

Expanding Medicaid: Positive Economic Impacts

With Governor Evers' budget, Wisconsin can cover more people for less state money. The savings from this expansion leverages hundreds of millions in new federal funding to invest in the health and well-being of every citizen. Medicaid is a foundation of health care and 1.2 million Wisconsin residents rely on Medicaid for high quality health care. States that accept federal dollars for Medicaid expansion saw positive impacts to their economies, including increased numbers of practicing providers, reductions to uncompensated care, reductions in medical debt, and positive correlations between Medicaid enrollment and employment.

Health care coverage for more Wisconsinites

The budget expands Medicaid to cover childless adults, parents, and caretakers up to 138% of the federal poverty level (FPL) which is \$17,000 per year for a single person working full time. This expansion will enable an estimated 82,000 additional individuals to access affordable health coverage. By covering individuals who currently lack insurance, uncompensated care for providers will decline. This proposal will generate \$324.5 million in savings which is invested back in health care to improve the lives of every Wisconsinite.

Increasing access to health care

Hospitals and other health care providers are the cornerstones of Wisconsin communities and drivers of local economies. The budget includes funding to increase Medicaid reimbursement for hospitals as well as primary care and specialty providers. Investing in these critical providers will foster economic growth and increase financial stability by reducing uncompensated care for these community anchors. Higher reimbursement rates will help attract and retain medical professionals in Wisconsin.

Attracting more primary care doctors and other providers to Wisconsin

Physicians play a critical role in the health care industry by providing an estimated 54.6% of all health care visits. The budget proposes to increase provider payments to help attract and retain medical professionals in Wisconsin. The budget will include funding to improve Medicaid reimbursement rates by \$69 million for providers across the state to ensure access to quality care for all Wisconsin communities. Increasing reimbursement rates to family physicians, behavioral health professionals, and specialty physicians will help address provider shortages, especially in rural areas.

Improved financial health

A National Bureau of Economic Research study found that in the 29 states that expanded Medicaid, there was a positive impact on financial well-being by reducing medical debt by \$900 per Medicaid enrollee and preventing 50,000 bankruptcies.

More providers, more jobs

A single primary care provider working in a clinic in a rural community helps create an average 6.6 jobs. If the provider works at a hospital, the job yield is 19.7 jobs. The total labor impact of wages and benefits is almost \$1.4 million for local economies.