

Medicaid

Closing the Coverage Gap in Idaho: Health Insurance for Working Individuals and Families



Idaho lawmakers have an opportunity to accept federal funds to increase access to affordable health coverage for low-income residents. Taking that opportunity would mean more than 105,000 uninsured Idahoans would gain access to affordable health insurance.¹ For many of these residents, this would be their only opportunity to get health coverage.²

Accepting federal funds would allow Idaho to cover residents with incomes up to 138 percent of the federal poverty level, which is \$27,310 for a family of three in 2014. This would extend health coverage to many more adults. The state's current Medicaid program covers only parents with extremely low incomes: Their family income must be no more than 29 percent of poverty, which is roughly \$5,739 for a family of three. Idaho does not provide any coverage to adults without dependent children.

Idaho can increase access to health coverage at any time but has not yet chosen to do so. If Idaho takes up this opportunity, the federal government will pay virtually all the costs of extending health coverage to newly eligible individuals.³

A Majority of Those Who Would Be Helped by Expanding Health Coverage Are Working

If the state chooses to close the coverage gap to cover more Idahoans, most of those who would benefit are working. In fact,

66 percent—more than 69,000—of these Idahoans are currently working or have worked within the last year. Of the 34 percent who are not working, a significant portion (16 percent) 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 Idahoans who could be helped are unemployed.

These uninsured Idahoans 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 transportation and production to farming, fishing, and forestry.

Closing the Coverage Gap Is an Investment in Idaho's Workforce and Its Economy

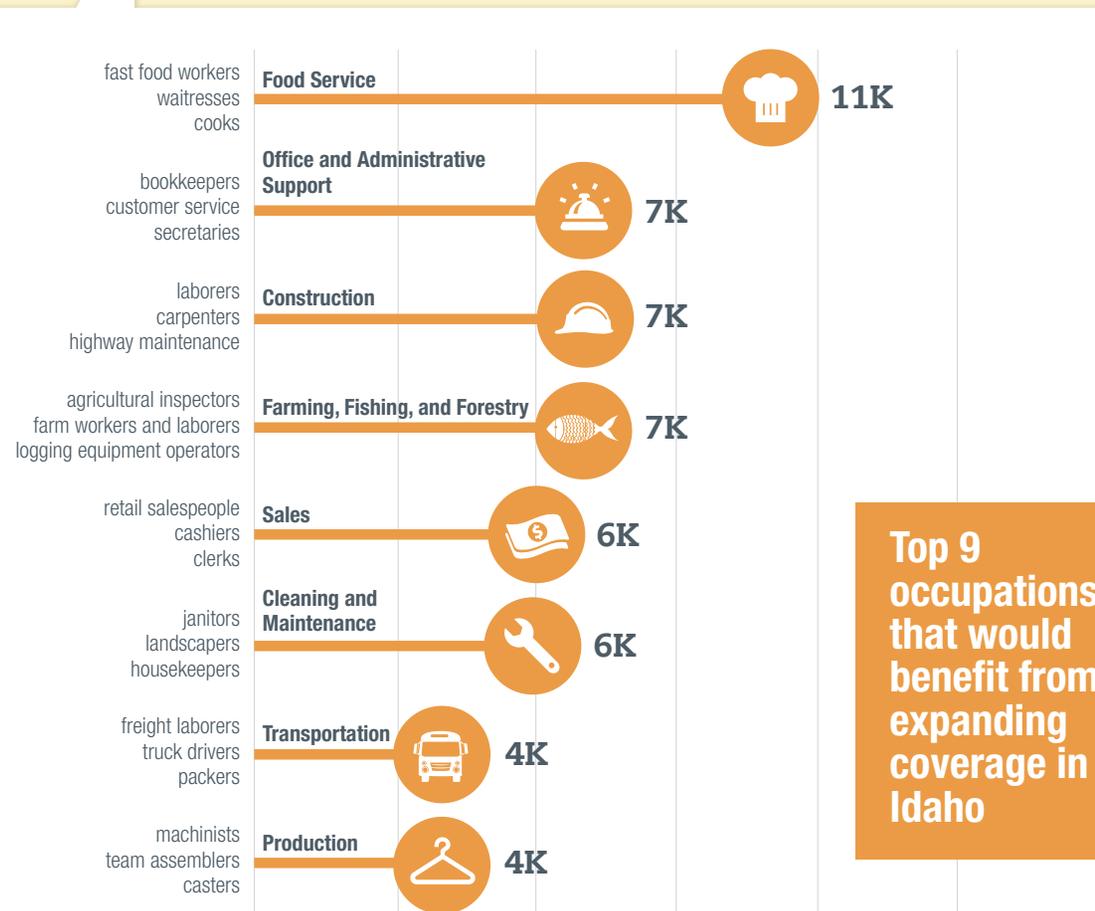
While Governor Otter has opposed extending health coverage, he has prioritized strengthening Idaho's economy. His key initiatives include developing infrastructure solutions and improving Idahoans' education to create a more productive workforce.⁴

The governor has the right idea. However, perhaps no action represents a smarter investment in Idaho's workforce than

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



Most of those who would benefit if Idaho expanded health coverage are working adults. Fully 66 percent of those who could benefit work in occupations that Idaho residents rely on, supporting industries that are the foundation of the state's economy.



Top 9 occupations that would benefit from expanding coverage in Idaho



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

Our calculations define Idaho 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 66 percent of the 105,000 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 (16% of the 105,000 uninsured adults), and those we define as "unemployed," who had not worked in 1-5 years (18% of the 105,000 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 Idaho residents ages 18-64 with family incomes up to 138% of poverty (\$27,310 for a family of three in 2014).

ensuring that its workers are prospering and healthy. Accepting the federal funds would give tens of thousands of working Idahoans access to affordable health insurance. That will create a healthier, more productive workforce that would benefit Idaho's employers.^{5,6}

But closing the coverage gap will do more than provide many Idahoans with health insurance—it will provide much-needed economic stimulus to the entire state. The federal government pays for roughly 72 percent of the current Medicaid program, and the state pays the rest. If Idaho takes up the option to extend health coverage, federal funding will be much more generous: The federal government will pay all of the costs for those gaining insurance through 2016. The federal share will then gradually decline to 90 percent in 2020, where it will stay.

If Idaho opts to accept federal funds to expand health coverage, substantial new money 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 Idaho had extended health coverage in January 2014 when the option was first available, by 2024, the new federal funds flowing into the state would have supported more than 16,000 jobs, leading to approximately \$570 million in new wages for Idahoans.⁷

It Is Time to Move Forward

Governor Otter is right to prioritize building a strong economy. Idaho can choose to have a healthier workforce and more jobs at any time. It can take the federal funds to extend health coverage 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 publication, visit:
www.familiesusa.org/product/expanding-health-coverage-working-individuals-and-families

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