

Medicaid

# Medicaid Expansion in Louisiana: Health Insurance for Working Individuals and Families



The Affordable Care Act gives Louisiana the option to extend affordable health insurance coverage to more low-income adults by expanding the state's Medicaid program.

Expanding Medicaid would give more than 362,000 uninsured Louisianans access to affordable health insurance.<sup>1</sup> For many of these residents, Medicaid is their only health coverage option.<sup>2</sup>

By expanding Medicaid, Louisiana could cover residents with incomes up to 138 percent of the federal poverty level, which is \$27,720 for a family of three in 2015. The state's current Medicaid program covers only parents with very low incomes: Their family income must be no more than 24 percent of poverty, which is roughly \$4,820 for a family of three in 2015. Louisiana does not provide any coverage to adults without dependent children.

Louisiana can take up the Medicaid expansion at any time but has not yet chosen to do so. If Louisiana does expand Medicaid, the federal government will pay virtually all costs of the expansion.<sup>3</sup>

## More than Half of Those Who Would Be Helped by a Medicaid Expansion Are Working

More than half of the uninsured Louisianans who would benefit from a Medicaid expansion work. In fact, 56 percent—more than 201,000—of

these Louisianans are currently working or have worked within the last year. Of the 44 percent who are not working, a majority (26 percent of Louisianans who could gain coverage under the health care expansion) are classified as “not in the workforce.” They include people with disabilities, students, non-working spouses, and people who have left the workforce. The remaining 18 percent of Louisianans who could be helped are unemployed.

These uninsured Louisianans work in occupations that most people encounter and rely on every day. These workers are in industries that are critical to the state's economy: They are cooks, cashiers, clerks, and construction workers. They work in industries that range from food service and transportation to production and sales.

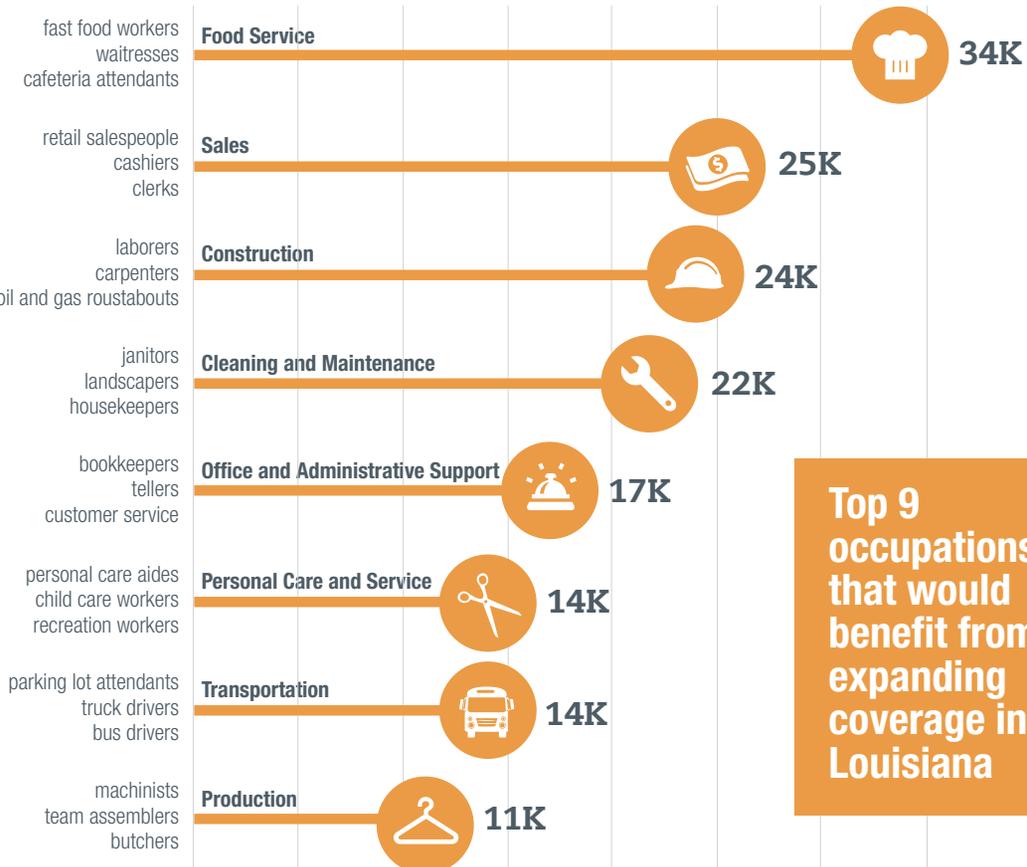
## Expanding Medicaid Is an Investment in Louisiana's Workforce and Its Economy

While Governor Jindal has fiercely opposed Medicaid expansion, he has made strengthening the state's workforce a top priority. In the past, he called for a revamping of training programs to “cultivate the highest-trained, most skilled workforce in the world right here in Louisiana” that would lead to “more opportunities for

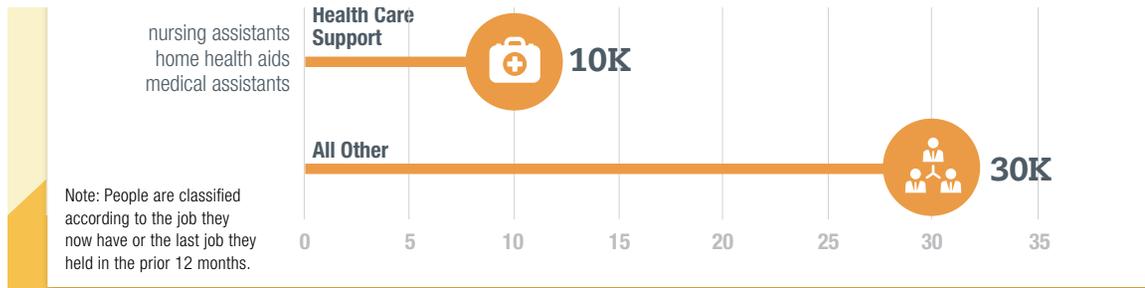
## Top 9 occupations of the employed but uninsured in Louisiana who would benefit from expanding health coverage



Most of those who would benefit if Louisiana expanded health coverage are working adults. Fully 56 percent of those who could benefit work in occupations that Louisiana residents rely on, supporting industries that are the foundation of the state's economy.



Top 9 occupations that would benefit from expanding coverage in Louisiana



## Expanding coverage is a sound investment for Louisiana, creating a healthier workforce and strengthening the state's economy.

Our calculations define Louisiana adults with incomes under 138% of poverty who are employed but lack health insurance and who are currently working or who have worked in the last 12 months. This population is equal to 56 percent of the 362,000 uninsured adults who could benefit if the state expanded health coverage. It excludes the following: people who have never worked or who have been out of the workforce for 5 years or more (26% of the 362,000 uninsured adults), and those we define as "unemployed," who had not worked in 1-5 years (18% of the 362,000 uninsured adults).

Source: These data are based on information from the American Community Survey, which is conducted by the U.S. Census Bureau. Data are based on an analysis of uninsured Louisiana residents ages 18-64 with family incomes up to 138% of poverty (\$27,720 for a family of three in 2015).

our young people so our children...no longer have to move away to pursue their dreams.”<sup>4</sup>

The governor has the right idea. However, perhaps no action represents a smarter investment in Louisiana’s workforce than ensuring its workers are prospering and healthy. Expanding Medicaid would give hundreds of thousands of working Louisianans access to affordable health insurance. That will create a healthier, more productive workforce that would benefit Louisiana’s employers.<sup>5,6</sup>

But expanding Medicaid will do more than provide many Louisianans with health insurance—it will provide much-needed economic stimulus to the entire state. The federal government pays for roughly 62 percent of the current Medicaid program, and the state pays the rest. For the expansion, federal funding will be much more generous: The federal government will pay all of the costs of the expansion through 2016. The federal share will then gradually decline to 90 percent in 2020, where it will stay.

If Louisiana opts to take up the Medicaid expansion, substantial new federal funds will come into the state over the next 10 years. This influx of new dollars will have a significant impact on the state’s economy. If Louisiana had expanded Medicaid in January 2014 when the option was first available, the new federal funds flowing into the state would have supported more than 15,000 jobs by 2016 and would have increased Louisiana’s economic output by \$1.8 billion in 2016.<sup>7</sup>

## It Is Time to Move Forward

Governor Jindal is right to prioritize building a strong workforce so that Louisianans can pursue their dreams. Louisiana can choose to have a healthier workforce and more jobs at any time. It can expand Medicaid rather than leave its workers behind—and walk away from federal dollars on the table. The decision is in the hands of state leaders.

For a complete list of citations and the methodology for this publications, visit:  
[www.familiesusa.org/product/expanding-health-coverage-working-individuals-and-families](http://www.familiesusa.org/product/expanding-health-coverage-working-individuals-and-families)

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