

REPORTS BUILD STRONG CASE FOR A HEALTHY ALABAMA PLAN

Reports: Economic Impact

David Becker, PhD, UAB School of Public Health, and Manatt, a national consulting firm, provide strong evidence to support expanding access to care.

- Overall, the economic impact to the state of the additional federal funds would be **\$11.4 billion** over four years. (Becker study)
- In that same time frame, another **\$316 million** would be saved through a higher federal match rate and by paying for services that are currently funded with 100% state funds. These are savings that could be reinvested in the health care system. (Manatt)
- Alabama will receive \$9 in federal funds for every \$1 it spends **indefinitely**. (Becker study)
- Additional state and local taxes would offset **\$715 million** of the cost.
- After considering state savings, the estimated first year investment for a Healthy Alabama Plan is **\$168 million**, with a cost of less than **\$25 million** each year thereafter. (Becker study)
- Comparing **\$2.7 billion** in annual economic gain, **\$25 million** annual cost is a great deal!

“In contrast to most economic development projects supported with state and local incentives, expansion would provide benefits across all of Alabama’s 67 counties.” (Becker report)

The Benefits of A Healthy Alabama Plan

- Alabama could provide health care coverage to an estimated **340,000 adults** who don’t currently have health insurance.
- The rate of adults without health insurance dropped from 35 percent to 16 percent in states that expanded insurance coverage (2008 – 2016).
- Hospitals are **84 percent** more likely to close in states that do not increase access to care.
- A Healthy Alabama Plan would lead to earlier cancer detection, fewer deaths, and better outcomes for patients.
- States that expanded insurance coverage have increased access to substance abuse treatment and other critical mental health services.

Alabama’s Hospitals Are Struggling

- 88 percent of rural hospitals operate in the red; 75 percent of all Alabama hospitals operate in the red.
- **13 hospitals** have closed in the last 8 years, 7 of which were rural.
- Alabama hospitals spend more than \$500 million each year caring for the uninsured.

If nothing happens, other hospitals will be forced to cut services, eliminate staff or in the worst case, close.



It’s time to invest in a Healthy Alabama: We Can’t Afford to Pass it Up!

Alabama is one of only 14 states that has not expanded access to care. This means our federal tax dollars are going to other states to pay for their health care coverage, while Alabama’s health care delivery system struggles. With the challenges facing our health care system, particularly rural hospitals, it’s an opportunity we cannot afford to pass up.

Find out more at www.alhealthmatters.com