

Medicaid

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



The Affordable Care Act gives Missouri 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 350,000 uninsured Missourians 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, Missouri could cover residents with incomes up to 138 percent of the federal poverty level, which is \$27,310 for a family of three in 2014. The state's current Medicaid program covers only parents with extremely low incomes: Their family income must be no more than 24 percent of poverty, which is \$4,750 a year for a family of three. Missouri does not provide any coverage to adults without dependent children.

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

## Most Who Would Be Helped by the Medicaid Expansion Are Working

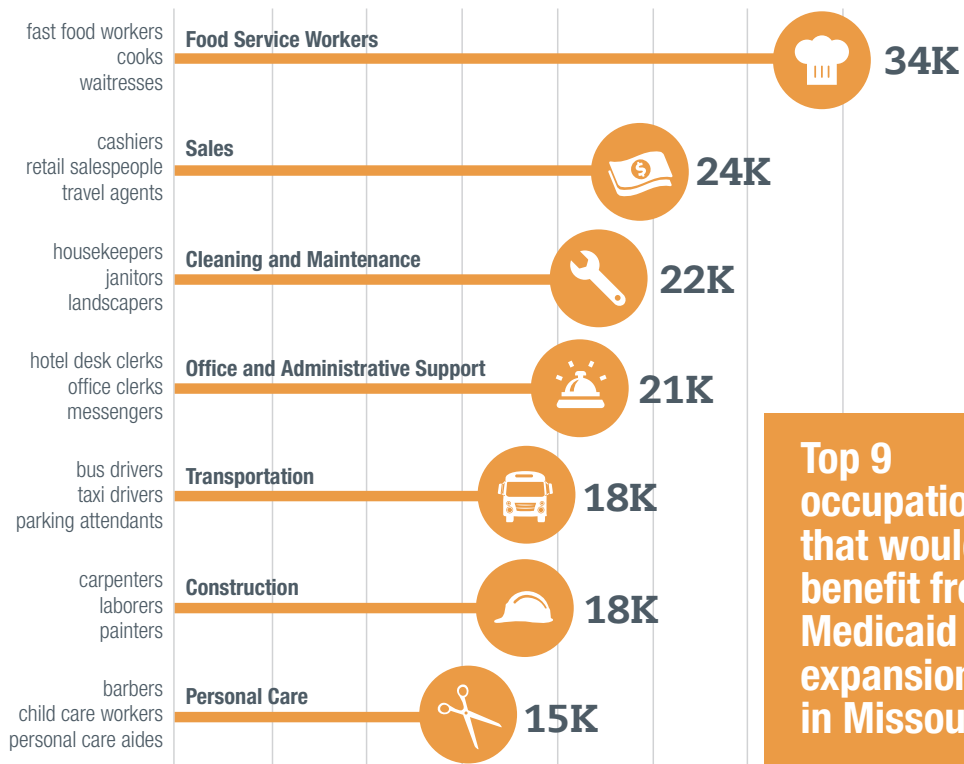
Most of the uninsured Missourians who would benefit from a Medicaid expansion work. In fact, 60 percent—more than 200,000—of these Missourians are currently working or have worked within the last year. Of the 40 percent who are not working, half (20 percent of the total) are classified as “not in the workforce.” They include people with disabilities, students, non-working spouses, and people who have left the workforce.<sup>4</sup> The remaining 20 percent are unemployed.

Uninsured Missourians 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 home health aides, child care workers, cashiers, clerks, and janitors. They work in industries that range from manufacturing and construction to the medical and retail sectors.

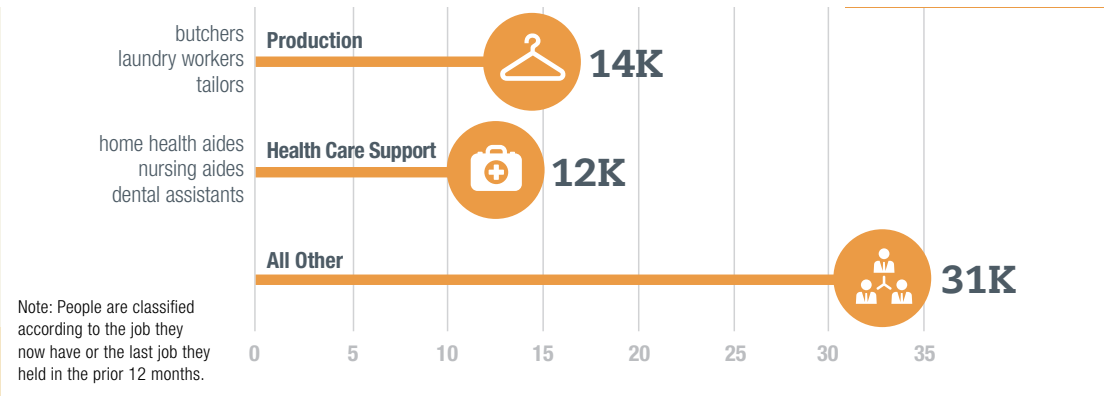
## Top 9 occupations of the employed but uninsured in Missouri who would benefit from Medicaid expansion



The population who would most benefit from Medicaid expansion in Missouri is the working population, fully 60 percent of whom are employed but lack health insurance. These individuals work in occupations that Missourians rely on, supporting industries that are the foundation of the state's economy.



Top 9 occupations that would benefit from Medicaid expansion in Missouri



## Investing in Medicaid expansion is a sound investment for Missouri, creating a healthier workforce and strengthening the state's economy.

Our calculations define Missouri 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 60 percent of the 353,000 uninsured adults who could benefit if the state expanded Medicaid. It excludes the following: people who have never worked or who have been out of the workforce for 5 years or more (20 percent of the 353,000 uninsured adults), and those we define as "unemployed," who had not worked in 1-5 years (353,000 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 Missouri residents ages 18-64 with family incomes up to 138 percent of poverty (\$27,310 for a family of three in 2014).

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

Governor Nixon has said that one of his top priorities is to “create jobs to get Missourians working and keep our economy moving forward.... When it comes to creating jobs and growing our economy, we simply don't have a day to lose.”<sup>5</sup>

In fact, expanding Medicaid would give hundreds of thousands of working Missourians access to affordable health insurance. That will create a healthier workforce.<sup>6</sup> A healthier workforce is a more productive workforce, and that would benefit Missouri employers.<sup>7</sup>

But the Medicaid expansion will do more than give many Missourians access to health insurance: It will provide needed economic stimulus. The federal government pays for just over 63 percent of the current Medicaid program, and the state pays the rest. For the expansion, federal funding is much more generous: The federal government will pay all of the costs of the expansion through 2016. The federal share will then gradually fall to 90 percent in 2020, where it will stay.

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This publication was written by:

**Dee Mahan**, Director of Medicaid Advocacy

**Kathleen Stoll**, Director of Health Policy

Data Consultant: Rahul Nayak

The following Families USA staff contributed to the preparation of this material (listed alphabetically):

Sanjay Kishore, Villers Fellow

Evan Potler, Art Director

Carla Uriona, Director of Content Strategy

Ingrid Van Tuinen, Director of Editorial

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If Missouri 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 Missouri had expanded Medicaid in January 2014 when the option was first available the new federal funds flowing into the state would have created approximately 24,000 new jobs and created \$1.3 billion in total value added to Missouri's economy.<sup>8</sup>

## It Is Time to Move Forward

Governor Nixon is right: Missouri's workers and its economy don't have a day to lose. Missouri can choose to have a healthier workforce and more jobs. It can expand Medicaid at any time rather than leave its workers behind—and leave federal dollars on the table. This decision is in the hands of state leaders in both political parties.

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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THE VOICE FOR HEALTH CARE CONSUMERS

1201 New York Avenue NW, Suite 1100  
Washington, DC 20005  
202-628-3030  
info@familiesusa.org  
www.FamiliesUSA.org  
facebook / FamiliesUSA  
twitter / @FamiliesUSA