

Medicaid

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



The Affordable Care Act gives Oklahoma the option to extend affordable health insurance to more low-income adults by expanding the state's Medicaid program. Expanding Medicaid would give nearly 292,000 uninsured Oklahomans access to affordable health insurance.¹ For many of these residents, Medicaid is their only health coverage option.²

Through a Medicaid expansion, Oklahoma 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 46 percent of poverty, which is about \$9,240 for a family of three in 2015. Oklahoma does not provide any coverage to adults without dependent children.

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

More than Half of Those Who Would Be Helped by the Medicaid Expansion Are Working

More than half of the uninsured Oklahomans who would benefit from Medicaid expansion work. In fact, 59 percent—approximately

173,000—of these Oklahomans are currently working or have worked within the last year. Of the 41 percent who are not working, a majority (23 percent of Oklahomans 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 18 percent of Oklahomans who could be helped are unemployed.

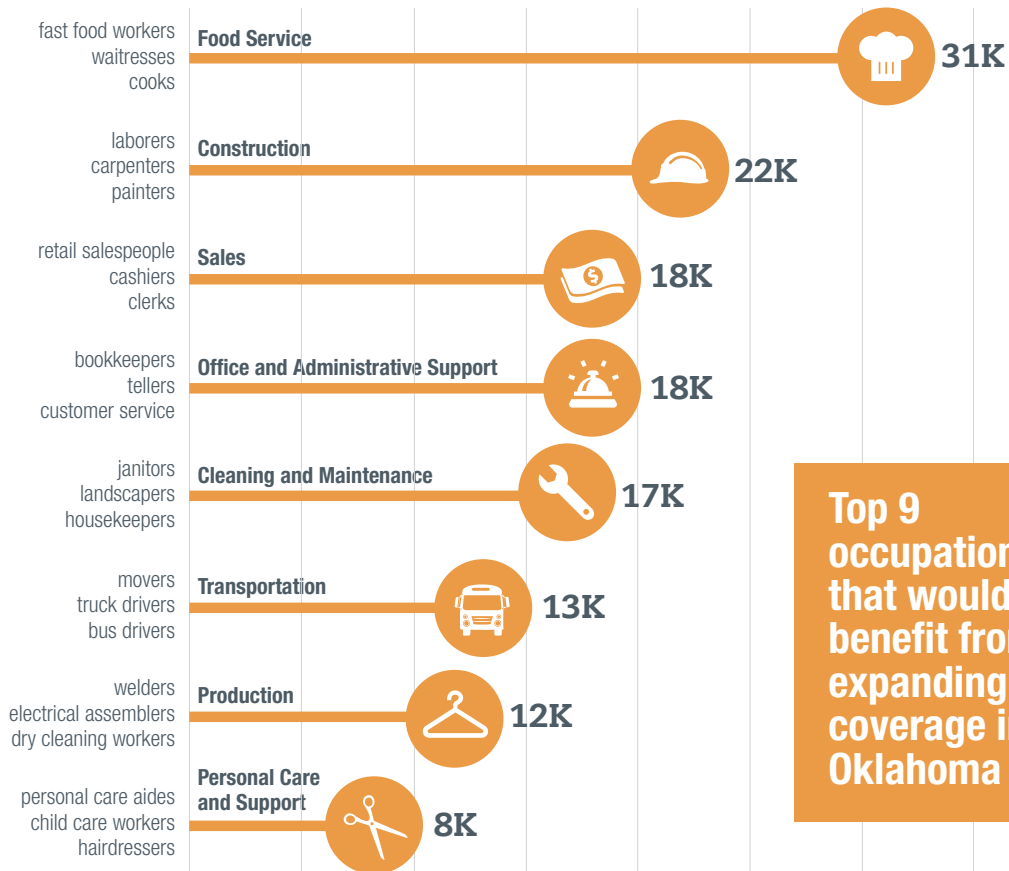
These uninsured Oklahomans work in occupations that most people encounter and rely on every day. These workers are in industries that are critical to the state's economy: They are fast food cooks, cashiers, clerks, and construction workers. They work in industries that range from transportation and production to cleaning and maintenance.

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

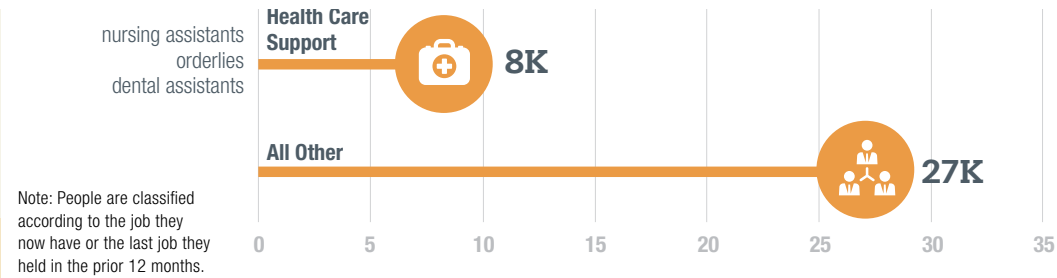
While Governor Fallin has opposed Medicaid expansion, she has made creating and retaining jobs a top priority. For 2015, she committed to helping Oklahoma create a climate that is more conducive to job growth and retention.⁴

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

Most of those who would benefit if Oklahoma expanded health coverage are working adults. Fully 59 percent of those who could benefit work in occupations that Oklahoma residents rely on, supporting industries that are the foundation of the state's economy.



Top 9 occupations that would benefit from expanding coverage in Oklahoma



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

Our calculations define Oklahoma 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 59 percent of the 292,000 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 (23% of the 347,000 uninsured adults), and those we define as "unemployed," who had not worked in 1-5 years (18% of the 292,000 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 Oklahoma 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 Oklahoma's workforce than ensuring that its workers are prospering and healthy. Expanding Medicaid would give hundreds of thousands of working Oklahomans access to affordable health insurance. That will create a healthier, more productive workforce that would benefit Oklahoma's employers.^{5,6}

But expanding Medicaid will do more than provide many Oklahomans with health insurance—it will provide much-needed economic stimulus to the entire state. The federal government pays for roughly 62 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 Oklahoma 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 Oklahoma had expanded Medicaid in January 2014 when the option was first available, the new federal funds flowing into the state would have supported 1,900 jobs and increased the gross state product by \$570 million in 2016.⁷

It Is Time to Move Forward

Governor Fallin is right to prioritize building a strong economy. Oklahoma 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

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