

MONTANA MEDICAID EXPANSION: Strengthening Montana's Economy

▶ SAVING MONTANA MILLIONS AND PAYING FOR ITSELF

Although Montana pays for a share (10%) of Medicaid expansion coverage, the program's savings and the revenue generated by increased economic activity have a positive effect on the state budget.

- In 2019, Medicaid expansion generated state budget savings of more than \$28 million.
- When the revenue associated with the increased economic activity is added to the savings created by Medicaid expansion, the net fiscal impact on the state budget is positive, **covering between 110% and 159% of the state's share of the program's cost.**

▶ STRENGTHENING THE ECONOMY

Since Montana expanded Medicaid in 2016, the program continues to infuse millions into Montana annually, creating jobs and supporting new economic activity.

- Medicaid expansion introduces **\$650 million of new federal health care dollars into the economy each year.** This money supports hospitals, clinics, and primary care and specialty practices to provide services Montanans need.
- The new federal dollars that come into the state supports **6,000 new jobs across industries, \$400 million in new personal income, \$700 million in new economic activity.**

▶ SUPPORTING A HEALTHY WORKFORCE

Medicaid expansion provides Montana's seasonal or low-wage workforce with another health insurance option. It also helps Montanans join the workforce.

- **Nearly 75% of Medicaid expansion enrollees are working adults who are frequently employed in low-wage industries or seasonal jobs.** On average, Medicaid expansion enrollees stay on the program for two years, with 30% enrolled for less than a year.
- For Medicaid expansion enrollees looking for new or better jobs, the voluntary HELP-Link workforce program provides employment and advancement opportunities. In 2020, 9,000 people received employment services through HELP-Link.

▶ SUPPORTING LOCAL BUSINESSES

Medicaid expansion supports local businesses by providing another option for employees to get health insurance. Working Medicaid expansion enrollees are often employed in lower-wage and seasonal industries like restaurants, ski resorts, hospitality, and retail.

- **Nearly 60% of businesses in Montana have at least one employee enrolled in Medicaid.** 25% of businesses have at least 25% of their employees enrolled.
- Without Medicaid expansion, it would cost employers between \$430 million and \$1.1 billion to provide private insurance to their employees.

▶ HELPING RURAL HOSPITALS STAY IN BUSINESS

Medicaid expansion helped halve uncompensated care costs for hospitals in Montana, as Medicaid provided a stable, reliable source of payment for medical claims. Nationally, hospitals in states that have not expanded Medicaid are six times more likely to close than those in expansion states. No hospitals in Montana have closed since Medicaid expanded in 2015.