

Medicaid

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



The Affordable Care Act gives Mississippi 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 261,000 uninsured Mississippians 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, Mississippi 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 28 percent of poverty, which is roughly \$5,625 for a family of three in 2015. Mississippi does not provide any coverage to adults without dependent children.

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

## About Half of Those Who Would Be Helped by the Medicaid Expansion Are Working

About half of the uninsured Mississippians who would benefit from Medicaid expansion work. In fact, 50 percent—approximately

130,000—of these Mississippians are currently working or have worked within the last year. Of the 50 percent who are not working, a majority (30 percent of Mississippians 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 20 percent of Mississippians who could be helped are unemployed.

These uninsured Mississippians 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.

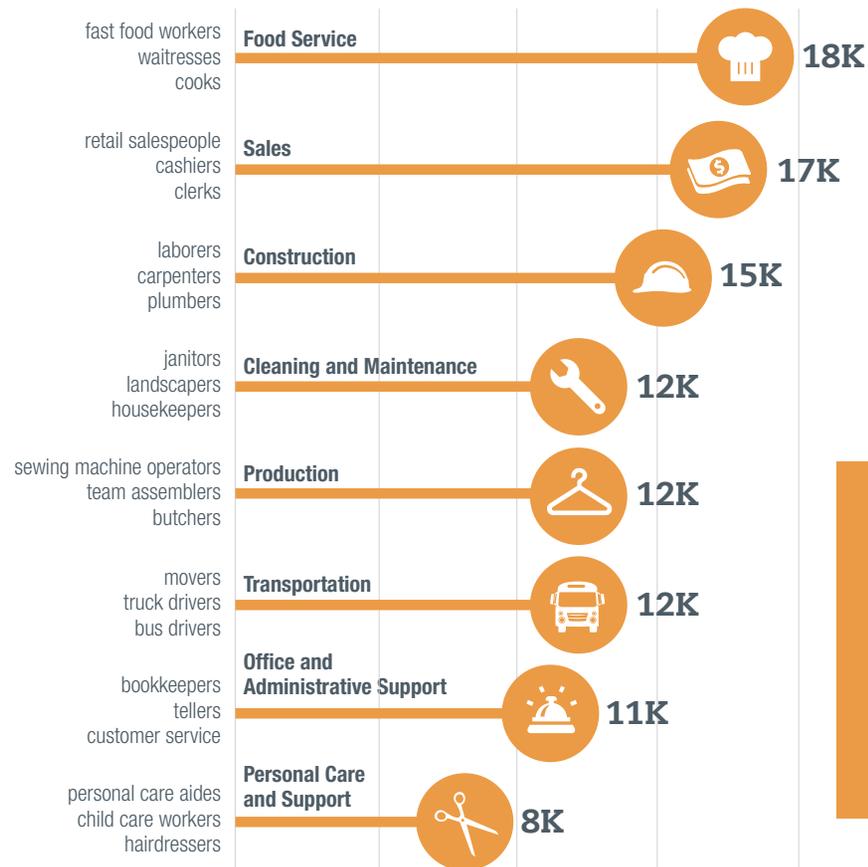
## Expanding Medicaid Is an Investment in Mississippi's Workforce and Its Economy

While Governor Bryant has resisted a Medicaid expansion, he has made the creation of jobs a top priority. In a speech to the Mississippi Legislature in 2013, he said that “...my first job was to make sure every Mississippian who wants a job has one.”<sup>4</sup>

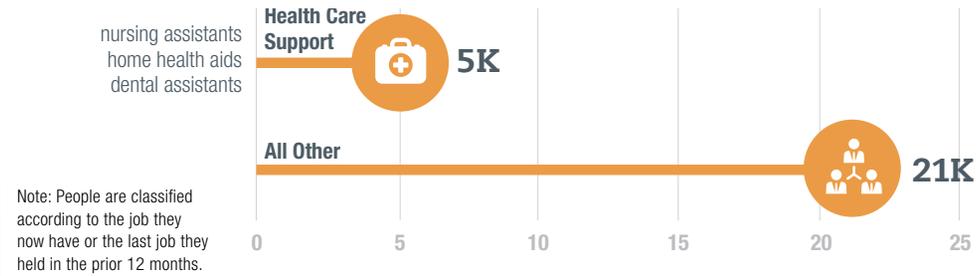
## Top 9 occupations of the employed but uninsured in Mississippi who would benefit from expanding health coverage



Most of those who would benefit if Mississippi expanded health coverage are working adults. Fully 50 percent of those who could benefit work in occupations that Mississippi residents rely on, supporting industries that are the foundation of the state's economy.



Top 9 occupations that would benefit from expanding coverage in Mississippi



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

Our calculations define Mississippi 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 50 percent of the 261,000 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 (30% of the 261,000 uninsured adults), and those we define as "unemployed," who had not worked in 1-5 years (20% of the 261,000 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 Mississippi residents ages 18-64 with family incomes up to 138% of poverty (\$27,720 for a family of three in 2015).

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

But expanding Medicaid will do more than provide many Mississippians with health insurance—it will provide much-needed economic stimulus to the entire state. The federal government pays for roughly 74 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 Mississippi 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 Mississippi had expanded Medicaid in January 2014 when the option was first available, the new federal funds flowing into the state would have created an average of 20,000 new jobs and generated \$5.4 billion in new economic activity across the state through 2020.<sup>7</sup>

## It Is Time to Move Forward

Governor Bryant is right to prioritize job creation. Mississippi 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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