



SQ 802 Medicaid Expansion – Talking Points for Hospital Leaders

What are the central themes of the SQ 802 campaign?

- **Lets us decide.** This state question lets voters decide what is best.
- **Impact.** Delivers health care to nearly 200,000 Oklahomans who can't afford to see a doctor and have jobs that don't provide insurance.
- **Helps our economy.** Creates thousands of new jobs, keeps rural hospitals open, and boosts our economy.
- **Brings our money home.** Brings more than a billion of our tax dollars home from Washington, D.C. every year — money that's going to 36 other states instead.

What are the key talking points and takeaways of the SQ 802 campaign?

- Medicaid expansion will make families healthier and our economy stronger. In addition to providing health care to nearly 200,000 hardworking Oklahomans, it will create thousands of new jobs, keep rural hospitals open, and boost our economy.
- While politicians fight over health care, this state question lets Oklahomans decide what's best. It ensures our most vulnerable citizens — like Oklahomans with cancer and hardworking parents struggling to get by — never have to decide between life-saving care and putting food on the table.
- Helping our neighbors get health care is not only the right thing to do — it's also the financially responsible thing. Medicaid expansion brings more than a billion of our tax dollars home from Washington every year. That's money 36 other states get but Oklahoma has lost out on for years. We can help hardworking Oklahomans get access to doctors and boost our economy — by bringing our money home and putting Oklahoma first.
- Medicaid expansion will lead to better health outcomes. Mounting evidence shows that Medicaid expansion states have seen improved health of citizens, including fewer heart disease deaths, lower infant and maternal mortality rates, reduction in the proportion of adults with depression who were without insurance, and higher incidence of cancer screenings.

How exactly does Medicaid expansion help our economy?

With Medicaid expansion, more than a billion of our tax dollars would be brought back to our state to pay for health care and create thousands of new jobs. That new money will be spent in our local economy every year — something that would help our businesses and all of us.

Where can I get more information on the campaign? www.YesOn802.com

Jan. 20, 2020



Myth Busters – SQ 802 Medicaid Expansion

Correcting Myths & Misinformation

Jan. 20, 2019

MYTH: The number of people eligible for Medicaid under expansion could be as many as 628,000.

FACT: The 628,000 number is taken out of context from the 2015 Leavitt Report (commissioned by Gov. Mary Fallin). This number includes those already insured by private or public insurance. In reality, approximately 200,000 individuals are eligible under Medicaid expansion, according to a 2016 Manatt Health study.ⁱ

MYTH: Expansion is a state budget buster as it shifts costs for caring for the able bodied to the state.

FACT: Expansion will improve our economy and create jobs and, in the long term, will produce net savings to the state. The initial investment to draw down matching federal funds can be paid for without raising taxes. A Manatt Health studyⁱⁱ notes the state will benefit from savings associated with accessing enhanced federal matching funds (new money), savings from replacing state general revenue funds with federal funds (*replacing state spending*), and revenue gains - direct through provider taxes and indirect through increased funds flowing in the state.

MYTH: Expansion will only help unemployed deadbeats.

FACT: Medicaid expansion enrollees are actually more likely to be working than the general public, unless they are burdened by ill health or the needs of their families.ⁱⁱⁱ People with health care coverage tend to be healthier, more productive, and more employable.

Many uninsured Oklahomans are hard-working people in low paying jobs that do not offer health care insurance. Expanding Medicaid would provide health insurance for an individual who makes less than \$17,000 a year, or \$29,000 for a family of three.

MYTH: The Centers for Medicare & Medicaid Services (CMS) will change their mind on this funding, like they have before. The 90% federal match decreases in 2020.

FACT: The 90% federal share and 10% state share funding formula for Medicaid expansion is set forth in **federal law passed by Congress in the ACA**. Changing that formula in statute would require Congressional action. Thirty-six states have expanded Medicaid and fall under the 90/10 formula; therefore, it is highly unlikely that a measure shifting more obligation to states would prevail.

MYTH: States significantly underestimate the number of people who will apply and will be eligible.

FACT: Oklahoma benefits from late adoption by learning from mistakes that other states have made. Opponents have often cited early adopter states that put plans together quickly and miscalculated numbers. Every single one of the 36 states that have adopted expansion have chosen to keep the program in place because of its proven health and financial benefits.

MYTH: Medicaid coverage doesn't improve health outcomes. Oklahomans won't be healthier.

FACT: Mounting evidence shows Medicaid expansion does lead to healthier outcomes.^{iv} (*continued on back*)

- A June 2019 study published in **JAMA Cardiology** shows that fewer people have died of heart disease in Medicaid expansion states.^v
- Research shows states that expand Medicaid improve the health of women of childbearing age and infant and maternal mortality rates go down. **Georgetown University** research compares infant mortality in expansion and non-expansion states and finds a 50% greater reduction in infant mortality with Medicaid expansion.^{vi vii}
- Cancer screening increases in expansion states. A 2019 study finds that states that first adopted Medicaid expansion saw larger increases in colorectal cancer screening than those states that did not expand.^{viii}
- Medicaid expansion was associated with a significant reduction in the proportion of adults with depression who lacked health insurance. Medicaid expansion was also associated with significant reductions in delaying mental health care and medications because of cost.^{ix}
- Medicaid expansion states are healthier as a whole than those that don't expand. **United Health Foundation** found that the 22 healthiest states in their 2018 rankings have all expanded Medicaid. Maine, an expansion state, rose seven spots in the rankings to No. 16, the greatest gain by any state.^x

MYTH: Medicaid expansion will take away state funding from other critical areas such as education and public safety.

FACT: A 2015 study estimated that under Medicaid expansion, \$50 million in annual state expenses in direct medical costs for behavioral health, corrections and public health *would be replaced by federal dollars*. Further, the economic benefit of bringing billions of dollars to our economy through expansion will create more revenue to the state than the state's portion of the cost.

Ninety percent of the funding for these new enrollees comes from the federal government with a 10% state match. Funding the state match is possible through existing funding without raising taxes.

Some of the uninsured with untreated behavioral health conditions ultimately end up in jails and prisons. This is a tremendous cost to our criminal justice system that expansion can decrease. In addition, Oklahoma ranks 47th in Adverse Childhood Experiences (ACEs)^{xi}, which greatly impacts their health and well-being later in life. A research team published findings in *JAMA Network Open* that found a link between Medicaid expansion and decreased numbers of child neglect cases^{xii}.

MYTH: Colorado expanded but hospital costs did not go down.

FACT: The Colorado study cited by opponents was a "draft" report of a legislatively created board overseeing the state's hospital provider tax. There was never a formal report released for lack of consensus by the board. *The board ultimately rejected the report because they found it to be too biased.* ^{xiii}

MYTH: SQ 802 amends the constitution. Oklahomans will be forced to pay for it if the federal government changes the rules.

FACT: The Medicaid program is a voluntary program in which each state participates in partnership with the federal government. If the federal government changes the rules, the Legislature can send a joint resolution to a vote of the people to repeal the provision.

MYTH: The Courts have ruled the ACA unconstitutional.

FACT: The U.S. Supreme Court has upheld the constitutionality of the ACA twice.^{xiv} Until the U.S. Supreme Court rules the ACA unconstitutional or it is repealed by Congress, the Senate and signed by the president, *it is the law*.

On Dec. 18, 2019, a federal appeals court ruled the Affordable Care Act's individual mandate is unconstitutional, but it did not invalidate the entire law. The 5th Circuit Court of Appeals sent the case, *Texas v. Azar*, back to the district court in Texas to decide if any of the other provisions could exist without the mandate. However, the ACA is **still the law of the land until all legal proceedings have been exhausted, which could take several years.**

The U.S. Supreme Court is being asked to immediately review the decision by the 5th Circuit. The California attorney general, along with 20 other AGs, filed a petition on Jan. 3, 2020, requesting the Court's review of the 5th Circuit decision. Amicus briefs were filed Jan. 15. OHA joined 34 other state hospital associations in appeal to the U.S. Supreme Court.

ⁱ Deborah Bachrach, et al., "Issue Brief: States Expanding Medicaid See Significant Budget Savings and Revenue Gains," *State Health Reform Assistance Network*, March 2016.

ⁱⁱ Ibid.

ⁱⁱⁱ Leighton Ku, Erin Brantley, "Myths About The Medicaid Expansion And The 'Able-Bodied'," *Health Affairs*, March 2017.

^{iv} Wayne Greene, "Evidence mounts that Medicaid expansion can make Oklahomans healthier," *Tulsa World*, June 2019.

^v "Association of Medicaid Expansion With Cardiovascular Mortality," Sameed Ahmed M. Khatana, MD; Anjali Bhatla; Ashwin S. Nathan, MD; Jay Giri, MD, MPH; Changyu Shen, PhD; Dhruv S. Kazi, MD, MS; Robert W. Yeh, MD, MSc; Peter W. Groeneveld, MD, MS. *JAMA Cardiology*, published online, June 5, 2019.

^{vi} "Medicaid Expansion Fills Gaps in Maternal Health Coverage Leading to Healthier Mothers and Babies," Adam Searing, Donna Cohen Ross of *Georgetown University Health Policy Institute*, May 9, 2019, <https://ccf.georgetown.edu/2019/05/09/medicaid-expansion-fills-gaps-in-maternal-health-coverage-leading-to-healthier-mothers-and-babies/>

^{vii} Ibid.

^{viii} "First States to Expand Medicaid Saw Larger Screening Rate Increases," <http://pressroom.cancer.org/MedicaidExpansion2019>, May 22, 2019. Original Source: "Changes in Breast and Colorectal Cancer Screening After Medicaid Expansion Under the Affordable Care Act" Stacey A. Fedewa, PhD, K. Robin Yabroff, PhD, Robert A. Smith, PhD, Ann Goding Sauer, MSPH, Xuesong Han, PhD, Ahmedin Jemal, DVM, PhD, *American Journal of Preventative Medicine*, July 2019, Volume 57, Issue 1, pages 3–12.

^{ix} "Effect of Medicaid Expansion on Health Insurance Coverage and Access to Care Among Adults With Depression," Carrie E. Fry, M.Ed., doctoral candidate, and Dr. Benjamin D. Sommers, MD, PhD, *Psychiatry Serv.*, Nov. 1, 2018; 69(11): 1146–1152.

^x <https://www.americashealthrankings.org/learn/reports/2018-annual-report>

^{xi} <https://www.americashealthrankings.org/learn/reports/2018-annual-report>

^{xii} "Study: Medicaid expansion linked to decrease in child neglect," Matt Kuhrt, June 20, 2019.

<https://www.fiercehealthcare.com/hospitals-health-systems/study-medicaid-expansion-linked-to-decrease-child-neglect>

^{xiii} Ibid.



SQ 802 – Medicaid Expansion

Accepting Federal Dollars to Cover the Uninsured Helps All Oklahomans – Not Just the Low-Income

Accepting federal funds to cover the uninsured in Oklahoma will help keep hospitals open and allow others to improve their care.

Under the Affordable Care Act, Oklahoma hospitals are getting less federal funding intended to compensate for the indigent care they provide. In fact, Oklahoma has received \$2.2 billion (2010 - 2018) less from Medicare. Meanwhile, our tax dollars are going to the 36 states that have accepted federal funds to broaden health coverage. Combined with state Medicaid budgets cuts, rural hospitals have been put under tremendous financial strain.

Unless this is somewhat offset by expanding those with coverage, even more strain will be put on Oklahoma hospitals to keep their doors open. *Oklahoma hospitals already provide more than a half billion dollars in uncompensated care annually.*

By rejecting federal funds, Oklahoma is mandating longer waits in emergency rooms.

Hospitals are mandated to treat emergency room patients by the Emergency Medical Treatment and Labor Act (EMTALA) signed by President Reagan in 1986. Under EMTALA, hospitals cannot ask for insurance coverage or payment until the condition is resolved or stabilized. EMTALA does not apply to surgery centers, health clinics or physicians.

Those unable to pay for health care wait until their health has deteriorated to seek treatment, *raising the overall cost of health care delivery.*

In 2014, the first year of Medicaid expansion under the Affordable Care Act, the percentage of people who were working but had no health insurance dropped by nearly twice as much across states that expanded Medicaid as it did across states that did not expand.ⁱ

Accepting federal funds will help the general business community and relieve the pressure of health care premium increases for all Oklahomans.

If Oklahoma expands Medicaid now, more than \$15.6 billion will be injected into the state's economy over the first five years, and more than 27,000 jobs will be created.ⁱⁱ

Because more people will get treatment earlier, *including substance abuse and mental health treatment*, acceptance will reduce the overall cost of health care delivery in Oklahoma. Right now, private payers and those buying insurance pay more to provide for uncompensated care.

Just shy of 1 in 5 working age (19-64) Oklahomans is without health insurance coverage, making Oklahoma the state with the ***second highest uninsured rate in the U.S.*** at 19.7 percent – an increase from 15.4 percent, fifth highest in the nation in September 2015.ⁱⁱⁱ The uninsured in Oklahoma mostly include *low-income working adults in service-industry jobs*.

The acceptance of federal dollars will not obligate Oklahoma.

The Medicaid program is a voluntary program in which each state participates in partnership with the federal government. If the federal government changes the law, the Legislature can send a joint resolution to a vote of the people to repeal the provision.

Accepting federal funds to expand Medicaid will result in savings to the state budget.

The economic benefit of bringing more than \$14.5 billion to our economy **will create more revenue to the state than the state's portion of the cost.**

In 2015, it was estimated that \$50 million in annual state expenses in direct medical costs for behavioral health, corrections and public health *would be replaced by federal dollars*.

Jan. 20, 2020

ⁱ "Medicaid Expansion Helps Working People Get Health Insurance", Families USA, Jan. 2, 2016.

ⁱⁱ "Estimated Impact of New Coverage – Accepting Federal Funds, 2017-2021," Analysis of state budget impact by Manatt Health by Dr. Gerald A. Doeksen, et al., OSU, April 2016.

ⁱⁱⁱ U.S. Census Bureau, 2017 American Community Survey, one-year estimates.