

## Talking Points: Medicaid Expansion

Children comprise the majority of lives covered by Alabama Medicaid; this healthcare delivery system serves more than 650,000 of Alabama's most vulnerable children and supports our state's healthcare infrastructure. About half of all babies born—30,000—have Medicaid coverage. Although the adult population would directly benefit from Medicaid expansion, *children will benefit as well*. On behalf of its 855 members, the Alabama Chapter-American Academy of Pediatrics advocates for the state to join 36 other states to expand Medicaid to cover 340,000 Alabamians in the coverage gap, create profound economic impact for Alabama and, at the same time, improve outcomes for children.

### What Medicaid expansion would mean for children:

- Medicaid expansion has been shown to improve infant mortality rates. Data from 2010 to 2016 and 2014 to 2016 compared infant mortality rates in states that accepted Medicaid expansion and those that did not (non-Medicaid expansion states). The research showed that non-Medicaid expansion states rose (6.4 to 6.5) from 2014 to 2016 but declined in Medicaid expansion states (5.9 to 5.6). The differences were even great among African American infants.
- When parents get health coverage they are more likely to sign up their children for health coverage: states that extended Medicaid coverage to more uninsured adults saw nearly double the rate of decline in uninsured children as compared to states that didn't accept expansion.
- Another study found that expanding Medicaid to parents means that children from low-income families are more likely to get well-child care. Possible reasons included having parents in the health care system and interacting with health professionals meant parents became more familiar with the benefits of getting their children regular well-child visits.

### What Medicaid expansion would mean for Alabama's economy:

David Becker, PhD, UAB School of Public Health, and Manatt, a national consulting firm, provide strong evidence to support expanding Medicaid:

- Overall, the economic impact would be \$11.4 billion in additional federal funds over four years.
- Another \$316 million would be saved through a higher federal match rate to pay for services currently funded with 100 percent state dollars. These savings could be reinvested.
- Alabama will receive \$9 in federal funds for every \$1 it spends indefinitely.
- Additional state and local taxes would offset \$715 million of the cost.
- After considering state savings, the estimated first year investment for expansion is \$168 million, with a cost of less than \$25 million each year thereafter.
- Comparing \$2.7 billion in annual economic gain, \$25 million annual cost is a great deal! In contrast to most economic development projects supported with state and local incentives, Medicaid expansion would provide benefits across all of Alabama's 67 counties."

### What Medicaid expansion would mean for Alabama's uninsured adults

- The adult uninsurance rate dropped from 35 to 16 percent in expansion states (2008 – 2016).
- Medicaid expansion leads to earlier cancer detection, fewer deaths, and better outcomes for patients.
- Expansion states have increased access to substance abuse treatment and critical mental health services.

*And with the challenges facing our health care system, particularly rural hospitals, it's an opportunity Alabama cannot afford to pass up.*