Introduction

Figure 1. States cover a range of populations in their Medicaid programs from just over 35,000 to over 8 million lives, with nearly two thirds covering fewer than 1 million individuals.
Medicaid’s Position within State Government

Figure 2. Two thirds of states responded that the Medicaid agency is part of a larger umbrella agency, which often houses other health and human services programs. In a quarter of states, the Medicaid program is its own agency, and in the remaining 10% of states, there is some other organizational structure.
Figure 3. In two thirds of states, the Medicaid Director is a political appointee, in just under a quarter of states, the Director is a civil servant, and in the remaining 11% or so, the Director holds some other type of position.
Figure 4. In a third of the cases where the Medicaid Director is a political appointee, his/her appointment requires confirmation usually by the state legislature.
Figure 5. In the vast majority of states, the Director reports to an agency head or other Executive office, while 15% Medicaid Directors report directly to the Governor.
Figure 6. Over two thirds of states have taken some action to establish a Health Insurance Exchange.
Figure 7. Of those states that have taken some action to establish a Health Insurance Exchange, only 4% responded that the Exchange will be housed in the same governmental agency as the Medicaid program. 29% responded that the Exchange will be housed in a separate state agency than the Medicaid program, just over a quarter will be a quasi-governmental agency, and just over a quarter are still unsure how the Exchange will be structured.
Medicaid Directors' Oversight of Program Functions

Figure 8. Over half of Medicaid Directors oversee coverage programs that are funded using only state dollars, with no federal match, in addition to the regular Medicaid program.
Figure 9. In 85% of these state-only funded coverage programs, the program covers fewer than 100 thousand lives. The largest state-only program covered 1.4 million lives in 2012.
Medicaid Directors' Oversight of Program Functions

**Figure 10.** In the majority of states, the single state Medicaid agency runs the operations of all of these Medicaid services. Exceptions are for DD waiver services and foster care services, where, in half or more of states, another state agency oversees these program functions through a contract or memorandum of understanding (MOU) with the Medicaid agency.
Figure 11. The Medicaid agency contracts with another state agency to run the eligibility and enrollment functions in just under half of states. Some states also engage outside contractors for several of these functions, and notably, 43% of responding states contract with an outside vendor to run their MMIS systems.
Figure 12. Of the states that do contract with other state agencies to perform Medicaid program functions, the majority do so with county agencies. Regional agencies were the second most likely to be contracted to run certain Medicaid functions for the state. Fewer states contract with municipal agencies to operate Medicaid functions.
Figure 13. In 80% of responding states, the state contribution was less than $5 billion in the most recent year of available data, but in three states, the state share of Medicaid funding was over $10 billion.
Figure 14. In the vast majority of states, the state share of dollars going towards the Medicaid program made up between 10-30% of the state’s general funds, with 45% of states reporting the state share of Medicaid made up 20-30% of state general funds.
Figure 15. Medicaid Directors named their top three budget priorities for the next year. For all three priorities, the number one response was to implement some type of payment and/or delivery system reform, such as transitioning to statewide Medicaid managed care, implementing a demonstration program to integrate care for dual eligibles, or developing accountable care organizations. For their top priority, states identified payment and delivery system reforms as often as the need to contain costs and/or find new revenues.
Figure 16. The majority of the budget priorities that Medicaid Directors identified are long-term challenges. Two thirds of states responded that their main priorities have not changed since the previous year.
Figure 17. States’ fiscal challenges continue to pose problems with hiring and retaining qualified staff in the Medicaid program. A vast majority of states responded that more than 5% of full-time positions went vacant in the most recent year due to a lack of hiring authority. Two states reported more than 20% vacancy rates.
Figure 18. Less than a third of states anticipated an increase in the state’s hiring authority for the next year.
Figure 19. There is wide variety in how states staff their Medicaid agencies. In the majority of states, the majority of Medicaid staff are full-time state employees. However, in a few states, nearly half or more of Medicaid staff are part-time employees and/or contractors.
States vary in the volume of staff dedicated to their Medicaid agencies. The vast majority of states fall within the range of 750 or fewer Medicaid employees.

**Figure 20.** States vary in the volume of staff dedicated to their Medicaid agencies. The vast majority of states fall within the range of 750 or fewer Medicaid employees.
**Medicaid Directors’ Experience**

![Bar Chart](chart.png)

**Figure 21.** The majority of current Medicaid Directors have served less than 5 years in their positions. The median tenure for current Directors is 2 years.
Figure 22. The majority of individuals who served as Medicaid Director prior to the current Director served less than 5 years in their positions. The median tenure for these former Directors is 3 years.
Figure 23. Many current Medicaid Directors served in other positions in the Medicaid agency before becoming Director. The median tenure for current Directors in other positions is 4.5 years.
Figure 22. The vast majority of Medicaid Directors do not have a contract for their employment.
Figure 23. Over half of current Medicaid Directors earn a salary between $100K-150K. 18% earn less than $100K, while 29% earn more than $150K.