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# New Analyses Find Montana Medicaid Expansion Saving Millions of Dollars, Helping Thousands Access Preventive Care

Number of Uninsured Montanans Halved Since Passing Medicaid Expansion in 2015

*Bozeman, Mont.* – According to two independent analyses released today, Montana's 2015 bipartisan Medicaid legislation has saved more than \$36 million in the state's budget and helped more than 65,000 adults access preventive health care services. Additionally, the rate of uninsured Montanans remains close to the historic low of 7.4 percent reached in 2016 and represents a stable decrease from 15 percent in 2015 before Montana expanded Medicaid. The reports were commissioned by the Montana Healthcare Foundation (MHCF) and conducted by Manatt Health and Christina Goe.

"Montana's Medicaid program is not only covering more than 96,000 Montanans and strengthening our health care system, it's making a critical contribution to Montana's economy," said MHCF CEO Dr. Aaron Wernham. "It's hard to find a downside of this highly successful bipartisan program."

In its first two years, Medicaid expansion has:

- **Generated state budget savings:** Montana has saved more than \$36 million in state general funds by receiving more federal funding for certain enrollees and replacing state spending for key health care programs with federal dollars.
- Contributed to Montana's economy and workforce: Medicaid has helped make health care the leading driver of private income and the second largest source of jobs in Montana, consistent with another <u>MHCF-funded report</u> indicating that the state has gained more than 5,000 new jobs, \$280 million in new personal income, and \$47 million in new tax revenue through the Medicaid expansion.
- Helped rural hospitals keep their doors open: Hospitals in Medicaid expansion states are six times less likely to close. Since more Montanans have insurance than ever before, uncompensated care costs for rural hospitals and clinics decreased by \$103 million (44.9 percent) in 2016 alone, and hospitals became more profitable.
- Increased the use of preventive health care services: More than 65,000 adults have received preventive health care services as well as 195,000 screenings, vaccinations, wellness visits, and dental exams.
- Contributed to a stronger prevention and treatment system for mental illness and substance use disorders: More than 90 percent of Montanans with a substance use disorder (SUD) are not receiving treatment. For the first time, Medicaid provides a payment source for care for SUDs and mental illness that were previously covered only by the state general fund and federal block grants. Medicaid spending on SUDs has increased from \$2.6 million in 2015 to \$14 million in 2017 as more people are able to get the care they need.



- **Supported a healthy workforce:** Through the voluntary HELP-Link jobs services program, more than 22,000 Medicaid enrollees received workforce training, employment services, and job openings. Seventy-eight percent of those who received one-on-one employment services found jobs, with health care as a top industry for job seekers.
- Kept Montana's rate of uninsured people the lowest in state history: Montana's uninsured rate dropped from 15 percent in 2015 to 7.4 percent when Montana expanded Medicaid in 2016 the lowest rate in state history. The report released today finds that Montana's uninsured rate is relatively stable, at 7.8 percent in 2017.
- **Covered thousands of working Montanans:** Of the 96,000 Montanans covered by Medicaid expansion, 7 in 10 are working (ranking Montana in the top 10 of all states) and another 12 percent are ill or disabled.

### Read the full reports:

<u>Medicaid Expansion: How it Affects Montana's State Budget, Economy, and Residents</u> 2018 Report on Health Coverage and Montana's Uninsured (Brief)

### Fact sheets:

<u>Creating A Healthier Montana</u> <u>Helping Rural Montana Thrive</u> <u>Generating State Savings and Growing Our Economy</u>

# About the Montana Healthcare Foundation

The Montana Healthcare Foundation makes strategic investments to improve the health and well-being of all Montanans. Created in 2013, MHCF has more than \$150 million in assets making it Montana's largest health-focused private foundation. MHCF contributes to a measurably healthier state by supporting access to quality and affordable health services, conducting evidence-driven research and analysis, and addressing the upstream influences on health and illness. To learn more about the Foundation and its focus areas, please visit www.mthcf.org.

# **About Manatt Health**

Manatt Health integrates legal and consulting expertise to better serve the complex needs of the health care industry. Combining legal excellence, first-hand experience in shaping public policy, sophisticated strategy insight, and deep analytic capabilities, we provide uniquely valuable professional services to the full range of health industry players. Our diverse team of more than 160 attorneys and consultants from Manatt, Phelps & Phillips, LLP and its consulting subsidiary, Manatt Health Strategies, LLC, is passionate about helping our clients advance their business interests, fulfill their missions, and lead health care into the future. For more information, visit <u>https://www.manatt.com/Health</u>.

# **About Christina Goe**

Christina Lechner Goe is an attorney with extensive experience in health insurance and health care law. She was born in Billings, Montana. She has a B.A. in history from Stanford University and a J.D. from Santa Clara University Law School. She is a member of the bar in California (1980 - inactive) and Montana (1995). Ms. Goe worked as the staff attorney, chief legal counsel and general counsel for the Montana Department of Securities and Insurance from 1999 through 2016. She worked in all areas of insurance regulation. Beginning in 2010, she worked exclusively on implementing state and federal health insurance laws and health care delivery reform. In 2017, Ms. Goe established a solo law practice, focusing on state and federal health care law issues.