

Who Medicaid Could Reach: Income Relative to Poverty Among American Indians and Alaska Natives Reporting IHS Coverage, 2020–2024

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Summary

This analysis argues that the American Indians and Alaska Natives most connected to the Indian Health Service are also the ones whose incomes most often fall within reach of Medicaid, which makes Medicaid expansion, and the 100 percent federal match that comes with services delivered through IHS and Tribal programs, more consequential for this population than for any comparison group.

Among the roughly 1.26 million AI/AN people who report IHS coverage in the 2020–2024 American Community Survey, 34 percent have family incomes at or below 138 percent of the federal poverty level, the Medicaid expansion limit. Another 45 percent fall between 139 and 400 percent, the traditional premium tax credit range for Marketplace coverage. About 21 percent are above 400 percent.

The contrast with other groups is the point. Only 24 percent of AI/AN people who do not report IHS coverage, and 18 percent of non-AI/AN people, are within the Medicaid expansion limit. At the other end, 32 percent of AI/AN people without IHS coverage and 42 percent of non-AI/AN people have incomes above 400 percent, compared with 21 percent of IHS reporters. The IHS-connected population is distinctly lower-income, and its coverage options are concentrated in public programs.

Why income bands matter, and the data used

Indian health financing depends heavily on coverage that is tied to income. Medicaid has become a structural pillar of the system rather than a supplement (Paper IV), and services delivered through IHS and Tribal facilities to Medicaid enrollees carry a 100 percent federal match that removes the state share (Paper III). The Affordable Care Act added two income-tied routes to coverage: Medicaid expansion for adults up to 138 percent of poverty, and subsidized Marketplace plans for people above that line. The series has

already found that AI/AN gains under the ACA came mainly through Medicaid expansion, while Marketplace enrollment lagged (Paper IV-B). What has been missing is a direct look at where the IHS-connected population sits on the income scale.

The data are the 2024 release of the ACS 5-Year Public Use Microdata Sample, covering 2020–2024, weighted to population estimates. AI/AN is counted alone or in combination with other races, the series convention. The IHS-connected population is identified by the survey’s IHS coverage question, following Paper I’s argument that IHS access is the most useful denominator for Indian health financing.

Income is measured with the Census Bureau’s income-to-poverty ratio, grouped into three bands that match federal coverage rules:

Band	Income as percent of poverty	Coverage it points to
Lower	0 to 138%	Medicaid expansion income limit for adults
Middle	139 to 400%	Marketplace premium tax credit range
Upper	Above 400%	Employer or other private coverage

The bands describe income, not enrollment. They show who is likely to fall within a program’s income rules, not who is enrolled. The full tables are in the companion workbook *AIAN_IHS_Income_to_Poverty_ACS2024.xlsx* on the site’s Data Tables page.

Finding 1: One in three IHS-connected AI/AN people is within the Medicaid expansion limit

Income band	AI/AN reporting IHS coverage	Share
0 to 138% of poverty	434,259	34.3%
139 to 400%	567,081	44.8%
Above 400%	263,194	20.8%
Total	1,264,534	100%

About 434,000 AI/AN people who report IHS coverage have incomes at or below 138 percent of poverty. In a state that has expanded Medicaid, the working-age adults in this group meet the income test, the children qualify under long-standing Medicaid and CHIP

rules that reach even higher incomes, and most of the elders are already on Medicare.

The largest group, about 567,000 people, sits in the middle band. These are working families, often above Medicaid's adult limit, whose main subsidized option is the Marketplace. A smaller group of about 263,000 has incomes above 400 percent of poverty.

IHS reporting itself falls as income rises. Of all AI/AN people with incomes in the lower band, 22 percent report IHS coverage. In the middle band the figure is 17 percent, and in the upper band 11 percent. The IHS-connected population is not a cross-section of AI/AN people; it is weighted toward the families with the fewest private options.

Finding 2: The IHS-connected population is lower-income than every comparison group

Group	0 to 138%	139 to 400%	Above 400%
AI/AN reporting IHS coverage	34.3%	44.8%	20.8%
AI/AN not reporting IHS coverage	23.6%	44.2%	32.3%
All AI/AN	25.3%	44.3%	30.4%
Non-AI/AN	18.1%	39.5%	42.4%

The middle band is remarkably steady: between 40 and 45 percent of every group falls in the Marketplace range. The differences are at the two ends. AI/AN people reporting IHS coverage are nearly twice as likely as non-AI/AN people to be within the Medicaid expansion limit (34 percent against 18 percent), and half as likely to have incomes above 400 percent (21 percent against 42 percent).

The gap between AI/AN people with and without IHS coverage is almost as large. AI/AN people who do not report IHS coverage look more like the general population: 24 percent in the lower band and 32 percent in the upper. This is consistent with the series' earlier finding that the post-2020 AI/AN count added a large population with no reported IHS connection, concentrated in states where few AI/AN residents report IHS coverage (*Who Was Added?; The 2020 Race Question by State*). Measured against the full AI/AN count, the economic profile of the people IHS-funded programs actually serve is understated.

What the bands mean for Indian health financing

The lower band: Medicaid and the 100 percent match. About 434,000 IHS-connected AI/AN people have incomes within the Medicaid expansion limit. When they are enrolled and served through IHS or Tribal facilities, the federal government pays the full cost of their Medicaid services, which is the effective-FMAP mechanism Paper III describes. This band is the population behind that subsidy. Whether it is realized depends on two things the ACS cannot show: whether the state has expanded Medicaid, and whether eligible people are actually enrolled. In states that have not expanded, most working-age adults in this band have no Medicaid route at all; those between 100 and 138 percent of poverty can turn to the Marketplace, and those below 100 percent fall into the coverage gap. The CMS-IHS data match counted 941,168 IHS registrants enrolled in Medicaid in 2023 (Paper IV). That administrative count is more than twice the number of IHS-connected people the survey places in the lower band, a reminder that Medicaid reaches children, pregnant women, and people with disabilities above 138 percent, and that the survey undercounts IHS-connected people.

The middle band: the Marketplace and its protections. The largest share of the IHS-connected population, about 45 percent, falls between 139 and 400 percent of poverty. For these families the subsidized Marketplace is the main income-tied option, and federal law adds protections specific to Indians: enrolled members of federally recognized Tribes with incomes up to 300 percent of poverty pay no cost-sharing, services from Indian health programs carry no cost-sharing at any income, and enrollment is open monthly. Paper IV-B found that Marketplace enrollment among AI/AN people lagged well behind Medicaid gains. This band is where that shortfall matters most: a Marketplace plan brings third-party revenue to an Indian health program for patients who would otherwise depend on direct IHS appropriations and Purchased/Referred Care.

The upper band: private coverage. About 21 percent of the IHS-connected population has income above 400 percent of poverty, where employer coverage is the most likely source of insurance. Indian health programs can bill private insurers for these patients, but the band is smaller here than in any comparison group. Financing strategies built around private insurance reach a smaller share of the IHS-connected population than they would of the general population.

The overall shape. Nearly four in five IHS-connected AI/AN people have incomes at or below 400 percent of poverty, inside the reach of Medicaid or the Marketplace. For this population, public and subsidized coverage are not a supplement to the system but its core, and changes to Medicaid eligibility or Marketplace subsidies fall disproportionately on the people Indian health programs serve.

Limits and next steps

The income bands approximate program rules; they do not apply them. The ACS measures poverty using Census family income, while Medicaid and the Marketplace use their own household and income definitions, and states set Medicaid limits for children, pregnant women, and other groups well above 138 percent. IHS coverage is self-reported, so the counts describe people who told the survey they have IHS coverage, not IHS users. The 5-year estimates blend 2020–2024, including pandemic years when Medicaid enrollment was held continuous. Margins of error are not shown, though at these national totals they are small relative to the differences reported.

Two extensions would turn this profile into a financing tool:

- **Cross income with coverage.** Within each band, how many IHS-connected AI/AN people have Medicaid, Marketplace or other private coverage, or none? The uninsured in the lower and middle bands are the population that enrollment outreach could reach.
- **Split by state expansion status.** Comparing expansion and non-expansion states would show how much of the lower band is actually within Medicaid's reach today, and how many fall into the coverage gap.

Sources

Data (new to this analysis)

- U.S. Census Bureau, American Community Survey 5-Year Public Use Microdata Sample, 2024 release (2020–2024). Variables RACAIAN, HINS7, and POVPIP (grouped 0–138, 139–400, and above 400 percent of poverty); person weight PWGTP. Extracted October 13, 2026, via the Microdata Access Tool. Tabulated by Edward J. Fox, PhD, in *AIAN_IHS_Income_to_Poverty_ACS2024.xlsx* (edfoxphd.com, Data Tables).

From the IHF Series and related papers

- Paper I, How We Count Matters (IHS access as the denominator for Indian health financing).
- Paper III, The Effective FMAP Subsidy (100 percent FMAP for IHS and Tribal Medicaid services).
- Paper IV, Medicaid and IHS Access: the CMS–IHS Data Match (941,168 IHS registrants enrolled in Medicaid, 2023).

- Paper IV-B, Coverage Expansion and Indian Health (Medicaid expansion gains and lagging Marketplace enrollment).
- *Who Was Added? Hispanic Origin, Nativity, and IHS Coverage in the 2019–2021 AI/AN Increase*, and *The 2020 Race Question by State* (the population added to the AI/AN count after 2020).

Program rules (general background)

- Medicaid expansion income limit for adults (138 percent of poverty) and the Marketplace premium tax credit range, under the Affordable Care Act.
- Indian-specific Marketplace protections: no cost-sharing for enrolled Tribal members up to 300 percent of poverty or for services from Indian health programs, and monthly special enrollment.