

Medicaid

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



The Affordable Care Act gives Virginia 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 360,000 uninsured Virginians access to affordable health insurance.¹ For many of these residents, Medicaid is their only health coverage option.²

Through a Medicaid expansion, Virginia 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 52% percent of poverty, which is roughly \$10,290 for a family of three. Virginia does not provide any coverage to adults without dependent children.

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

Most Who Would Be Helped by the Medicaid Expansion Are Working

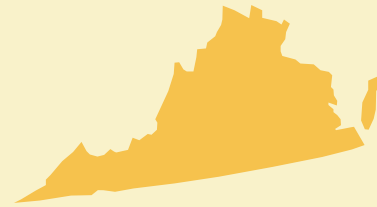
Most of the uninsured Virginians who would benefit from Medicaid expansion work. In fact, 59 percent—more than 200,000—of these Virginians are currently working or have worked within the last year. Of the 41 percent who are not working, more than half (22 percent) are classified as “not in the workforce.” They include people with disabilities, students, non-working spouses, and people who have left the workforce.⁴ The remaining 19 percent are unemployed.

Uninsured Virginians 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 transportation and construction to the medical and retail sectors.

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

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

There are 360K uninsured adults who could benefit if Virginia expanded Medicaid.



360K are uninsured

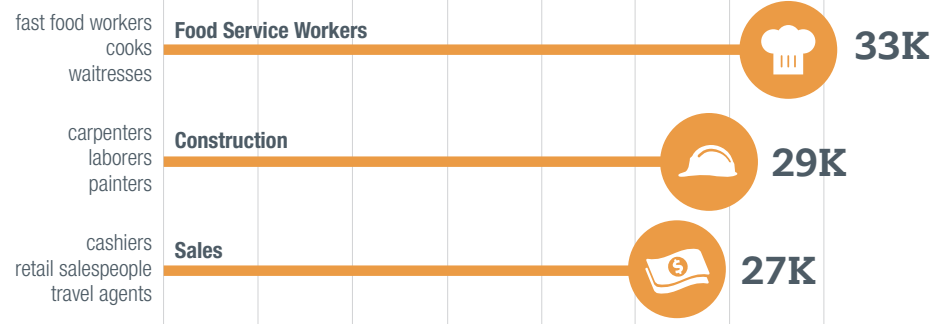
59% working adults who are uninsured¹

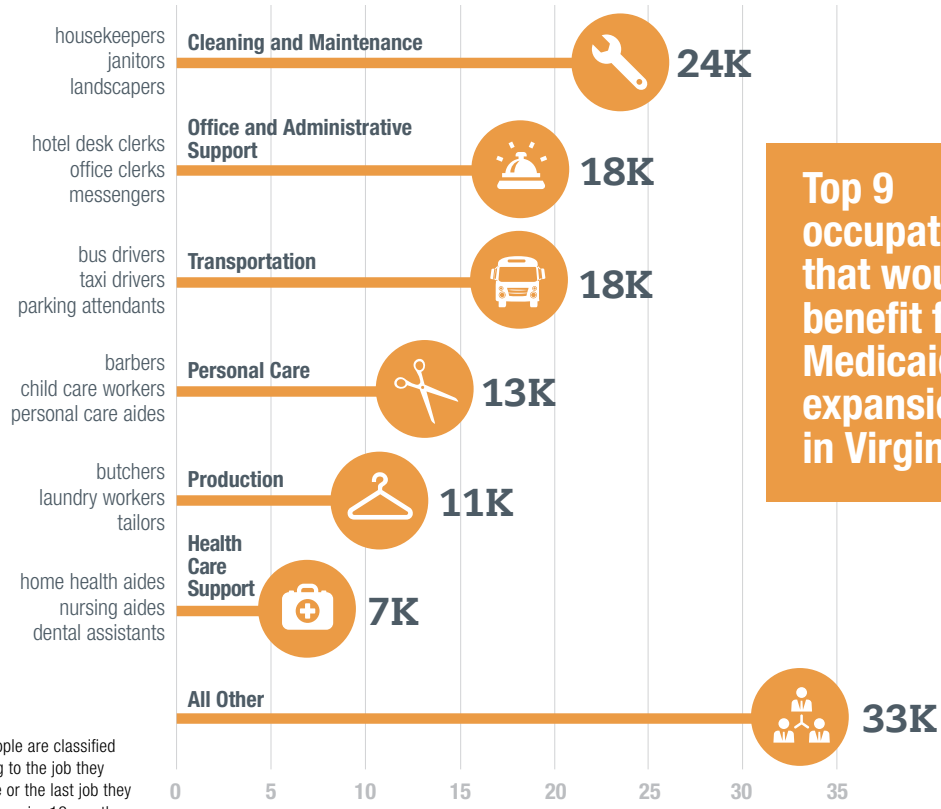
22% adults not in workforce²

19% adults unemployed³

212K are employed

Most work in jobs that are the foundation of the state's economy.





Top 9 occupations that would benefit from Medicaid expansion in Virginia

Note: People are classified according to the job they now have or the last job they held in the prior 12 months.

Medicaid expansion is a sound investment for Virginia, creating a healthier workforce and strengthening the state's economy.

1 Our calculations define Virginia 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% of the 360,000 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 (22% of the 360,000 uninsured adults), and those we define as "unemployed," who had not worked in 1-5 years (19 percent of the 360,000 uninsured adults).

2 Includes people who've never worked or who've been out of the workforce for 5 years or more.

3 We defined "unemployed" as those who had not worked in 1-5 years.

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 Virginia residents ages 18-64 with family incomes up to 138% of poverty (\$27,310 for a family of three in 2014).

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

Medicaid expansion is currently stalled in Virginia's House of Delegates. While the Speaker of the House, Bill Howell, has opposed expansion, he has repeatedly touted his support for protecting jobs, saying: "A strong economy is important to all Virginians. I have worked to establish a pro-business, pro-jobs economic climate that creates opportunities for our commonwealth to grow and our citizens to prosper."⁵

Perhaps no action represents a smarter long-term investment in Virginia's economy than ensuring that its workers are prospering and healthy. Expanding Medicaid would give hundreds of thousands of working Virginians access to affordable health insurance. That will create a healthier, more productive workforce that would benefit Virginia employers.^{6,7}

But expanding Medicaid will also do more than provide many Virginians with health insurance: It will provide much needed economic stimulus to the entire state. The federal government pays for roughly 50 percent of the current Medicaid program, and the state pays the rest.

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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

Alexandra Walker, Senior Web Editor

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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 by 2020, where it will stay.

If Virginia 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 Virginia had expanded Medicaid in January 2014 when the option was first available, the new federal funds flowing into the state would have supported 23,000 jobs in the health care sector, leading to approximately \$530 million in state income and tax revenue to the state.⁸

It Is Time to Move Forward

Speaker Howell is right: A strong economy IS important to all Virginians. Virginia 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. This 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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FAMILIESUSA
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