Georgia's Medicaid and PeachCare programs play prominent roles as significant aspects of Georgia's health care system. They currently serve approximately 1.7 million people, or about 1 in 6 Georgians, while contributing close to $8 billion to the state's health care sector.

Medicaid and PeachCare are forecasted to bring in more than $5.5 billion in federal funds to the state budget this fiscal year (FY 2011), which runs until June 30. These federal funds account for more than 70 percent of overall programmatic costs of Medicaid and PeachCare.

Medicaid spending flows throughout Georgia's health care sector, although it is particularly important for a few specific aspects of the system. In particular, Medicaid is a major payer for deliveries and other pregnancy-related services. Medicaid is also a crucial payer for long-term care services for both elderly and disabled Georgians. Medicaid was the primary payer for 72 percent of all Georgia nursing home residents in 2008, and paid for 59 percent of all births in the state in 2009.

Eligibility for services through Medicaid and/or PeachCare can depend on a variety of factors. Generally, individuals qualify for coverage based on their income in combination with their age and whether they have a qualifying disability.

**Summary of Georgia’s Income Eligibility Thresholds for Medicaid and PeachCare for Kids.**

- Income eligibility rules are more generous for children than for adults.
- The bulk of Georgia’s Medicaid eligibility thresholds are set at the minimum levels required under federal Medicaid rules.
- PeachCare and Medicaid provide a similar level of coverage to enrollees; however some families are required to pay monthly premiums for children enrolled in PeachCare.
Georgia’s eligibility rules are most generous for young children, pregnant women, and Georgians with disabilities. Eligibility for parents of dependent children is very narrow, however, and low-income adults without dependent children are not eligible for Georgia’s Medicaid program at any income level.

**MEDICAID SPENDING**

Children from low-income families make up the majority of enrollees in Medicaid and all of the enrollees in PeachCare. However, elderly and disabled Georgians account for the majority of total combined spending for both of these programs.

- Elderly and disabled enrollees made up only one quarter of enrollees (in Medicaid and PeachCare combined), yet accounted for 54% of program spending.
- PeachCare enrollees represent nearly 17% of total individuals served by the programs, yet were responsible for only 5% of programmatic costs.
- The average annual cost of a Georgian enrolled in the Aged, Blind, and Disabled portion of the state’s Medicaid program was nearly $9,600.
- Average annual spending on behalf of a child enrolled in PeachCare for Kids was $1,400.

(All data is for fiscal year 2008; Source: 2008 DCH annual report)

This relationship between eligibility categories that make up the majority of enrollees — children — compared to the eligibility categories — elderly and disabled — that account for most of the costs of the program is typical.

Generally, long-term care and hospital services provided to elderly and disabled individuals are far more expensive than the types of services typically needed by children and their families.