

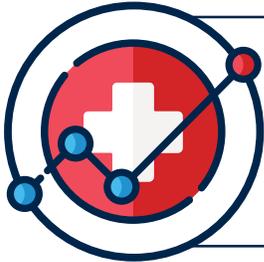
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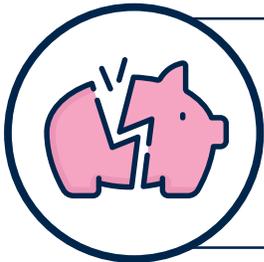
The Sooner State Showdown: How Able-Bodied Adults and Ineligible Enrollees Have Flooded Oklahoma's Medicaid Program

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KEY FINDINGS



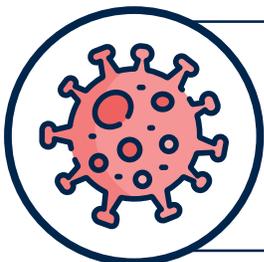
MEDICAID ENROLLMENT IS
AT AN **ALL-TIME HIGH**.



LESS THAN TWO YEARS AFTER IMPLEMENTING
OBAMACARE EXPANSION, **OKLAHOMA**
IS ALREADY **SHATTERING PROJECTIONS**.



OKLAHOMA'S MEDICAID PROGRAM IS
CROWDING OUT OTHER BUDGET PRIORITIES.



PANDEMIC-RELATED POLICIES **MADE**
THE SITUATION EVEN WORSE.

THE BOTTOM LINE:

OKLAHOMA'S MEDICAID PROGRAM IS FACING
AN ENROLLMENT AND BUDGET CRISIS.

Overview

Nationwide, the Medicaid program is facing severe problems. A program designed to be limited in nature and to provide a helping hand to the truly needy, such as seniors, pregnant women, low-income children, and people with disabilities, has ballooned in size.¹

Indeed, total enrollment from coast to coast now sits at an estimated 99 million—an all-time high—and is expected to surpass 100 million in early 2023.² While the program was created to serve truly needy Americans, state lawmakers have prioritized able-bodied adults—most of whom are not working and do not have children—by opting to expand Medicaid through ObamaCare.³

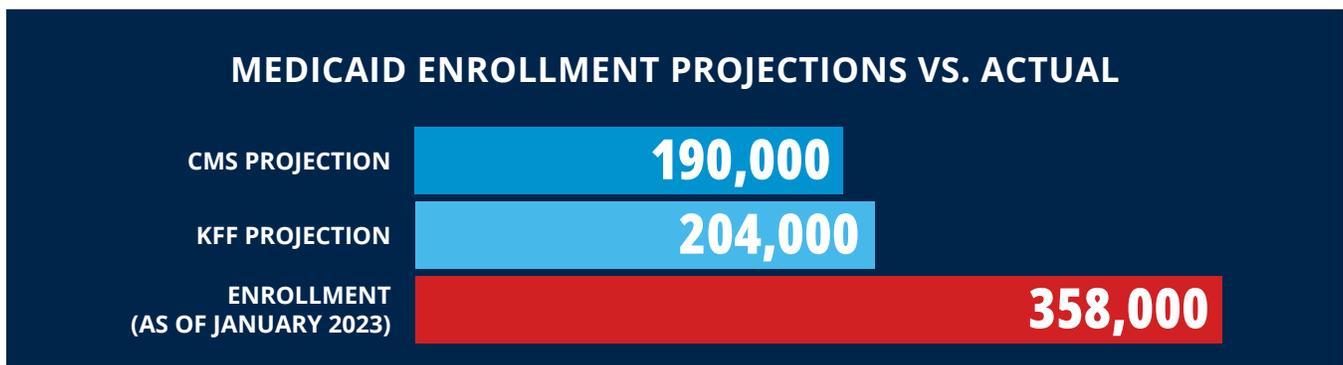
While these problems have been lingering for years, pandemic-related policies have only exacerbated the situation, with millions of ineligible enrollees flooding the program.⁴ Unfortunately, Oklahoma has not been immune to the Medicaid mayhem.



Expansion Enrollment in Oklahoma Has Far Outpaced Projections

In 2020, Oklahoma voters passed Medicaid expansion through a ballot initiative, circumventing state lawmakers who opposed expansion.⁵ Unsurprisingly, voters were not given the facts and were instead presented with false promises based on faulty data.

For example, the Centers for Medicare & Medicaid Services (CMS) estimated that 190,000 able-bodied adults could be expected to enroll in the state Medicaid program.⁶ Left-leaning think tanks also produced wildly inaccurate projections. The Kaiser Family Foundation (KFF) estimated that 204,000 able-bodied adults would be enrolled after expansion took effect.⁷ And the Oklahoma Policy Institute projected enrollment could be anywhere from 178,000 to 275,000.⁸



The bad news for Oklahoma taxpayers is that these projections were inaccurate at best, and misleading at worst.

By January 2023, there were more than 358,000 able-bodied adults enrolled in SoonerCare.⁹ Enrollment is now 89 percent higher than the CMS projections, and 76 percent higher than KFF estimates—less than just two years into the state’s expansion.¹⁰

And as expansion enrollment grows, so does dependency. In fact, more than one in four Oklahomans are now enrolled in the Medicaid program.¹¹⁻¹² Even worse, nearly half of all Medicaid enrollees in Oklahoma are adults—the majority of whom are able-bodied adults made eligible through expansion.¹³



NEARLY HALF OF ALL MEDICAID ENROLLEES IN OKLAHOMA ARE ADULTS—THE MAJORITY OF WHOM ARE ABLE-BODIED ADULTS MADE ELIGIBLE THROUGH EXPANSION.

The situation in Oklahoma is dire and expansion has yet to fully pervade the system. But as time continues, it will only get worse.

Medicaid Is Crowding Out Other Budget Priorities

As Medicaid enrollment continues to soar in the Sooner State, so has the financial commitment required to maintain the program. And as the Medicaid budget grows substantially, other priorities have suffered.

Over the past decade, total Medicaid spending in Oklahoma has grown by 27 percent—with state-only costs growing at an even faster rate of 29 percent.¹⁴⁻¹⁵ Meanwhile, elementary and secondary education spending has only grown by nine percent.¹⁶⁻¹⁷ And transportation spending has plummeted by 21 percent.¹⁸⁻¹⁹

Rather than prioritizing public education and building a robust infrastructure, lawmakers have instead chosen to focus on expanding welfare—to the detriment of all other priorities. As expansion enrollment continues to grow, these problems will only continue to mount.



Rather than prioritizing public education and building a robust infrastructure, lawmakers have instead chosen to focus on expanding welfare—to the detriment of all other priorities.



Lawmakers in Oklahoma have an obligation to state taxpayers to spend their money wisely. By allowing the Medicaid program to consume the budget and crowd out other state functions, this obligation has failed to be met.

Congressional Handcuffs Have Led to Hundreds of Thousands of Ineligible Enrollees

As part of the Families First Coronavirus Response Act, Congress provided states with a temporary boost to their traditional Medicaid funding to navigate through the pandemic.²⁰ But unfortunately, this extra funding came with massive strings attached, as states were forced to surrender control of portions of their Medicaid programs.²¹ In exchange for a small increase in funding, states were prohibited from removing any enrollees from the Medicaid program—even those who were ineligible or committed fraud—unless that individual relocated to another state or voluntarily left the program.²²

These handcuffs heavily contributed to the record-high Medicaid enrollment and have led to an estimated 22 million ineligible enrollees nationwide—resulting in one in four Medicaid enrollees not meeting eligibility criteria.²³ These ineligible enrollees are costing an estimated \$18 billion per month and are siphoning limited resources away from the truly needy.²⁴

In Oklahoma alone, there are more than 1.3 million people enrolled in Medicaid—an estimated 300,000 of whom are not eligible to receive benefits.²⁵⁻²⁶ The taxpayer costs needed to cover these enrollees have far outweighed the additional funding provided by the federal government over the last several years.



IN OKLAHOMA ALONE, THERE ARE MORE THAN 1.3 MILLION PEOPLE ENROLLED IN MEDICAID—AN ESTIMATED 300,000 OF WHOM ARE NOT ELIGIBLE TO RECEIVE BENEFITS.

Fortunately, state officials may begin removing ineligible enrollees on April 1, 2023.²⁷ Oklahoma officials should act quickly to remove ineligible enrollees from the Medicaid rolls as soon as possible to preserve limited resources for the truly needy. For Oklahoma to bounce back from the Medicaid mayhem, state officials must aggressively pursue the redetermination and removal process to restore integrity in the program.

THE BOTTOM LINE: Oklahoma's Medicaid program is facing an enrollment and budget crisis.

Oklahoma's Medicaid problems are multifaceted. By opting to expand, hundreds of thousands of able-bodied adults have flooded the program—and at a much faster rate than so-called experts projected. Making matters worse, congressional handcuffs left Oklahoma officials without the ability to strengthen eligibility standards, promote program integrity, or even remove ineligible enrollees.

Fortunately for Oklahoma, officials may begin removing ineligible enrollees on April 1, 2023. State officials should move as quickly as possible to finish the process to protect scarce resources for the truly needy.

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