

Key Facts About the Impact of Medicaid Expansion on Idaho's State Budget

July 2019



IDAHO
Center for
Fiscal Policy

Idahoans voted to expand Medicaid in 2018, providing 91,000 residents with health coverage so they can see a doctor when they need to. In addition to local savings, Medicaid expansion will generate savings to the state Catastrophic Care Fund, behavioral health services, community-based substance use disorder treatment for offenders, and mental health services for the probation and parole population. By creating new jobs and increasing economic activity across the state, Medicaid expansion will increase tax revenue by more than enough to cover Idaho's investment by the first year full savings are realized in Fiscal Year 2022.



The state will invest 10 percent of the cost to provide Medicaid health coverage to 91,000 Idahoans who can't afford it.

\$44.6
million
investment



Increased health care coverage will allow the state to spend less on existing programs for uninsured Idahoans.

\$31.2
million
state program
offsets and savings



Expanded access to preventive care will create more health care jobs, leading to additional jobs in most sectors and nearly all Idaho communities.

5,600
new jobs



The newly created jobs will bring higher than average incomes, increasing household spending power.

\$50,000
average annual
compensation



Statewide economic activity will increase, generating new revenue from sales, excise, and income taxes.

\$16.9
million
new revenue from
economic growth



The state's initial investment would generate annual net savings, in addition to local benefits not included here.

\$3.5
million
net annual state
savings

This analysis uses 2022 fiscal year data, the first full year that old cases work through the system and savings to the Catastrophic Care (CAT) Fund are realized. Idaho Department of Health and Welfare has estimated a 50 percent decrease in the CAT fund under unmodified implementation of Medicaid expansion. There would be an additional \$10,700,000 in savings if the State Legislature sunsets the program. Sources are the 2018 Milliman report commissioned by the state and an economic analysis produced in 2018 by University of Idaho Professor Steven Peterson.

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