Rural Missouri Needs Medicaid Expansion

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Impact of Medicaid Expansion on Rural Missouri

Currently:

- Higher rates of un-and underinsured populations than urban counterparts
- Older, lower income and higher rates of chronic illness
- Increasing insured population
  - Less than 24% of the population lives in rural Missouri, but 33% of those who would be covered by Expansion are in rural areas.
- Keeps rural hospitals open, protecting frontline jobs
  - Seniors aging in place need access to care
  - Missouri has nearly 100,000 farms— the need for critical and emergency care facilities and infrastructure is vital to safe and successful farming
- Job creation
Rural Hospital Closures

15 Hospital Closures in Missouri
Since 2014

- Southwest Missouri Psychiatric Rehab Center, El Dorado Springs, in 2014
- Sac-Osage Hospital, Osceola, in 2014
- Missouri Rehabilitation Center, Mount Vernon, in 2014
- Parkland Health Center, Farmington, in 2016
- Southeast Health Center of Reynolds County, Ellington, in 2016
- Ozarks Community Hospital, Springfield, in 2016
- Kindred Hospital St. Louis at Mercy, St. Louis, in 2016
- Kindred Hospital Kansas City, in 2018
- Select Specialty Hospital – Western Missouri, Kansas City (non-member), in 2018
- Twin Rivers Regional Medical Center, Kennett, in 2018
- Southeast Health Center of Ripley County, Doniphan, in 2018
- Two Rivers Behavioral Health System, Kansas City, in 2019
- Black River Medical Center, Poplar Bluff, in 2019
- I-70 Community Hospital, Sweet Springs, in 2019
- Pinnacle Regional Hospital, Boonville, in 2020
Job Growth

averaging 16,330 new jobs created each year

Employment Growth Beyond Health Care

79% of new jobs would be outside of the health care industry

Growth Benefitting the Whole State

63.7% of new jobs would be outside of Kansas City and St. Louis

Quality Jobs

Nearly 9 out of 10 of these new jobs would pay $15/hour or more to full-time workers

$15/hr
Medicaid Appropriations in the Department of Social Services
FY 2019

Provider taxes paid by nursing facilities, pharmacy, & ambulance

Other State Funds: $565 million
- General Revenue: $1.3 billion
- Other Provider Taxes: $552 million
- Federal Reimbursement Allowance (FRA): $1.5 billion

Federal Funds: $4 billion

Additional federal funds leveraged by a voluntary tax paid by Missouri hospitals & other health providers; also known as the provider tax.
Budget Impact of Expanding Medicaid

New General Revenue Funding and Savings Exceed Costs of Expansion by More Than $100 Million Per Year

Fiscal Year 2024

- Total Costs: $222 million
- GR Costs: $222 million
- Total Savings: $340 million
- GR Savings: $271 million
- New GR Revenue: $58 million
Questions?