Medicaid Eligibility for People Leaving Incarceration Is Smart Policy

People who are incarcerated are generally not eligible for Medicaid. But making sure they can get health care when they are released makes good sense. It helps the economy, improves the health of local communities, and reduces the chance of people returning to prison.

One policy change can make a big difference: suspending (or pausing) rather than terminating Medicaid when someone enters the justice system. The map below shows which states suspend and which states terminate Medicaid for people entering jail or prison.

Suspending, rather than terminating, Medicaid makes regaining coverage more seamless when someone is released from prison, allowing him or her quicker access to mental health services, prescribed medicines, and other needed care. It also reduces paperwork for state agencies.

16 states plus DC suspend Medicaid for the duration of incarceration, allowing quick and seamless reactivation of coverage upon release.

15 states suspend Medicaid for a specific period of time, for example, 30 days or up to one year. This allows people who are incarcerated for short periods to quickly reactivate their coverage once they get out, but it forces people who are incarcerated for longer periods to fully reapply upon release. This adds red tape and increases costs for the state.

19 states terminate Medicaid coverage altogether when someone is incarcerated. Such individuals must fully reapply on release as well.

1 Colorado has passed a law changing its policy to time-limited suspension, but the state has not yet implemented this law.

2 Hawaii has passed a law changing its policy to indefinite suspension, but the state has not yet implemented this law.

3 Pennsylvania passed HB 1062, which allows for a two-year suspension, on July 8, 2016. The state is in the process of implementing the law.

4 Washington passed SB 6430, which allows for indefinite suspension, but the law won’t be implemented until July 1, 2017.

Allowing people who are released from incarceration to sign up for Medicaid just makes sense.