release and fax to the state Medicaid agency;
- **Entitlement specialists** based at DSS to centrally process applications;
- **A short-form application**, representing a more limited array of public benefits than the standard state application, to ensure expediency; and
- **DSS access to Department of Corrections daily electronic-feeds** to identify individuals upon discharge so that benefits could be “switched on” in a timely manner.

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7. Income levels are for a single adult in 2014.