

## Top 10 Reasons to Expand Medicaid

**1.** The Supreme Court upheld the Affordable Care Act. The Medicaid expansion, mandated in the law, is maintained.

**2.** In 2014-2016 the expansion is paid entirely with federal funds, resulting in at least \$200 million per year in state savings when residents served by the limited current state-funded programs become Medicaid eligible.

**3.** Ten-year state savings estimates total \$1.1 billion, while estimated new federal revenue to the state totals \$20.5 billion.

**4.** New jobs and significant economic activity will be generated by the \$20.5 billion.

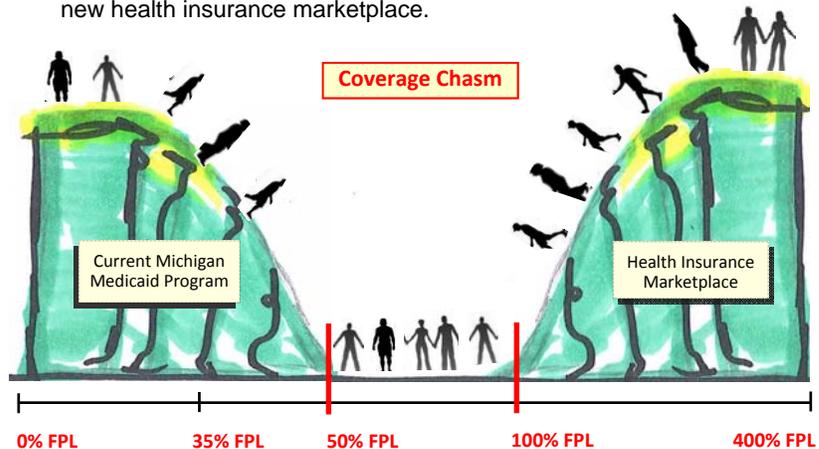
**5.** In 2017, “saved” state funds can be redirected and effectively used to match Medicaid federal funds while providing comprehensive healthcare services to the newly eligible population.

**6.** Implementation will result in coverage for at least 400,000 currently uninsured low-income parents and nondisabled childless adults, including comprehensive mental health services.

**7.** If not implemented, a “coverage chasm” will result for those between current Medicaid eligibility (less than 50% FPL) and 100% FPL – they will not be eligible for Medicaid and they will not be eligible for subsidies through the Exchange.

### Coverage Chasm

If Michigan chooses not to expand Medicaid, thousands of working Michigani-ans will fall into a coverage chasm—unable to enroll in Medicaid and barred from getting tax credits to buy coverage in the new health insurance marketplace.



FPL = Federal Poverty Level

Note: Under the current Michigan Medicaid program, working parents are eligible for coverage up to about 50% of FPL. Nondisabled childless adults are eligible for coverage up to 35% of FPL under a waiver that is generally closed.

Source: Michigan Department of Community Health

**8.** Any delay in implementation will result in the loss of the 100% federal funding; it is only available in 2014, 2015 and 2016. From 2020 onward, federal funds will pay 90% of the cost of the Medicaid expansion.

**9.** If not implemented, low-wage employers will be subject to unanticipated penalties for employees between 100% and 133% FPL, who must obtain coverage through the Exchange and receive federal subsidies.

**10.** Michigan’s health status will improve when needed care is provided in the appropriate setting, rather than the hospital emergency room, for the newly eligible.