



# Medicaid Expansion: It's the Right Choice for Broadwater County

January 2015

Medicaid plays a vital role in supporting the healthcare economy in Broadwater County.

|                          | Medicaid Recipients in County<br>(FY 2014) | Medicaid Dollars Spent<br>(FY 2014) |
|--------------------------|--------------------------------------------|-------------------------------------|
| <b>Broadwater County</b> | 450                                        | \$2,382,000                         |

Expanding Medicaid is a great deal for Montana. Over 60,000 Montanans would get the health insurance they need at little cost to the state. In fact, the federal government covers 100% of the costs for the first three years, and no less than 90% thereafter. This is also Montana's opportunity to get back the dollars we have already been contributing to Medicaid expansion. From lower federal payments to hospitals and providers, to taxes and fees on certain health plans, Montanans have been and will continue to pay for Medicaid expansion. If we don't take those dollars, they will simply be redirected to other states like Arizona, California, North Dakota, and New York to generate jobs and provide health care for their residents.

|                          | Uninsured Adults<br>Eligible for<br>Medicaid<br>Expansion | Anticipated<br>Additional Medicaid<br>Spending | Anticipated<br>Increase in Jobs<br>per Year | Anticipated Increase<br>in Labor Income per<br>Year |
|--------------------------|-----------------------------------------------------------|------------------------------------------------|---------------------------------------------|-----------------------------------------------------|
| <b>Broadwater County</b> | 361                                                       | \$1,911,000                                    | 70                                          | \$2,854,000                                         |

### Expansion's Economic Impacts

As newly insured Montanans seek health care, there will be an increase in the demand for doctors, nurses, and other medical support staff. Health care providers can hire new employees who will then spend their paychecks in local businesses. These additional dollars flowing on Main Street allow businesses to grow. Expanding Medicaid could add as many as 12,700 jobs annually and generate \$4 billion in labor income in Montana in the first eight years. **In Broadwater County, expansion could add over 70 jobs and generate \$2,854,000 in labor income annually.** What starts as a small investment in Medicaid expansion actually triggers a chain reaction of economic development across our state.

### Without Expansion: A County-Level Outlook

If Montana fails to expand Medicaid, **361 people in Broadwater County** – mainly parents and other adults working for low wages – will be left without insurance. They will make too much to qualify for Medicaid, but too little to be eligible for tax credits to purchase private insurance. They will be left with no viable options - stuck in the middle ground, left to face the inefficient health care system of the past. They will continue to receive less preventative care and delay treatment due to high costs. As a result, they will have worse health outcomes, higher financial burdens, and raise health care costs for all of us.

*Sources: Montana Department of Health and Human Services, U.S. Census Bureau Small Area Health Insurance Estimates, and Bureau of Business and Economic Research.*