


Medicaid

Insure Tennessee: Health Insurance for Working Individuals and Families



Tennessee has the option to extend affordable health insurance to more low-income adults through Insure Tennessee. This program would give nearly 418,000 uninsured Tennesseans access to affordable health insurance.¹ For many of these residents, this program would be their only option to get health coverage.²

Through Insure Tennessee, the state would 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 low incomes: Their family income must be no more than 110 percent of poverty, which is roughly \$22,100 for a family of three. Tennessee does not provide any coverage to adults without dependent children.³

Tennessee can move forward with Insure Tennessee at any time. If Tennessee does adopt Insure Tennessee, the federal government will pay virtually all costs of the program.

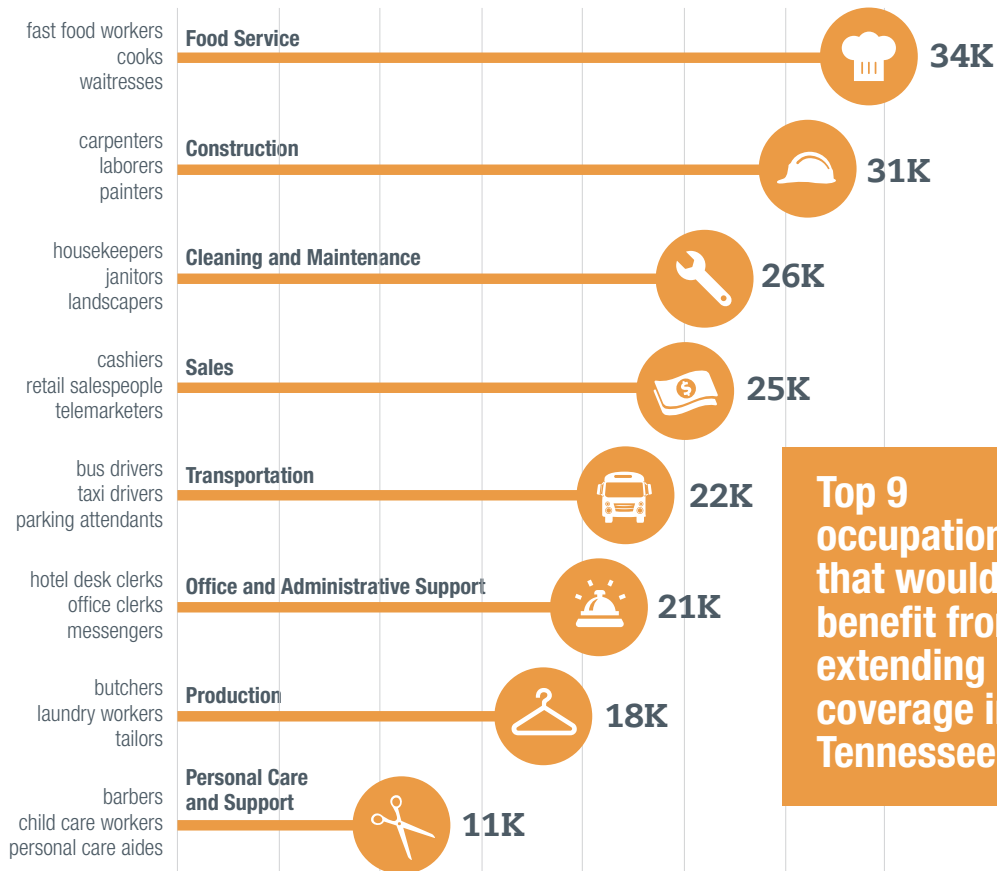
More than Half of Those Who Would Be Helped by Insure Tennessee Are Working

More than half of the uninsured Tennesseans who would benefit from Insure Tennessee work. In fact, 54 percent—more than 227,000—of these Tennesseans are currently working or have worked within the last year. Of the 46 percent who are not working, a majority (24 percent of Tennesseans who could gain coverage under Insure Tennessee) are classified as “not in the workforce.” They include students, non-working spouses, people with disabilities, and people who have left the workforce. The remaining 22 percent of Tennesseans who could be helped are unemployed.

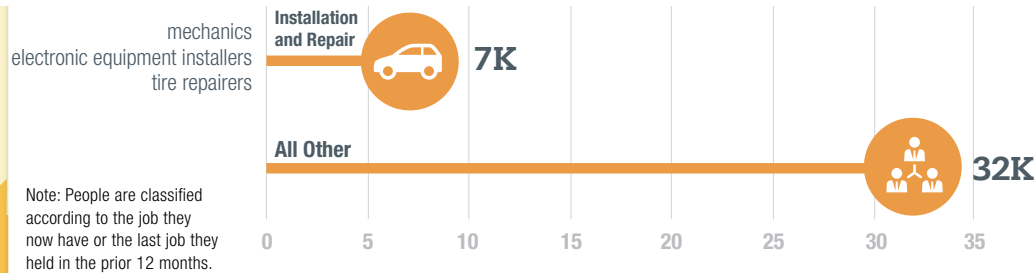
These uninsured Tennesseans work in occupations that most people encounter and rely on every day. These workers are in industries that are critical to the state's economy: They are fast food cooks, clerks, construction workers, and janitors. They work in industries that range from transportation and production to office and administrative support and sales.

Top 9 occupations of the employed but uninsured in Tennessee who would benefit from Insure Tennessee

Most of those who would benefit from Insure Tennessee are working adults. Fully 54 percent of those who could benefit work in occupations that Tennessee residents rely on, supporting industries that are the foundation of the state's economy.



Top 9 occupations that would benefit from extending coverage in Tennessee



Insure Tennessee is a sound investment for Tennessee, creating a healthier workforce and strengthening the state's economy.

Our calculations define Tennessee 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 54 percent of the 418,000 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 (24% of the 418,000 uninsured adults), and those we define as "unemployed," who had not worked in 1-5 years (22% of the 418,000 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 Tennessee 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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Insure Tennessee Is an Investment in Tennessee's Workforce and Its Economy

Governor Haslam has focused on the state's economy. When he took office in 2011, he listed among his top priorities "helping Tennesseans get back to work while simultaneously instituting a plan for long-term economic growth."⁴

The governor's Insure Tennessee plan will help Tennesseans get to work—and stay at work—by helping ensure their health and prosperity. Insure Tennessee would give hundreds of thousands of working Tennesseans access to affordable health insurance. That will create a healthier, more productive workforce that would benefit Tennessee's employers.^{5,6}

But Insure Tennessee will do more than provide many Tennesseans with health insurance—it will provide much-needed economic stimulus to the entire state. The federal government pays for roughly 65 percent of the current Medicaid program, and the state pays the rest. For Insure Tennessee, federal funding would be much more generous: The federal government will pay all of the costs of the program through 2016. The federal share will then gradually decline to 90 percent in 2020, where it will stay.

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If Tennessee takes up Insure Tennessee, 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 Tennessee had extended health coverage in January 2014 when more federal funding was first available, it is estimated that the new federal dollars flowing into the state would have supported an average of 21,900 jobs annually, leading to approximately \$17.6 billion in additional economic output across the state through 2019.⁷

It Is Time to Move Forward

Governor Haslam has put forth a plan to cover more working Tennesseans. Tennessee can choose to have a healthier workforce and more jobs at any time. It can extend health insurance rather than leave its workers behind—and walk away from federal dollars on the table. The decision is in the hands of state lawmakers.

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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