

# Medicaid Expansion is Good for Florida's Economy

The financial burden caused by the pandemic requires the legislature to take bold steps to improve the economy. Simply cutting budgets is not the answer. Legislators need to enact innovative solutions to stimulate economic recovery that target citizens and communities as well as the state budget. An infusion of billions of federal dollars will stimulate the economy by paying for the jobs in health care that we need to care for and immunize our residents, as well as, create jobs in other sectors.

## Enrollee Benefits: Improved Financial Status

- Newly insured are able to eliminate and avoid medical debt and are less likely to file for bankruptcy, have better credit scores and have money to spend in the local economy.
- Medicaid pays for comprehensive treatment of mental health and substance use disorders which impair personal productivity and have increased during the pandemic.
- Medicaid enrollees report that improved health makes them able to look for a job and keep working which will be critical to Florida's recovery.

## Benefits for Local Economies

- Expansion reduces the uncompensated hospital care provided to the increased number of uninsured due to pandemic related loss of income and health insurance.
- Expansion states have higher employment rates among the low-income population than non-expansion states.
- Small business becomes an attractive employer because employees would be eligible for insurance.
- MedEx facilitates entrepreneurship, which is needed as small businesses reemerge.
- Medicaid expansion reduces premiums of market-place plans.
- Counties could save millions of local tax dollars because they would no longer pay for health care of residents who would be eligible for Medicaid.
- Access to behavioral healthcare reduces days of incarceration.

## Financial Benefit for State Budget

- Florida would save millions of state tax dollars by expanding Medicaid. The Florida Policy Institute estimated savings of almost 200 million dollars in the first year.
- Expansion states find that Medicaid expansion allows them to increase Medicaid services without increasing the amount of state match.
- Expansion would provide an economic stimulus by adding 4.1 to 4.29 billion federal dollars in the first year. Economists project new money results in multiplier of 1.5-1.7, which means Medicaid expansion will increase Florida's economic activity by 6.15-7.27 billion dollars.
- Expansion will increase jobs in health care and other economic sectors.
- **Florida residents pay federal taxes which support MedEx even if we do not participate.**