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NEW REPORT SHOWS ELIMINATING MEDICAID EXPANSION WOULD PROLONG RECESSION, COST NEARLY 3,700 JOBS

ANCHORAGE – February 11, 2019- The Alaska State Hospital and Nursing Home Association (ASHNHA) today released a new report showing how repealing Medicaid Expansion would prolong the state’s recession, and cost thousands of jobs.

The report, commissioned by ASHNHA and compiled by economist Jonathan King, estimates the effect of removing \$420.1 million from the Alaska economy, the amount spent on Medicaid Expansion in State Fiscal Year 2018.

Among the findings, the study identifies that eliminating Medicaid Expansion would result in:

- 3,700 lost jobs
- \$267 million loss in annual labor income
- \$556 million loss in annual total economic output (under State Fiscal Year 2018 conditions)

In addition, the report concludes that eliminating Medicaid Expansion would cost the Alaska economy more jobs than it is expected to grow in 2019.

The federal government’s matching funds are responsible for much of the economic impact. For calendar year 2019, the federal match is 93 percent, which means that for every dollar spent on enrollee benefits, the State of Alaska pays seven cents. “This is powerful leverage of state monies”, said report analyst and author Jonathan King.

King said the data also paints a stark picture of how Alaska would be impacted by the loss of Medicaid Expansion. “Elected officials can debate the politics of this issue, but not the numbers; economic analysis shows how rejecting these federal dollars would hurt Alaska’s economy. Our economy is too fragile absorb this size hit without extending the recession,” said King.

“The case is clear for maintaining Medicaid Expansion,” said Becky Hultberg, ASHNHA president and CEO. “Not only does it preserve health care for 50,000 Alaskans, but it also makes economic sense. Any decisions made on this issue must be grounded in facts, not rhetoric. We believe this report provides compelling evidence that Medicaid Expansion improved our economy and should remain in place.”

A full copy of the report can be found online at <https://www.ashnha.com/resources-and-publications/news/>.

The Alaska State Hospital and Nursing Home Association represents more than 65 hospitals, nursing homes, and other healthcare organizations that employ more than 10,000 Alaskans. Its membership spans geographically from Ketchikan to Utqiagvik.

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