

Alabama Hospitals: A Vital Part of the State's Infrastructure

Hospitals have huge economic impact:

- Alabama's hospitals currently employ nearly 90,000 people, support an additional 96,000 jobs, and have a \$20 billion impact on the economy.
- Hospitals are an essential part of local infrastructure ... often the top employer and a critical factor in recruiting and keeping jobs.

Impact of expansion

- Expanding Medicaid would provide an additional \$11.4 billion in economic impact to the state over four years. An additional \$715 million would be gained in state and local taxes.
- For every \$1 the state invests in expansion, the federal government will provide \$9.
- Expanding Medicaid would provide basic health insurance coverage to more than 340,000 individuals, most of whom are working.

Hospitals are struggling:

- Alabama hospitals are in crisis: 13 have closed since 2011, 7 of which were rural, and 75% are operating in the red. 88% of all rural hospitals are operating in the red!
- We need to make a critical investment in health care, just as we invest in other state infrastructure needs such as education and roads. Expanding Medicaid coverage would be a significant step toward keeping access to care in many communities.

Current Medicaid program:

- Medicaid is health insurance for low-income children, pregnant women, the elderly, and the disabled. It supports thousands of jobs and billions of dollars in the health care sector, one of the largest industries in Alabama.
- Alabama has one of the most restrictive Medicaid eligibilities in the country.
- Medicaid expansion is an option to expand Alabama's current Medicaid coverage to care for people who make too much to qualify for Medicaid, but not enough to afford insurance.

Other expansion benefits

- Medicaid expansion would generate savings in several state-funded programs (for example, substance abuse programs, mental health care, and in-patient health care for prisoners).
- With the increased number of insured individuals, the state would see improved health outcomes, including lower infant mortality rates, early cancer detection, and increased care for mental health patients and those affected by the opioid crisis.

Cost of expansion:

- After considering state savings, the estimated first year investment for expansion is \$168 million, with a cost of less than \$25 million each year thereafter.
- Comparing \$2.7 billion in annual economic gain, \$25 million annual cost is a great deal!

We cannot afford to do nothing. Without Medicaid expansion, hospitals will be forced to cut services, reduce jobs, and some will close.