

# Medicaid Expansion a Shot in the Arm for Coastal Georgia

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About 50,000 uninsured Georgians in the 10-county Coastal Georgia region could get guaranteed health coverage if Georgia accepts new federal money to expand Medicaid eligibility. That is about half the area residents between 18 and 64 without health coverage in 2012, the last year of available data. It's the third largest number of residents of any of Georgia's 12 state-designated regions.

New federal funding for states to expand Medicaid eligibility to more low-income adults became available January 2014. More than half the states are using the money to cover adults under 65 with income up to 138 percent of the federal poverty level. That describes a single person with a \$16,000 annual income, or a family of three with about \$27,000 in annual income. About 27 percent of coastal residents 18 to 64 had income in 2012 that qualifies them for Medicaid coverage under rules the state could adopt right now. About 44 percent of them didn't have health coverage in 2012.

#### **Coastal Georgians Stuck in Coverage Gap**

Georgia limits Medicaid eligibility for adults more than many states. Parents qualify for Medicaid with income below about 38 percent of the poverty level, or about \$7,500 annually for a family of three. Adults without children or a disability are ineligible for Medicaid regardless of income.

Georgians can use new federal tax credits to purchase private health insurance if their income is above the poverty level or about \$11,700 for a single adult. That threshold is about \$19,800 for a family of three. Without Medicaid eligibility expansion, many uninsured Georgians with income below the federal poverty level will remain stuck in a coverage gap. Their income is above Georgia's current Medicaid threshold, yet too low to qualify for new federal insurance subsidies.

More than 400,000 uninsured adult Georgians fall in this coverage gap, including an estimated 27,000 or more coastal residents. That is more than the populations of Brunswick and Garden City combined.



## **50,000 Coastal Georgians Could Get** Health Care through Medicaid Expansion

#### Medicaid Expansion Delivers Billions of Dollars to Georgia

More than \$3 billion in new federal money could be pumped into Georgia's health care system every year through Medicaid expansion. The ripple effect could boost statewide economic activity by \$6.5 billion every year for the next decade. New Medicaid spending would reach hospitals, clinics, pharmacies and individual health care providers throughout the state and help create more than 56,000 new jobs statewide, according to a 2013 Georgia State University study. Expansion-related activity would deliver \$104 million a year in state taxes and \$117 million in annual local tax collections.

## \$200 Million Annual Shot in the Arm for Coastal Georgia

Medicaid expansion could deliver about \$200 million in new federal funding to the Coastal Georgia region every year. This adds up to about \$2 billion in new investment in the region's health care system over 10 years. That money could help the region's health care system treat patients now and prepare the system to care for a growing population in the future.

New investment in the region's health care system would generate a local economic impact of about \$390 million every year. This expansion-related investment could help create more than 3,400 new jobs in the region, about half from outside the health care sector.

## \$8 Million in New Local Taxes for Schools, Cities and Counties

School districts and local governments in the Coastal Georgia region could gain about \$8 million every year from increased economic activity created by the Medicaid expansion, according to the Georgia State University analysis.

# **Medicaid Expansion Can Deliver Bang for Georgia's Buck**



Source: "The Economic Impact of Medicaid Expansion in Georgia." William S. Custer, Ph.D, Institute of Health Administration. J. Mack Robinson College of Business, Georgia State University, Healthcare Georgia Foundation, Publication #74, February 2013.

Note: Per-dollar figures are based on Georgia State University report projecting a \$65.4 billion economic impact of expansion, relative to the \$2.1 billion 10-year state investment.