

Medicaid

Medicaid Expansion in Montana: Health Insurance for Working Individuals and Families



Montana has the option to extend health affordable health insurance to more low-income adults through Healthy Montana. This program would give more than 63,000 uninsured Montanans access to affordable health insurance.¹ For many of these residents, Healthy Montana is their only opportunity to get health coverage.²

Through Healthy Montana, the state 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 low-income parents: Their family income must be no more than 51 percent of poverty, which is roughly \$10,250 for a family of three in 2015. Montana does not provide any coverage to adults without dependent children.

Montana can move forward with Healthy Montana at any time but has not yet chosen to do so. If Montana does adopt Healthy Montana, the federal government will pay virtually all costs of the expansion.³

More Than Two-Thirds of Those Who Would Be Helped by Healthy Montana Are Working

More than two-thirds of the uninsured Montanans who would benefit from Healthy Montana work. In fact, 71 percent—more than 45,000—of these Montanans are currently working or have worked within the last

year. Of the 29 percent who are not working, many (13 percent of Montanans 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 16 percent of Montanans who could be helped are unemployed.

These uninsured Montanans 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 fast food cooks, cashiers, clerks, and construction workers. They work in industries that range from food service and transportation to production and sales.

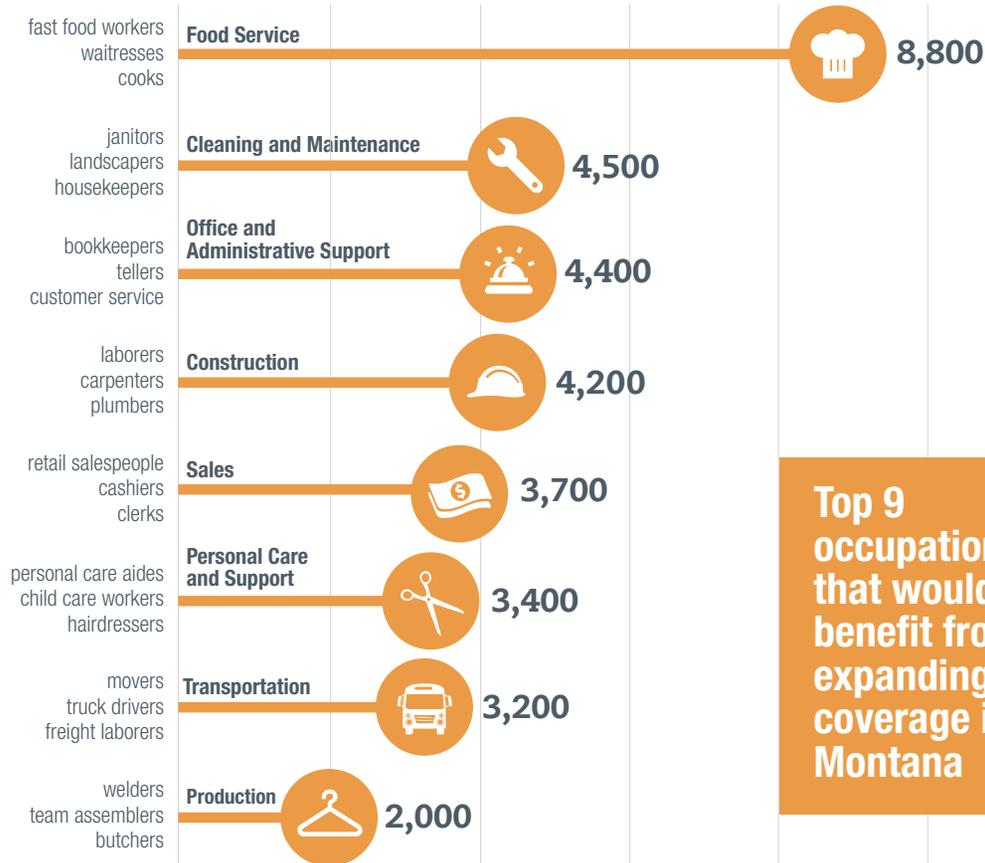
Healthy Montana Is an Investment in Montana's Workforce and Its Economy

Governor Bullock has focused on creating jobs and economic growth to make Montana better for future generations. As the governor noted in his 2014 State of the State Address, “To have a healthy economy, we need healthy citizens.”⁴ His recent proposal to extend Medicaid coverage through Healthy Montana will help create a healthier Montana.⁵

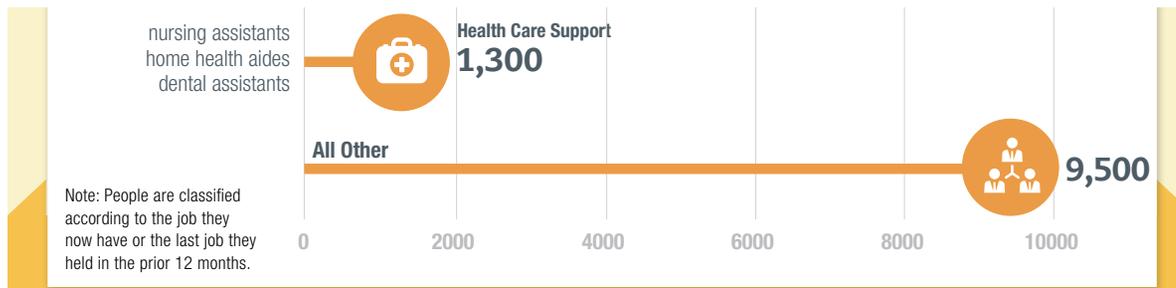
Top 9 occupations of the employed but uninsured in Montana who would benefit from expanding health coverage



Most of those who would benefit if Montana expanded health coverage are working adults. Fully 71 percent of those who could benefit work in occupations that Montana residents rely on, supporting industries that are the foundation of the state's economy.



Top 9 occupations that would benefit from expanding coverage in Montana



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

Our calculations define Montana 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 71 percent of the 63,000 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 (13% of the 63,000 uninsured adults), and those we define as "unemployed," who had not worked in 1-5 years (16% of the 63,000 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 Montana residents ages 18-64 with family incomes up to 138% of poverty (\$27,720 for a family of three in 2015).

The governor's Healthy Montana plan will help Montanans get to work—and stay at work—by helping ensure their health and prosperity. Healthy Montana would give tens of thousands of working Montanans access to affordable health insurance. That will create a healthier, more productive workforce that would benefit Montana's employers.^{6,7}

But Healthy Montana will do more than provide many Montanans with health insurance—it will provide much-needed economic stimulus to the entire state. The federal government pays for roughly 65 percent of the current Medicaid program, and the state pays the rest. For Healthy Montana, 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 Montana takes up Healthy Montana, 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 Montana had extended health coverage in January 2014 when more federal funding was first available, it is estimated that the new federal dollars flowing into the state would have supported an average of 400 new jobs and an increase of \$60 million in gross state output in 2016.⁸

It Is Time to Move Forward

Governor Bullock has put forth a plan to cover more working Montanans. Montana can choose to have a healthier workforce and more jobs at any time. It can extend health insurance rather than leave its workers behind—and walk away from federal dollars on the table. The decision is in the hands of state lawmakers.

For a complete list of citations and the methodology for this publication, visit:
www.familiesusa.org/product/expanding-health-coverage-working-individuals-and-families

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