



Accepting Federal Dollars to Cover the Uninsured Helps All Oklahomans – Not Just the Low-Income

Accepting federal funds to cover the uninsured in Oklahoma will help keep hospitals open and allow others to improve their care.

Under the Affordable Care Act, Oklahoma hospitals are getting less federal funding intended to compensate for the indigent care they provide. In fact, Oklahoma has received \$2.2 billion (2010 -2018) less from Medicare. Meanwhile, our tax dollars are going to the 37 states that have accepted federal funds to broaden health coverage.

Unless this is somewhat offset by expanding those with coverage, even more strain will be put on Oklahoma hospitals to keep their doors open. *Oklahoma hospitals already provide more than \$570 million in uncompensated care annually.*

By rejecting federal funds, Oklahoma is mandating longer waits in emergency rooms.

Hospitals are mandated to treat emergency room patients by the Emergency Medical Treatment and Labor Act (EMTALA) signed by President Reagan in 1986. Under EMTALA, hospitals cannot ask for insurance coverage or payment until the condition is resolved or stabilized. EMTALA does not apply to surgery centers, health clinics or physicians.

Those unable to pay for health care wait until their health has deteriorated to seek treatment, *raising the overall cost of health care delivery.*

In 2014, the first year of Medicaid expansion under the Affordable Care Act, the percentage of people who were working but had no health insurance dropped by nearly twice as much across states that expanded Medicaid as it did across states that did not expand.¹

Accepting federal funds will help the general business community and relieve the pressure of health care premium increases for all Oklahomans.

From 2017 to 2021, had Oklahoma accepted federal funds, more than \$14.5 billion would have been injected into our state's economy and more than 24,000 health care related jobs would have been created.²

¹ "Medicaid Expansion Helps Working People Get Health Insurance", Families USA, Jan. 2, 2016.

² "Estimated Impact of New Coverage – Accepting Federal Funds, 2017-2021," Analysis of state budget impact by Manatt Health by Dr. Gerald A. Doeksen, et al., OSU, April 2016.

Because more people will get treatment earlier, *including substance abuse and mental health treatment*, acceptance will reduce the overall cost of health care delivery in Oklahoma. Right now, private payers and those buying insurance pay more to provide for uncompensated care. This cost shifting will be reduced by acceptance of federal funds for health care.

Just shy of 1 in 5 working age (19-64) Oklahomans is without health insurance coverage, making Oklahoma the state with the *second highest uninsured rate in the U.S.* at 19.7 percent – an increase from 15.4 percent, fifth highest in the nation in September 2015.³ The uninsured in Oklahoma mostly include *low-income working adults in service-industry jobs*.

The acceptance of federal dollars will not obligate Oklahoma.

The state of Oklahoma could quit accepting the federal dollars at any time.

The economic benefit of bringing more than \$14.5 billion to our economy will likely create more revenue to the state than the state's portion of the cost.

In 2015, it was estimated that \$50 million in annual state expenses in direct medical costs for behavioral health, corrections and public health *would be replaced by federal dollars*.

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³ U.S. Census Bureau, 2017 American Community Survey, one-year estimates.