

MONEY MATTERS

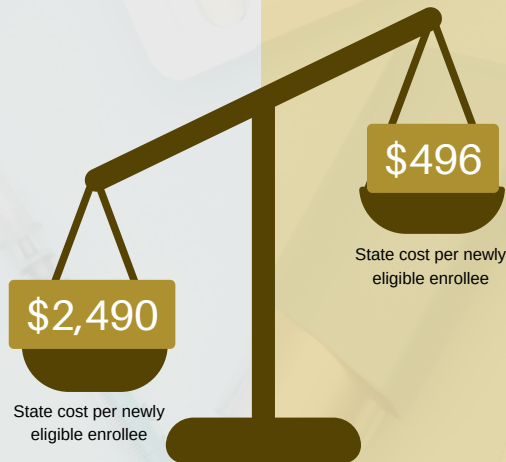
Comparing the Costs of Full Medicaid Expansion to the Pathways to Coverage Program

PATHWAYS TO COVERAGE PROGRAM

FULL MEDICAID EXPANSION

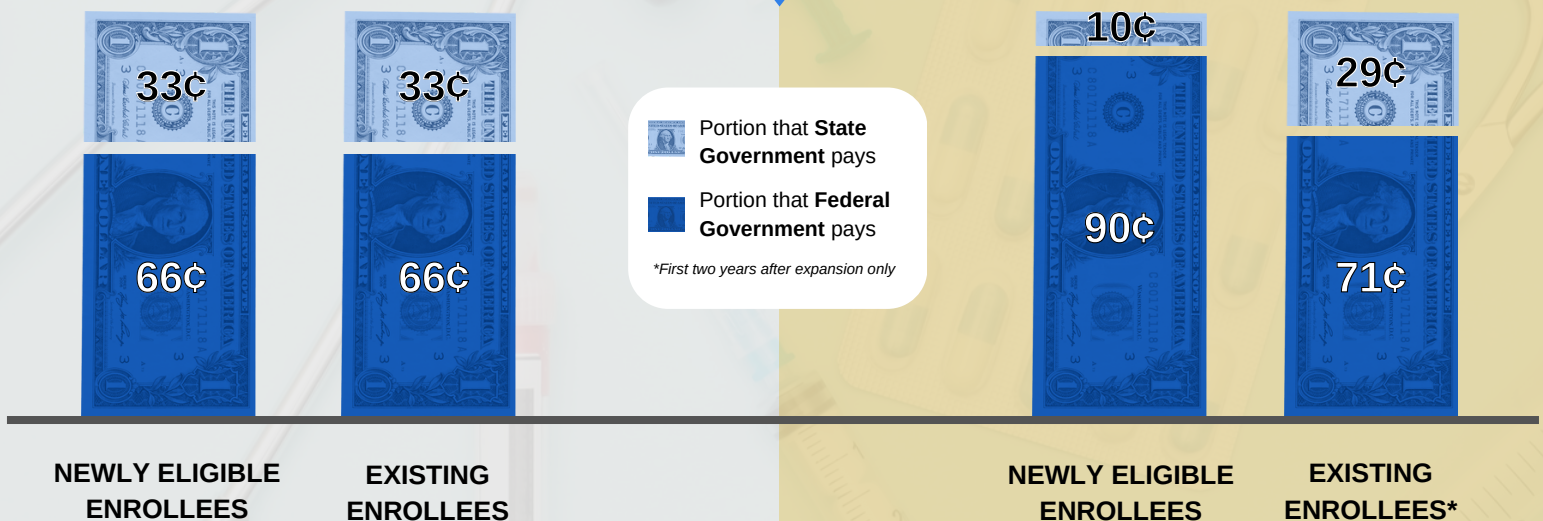
Implementing the Pathways to Coverage Program
Would Cost More and Cover Fewer People

If the Pathways to Coverage program covers **100,000 Georgians** in the first year of implementation, it would cost the state about **\$249 million**. (Important note: The state's first year enrollment estimates vary widely from about **31,000** to about **100,000**. In his January 2023 State of the State, Gov. Kemp said up to **345,000** Georgians could qualify over the full course of the program).



In contrast, in the first year of implementation, full Medicaid expansion would cost the state about **\$239 million** and cover about **482,000 Georgians**.

Full Medicaid Expansion Brings in More
Federal Revenue that Offsets State Costs



If Georgia fully expands Medicaid, the federal funds flowing to our state would more than offset the state costs of expansion for at least the first two years.

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Comparing the Costs of Full Medicaid Expansion to the Pathways to Coverage Program



FULL MEDICAID EXPANSION WOULD PAY DIVIDENDS FOR GEORGIANS' HEALTH AND FINANCIAL SECURITY

Since 2014, hundreds of research studies conducted across states that have fully expanded Medicaid continue to [document positive impacts](#). Full Medicaid expansion increases access to affordable health care coverage for low-income adults. If Georgia fully expanded Medicaid, the [largest reductions in uninsurance rates](#) would be among Black Georgians; young Georgians ages 19-34 years old; Georgians who did not complete high school; and in counties in the southern and western parts of the state. This expanded access to affordable health care coverage could also help improve health outcomes and save lives. However, the benefits extend beyond direct effects on health.

Data shows that full Medicaid expansion, among its many benefits, can:

Increase families' financial security

Help stabilize finances for hospitals and providers, particularly in rural areas

Support state economies

Reduce contact with the criminal legal system, particularly drug-related arrests

The American Rescue Plan offers additional financial incentives for states to fully expand Medicaid for lower-income adults. Specifically, it provides an enhanced federal matching rate on existing Medicaid enrollees for the first two years after full Medicaid expansion. That new incentive is in addition to the 90% federal match for newly eligible enrollees offered under the Affordable Care Act. If Georgia were to fully expand Medicaid, the federal funds flowing to our state, along with [increased state and local tax revenues](#) brought by enhanced economic activity, more than [offsets the state costs](#) of full Medicaid expansion for at least the first two years. In contrast, the Pathways to Coverage program would partially expand Medicaid for low-income adults and thus would only be eligible for the standard 66% federal matching rate for both newly eligible and existing enrollees. For more background information on each option, please see the [Getting the Green Light for Health Care](#) fact sheet or visit Cover Georgia's [website](#).

Georgians who pay federal income tax are paying to expand access to affordable health care for adults in the 39 states plus the District of Columbia that have adopted full Medicaid expansion. It is past time to bring home those federal funds and all the associated benefits and get Georgians access to the life-saving coverage they deserve.