



## Talking Points in Support of Medicaid Expansion December 29, 2013

This document contains key talking points in favor of Medicaid expansion. The talking points are sorted by the important themes we wish to convey to the House Appropriations and Senate Finance Committee members.

While these talking points are meant to be a resource for you all, none of these arguments can substitute your passion and expertise. You all bring a unique perspective to this debate that lawmakers need to hear.

With that in mind, please find the key talking points below.

### Health Care Access – Who Will be Covered?

- Medicaid expansion could provide coverage to nearly **400,000** uninsured Virginians.
- Medicaid expansion will extend coverage for low-income individuals and families with income below 138% of the federal poverty line. E.g. \$15,856/year for an individual, \$32,499/year for a family of 4.
- Most of the people who could qualify for Medicaid (if expanded) work in low wage jobs and part time jobs that do not offer insurance at all or do not offer insurance the individual/family can afford.
- Medicaid expansion will provide these hard working Virginians the security of affordable health care so they can keep themselves and their family healthy, continue to work, start new businesses, and ensure that their children can thrive and be successful.
- There are about 34,000 veterans without health insurance. Half of them – 16,600 veterans – would be eligible for coverage by expanding Medicaid.

- Medicaid expansion will cover workers in key job sectors. If Virginia expands Medicaid:
  - Nearly 32,000 uninsured workers in the tourism sector could gain coverage
  - 24,500 uninsured workers in the retail trade sector could gain coverage
  - 24,300 uninsured workers in the educational, health, and social services sector could gain coverage
  - 18,500 uninsured workers in the construction could gain coverage
- Without expansion, there will be a terrible **Coverage Gap**, where 200,000 low income Virginians will be left uninsured. They are too poor to qualify for subsidized insurance from the new health insurance marketplace, but they cannot get insurance through Virginia's current Medicaid program which has extremely limited coverage for parents and **no** coverage for childless adults (who aren't elderly or disabled).
- Medicaid successfully provides the backbone of care for seniors living in nursing homes, children, pregnant women and people with disabilities. We can build on these successes and make coverage affordable for more working families.

### **The Economic & Budgetary Impact**

- The Affordable Care Act provides 100% federal funding to support the Medicaid expansion in 2014, 2015 and 2016. After that, the federal contribution is gradually reduced to no less than 90% of expansion costs.
- This very significant federal funding for Medicaid expansion could support as many as **30,000** jobs in the health industry and throughout Virginia's economy.

- If we do not expand Medicaid, the Commonwealth will lose about **\$5 million each day**, totaling more than **\$2 billion** in lost federal funding each year.
- Without expansion, Virginia will also lose \$135 million each year in state general fund savings from state-funded health programs.
- Virginians are already paying for Medicaid expansion through their federal taxes. We shouldn't pay for other states to expand Medicaid while leaving hundreds of thousands of Virginians uninsured. We should bring our federal tax dollars back to the Commonwealth to help Virginians!
- The growth of our state economy depends on a healthy workforce. Providing coverage will help keep Virginia families secure, our businesses strong, our job market dynamic, and our economy growing.
- Without Medicaid, hospitals will be forced to absorb the costs for treating the uninsured – causing some hospitals, especially those in rural areas, to close.

### **The Value of Health Insurance**

- Catastrophic medical bills are a leading cause of bankruptcy in this country. Expanding Medicaid will alleviate financial hardship for Virginians facing catastrophic medical expenses.
- In three states that broadened Medicaid eligibility between 2000 and 2005 (New York, Maine and Arizona), overall death rates declined compared to neighboring states that didn't significantly expand eligibility. The decline was significant: 6.1 percent among the entire adult population.
- When working families have health insurance, parents can go to work and children can go to school knowing they will be able to see a doctor if they need to. And instead of seeking care in the emergency room, Virginia residents will be able to receive quality, consistent care at a lower cost.

## Responding to some common (and faulty) attacks

- *Attack: The federal government won't keep its financial promise and Virginia will be stuck with the bill.*

*Response:* We shouldn't let scare tactics stop us from taking advantage of a great opportunity. More than half the states, including Kentucky, Arkansas, Maryland and the District of Columbia, are expanding Medicaid NOW, and using available federal dollars to do so. **IF** – sometime in the future – federal funding for the expansion is reduced, Virginia can modify its program. In fact, Virginia's budget already includes language that compels the Department of Medical Assistance Services to disenroll the expansion population if the federal match rate is lowered below current legal requirements.

- *Attack: Doctors aren't accepting new Medicaid patients*

*Response:* Three out of every four doctors are accepting new Medicaid patients, which is nearly the same rate as for people with other types of insurance.

- *Attack: Medicaid is bad care. It's worse than no insurance.*

*Response:* This is just wrong. Medicaid offers comprehensive insurance that provides preventive care, treatment for chronic conditions and acute care when necessary. Medicaid improves health and saves lives. It enables low-income people to get medical care when they need it, in an appropriate setting, and at a cost they can afford.

- *Attack: Medicaid is filled with fraud and abuse. Why give more money to the program before fixing it?*

*Response:* Fraud and abuse should never be tolerated, but it is not true to say that Medicaid is "filled" with fraud and abuse. In fact, Virginia is successfully addressing these issues, and the Department of Medical Assistance Services is constantly improving its efforts to prevent and punish illegal activities. Virginia's Medicaid error rates are lower than the national average. During fiscal year 2013, Virginia had a payment error rate, of only

0.47% in Medicaid eligibility determinations, and the error rate for claims payment was .08%.