

Issue: Medicaid Expansion-FL

Should Florida Expand Medicaid?

ABSOLUTELY!!

Expanding Medicaid will improve both the health of our residents and the health of our economy.

Sixty-seven percent of all Florida voters surveyed favor Medicaid expansion.¹

Expanding Medicaid under the ACA will Improve the Health of Floridians.

Improves the Health of Adults in Florida

There are 877,000 Floridians in the “Coverage Gap.” These poor, uninsured adults earn too little to qualify for ACA subsidies and are currently not eligible for Medicaid unless they fall into a special category, such as pregnant women, parents of children under 19, seniors and certain disabled people.

- With expansion, eligibility will be extended to all low-income individuals whose incomes are at or below 138% of the Federal Poverty Level (FPL)—currently \$28,180 for a family of three.
- Floridians make up 16% of all adults that fall into the coverage gap nationwide.² These individuals are especially vulnerable to health and financial losses without insurance.
- Over 20% of those in the coverage gap are in fair or poor health. They have known health problems but are less likely than those with insurance to receive preventive care and services for major health conditions and chronic diseases.
- Medicaid expansion has been proven to improve access to primary care and medications, affordability of care, utilization of preventive services, care for chronic conditions, and self-reported quality of care and health.³
- Not only does Medicaid expansion increase access to general health care but studies show that reduced problems paying medical bills leads to reduced psychological distress and improvements in mental health status.⁴

Improves the Health of Children in Florida

Despite a decrease in the number of uninsured children in Florida, the state still ranks 44th out of 50 states in child health.⁵ Improving the health coverage for adults improves coverage for children as well.

- Nearly a quarter of people in the coverage gap are poor parents whose income places them above Medicaid eligibility levels.
- Parent coverage through Medicaid expansion has been shown to have important ‘spillover’ effects for children. Low-income children are more likely to receive well-child care if their parents are enrolled in Medicaid.⁶

- Increased access to pediatric care early in life is associated with improved health and lower hospital use in adulthood.⁷ Florida will reap long-term benefits by improving the health of its children today!

Improves the Health of Veterans in Florida

About 7% of Florida's veterans live in poverty.⁸ Over 3% of veterans under 65 in Tampa Bay have no health insurance coverage, including no VA health benefits.⁹ Veterans living below the federal poverty level with or without VA benefits would be eligible for expanded Medicaid.

- Uninsured veterans are 70% more likely to use emergency departments for health care than uninsured non-veterans.¹⁰
- Providing coverage for poor veterans dramatically improves health care for all veterans, reducing hospital days by 5% and outpatient clinic appointments by 10%. These reductions would open more VA health care resources for use by VA-eligible veterans of all ages.

Improves the Health of the Working Poor in Florida

Some have said that Medicaid expansion would extend a type of welfare to adults who are able, but unwilling to work. BUT the majority of people in the coverage gap are in poor working families—either they or a family member is employed but still living below the poverty line.¹¹

- Six in ten people in the coverage gap are in a family with a worker.
- Half the people in the coverage gap are working themselves.
- The vast majority of workers in the coverage gap do not have coverage through their employer.
- Half the workers are in small firms (<50 employees) that are not subject to ACA penalties for not offering coverage.
- Many firms do not offer coverage to part-time workers.
- A majority of workers in the coverage gap work in industries with historically low insurance rates but which are the backbone of the state's economy (e.g., agriculture, tourism, service industries, childcare, landscaping, etc.).

Significantly Lowers the Number of Uninsured in Florida

Numerous studies have shown that Medicaid expansion states experienced large reductions in the number of people who are uninsured.¹²

- Expansion provides large insurance coverage gains across the board. This is especially true for specific, vulnerable populations, including young adults, prescription drug users, people with HIV, veterans, parents, mothers, children, low-income workers, low-educated adults, early retirees and childless adults with incomes under 100% of the Federal Poverty Level (FPL).
- Expansion has a disproportionately positive impact in rural areas.
- Expansion has helped to reduce disparities in coverage by income, age, and race/ethnicity (47% of poor, uninsured nonelderly adults in the coverage gap in Florida are people of color).

Helps Fight the Opioid Crisis in Florida

Opioids killed an average of 14 people a day in Florida during the first half of 2016. In 2017, Governor Scott declared opioid addiction a public health emergency. BUT Florida's per capita funding for mental health services, which includes drug abuse treatment, ranks 49th in the nation.¹³

- Of the 2.8 million people in Florida suffering from mental illness or substance abuse disorder, 726,000 are uninsured. Medicaid expansion will provide services for 309,000 of these individuals.
- Expansion increases the amount covered by federal Medicaid dollars for both prescriptions and other spending to treat opioid use disorder and opioid overdose.¹⁴
- With expansion, the federal government will cover 90 cents on every dollar spent on all aspects of combating the opioid crisis: prevention, initial intervention, treatment, and recovery management. State general funds could then be “freed up” for other uses such as education.

Expanding Medicaid Under the ACA will Improve the Economy of Florida.

Medicaid Expansion is Good for Florida's Budget

Every comprehensive review in expansion states has found that expansion improved state budget balances. The infusion of billions of dollars in federal money boosts the economy and creates thousands of well-paying jobs in health care. States expanding Medicaid realized budget savings, revenue gains, and overall economic growth.

- **Specifically for Florida, estimates show that we would receive between \$7.06 and \$7.75 federal dollars for each \$1.00 spent by the state!**¹⁵
- In studies of every state that has expanded Medicaid, the state's savings and revenue from expansion has exceeded state cost increases from higher enrollment (e.g., a Louisiana annual report on Medicaid expansion reported that expansion saved the state \$199 million in FY 2017.¹⁶)
- Forecasts that have looked out as far as 2020, when the state share of expansion costs will reach a final level of 10%, continue to show state savings and/or revenue gains exceeding the state cost of higher caseload.¹⁷
 1. Michigan's Medicaid expansion generated net state budget gains estimated to exceed \$150 million through 2020 and beyond.¹⁸
 2. The Arkansas Health Reform Legislative Task Force found that Medicaid expansion would yield \$438 million in net state budget gains from fiscal year 2017 through 2021.¹⁹
 3. New Jersey Policy Perspective estimated that by 2016 Medicaid expansion had provided more than \$1 billion in net state fiscal gains and projected that those gains would continue to exceed \$400 million a year in the future.²⁰
 4. A Louisiana annual report on Medicaid expansion reported that expansion saved the state \$199 million in FY 2017.
- Importantly, a review of all states that have expanded Medicaid showed that expansion did not reduce funding on other priorities, such as education and transportation.²¹
- National studies show that spending per enrollee declines for those enrolled through Medicaid compared to traditional Medicaid enrollees.²²

Medicaid Expansion is Good for the Overall Economy of Florida

*According to The Robert Wood Johnson Foundation and the Urban Institute, Florida is projected to lose out on \$66.1 billion in Medicaid funding—more than any other state!—over the decade beginning in 2014, as a result of not expanding Medicaid. **We cannot afford to leave that money on the table!***

In addition, Medicaid expansion has numerous positive effects on the overall economy of the state.

- There is a *reduction of uncompensated care costs* for hospitals and clinics. Some studies have demonstrated that Medicaid expansion has significantly improved hospital operating margins.²³ [It's important to point out here that the additional Low Income Pool (LIP) funding that was approved won't improve people's health since it won't pay for coverage. It merely reimburses hospitals that provide uncompensated care. *Medicaid expansion will both improve health care AND reduce uncompensated care.*]
- Current costs paid by local counties, such as *hospitalization for inmates or crisis care mental health services for low-income patients, would now be shifted to federal health coverage.*
- Studies document *significant job and earnings growth* resulting from expansion. Colorado found that Medicaid expansion led to 31,074 additional jobs and a \$634 increase in average household wages in FY2015-2016. They are now projecting a continuance of household earning growth to \$1,033 over the next 20 years.²⁴
- There is a *significant reduction in personal debt and debt sent to collection agencies*. When low-income people without insurance have difficulty paying for their health care expenses, they become delinquent in medical and non-medical bills. This debt limits their future access to credit and reduces their ability to save and spend on goods and services that fuel local and regional economic growth.²⁵

Expanding Medicaid Under the ACA Gives Us Back our Tax Dollars and Carries No Risk.

Florida businesses and residents currently contribute to the federal coffers that provide other states their Medicaid expansion matching funds...but none of those monies have returned to Florida!

Each Florida taxpayer is giving \$4,058 to other states to support their Medicaid expansion, over the period 2013-2022.²⁶

- Expanding Medicaid would return that money to Florida to improve our health care and our economy
- If the federal government does not continue to pay its share of costs, Florida can always opt out. We do not incur any permanent risk!

Let's bring Floridians' tax dollars back to Florida.

Let's improve both the health of our residents and the health of our economy.

LET'S EXPAND MEDICAID!

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