



Medicaid Expansion in Indian Country

The Montana Legislature currently has the opportunity to provide access to health care to 60,000 Montanans by expanding the state's Medicaid program. Choosing to expand our Medicaid program will extend health care to all Montanans who earn up to 138% of the federal poverty level (see table¹). Currently, Montana's Medicaid program is inaccessible for many people who are in need of health coverage, only covering parents up to 55 percent of the federal poverty level, the elderly and disabled up to 75 percent, and is completely unavailable to childless adults.

Medicaid Expansion has a positive impact on Montana's American Indians.

- If Montana chooses to participate in expansion, up to 19,547 American Indians would be newly eligible for the program.²
- Services provided by Indian Health Service (IHS) facilities to American Indian Medicaid enrollees have always been reimbursed 100% by the federal government, eliminating *any* state fiscal obligation. This reimbursement percentage will not change if Medicaid eligibility is expanded.³
- Montana ranks highest in number of uninsured American Indians (40%) and second lowest in number of American Indians with private insurance (28%).⁴
- Tribal communities have less access to employer-sponsored health insurance due to lack of available jobs.
- Fifty-seven percent of American Indians in Montana between the ages of 18-64 are uninsured, the population most affected by Medicaid expansion.⁵

Choosing to expand Medicaid will improve health care in Indian Country.

- IHS currently receives only 60% of the level of funding needed to meet the demand for care.⁶
- American Indians whose only health care is provided by IHS face inadequate access to quality care, including preventative care and early treatment of chronic diseases, further contributing to the health disparities that exist between American Indians and the general population.⁷
- Increased Medicaid reimbursements to IHS facilities will address funding shortages, leading to improved access to quality care.^{8,9}

Expanding health care will create jobs and boost our local economies.

- The influx of new federal dollars created by Medicaid Expansion will provide an economic boost to tribal communities *and* throughout Montana.¹⁰
- With increased demand for medical services comes increased spending by IHS to purchase supplies and equipment, hire more medical and support staff, and fund building renovations and new construction.
- A recent study shows expanding Medicaid for all Montanans will create 14,400 new jobs, with average wages of \$42,000 per year, generating \$4.2 billion in labor income over the first eight years.¹¹

¹ Income guidelines based on 138% of Federal Poverty Level

Household Size	Monthly \$	Annual \$
1	1,321	15,856
2	1,783	21,403
3	2,246	26,951
4	2,708	32,499

² Ed Fox, "Health Care Reform: Tracking Tribal, Federal, and State Implementation." Kauffman & Associate, Inc., May 20, 2011.

³ National Indian Health Board, "Medicaid Expansion under ACA for American Indians and Alaska Natives," April 14, 2011. <http://www.nihb.org/docs/05212011/NIHB%20Issue%20Paper%20-%20Medicaid%20Expansion%20under%20ACA%20for%20AI-AN%20FINAL%202011-04-14.pdf>.

⁴ Ed Fox and Verne' Boerner, "Health Care Reform: Measuring its Impact for American Indians & Alaska Natives in 33 States with IHS Funded Health Programs," September 24, 2012, http://www.edfoxphd.com/33_States_NIHB_ACC_draft_presentation_ejf_vfb092012.pdf.

⁵ Ed Fox, "Health Care Reform: Tracking Tribal, Federal, and State Implementation." Kauffman & Associate, Inc., May 20, 2011.

⁶ The Urban Institute, "A National Roundtable on the Indian Health System & Medicaid Reform: Summary Report," October 5, 2005. See also, Indian Health Service, "Frequently Asked Questions," <http://www.ihs.gov/GeneralWeb/HelpCenter/CustomServices/FAQ/>, accessed Oct. 31, 2012.

⁷ Donald Warne, MD, MPH, "Research and Educational Approaches to Reducing Health Disparities Among American Indians and Alaska Natives," *Journal of Transcultural Nursing* (July 2006), pp. 1-6

⁸ In addition to Medicaid expansion, the ACA provides for the establishment of health insurance exchanges. The exchanges are beyond the scope of this report, but provide significant additional opportunities for improving the capacity of Indian Health Services and health outcomes in Indian Country more generally. See, Kris Locke & Mim Dixon, "Tribal Planning for Health Insurance Exchanges Begins Now," prepared for the Tribal Self-Governance Committee, March 14, 2011.

⁹ National Indian Health Board, "Medicaid Expansion under ACA for American Indians and Alaska Natives," April 14, 2011. <http://www.nihb.org/docs/05212011/NIHB%20Issue%20Paper%20-%20Medicaid%20Expansion%20under%20ACA%20for%20AI-AN%20FINAL%202011-04-14.pdf>.

¹⁰ See generally, The Bureau of Business and Economic Research, "The Importance of Public Health Care Funding to the Montana Economy," University of Montana, December 2010.

¹¹ The Bureau of Business and Economic Research, "An Estimate of the Economic Ramifications Attributable to the Potential Medicaid Expansion on the Montana Economy," January 2013.