

Pathways to Coverage: Georgia's New Medicaid Program for Low-Income Adults

By: Leah Chan, Director of Health Justice




The Pathways to Coverage program offers health care coverage to Georgians with lower incomes who do not have access to affordable health insurance. To be eligible, they must work, attend school, volunteer or complete another qualifying activity at least 80 hours per month. The program covers the cost of many of the same medical services as traditional Medicaid, including doctor visits, hospital stays and prescriptions. **This explainer provides policymakers and advocates with an overview of the program.**

Program Eligibility

Pathways to Coverage enrollees must be Georgia residents between the ages of 19-64 who are U.S. citizens or lawfully present immigrants. Other key eligibility criteria include the following:

- Cannot be eligible for other forms of Medicaid (like the Right from the Start program for pregnant people)
- Must have an annual household income less than 100% of the federal poverty level (FPL)
- Must engage in and provide documentation of at least 80 hours per month of a qualifying activity or combination of activities¹

Below are examples of people who would and would not be eligible for the program:

Carlos	Alexis	Madison
<ul style="list-style-type: none">• 45 years old• Married father with three children• Earns 95% FPL working full-time as a construction worker	<ul style="list-style-type: none">• 27 years old• Single mother with two children and an aging relative who requires full-time care• Earns 38% FPL working about 48 hours per month for a ride-share service	<ul style="list-style-type: none">• 20 years old• Student attending technical college• Takes 12 credit hours per semester and earns 35% FPL working about 40 hours per month as a cashier on campus
Eligible 	Not Eligible 	Eligible 

Verification of Qualifying Activities

Qualifying activities include full-time or part-time employment, community service, enrollment in Georgia’s vocational rehabilitation program, enrollment in higher education, participation in job readiness programs or on-the-job training and participation in vocational educational training. Enrollees must verify their qualifying activity hours through a pay stub, a copy of the current semester’s class schedule, a signed statement on organization letterhead from a supervisor verifying community service hours or some other form of accepted documentation.

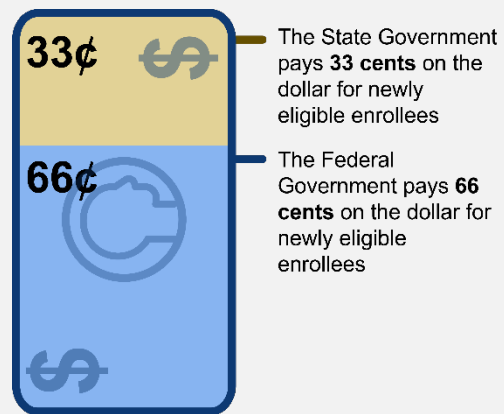
Important note: Currently, enrollees are only required to show proof of compliance with the qualifying activity hours at initial enrollment. Disenrollments and suspensions based on monthly reporting are temporarily paused.

Program Structure, Financing and Timeline

Pathways to Coverage is a time-limited 1115 waiver demonstration approved by the federal government. These 1115 waiver demonstrations allow states to test state-specific approaches to better serve Medicaid populations. The state designed the Pathways to Coverage program with the aims of 1) increasing access to affordable health care, 2) lowering the uninsured rate, 3) supporting financial independence and 4) promoting enrollees' eventual transition to private health insurance coverage.² The Pathways to Coverage program was approved in 2020 for an initial five-year period. Other states have requested and received additional five-year extension approvals for their waiver.

All 1115 waiver demonstrations must be budget-neutral to the federal government and cannot result in new federal costs.³ In other words, the federal spending on the waiver cannot exceed projected federal Medicaid costs if the state had not implemented the waiver. The federal government pays about 66% of health care costs for Pathways to Coverage enrollees, and the state pays about 33%, the same federal matching rate for traditional Medicaid enrollees in Georgia.⁴ Other costs, such as spending on eligibility caseworkers and the integrated eligibility platform (Gateway), also get the standard federal match rate for Medicaid administrative activities.⁵ Pathways to Coverage does not qualify for the enhanced federal match offered under the Affordable Care Act or the American Rescue Plan.

Federal Match for the Pathways to Coverage Program



Source: KFF. (n.d.). Federal medical assistance percentage (FMAP) for Medicaid and multiplier. <https://www.kff.org/medicaid/state-indicator/federal-matching-rate-and-multiplier/>

Georgia's Pathways to Coverage Program Timeline



2020

In October, the Centers for Medicare and Medicaid Services (CMS) under the Trump administration approves the original Pathways to Coverage program 1115 demonstration waiver.⁶



2021

In December, CMS under Biden administration withdraws approval for the work requirement and premium payments.⁷



2022

In January, the state pauses program implementation while pursuing legal action in federal court. In August, a federal judge rules in favor of the Kemp administration – allowing the program, as originally approved, to move forward.⁸



2023

In July, the state launches the core components of the Pathways to Coverage program.⁹



2024

In January, the state begins the Health Insurance Premium Payment (HIPP) component of the program. In February, the Kemp administration files a lawsuit in federal court to extend the program implementation timeline.¹⁰



2025

In September, the program expires (according to the original timeline) unless the state submits a continuation.



Comparison to Other Forms of Health Insurance Coverage

The Pathways to Coverage program, Georgia’s traditional Medicaid program, and Georgia Access (Georgia’s state-based* health insurance marketplace) currently offer different forms of subsidized health care coverage to people with different incomes.^{11,12,13}

	Pathways to Coverage	Traditional Medicaid	Georgia Access
Who is eligible for subsidized coverage?	Adults earning up to 100% FPL	Adults and children with lower incomes, including parents/caretakers earning up to 31% FPL, pregnant people earning up to 220% FPL, and adults over 65 or with disabilities who receive Supplemental Security Income	Adults earning between 100% - 400% FPL (most plans for those earning 100-138% are fully subsidized)
What are the additional eligibility criteria for gaining and maintaining coverage?	Enrollees must complete and report 80 hours per month of qualifying activities	None	None
What type of health care coverage is provided?	Care management (Medicaid)	Care management or fee-for-service (Medicaid)	Qualified health plans through the state-based marketplace (private health insurance)
How is the program financed?	Federal government pays 66% of health care costs and the state pays 33%	Federal government pays 66% of health care costs and the state pays 33%	Federal government covers the full cost of the advanced premium tax credits that lower enrollees’ premiums; those tax credits expire in 2025

*Starting in November 2024, Georgians can visit GeorgiaAccess.gov to shop for, compare, and directly enroll in health insurance coverage.

Pathways to Coverage is also distinct from both traditional Medicaid expansion and ‘private option’ expansion – neither of which have been implemented in Georgia.¹⁴ Currently, there are low-income adults in Georgia who do not qualify for traditional Medicaid or Pathways to Coverage and do not earn enough to qualify for the tax credits that make marketplace plans affordable. Those Georgians fall into what is known as Georgia’s coverage gap. Both Medicaid expansion and the private option would close that coverage gap and, unlike the Pathways to Coverage program, would qualify for the enhanced federal funding offered under the Affordable Care Act and the American Rescue Plan.

	Pathways to Coverage	Medicaid Expansion	Private Option
<i>Who is eligible for subsidized coverage?</i>	Adults earning up to 100% FPL	Adults earning up to 138% FPL	Adults earning up to 138% FPL
<i>What are the additional eligibility criteria for gaining and maintaining coverage?</i>	Enrollees must complete and report 80 hours per month of qualifying activities	None	None (unless included as part of the program designed by the state and approved by CMS)
<i>What type of health care coverage is provided?</i>	Care management (Medicaid)	Care management (Medicaid)	Qualified health plans through the state-based marketplace (private health insurance); some ‘medically needy’ enrollees could be covered by Medicaid
<i>How is the program financed?</i>	Federal government pays 66% of healthcare costs and the state pays 33%	Federal government pays 90% of health care costs and the state pays 10% for newly eligible enrollees; federal government pays about 71% of healthcare costs for existing traditional Medicaid enrollees for two years after expansion (a 5% increase above the existing federal match)	Federal government pays 90% of health care costs and the state pays 10% for newly eligible enrollees; federal government pays about 71% of healthcare costs for existing traditional Medicaid enrollees for two years after expansion (a 5% increase above the existing federal match)

¹ Georgia Department of Community Health. (n.d.). *Eligibility criteria*. <https://dch.georgia.gov/georgiapathways/eligibility-criteria>

² Georgia Department of Community Health. (n.d.). *Georgia pathways to coverage*. <https://dch.georgia.gov/georgiapathways>

³ Centers for Medicare and Medicaid Services. (n.d.). *About section 1115 demonstrations*. <https://www.medicare.gov/medicaid/section-1115-demonstrations/about-section-1115-demonstrations/index.html>

⁴ KFF. (n.d.). Federal medical assistance percentage for Medicaid and multiplier. <https://www.kff.org/medicaid/state-indicator/federal-matching-rate-and-multiplier/>

⁵ Medicaid and CHIP Payment and Access Commission. (n.d.). *Federal match rates for Medicaid administrative activities*. <https://www.macpac.gov/federal-match-rates-for-medicaid-administrative-activities/>

⁶ Chan, C.L. (2022, August 31). Getting the green light for health care: An update on efforts to get more Georgians covered. Georgia Budget and Policy Institute. <https://gbpi.org/getting-the-green-light-for-health-care-an-update-on-efforts-to-get-more-georgians-covered/>

⁷ Chan, C.L. (2022, August 31). Getting the green light for health care: An update on efforts to get more Georgians covered. Georgia Budget and Policy Institute. <https://gbpi.org/getting-the-green-light-for-health-care-an-update-on-efforts-to-get-more-georgians-covered/>

⁸ Chan, C.L. (2022, August 31). Getting the green light for health care: An update on efforts to get more Georgians covered. Georgia Budget and Policy Institute. <https://gbpi.org/getting-the-green-light-for-health-care-an-update-on-efforts-to-get-more-georgians-covered/>

⁹ Department of Human Services. (2023, May 17). Georgia Pathways - Gateway training for clerical staff. (Obtained through an Open Records Request; requested as a copy of the final training materials used to train eligibility staff on the Pathways to Coverage program; received October 2023).

¹⁰ Office of the Governor. (2024, February 2). Gov. Kemp announces lawsuit against CMS to reclaim implementation time of Georgia Pathways [Press release]. <https://gov.georgia.gov/press-releases/2024-02-02/gov-kemp-announces-lawsuit-against-cms-reclaim-implementation-time>

¹¹ Georgia Department of Community Health. (n.d.). *Eligibility criteria*. <https://dch.georgia.gov/georgiapathways/eligibility-criteria>

¹² Georgia Medicaid. (n.d.). *Basic eligibility*. <https://medicaid.georgia.gov/how-apply/basic-eligibility>

¹³ Center on Budget and Policy Priorities. (2023, August). *Key facts: Premium tax credit*. <https://www.healthreformbeyondthebasics.org/premium-tax-credits-answers-to-frequently-asked-questions/>

¹⁴ Georgia Health Initiative. (2024, February 13). *Closing the coverage gap: Policy consideration for public-private solutions to expand health insurance in Georgia*. <https://georgiahealthinitiative.org/wp-content/uploads/2024/02/Closing-the-Coverage-Gap.pdf>