

Ohio should say yes to Medicaid expansion

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Ohio has much to gain from implementing the proposed Medicaid expansion, which for the states has become an optional part of the Affordable Care Act (ACA). With expansion, working adults earning up to 138 percent of the poverty level gain access to preventive care, reducing suffering and financial burdens, and creating opportunity for a healthy and productive life. A healthier population helps the community by improving public health, nurturing a more productive workforce, and boosting the business climate. This issue brief provides five reasons Ohio should implement Medicaid expansion.

Medicaid expansion means a healthier Ohio. Between 667,000 and 901,000 Ohioans will enroll in Medicaid between 2014 and 2019, according to the Kaiser Commission on Medicaid. This will bring significant benefits, not just for people who gain coverage, but for all of us.

Expansion is a great deal for Ohio. The federal government will pay most of the costs, covering 100 percent of Medicaid for newly eligible Ohioans during the first three years and 90 percent for that group after 2022. Ohio's costs will rise by an estimated 1.6 percent between 2014 and 2019 compared to what total state and federal Medicaid spending would be without the expansion.

Expansion will bring billions of dollars into the state. Ohio could receive \$17.3 billion in new federal dollars as a result of expansion. In the first year alone, federal funds could pay the annual wages of 50,000 health care workers.

Savings can offset costs. Medicaid expansion could lead to a big decline in Ohio's costs for treating people who don't have insurance, called uncompensated care. The state could save between \$1.1 billion and \$2.3 billion between 2014 and 2019.

Ohio can't afford not to expand. States that do not expand will leave many out in the cold; too poor to qualify for health insurance subsidies of the ACA but not eligible for Medicaid. In Ohio, up to 789,000 individuals could be left out. States that do not expand will see no decline in uncompensated care costs. Poor patients will still go to emergency rooms but federal aid for hospitals that treat them will plunge. Finally, states that do not expand will see federal tax dollars go to states that do.

Expanding Medicaid will reduce suffering, improve health, increase economic security, benefit the community, and bring new jobs. The state share of costs is modest; state savings are huge; and the federal share – an estimated \$17.3 billion over six years – is significant. Ohio should say yes to Medicaid expansion.

Key findings

- More than 900,000 people could benefit.
- Federal dollars for expansion could pay for up to 50,000 new health-care jobs.
- Decreases in uncompensated care could save Ohio \$1.2 billion to \$2.3 billion.
- Opting out would leave Ohio's poorest out of the national health care system.