

## **MEDICAID EXPANSION FAQs:**

*Q: Missouri just cannot afford to expand Medicaid. It's eating up our state budget, growing every year.*

A: It will cost Missouri more *not* to expand Medicaid: The expansion brings money to the state, saves the state money and creates jobs, spurring the state's economy.

In fact, in the first year alone the Medicaid expansion saves at least \$47 million and over ten years will save the state \$348 million in state tax dollars. Each year, the federal money from the Medicaid expansion will also bring in about \$2 billion to the state. The expansion is projected to create 24,000 new jobs for Missourians, which will help our economy. Deciding to expand is the smart thing to do.

*Q: Isn't expanding Medicaid a bad deal for the federal taxpayers and the federal government? How is the federal government going to pay for Medicaid expansion when there is a budget crisis?*

A: Actually, the Congressional Budget Office, which provides impartial and nonpartisan analysis, found that the health reform law will reduce the federal deficit by \$109 billion over the next 10 years. By participating, Missouri will help to reduce the federal deficit.

The expansion will generate additional economic activity that will create a better economic environment and more taxes for both our state and federal government. Missourians will pay federal taxes regardless, but if Missouri does not expand, its citizens will be contributing without reaping the benefits of expanded coverage.

*Q: Sure, Medicaid is a good deal now for the state, but what's to stop the federal government from reducing its contribution and leaving the state holding the bag?*

A: This increased Medicaid coverage opportunity is voluntary, which Missouri can drop at anytime. The federal commitment is written into the law as additional security to ensure Medicaid expansion funding. Congress would have to pass another bill to reduce the federal contribution.

*Q: Won't expanding Medicaid just make it harder for the neediest to find a doctor? Medicaid often pays less than what Medicare pays. If we expand Medicaid will doctors who now see a few Medicaid patients just drop Medicaid because they can't afford to expand their number of Medicaid patients? Will those who now use Medicaid lose out?*

A: By increasing the number of people with Medicaid and other forms of insurance, we increase the number of people who have the financial ability to see a doctor. As a result, it will make it easier for physicians to see all patients because patients will not only have insurance coverage for physician services but also for the other medical care they need like prescription drugs and laboratory work.

Having an adequate number of providers is a challenge. However, the health reform law addresses this issue and we have already begun efforts to expand the health care workforce. In 2013 and 2014 the law requires Medicaid fees for primary care services to be the same as Medicare, an estimated 76% increase in Missouri. Furthermore, additional funding for training and expanding the medical workforce is already in place.

*Q: Why should Missouri expand a bad program? Aren't there studies that show that people on Medicaid have poorer health outcomes than persons with no insurance at all.*

A: Two recent studies found that expanding Medicaid coverage for adults improves health and saves lives. Furthermore, it is a false choice to pretend the options are either improve Medicaid or expand Medicaid. We can and should expand coverage and improve the program for Missouri's citizens.

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