

# Medicaid Expansion Makes Sense: FAQ

Prepared by Missouri Foundation for Health

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## Frequently Asked Questions

Use these frequently asked questions and answers to address additional topics that may be relevant to your community or the populations you serve. If you have questions about Medicaid expansion or Missouri Foundation For Health, contact Nancy Kelley ([nkelley@mffh.org](mailto:nkelley@mffh.org)).

### What is Medicaid?

- Today, Missouri's Medicaid program, known as MO HealthNet, provides health insurance for low-income children and parents, seniors, pregnant women, and people with disabilities. It allows Missourians to see a doctor when they are sick, get check-ups, buy medications, and go to the hospital. Having health insurance allows Missourians to maintain their health, go to work, and take care of their families.
- Currently in Missouri, a non-disabled adult with children can qualify for Medicaid if their income is below 22% of the federal poverty line. This equates to less than \$5,550 a year for a family of four. Adults who are not parents are not eligible at all. But all this will change once Medicaid expansion is in place in the summer of 2021. At that time, individuals who earn up to about \$18,000 per year, and families of four who earn up to \$36,000, will be eligible for coverage.
- Medicaid supports local hospitals, clinics, doctors, and schools so they can provide health services in their communities.

### What is Medicaid expansion?

- Missourians voted in August 2020 to expand eligibility for Medicaid up to 138% of the federal poverty level. With expansion, an individual who earns less than \$18,000 per year or a family of four that earns less than \$36,000, will be eligible starting in the summer of 2021.
- Expanding Medicaid will provide health insurance coverage to 230,000 Missourians who are now caught in a coverage gap – they earn too much to qualify for the current Medicaid program but not enough to afford private insurance.

### How is Missouri going to pay for expanding the Medicaid program?

- By law, the federal government will cover 90% of the costs to expand Missouri's Medicaid program. Expanding Medicaid will bring hard-earned Missouri tax dollars back home and free up state funding to cover other priorities like schools, public safety, and small businesses.
- Medicaid expansion will simplify our state's Medicaid program, creating a more cost-effective system that will allow federal dollars to replace state funds, saving Missouri \$39 million in the first year of expansion.

## Is Medicaid effective?

- MO HealthNet provides health insurance for many hard-working Missourians, including 550,000 children, as well as seniors in nursing homes and people with disabilities. It allows people to go to the doctor, get screenings and preventive care, prescriptions, and emergency care so they can take care of themselves and their families.
- Data shows health outcomes for Medicaid beneficiaries are much better than Missourians who are uninsured. This means Missourians can get and stay healthy, go to work, and support their families.
- Increased federal dollars will enable our state's Medicaid program to provide coverage to uninsured Missourians and infuse the program with resources to keep rural hospitals open. These funds will enable the state to modernize systems and improve efficiencies to make the best use of taxpayer dollars.

## Does Medicaid help people work?

- Medicaid coverage supports work. People who are healthy are better able to get and keep jobs. Research in states that have already expanded Medicaid shows that those who receive coverage perform better at their jobs. In fact, most adults on Medicaid are working in full or part time jobs that don't provide health insurance or are caregivers or students.
- Health insurance provides financial security for Missourians so they can work, contribute to their communities, and take care of themselves and their families.

## How do we ensure people who really need Medicaid can get it?

- Medicaid is a lifeline for hard-working Missourians to get and stay healthy, go to work, take care of their families, and pay their bills. There are processes in place to ensure those who enroll in Medicaid are rightfully eligible to receive the benefits.

## How will Medicaid expansion benefit rural areas of the state?

- More than 30% of Missourians live in rural communities. Seven rural hospitals have closed recently. Medicaid expansion will help keep rural hospitals and clinics open, providing critical care for families throughout our state.
- According to projections, nearly 64% of new jobs created by Medicaid expansion will be outside of the St. Louis and Kansas City areas, meaning economic benefits for the whole state.

## Are there enough providers to support the increased demand for care if we expand Medicaid?

- By providing coverage to uninsured Missourians, Medicaid expansion will reduce uncompensated care and bring more revenue to clinics and hospitals, helping to keep them open and recruit new providers.

## Have other states expanded their Medicaid programs?

- Thirty-seven states, including Arkansas, Iowa, and Kentucky, have done the math and chosen to expand their Medicaid programs. Across the board, states have seen positive outcomes from Medicaid expansion as more people gain access to needed treatment and care, hospitals stay open, and jobs and the economy grow. No state that has expanded Medicaid has changed course.