

# THE MEDICAID EXPANSION: ECONOMIC IMPACTS

## **NEBRASKA**

More low-income adults could receive health care under Medicaid—but first each state must decide whether to expand the program. In states that expand, the federal government will cover the

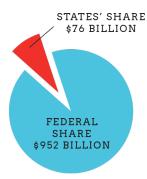
majority of Medicaid costs. In addition, Medicaid spending has been linked to job creation, increased wages and business activity and increased state revenue.

### STATE FACTS

- NEBRASKA will
   save \$97 million a year
   on uncompensated care.
- 2. The estimated cost for NEBRASKA to expand Medicaid coverage to newly eligible individuals is \$250 million.

# THE FEDERAL GOVERNMENT WILL COVER NEARLY ALL EXPANSION COSTS OVER 2014-2022

2014-2016	The federal match rate for newly eligible adults is 100 percent.
2016 AND BEYOND	The federal match rate never drops below 90 percent. Every \$1 that states spend on Medicaid is matched by \$9 from the federal government.



#### THE MULTIPLIER EFFECT



The Medicaid
expansion will boost
states' economies.
Dollars spent on
Medicaid cycle
through state
economies in the
form of wages and
business activities.

### THE MEDICAID EXPANSION WILL REDUCE STATE COSTS

- The Medicaid expansion will reduce uncompensated care costs in the US by more than \$18 billion if all states opt in between now and 2022.
- The cost of expanding Medicaid to provide coverage to newly eligible individuals is more than \$8 billion.
- The incremental impact of expanding Medicaid to cover newly eligible individuals is a net gain \$10 billion to states between now and 2022.