

Medicaid

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

 The Affordable Care Act gives Kansas the option to extend affordable health insurance to more low-income adults by expanding the state's Medicaid program. Expanding Medicaid would give more than 155,000 uninsured Kansans access to affordable health insurance.<sup>1</sup> For many of these residents, Medicaid is their only health coverage option.<sup>2</sup>

Through a Medicaid expansion, Kansas 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 extremely low incomes: Their family income must be no more than 38 percent of poverty, which is roughly \$7,630 for a family of three in 2015. Kansas does not provide any coverage to adults without dependent children.

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

## **A Majority of Those Who Would Be Helped by the Medicaid Expansion Are Working**

A majority of the uninsured Kansans who would benefit from Medicaid expansion work. In fact, 66 percent—approximately

103,000—of these Kansans are currently working or have worked within the last year. Of the 34 percent who are not working, approximately half (17 percent of Kansans who could gain coverage under a Medicaid 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 17 percent of Kansans who could be helped are unemployed.

These uninsured Kansans 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 cleaning and maintenance.

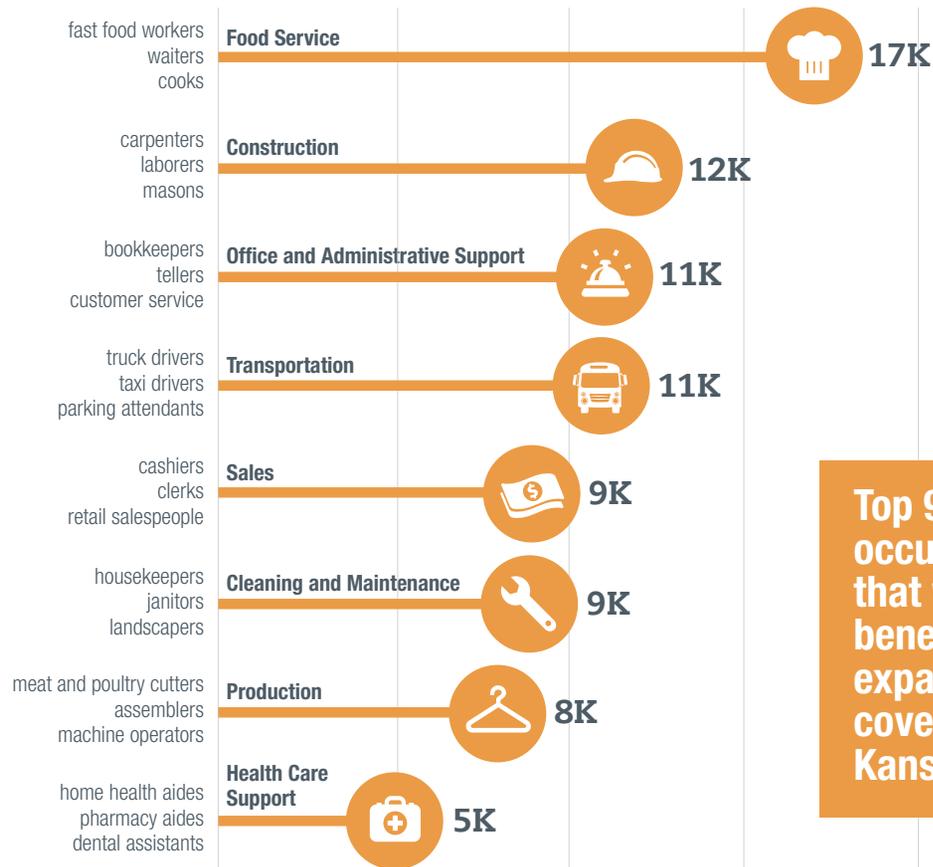
## **Expanding Medicaid Is an Investment in Kansas's Workforce and Its Economy**

Governor Brownback has been hesitant to embrace Medicaid expansion, saying, “We're trying to push people who are able-bodied right now to get a job. That is a far more likely route out of poverty than having a bunch of government programs giving handouts to able-bodied individuals.”<sup>4</sup>

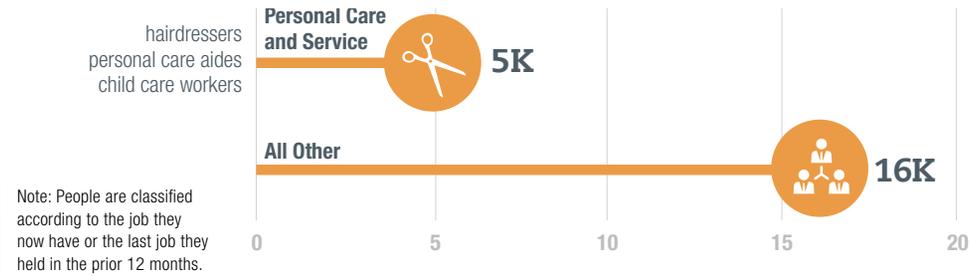
## Top 9 occupations of the employed but uninsured in Kansas who would benefit from expanding health coverage



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



Top 9 occupations that would benefit from expanding coverage in Kansas



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

Our calculations define Kansas 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 155,000 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 (17% of the 155,000 uninsured adults), and those we define as "unemployed," who had not worked in 1-5 years (17% of the 155,000 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 Kansas residents ages 18-64 with family incomes up to 138% of poverty (\$27,720 for a family of three in 2015).

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The governor is failing to connect the dots. Perhaps no action represents a smarter investment in Kansas's economy than ensuring that its workers are prospering and healthy. Expanding Medicaid would give hundreds of thousands of working Kansans access to affordable health insurance. That will create a healthier, more productive workforce that would benefit Kansas's employers and help keep Kansans out of poverty.<sup>5,6</sup>

But expanding Medicaid will do more than provide many Kansans with health insurance—it will provide much-needed economic stimulus to the entire state. The federal government pays for roughly 57 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 Kansas 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 Kansas had expanded Medicaid in January 2014 when the option was first available, the new federal funds flowing into the state would have supported nearly 4,000 jobs, leading to a \$3.5 billion increase in economic output across the state through 2020.<sup>7</sup>

## It Is Time to Move Forward

Governor Brownback is right to focus on putting able-bodied Kansans to work. Kansas 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 publication, 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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