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THE MEDICAID EXPANSION
MAKES GOOD SENSE (CENTS) FOR FLORIDA

In its recent landmark decision, the U.S. Supreme Court upheld the Affordable Care Act (ACA). This includes mandatory expansion of Medicaid to cover most people with incomes up to 138% of the federal poverty level. While the Court held that states failing to provide the expansion will not lose federal funding for its existing Medicaid program, Florida should take advantage of this historic opportunity to cover the poorest uninsured, including people with serious illnesses and disabilities and working families.

This expansion decision, which ultimately rests with the Florida Legislature, must include the following compelling considerations:

- The Medicaid Expansion will provide basic health coverage for **over 1 million low-income Floridians**. Their improved health outcomes and greater financial stability result in a more productive workforce.
- **Over \$20 billion in federal funding** will come into Florida between 2014 and 2019 as a result of the Medicaid Expansion. These federal dollars will go directly into our state economy, creating **thousands of new jobs in Florida**.
- **The Medicaid Expansion is covered 100% by the federal government from 2014 through 2016**, and then gradually scaling down to 90% federal funding in 2020 and beyond. In this dire economy, we cannot afford to leave vast sums of federal funding on the table.
- **Most new costs to the state concern other ACA requirements and are unrelated to whether or not Florida takes the federal expansion money**. For example, Florida is still required to increase its reimbursement rates for primary care providers. And the insurance exchanges will funnel people into Medicaid who are already eligible but had not previously applied.
- States that decline the Medicaid Expansion will be subsidizing tremendous grants to the States that do accept the expansion. **Do we really want to turn down our allotment under the new law so that New York, California and other states will get the benefit of Floridians' federal tax dollars?**
- Taxes generated by the federal funding for the Medicaid Expansion will offset much, perhaps all, of the additional costs to the state.
- **Governor Scott greatly overestimates the costs of the expansion.** (See *Politifact Florida*, www.politifact.com, July 2, 2012.)
- Under the ACA, current subsidies for hospitals that treat a large number of uninsured patients, known as disproportionate share hospital (DSH) payments, will be greatly reduced. **Without the Medicaid expansion, Florida's critically necessary safety net hospitals will be devastated.**
- **Without the expansion, over a million Floridians who could have had federally-funded coverage will be uninsured.** If they have a major illness or injury, other Floridians will pay for their care through higher premiums and increased tax support for the shredded safety net --without having the benefit of federal Medicaid funds.

*For more information about this or other FLS policy positions,
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