

What Losing Its Current Medicaid Program Could Mean for Montana

In 2015, the Montana State Legislature expanded the Medicaid program to include adults with incomes of up to 133% of the Federal Poverty Level by passing the bipartisan HELP (Health and Economic Livelihood Partnership) Act. Montana Medicaid currently provides health insurance coverage to children, pregnant women, people with disabilities, and adults with low income.

Without a renewal by the State Legislature, in 2025 the HELP Act will sunset and Montana Medicaid will stop providing coverage for adults with low income.

If this happens and the state loses its current Medicaid program, here are the potential risks to the health care system, state budget and economy, and Montanans.

The Health Care System



Because of the HELP Act, Montana Medicaid reimburses providers for health care services in every Montana community.

This income has helped stabilize existing services for hospitals, outpatient clinics, independent physicians, dentists, local pharmacies, and other health care services. It also has supported new and expanded services in communities across the state, particularly in mental health and treatment for substance use.



The HELP Act **decreased uncompensated care by over \$150 million (or 39%)**. Less uncompensated care improves operating margins and the financial stability of all Montana hospitals, particularly rural hospitals. No rural hospitals in Montana have closed since Montana expanded Medicaid.



Through the HELP Act Medicaid **paid for 150,000 wellness exams, screenings, and preventive services** in 2023. This early access to cost-effective health care contributed to a 10.5% reduction in ER use among enrollees.



Through the HELP Act Medicaid **supports behavioral health treatment for over 37,000 people, with \$55 million in provider reimbursement**. One hundred new substance use disorder treatment locations opened in the last ten years, funded partly by Medicaid reimbursement.



The sustainability of behavioral health services proposed and created by Governor Gianforte's HEART Initiative and **House Bill 872 depends on reauthorization of the HELP Act**.



The federal funds received through the HELP Act are a **primary reimbursement source for substance use disorder treatment**, which many Montana communities identify as a priority.

The State Budget & Economy

Because of the HELP Act, Medicaid generates millions of dollars of new spending in Montana's economy, supporting jobs and increasing household income. Without keeping Montana's current Medicaid program in place:



\$750 million

Over \$750 million in new spending each year, 7,500 jobs, and over \$450 million in household income related to expansion revenue would be at risk.

\$30 million

Montana could lose almost \$30 million in estimated state budget savings generated by moving expansion enrollees from programs that cost the state more to provide.

\$50 million

Montana could lose over \$50 million in annual tax revenue from wages enabled by expansion.

Montanans

Without the health coverage provided through the HELP Act, Montana adults are more likely to forgo or delay preventive health care, which increases the risk of health emergencies & poor health outcomes.



80,000+ Qualify

More than 80,000 Montana adults qualify for and are enrolled in Medicaid. Without the HELP Act, many of these people could not afford to buy other coverage, increasing the state's uninsured rate by as much as 30%.

30% Insured

Medicaid helps Montana businesses by providing coverage to many employees. For example, 30% of all food workers, housekeepers, personal care aides, and childcare workers get their health insurance through the HELP Act.

40+ States

Access to health insurance improves health, allowing more people to participate in the workforce. States that have expanded their Medicaid programs to cover adults with low income (40 states, plus the District of Columbia) have a higher proportion of working adults than non-expansion states.



For more information on these findings, visit mthf.org/resource/2024-medicaid-in-montana/