



FREQUENTLY ASKED QUESTIONS

About ObamaCare Medicaid Expansion

How is ObamaCare Medicaid Expansion different than traditional Medicaid?

Medicaid was designed to cover the most vulnerable people in society – the aged, the blind, the disabled, and low-income families. ObamaCare seeks to change this by extending Medicaid eligibility to able-bodied adults. In order to qualify, all these adults have to do is keep their income below 138 percent of the federal poverty level. More than 80% of this group are childless.

If we don't expand Medicaid, are the poor and needy in my state going to suffer?

Expanding Medicaid will actually worsen the outlook for the truly needy. ObamaCare expansion steals limited resources from the truly needy while giving welfare to able-bodied, working-age adults. More than 582,000 people with disabilities are currently on Medicaid waiting lists, hoping to survive long enough to receive the services they desperately need. ObamaCare expansion will make it more difficult for them to get care.

Won't expanding Medicaid save us money?

No. Medicaid expansion creates an entirely new eligibility category. Expansion funds cannot be used to cover traditional Medicaid shortfalls or to pay for traditional Medicaid benefits. In addition, starting in 2017, states will have to start paying a large percentage of the costs of the program, further straining state budgets.

Will expansion save my local hospital?

According to Moody's Investors Services, the leading provider of credit ratings for hospitals, there is no significant difference in financial health of hospitals in states that expanded Medicaid and states that have not. Hospitals are still closing in expansion states and, although some hospitals have seen reductions in uncompensated care, many hospitals in expansion states are still losing money overall.

If my state doesn't accept expansion money, are we sending our tax dollars to other states that did expand?

There's no magic pot of ObamaCare money in Washington D.C. According to the Congressional Research Service, if a state rejects Medicaid expansion, the money does not go to another state – it is simply not added to the national debt. On the other hand, states that do expand are adding more to the national debt because every state already receives more money from Washington D.C. than they send there.



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Will expansion create more health care jobs and grow our state economy?

Many expansion supporters viewed the program as an opportunity to create new hospital jobs and spur economic growth. These promises have not materialized. In states like Arkansas and Iowa, where hundreds of new hospital jobs were assured, there has been a net loss. According to the CBO, ObamaCare expansion discourages work and reduces employment.

Can federal waivers help solve the underlying problems with expansion?

Unfortunately, there are no waivers – including a Section 1332 waiver – that can solve ObamaCare expansion’s fundamental problems. States like Arkansas and Indiana that have used waivers to expand welfare have simply made ObamaCare expansion more expensive, putting the truly vulnerable at even greater risk.

Medicaid expansion isn’t perfect, but isn’t it better than nothing?

Too many politicians have embraced ObamaCare expansion out of a desire to be seen as problem solvers. But ObamaCare expansion creates far more problems than it solves. By creating a new welfare class, expansion puts the vulnerable at risk. States that say no to expansion are actually saying yes to the truly needy, yes to more funding for education, and yes to more funding for law enforcement. For example, after rejecting expansion, Maine has been able to increase funding for nursing homes, home health services, and people with developmental disabilities.