

COMMONLY SEEN OBJECTIONS TO MEDICAID EXPANSION

OBJECTION: Expansion would add thousands of able-bodied, childless, working-age adults into a welfare program.

RESPONSE:

- [47%](#) of the Medicaid expansion population has at least one mental illness
 - Only [1 in 5](#) disabled Utahns have access to traditional Medicaid due to strict eligibility standards
 - [Two-thirds](#) of the coverage gap population are working one or more jobs
 - Of the [one-third](#) who are not employed:
 - 18% are disabled
 - 10% are retired
 - 25% are caregivers for a disabled or elderly loved one
 - 13% are students
 - [One-third](#) of the expansion population are parents, and half are part of families
 - As soon as a parent's earnings go above 50% of the poverty line they lose their Medicaid coverage (e.g. A single-parent with two children, working full-time earning minimum wage would fall into the coverage gap)
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OBJECTION: Current Medicaid enrollees already struggle with finding doctors who see Medicaid. We would be putting able-bodied adults before those who truly need care.

RESPONSE:

- Healthy Utah is a [private market option](#), which offers coverage through employer-sponsored plans and premium assistance through Avenue H—which will give the consumer a broader network of providers, who will be reimbursed at higher rates
 - Only a small percentage of the most [medically frail](#) will have the option of enrolling in Medicaid, which will save the state money by providing their complex care through Accountable Care Organizations, and traditional Medicaid eligibility categories and income limits will remain the same
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OBJECTION: Medicaid expansion could cost Utahns hundreds of millions of dollars. Even more concerning, other states have demonstrated that cost projections are often woefully inaccurate.

RESPONSE:

- Utah is already sending [\\$710 million](#) a year in taxes to DC to pay for implementation of the ACA and Medicaid expansion
 - We are not receiving the maximum amount of tax dollars back that we could if we expanded

- Even though we are receiving back more than we paid out to the feds, there's still 63,000 Utahns who are going without access to Medicaid or healthcare.gov subsidies
 - Utah has taken more time than most states to study the enrollment numbers and costs associated with Medicaid expansion, therefore our numbers are more accurate
 - We know what the state cost will be: \$78 million in 2021 after the match rate is at 10% state funded
 - Utah's enrollment is predicted to be 146,000 lives under a full expansion
 - This even takes into account the feared "woodwork effect" that caught other states off guard, and made their enrollment numbers higher than anticipated
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OBJECTION: The federal deficit is already too high, the feds can't keep up the 90% match

RESPONSE:

- Medicaid was created in [1965](#), and since then the federal government has always provided the promised match rate.
 - Since 1966 Utah's share has not risen above 30%, in fact during the recent recession Utah's share dropped from [30% to just 20%](#), meaning the feds increased their match rate to 80% federal funding to run Utah's Medicaid program
 - The [Healthy Utah plan](#) included a provision that would cancel the program if the federal match rate ever falls below 90%
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OBJECTION: Utah can afford to do a mini or partial expansion.

RESPONSE:

- Expanding Medicaid to only those under 100% of poverty results in Utah paying more to purchase less. Any expansion short of 138% of poverty results in Utah paying 30% of the costs rather than 10% of the cost under a full expansion scenario.
- If we don't do a full expansion up to 138% of poverty, there will still be thousands of Utahns who will be left without coverage—meaning the state will not see the full array of savings other states have after expanding, or that have been [researched by PCG for Utah](#).
 - Won't see full \$814M reduction in uncompensated care costs over 10 yrs (pg12)
 - Won't see full \$3M a year in savings for inmate exemption (pg 74)
- What does a partial expansion leave on the table?
 - Any partial plan covering only those who qualify as Medically Frail (about 20% of gap population) covers 14,500 lives but costs \$30.3 state funds, leaving 50,500 Utahns still in the coverage gap in 2017!
 - A full Medicaid expansion would cover 126,500 lives and costs \$18.7M, closing the coverage gap completely in 2017.