

Medicaid Expansion Fact Sheet: Sources

Fact: The employer insurance market does not meet the need for health insurance coverage for working adults.

- 70% of SC small business do not offer health insurance

Source: Kaiser Family Foundation, "Percent of Private Sector Establishments That Offer Health Insurance to Employees, By Firm Size," 2019

- Only 49% of SC workers have private health insurance

Source: State Health Access Assistance Center, "Trends in Employer Sponsored Insurance," September 2020

Fact: 200,000 South Carolinians would gain access to healthcare coverage with expansion.

- *Source: Kaiser Family Foundation, "Who Could Get Covered Under Medicaid Expansion, State Fact Sheets," February 10, 2021*

Fact: 61% of SC Medicaid recipients are employed despite the eligibility requirement that they have dependents, and almost all who don't work care for dependents full-time, are too sick or disabled to work or are in training.

Note: State data comes from the Census Bureau's American Community Survey. Survey sample was too small to estimate how many recipients in SC are in school or training, so the statement assumes it is the national average.

- *Source: Kaiser Family Foundation, "Understanding the Intersection of Medicaid and Work: What Does the Data Say?" August 2019)*

Fact: Medicaid expansion would trigger economic growth and state budget savings

- New jobs and state personal income growth. SC estimates from a widely used state economic multiplier model in the Commonwealth Fund.

Source: "The Economic and Employment Effects of Medicaid Expansion Under the American Rescue Plan Act," May 2021)

- SC State Budget Savings

Sources: Commonwealth Fund, "The Impact of Medicaid Expansion on States' Budgets," May 2020

Note: SC Department of Health and Human Services has estimated the year 5-10 annual cost of expansion to be \$300 million. The Commonwealth fund article contained information on documented state budget savings in some expansion states as a percentage of the 10% state match required for expansion, by substituting federal funds from expansion for state supported programs. 5 states reported savings in 4 areas. The average as a

percent of the projected cost of the state 10% match cost in 2021 is shown below.

Across the 5 states the average savings was 64% - which was then multiplied by SC's projected \$300 million match cost to get a rough estimate of \$192 million in savings for SC. All states' programs are different, and SC must do its own analysis, however there will be savings to offset the projected cost.

State Program Savings as a Percentage of State Medicaid Expansion Cost

State Program	Montana	Virginia	Arkansas	Michigan	Kentucky	Avg. savings
Traditional Medicaid	46%	85%	60%	10%	10%	42%
Mental health and substance abuse	5%	8%	4%	37%	7%	12%
Healthcare for those in corrections	4%	9%	2%	4%	3%	4%
Uncompensated care programs			24%		4%	6%
Total average state savings	54%	102%	90%	51%	24%	64%

Benefits of Medicaid Expansion

The research below compares experience over several years in states that have expanded Medicaid vs. those that did not.

- Decrease in medical debt
- Decrease in mortality
- Decrease in cancer mortality
- Increase in diabetes care
- Increase in treatment of cardiac disease

Sources:

Journal of the American Medical Association, "Medical Debt in the US 2009-2020, July 2020

National Bureau of Economic Research, Medicaid and Mortality: New Evidence From Linked Survey and Administrative Data," Revised January 2021

Journal of the American Medical Association Open Network, "Medicaid Expansion and Mortality Among Patients with breast, Lung and Colorectal Cancer," November 5, 2020

Diabetes Care, "Impact of Medicaid Expansion in Diabetes Care," May 2020

Circulation: Cardiovascular Quality and Outcomes, "Association of Medicaid Expansion with Rates of Utilization of Cardiovascular Therapies Among Medicaid Beneficiaries Between 2011 and 2018," January 2021

Polls on public opinion about Medicaid expansion

Source: SC AARP, survey of 1000 voters 50+, 2021