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ALPHA Resolution 2014-3
Support for Alaska Medicaid Expansion

WHEREAS, a health disparity is a type of difference in health that is closely linked with social or economic disadvantage. Health disparities negatively affect groups of people who have systematically experienced greater social or economic obstacles to healthⁱ;

WHEREAS, insurance coverage is strongly related to better health outcomesⁱⁱ;

WHEREAS, Medicaid is the primary insurance that covers vulnerable populations such as low-income individuals and families;

WHEREAS, since creation in 1965, Medicaid has successfully undergone other expansions intended to increase access to care and reduce health disparities in vulnerable populations such as the Vaccines for Children (VFC) Program which provides vaccines to low income childrenⁱⁱⁱ;

WHEREAS, the most recent expansion to the Medicaid program are outlined in Title II of the Patient Protection and Affordable Care Act^{iv};

WHEREAS, Medicaid is sponsored by a combination of both state and federal government matching funds, while states have the ultimate decision of whether or not to participate in the program;

WHEREAS, the current threshold for Medicaid eligibility in Alaska is 81 percent of the FPL for working parents and 77 percent of the FPL for jobless parents, while there is currently no income eligibility threshold for adults who are not parents^v;

WHEREAS, the current expansion to Medicaid will increase eligibility of both parents and non parent adults up to 138 percent of the FPL^{vi}

WHEREAS, Alaskan's with an annual income of up to \$19,279 and a 2 person family with an income of \$26,279 would be eligible for insurance benefits under the proposed Medicaid expansion;

WHEREAS, full-time workers earning as much as 1.2 times the minimum wage for an individual (\$9 per hour) or 2.4 times the minimum wage for the head of a household of four (\$18.75 per hour) will gain access to Medicaid coverage expansion, thereby creating a healthier workforce and relieving employers of the health insurance costs for these employees, while largely transferring those costs to the federal government^{vii};

WHEREAS, there are currently about 133,000 Alaska who are uninsured, almost 21 percent of the nonelderly population^{viii};

WHEREAS, with Medicaid expansion, 41,500 uninsured Alaska residents with income under 138 percent of the FPL, including 15,700 Alaska Natives and American Indians

1 (AN/AIs), will become eligible for Medicaid’s comprehensive health insurance coverage
2 in 2014^{ix};

3
4 **WHEREAS**, the U.S. Supreme Court issued its decision on the constitutionality of
5 Medicaid expansion and upheld the law, but effectively gave states the option to
6 participate^x;

7
8 **WHEREAS**, although future federal funding has a component of uncertainty and some
9 programs can become federally underfunded over time, since the U.S. Supreme Court
10 decided that Medicaid expansion under the ACA is optional for states to participate,
11 states should be able to opt out of the expansion in the future if Congress decides to
12 rollback the program;

13
14 **WHEREAS**, the federal government will fully fund Medicaid Expansion for the first
15 three years, with the federal share dropping to 90% in the year 2020;

16
17 **WHEREAS**, each \$1 million in State spending generates \$28 million in additional
18 economic activity due to the leveraging of the Federal Medicaid expenditures and the
19 multiplier effects in the State’s economy^{xi};

20
21 **WHEREAS**, approximately 3,500 new jobs will be created by 2017 as a result of the
22 State of Alaska implementing the expansion, with \$180 million more in wages earned
23 annually and a cumulative increase (2014-2020) in economic output in Alaska directly
24 related to Medicaid expansion of \$2.49 billion^{xii};

25
26 **WHEREAS**, expanding Medicaid to all adults below 138 percent of FPL would result in
27 an increase in state Medicaid spending between \$198.2 million and \$305.7 million over
28 the 2014 to 2020 period, compared to projected spending in the absence of ACA.1
29 However, the expansion would result in additional federal funding between \$2.1 billion
30 and \$3.7 billion over this same period^{xiii};

31
32 **WHEREAS**, article 7 section 4 of the Alaska State Constitution requires that the
33 legislature shall provide for the promotion and protection of public health^{xiv};

34
35 **WHEREAS**, all Alaskans deserve access to high quality affordable health insurance;

36
37 **WHEREAS**, when low-income uninsured Alaskans access care, those uncompensated
38 costs are absorbed by insured Alaskans, hospitals, local governments and other providers;

39
40 **WHEREAS**, providing insurance coverage for low-income Alaskans will help families
41 and individuals who lack insurance find a health care home which will help reduce health
42 disparities;

43
44 **WHEREAS**, reducing health disparities in low income populations will improve the
45 quality of life for these Alaskans while reducing unnecessary and expensive emergency
46 room visits and help to managing chronic diseases more efficiently and effectively;

1 **THEREFORE BE IT RESOLVED**, the Alaska Public Health Association urges the
2 Governor to invest in the Alaskan economy and its low income citizens by expanding
3 Medicaid coverage under the Patient Protection and Affordable Care Act to provide
4 insurance coverage to over 40,000 uninsured Alaskans while leveraging over \$2 billion in
5 federal matching fund with a relatively small amount of state revenue investment.

6
7 **FURTHER BE IT RESOLVED**, that this resolution shall be the position of the Alaska
8 Public Health Association until it is withdrawn or modified by a subsequent resolution.

9
10 **Fiscal & Public Health Impact Statement**

11
12 **Fiscal Impact on ALPHA:** This action will result in minor costs associated with sending
13 this resolution and accompanying cover letter to the Governor and key political leaders.

14
15 **Public Health Impact:** Improving access to health insurance helps reduce health
16 disparities. Expanding Medicaid to 40,000 low-income uninsured Alaskans will help to
17 increase their quality of life by gaining access to the health care system through
18 preventative care.

ⁱ U.S. Department of Health and Human Services, Healthy People 2020. 2009, U.S. Government Printing Office.

ⁱⁱ U.S. Department of Health and Human Services, Center for Disease Control. 2011. Fact Sheet: Health Disparities in Health Insurance Coverage.

ⁱⁱⁱ U.S. Department of Health and Human Services, Center for Disease Control, Vaccines for Children Program. 2013. <http://www.cdc.gov/vaccines/programs/vfc/index.html>

^{iv} U.S. Department of Health & Human Services. Affordable Care Act, Section by Section. 2013. <http://www.hhs.gov/healthcare/rights/law/index.html>.

^v The Urban Institute, Health Policy Center. Medicaid in Alaska under the Affordable Care Act. 2013.

^{vi} The Urban Institute, Health Policy Center. Medicaid in Alaska under the Affordable Care Act. 2013.

^{vii} Alaska Native Tribal Health Consortium. Healthy Alaskans Create a Healthier State Economy. 2013.

^{viii} The Urban Institute, Health Policy Center. Medicaid in Alaska under the Affordable Care Act. 2013.

^{ix} Alaska Native Tribal Health Consortium. Healthy Alaskans Create a Healthier State Economy. 2013.

^x Supreme Court of the United States. NFIB v. Sebelius, No. 11–393. Argued March 26, 27, 28, 2012–decided June 28, 2012. <http://www.supremecourt.gov/opinions/11pdf/11-393c3a2.pdf>

^{xi} Northern Economics. Fiscal and Economic Impacts of Medicaid Expansion in Alaska. 2013.

^{xii} Alaska Native Tribal Health Consortium. Healthy Alaskans Create a Healthier State Economy. 2013.

^{xiii} The Lewin Group. An Analysis of the Impact of Medicaid Expansion in Alaska. 2013.

^{xiv} State of Alaska. The Constitution of the State of Alaska. 1956.