

THEY ARE COMING FOR YOU NEXT:

How the Left is circumventing state legislatures to expand welfare



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Hayden Dublois
Research Analyst

Nic Horton
Research Director

FGA

KEY FINDINGS

1



OBAMACARE'S MEDICAID EXPANSION IS UNSUSTAINABLE.

2



THE LEFT IS CIRCUMVENTING STATE LEGISLATURES TO RAM OBAMACARE EXPANSION THROUGH.

3



ONE-THIRD OF NON-EXPANSION STATES FACE IMPENDING BALLOT FIGHTS.

4



IF THESE STATES EXPAND VIA INITIATIVE, TAXPAYERS WILL BE ON THE HOOK FOR ANOTHER \$163 BILLION AND 2.4 MILLION ABLE-BODIED ADULTS WOULD BE ADDED TO MEDICAID.

BOTTOM LINE:

STATES MUST RESIST OBAMACARE EXPANSION AND STOP THE LEFT FROM CIRCUMVENTING THE VOICE OF THE PEOPLE.

Overview

In 2014, states began implementing the Medicaid expansion component of ObamaCare, which provides government health care to able-bodied adults up to 138 percent of the federal poverty level. This massive expansion of welfare has been a disaster by every measurement available. In states that have chosen to expand Medicaid, dependency has skyrocketed, enrollment has shattered projections, costs have blown past estimates, millions have been kicked off of private insurance, hospitals have been left ill-equipped to provide care, and state budgets have been consumed—all while hundreds of thousands of truly needy individuals have languished on Medicaid waiting lists.¹⁻⁹ Unsurprisingly, as these negative consequences become apparent, fewer states each year are opting to expand Medicaid under ObamaCare.¹⁰

Since 2017, only three states have accepted ObamaCare expansion through the normal lawmaking process.¹¹ As a result, the Left is changing their approach—circumventing the duly elected voice of the people in state legislatures and instead putting expansion on the ballot, utilizing misleading ballot language and funneling millions of dollars into red states to convince voters to bring this disaster into their backyards.

Now it is time for legislatures to push back and reclaim their role as the rightful policymakers of states.



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The Left is circumventing state legislatures to ram ObamaCare expansion through

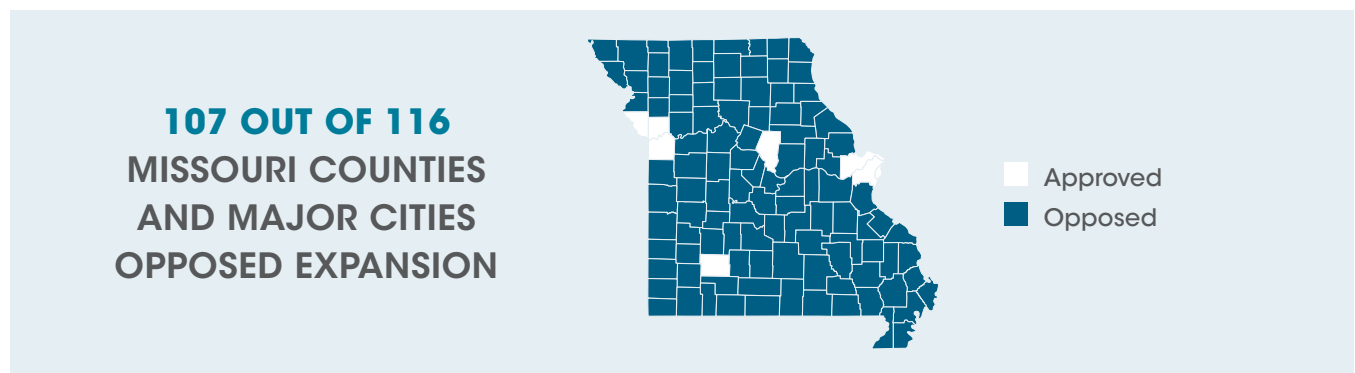
When ObamaCare defenders are unable to pass their agenda through conventional legislative channels, in state after state, they have sought to ram it through in other avenues. To date, seven states have voted on ballot initiatives relating to Medicaid expansion.

Once expansion gets on the ballot, these elections are determined by the slimmest of margins, with a handful of highly populated urban centers barely outweighing the overwhelming majority of rural voters—many of whom are all-too-frequently ignored by the activists pushing these measures.

MISSOURI

In August of 2020, **more than 92 percent of Missouri counties and major cities (107 out of 116) voted against expansion**, yet the measure passed by a single-digit margin.¹² In this largely rural state, **two out of every three rural voters opposed Medicaid expansion**.¹³ The Missouri Legislature had previously rejected Medicaid expansion on multiple occasions.¹⁴⁻¹⁵

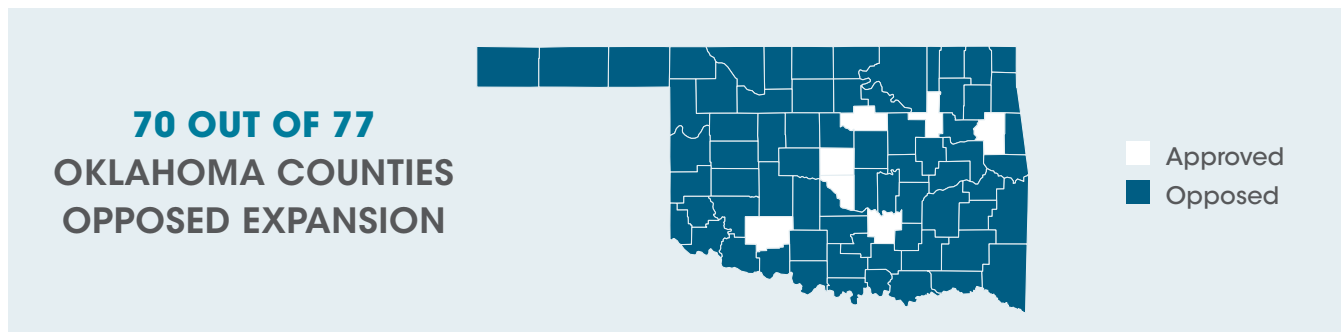
Equally compelling is that the flipping of the results in a single geographical area—St. Louis and its suburbs—would have entirely changed the statewide outcome.¹⁶ More than one in every three votes for expansion came from the St. Louis area alone.¹⁷ Meanwhile, proponents of expansion outspent opponents by nearly 23-to-1.¹⁸



OKLAHOMA

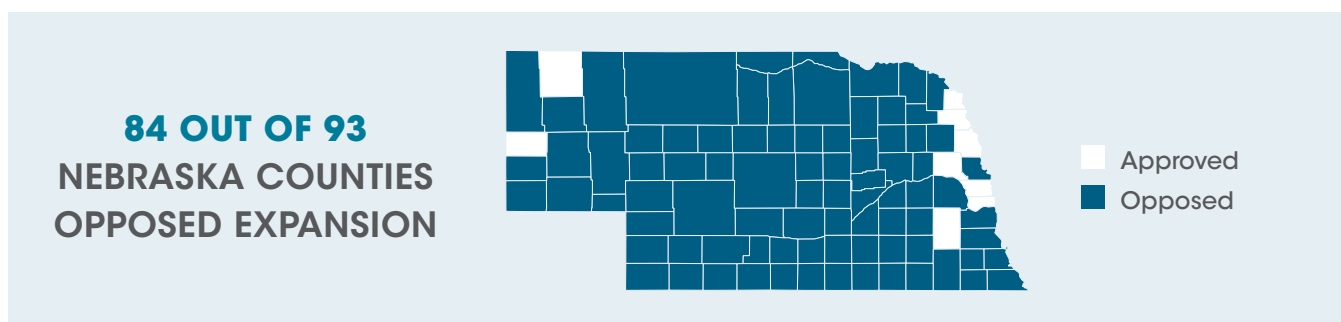
More than 90 percent of Oklahoma counties (70 out of 77) rejected Medicaid expansion in June of 2020, while the measure passed by **less than one percentage point**.¹⁹ Once again, this was almost entirely due to urban centers that received the overwhelming majority of the attention from pro-expansion activists.²⁰ More than one in every four votes for expansion came from Oklahoma County alone, while the flipping of the results in any one of Cleveland, Tulsa, or Oklahoma counties would have changed the statewide outcome.²¹

Unsurprisingly, in the seven counties that voted for expansion, the majority of them did so by margins of fewer than 2,000 votes each.²² In a situation similar to Missouri, proponents of expansion in Oklahoma outspent opponents by more than 21-to-1—yet won by less than a single percentage point.²³



NEBRASKA

In 2018, Nebraska narrowly approved Medicaid expansion by ballot initiative, with **more than 90 percent of its counties (84 out of 93) opposing expansion**.²⁴ Again, this slim victory can be attributed to activists focusing on highly concentrated urban areas in an otherwise rural state. More than one in every three pro-expansion votes came from Douglas County and the flipping of the results in this county would have changed the statewide election result.²⁵ While opponents of expansion did not report any election-related expenditures, proponents spent nearly \$3 million yet only won by a single-digit margin.²⁶



In all of these states, expansion passed against the will of rural voters and at the behest of slim majorities in select suburban areas as well as the cities they surround. Unfortunately, all residents—from those residing in inner cities to the rural countryside—will be impacted by the negative consequences of Medicaid expansion.

Nevertheless, other states that are facing the prospect of similar ballot initiative campaigns can learn from these experiences and prepare as activists set the stage in their attempts to circumvent legislators and launch well-funded, pro-expansion fights.

One-third of non-expansion states will face ballot fights

Florida, Mississippi, South Dakota, and Wyoming all have some form of a ballot initiative mechanism.²⁷ These four states and their legislatures have wisely resisted expansion for nearly a decade. However, attempts to circumvent the legislature and ram this massive welfare expansion through are visible on the horizon.

In Florida, activists have already begun gathering signatures to place the measure on the ballot as a constitutional amendment in 2022.²⁸ Supporters of expansion in South Dakota are also gearing up for a 2022 initiative fight.²⁹ And pro-ObamaCare forces in Mississippi are already considering a ballot initiative in the Magnolia State.³⁰



IN FLORIDA, ACTIVISTS HAVE ALREADY BEGUN GATHERING SIGNATURES TO PLACE THE MEASURE ON THE BALLOT AS A CONSTITUTIONAL AMENDMENT IN 2022.

Not a single one of these four states have requirements to ensure broad geographic representation with their ballot initiatives. Specifically, neither Florida, Mississippi, South Dakota, nor Wyoming restrict a lopsided percentage of petition signatures coming from the three most populated counties, require at least 10 petition from every municipality, or require circulators of petitions to be registered in the municipality in which they are collecting signatures.³¹⁻³⁷ These four states share these initiative integrity loopholes with the three states highlighted above—Missouri, Oklahoma, and Nebraska.³⁸⁻³⁹

If these four state legislatures are circumvented and expansion is rammed through, state and federal taxpayers will be on the hook for \$163.3 billion in new spending over the next decade; another 2.4 million able-bodied adults would be added to welfare; Medicaid hospital shortfalls would increase by at least \$760 million; and the nearly 86,000 truly needy individuals stuck on waiting lists in Florida, Mississippi, South Dakota, and Wyoming would likely continue to languish on Medicaid waiting lists while able-bodied adults move to the front of the line.⁴⁰⁻⁴²

MEDICAID EXPANSION WOULD BE A DISASTER FOR BALLOT INITIATIVE STATES

	FLORIDA	MISSISSIPPI	SOUTH DAKOTA	WYOMING	TOTAL
10-Year Cost of Expansion	\$128.8 billion	\$28 billion	\$4.1 billion	\$2.7 billion	\$163.3 billion
Estimated Expansion Enrollment	1,976,000	358,000	68,000	42,000	2,444,000
Estimated Hospital Medicaid Shortfalls	\$727.9 million	N/A*	\$18.7 million	\$16.3 million	\$762.9 million
Medicaid Waiting List Enrollment	71,662	13,510	350	279	85,801

Sources: Foundation for Government Accountability, Kaiser Family Foundation

*Mississippi is excluded from the hospital shortfall analysis due to differences in supplemental hospital payment methods.

Bottom line: States must resist ObamaCare expansion and stop the Left from circumventing the voice of the people

All remaining non-expansion states have an obligation to taxpayers and the truly needy to resist Medicaid expansion and its adverse effects. Florida, Mississippi, South Dakota, and Wyoming are particularly vulnerable to the effects of expansion due to ballot initiative processes that can be exploited by activists. States that have expanded Medicaid via ballot initiative but that have not yet implemented expansion—including Missouri and Oklahoma—should also recognize that expansion is not in any way an electoral mandate, and that the power of the purse to determine whether or not to fund expansion lies with the legislature.

States can, should, and must resist the drumbeat of ObamaCare activists hoping to hijack electoral processes to advance their agenda. To prevent out-of-control spending, a massive expansion of welfare, more hospital failures, and to preserve resources for the most vulnerable, states must reject ObamaCare expansion.

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15275 Collier Boulevard | Suite 201-279

Naples, Florida 34119

(239) 244-8808

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