

Fact Sheet

# Medicaid is Now an Even Better Deal for Georgia

Georgia's pending Medicaid waiver plan partially expands Medicaid coverage to adults with incomes below the poverty line (or those making about \$12,000 a year or less), if they report 80 hours of work each month and pay monthly premiums. Enacting full Medicaid expansion instead would mean expanding Medicaid to cover those who make 138 percent of the poverty line – i.e. individuals who make about \$17,770 a year or less. This would cover the health care for an additional 450,000 individuals in Georgia compared to the pending waiver. Healthier individuals create healthier schools, communities and states.

Medicaid expansion has always been the decision that would keep both Georgians and the Georgia state budget healthy. If Georgia adopts Medicaid expansion now, they get a slew of new incentives from the new federal relief package that makes it an even clearer choice.

- Georgia would get a higher federal match for their current Medicaid program. Sixty-seven percent of the costs of Georgia's current Medicaid are currently covered by the federal government. If we expand Medicaid fully, the federal government would cover 72 percent of the cost of the existing Medicaid population.
- The federal government will still pay for 90 percent of the costs associated with expanding Medicaid
- Medicaid expansion over the next two years would cost only about \$336 million when we account for the new revenue and savings generated by covering more people.<sup>1</sup> However, Georgia would receive between \$1.4 and \$1.9 billion in two years for our existing Medicaid program if we expand.<sup>2,3</sup> These savings can be used to help pay for our share of Medicaid expansion and the remainder could go to funding Georgia schools, strengthening our rural broadband or public health systems or funding many other state priorities.

## The \$1.4 - \$1.9 Billion Georgia Would Receive for Fully Expanding Medicaid Could:

Fully pay for our share of the cost of expanding Medicaid (\$336 million for two years)



Fully fund education for the next two years (add \$400 million to the current education budget for each year)



Contribute to other state priorities, such as:



Strengthening rural broadband



Strengthening our public health system



Expanding workforce development programs



Enhancing public safety

## Fully expanding Medicaid is both the healthy and fiscally responsible choice.

<sup>1</sup>GBPI calculations using cost estimates from State Auditor Greg S. Griffin, "Fiscal Note House Bill (LC 46 0015) Georgia Department of Audits and Accounts, January 18, 2019.

<sup>2</sup>"New Incentive for States to Adopt the ACA Medicaid Expansion: Implications for State Spending." Kaiser Family Foundation.

<sup>3</sup>"Health Provisions in House Relief Bill Would Improve Access to Health Coverage During COVID Crisis." Center on Budget and Policy Priorities.