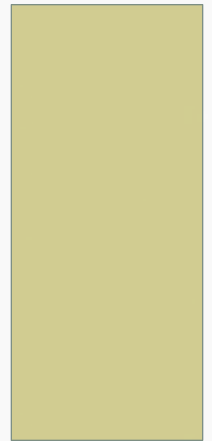


# THE COST OF JUST SAYING “NO”

SHERRY GLIED  
WAGNER SCHOOL OF PUBLIC SERVICE  
NEW YORK UNIVERSITY



Thanks to Stephanie Ma for research assistance and to the Commonwealth Fund for research support.

# WHAT “NO” MEANS

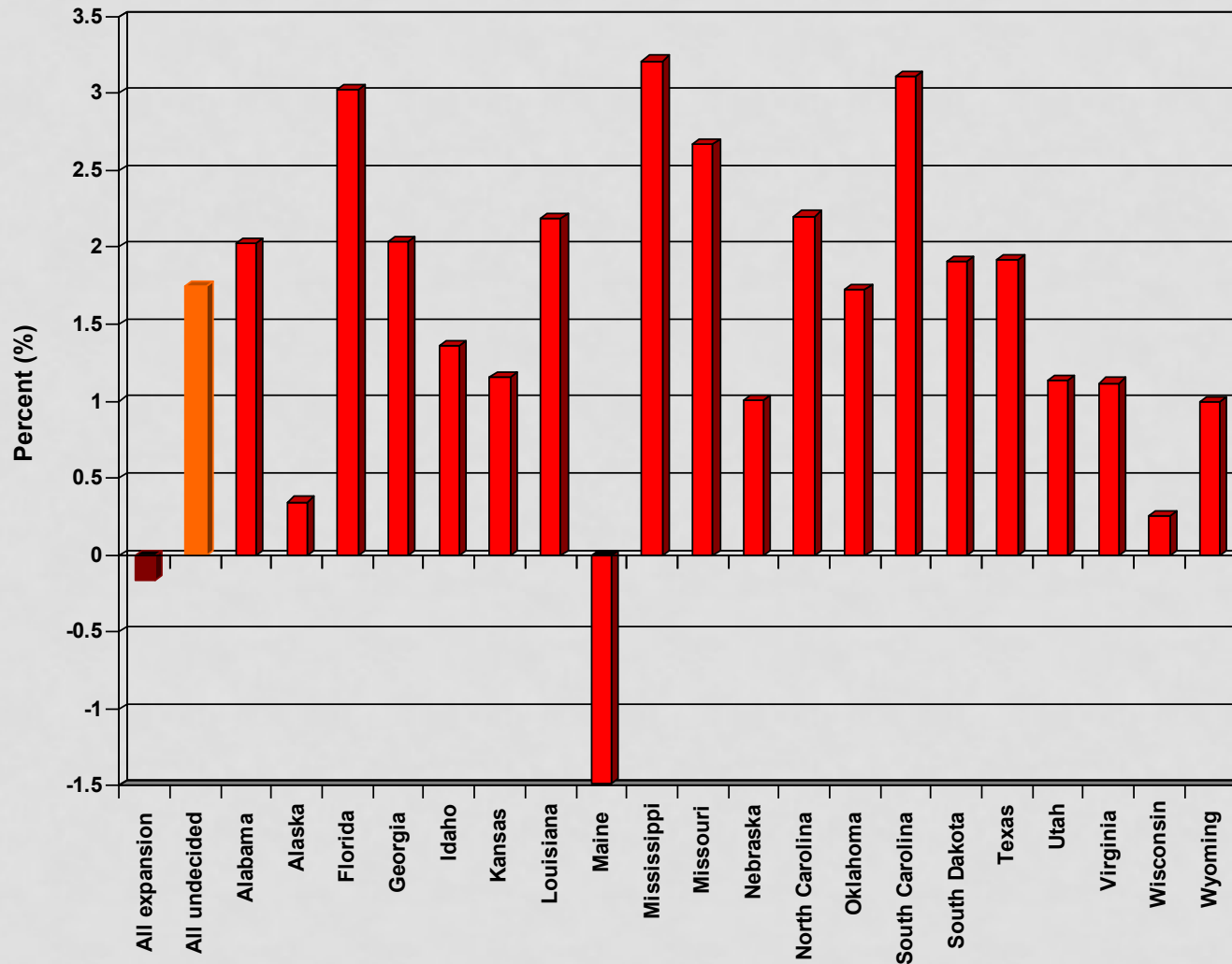
- No new State spending for expansion population in out years (10% of expansion population cost in 2020)
- Less opportunity to “Medicaid-ize” existing state services
- No new Federal funds for expansion population
- Less multiplier impact of Federal funds

# COSTS INCURRED DESPITE SAYING “NO”

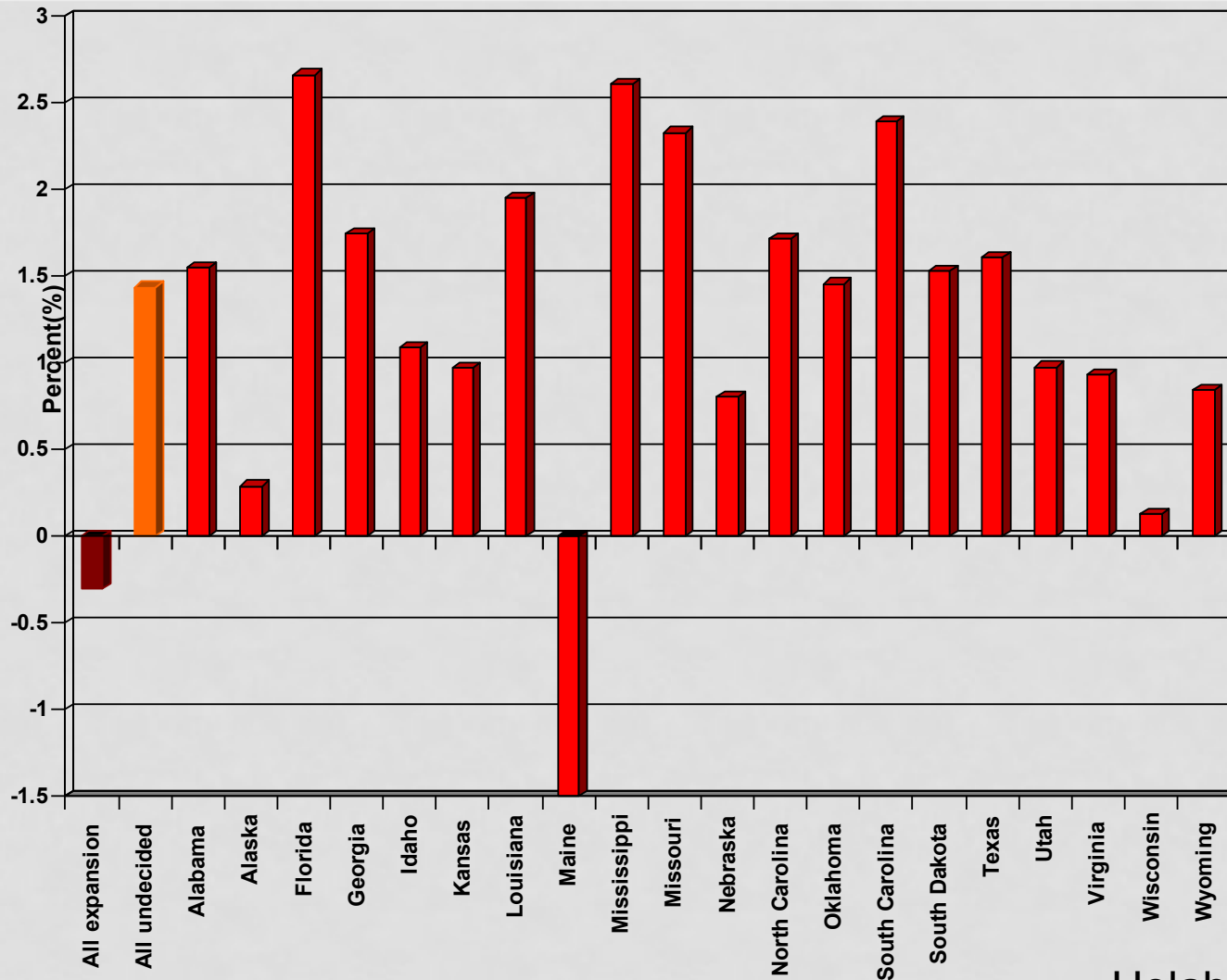
- State share of cost for “old eligibles” due to woodwork effect
- Diversion of Federal taxes (general revenues) paid by state taxpayers toward Federal share of expansion in expansion states

# STATE COSTS OF EXPANDING MEDICAID

# DIRECT STATE COSTS OF EXPANSION AS SHARE OF STATE BUDGETS, 2022

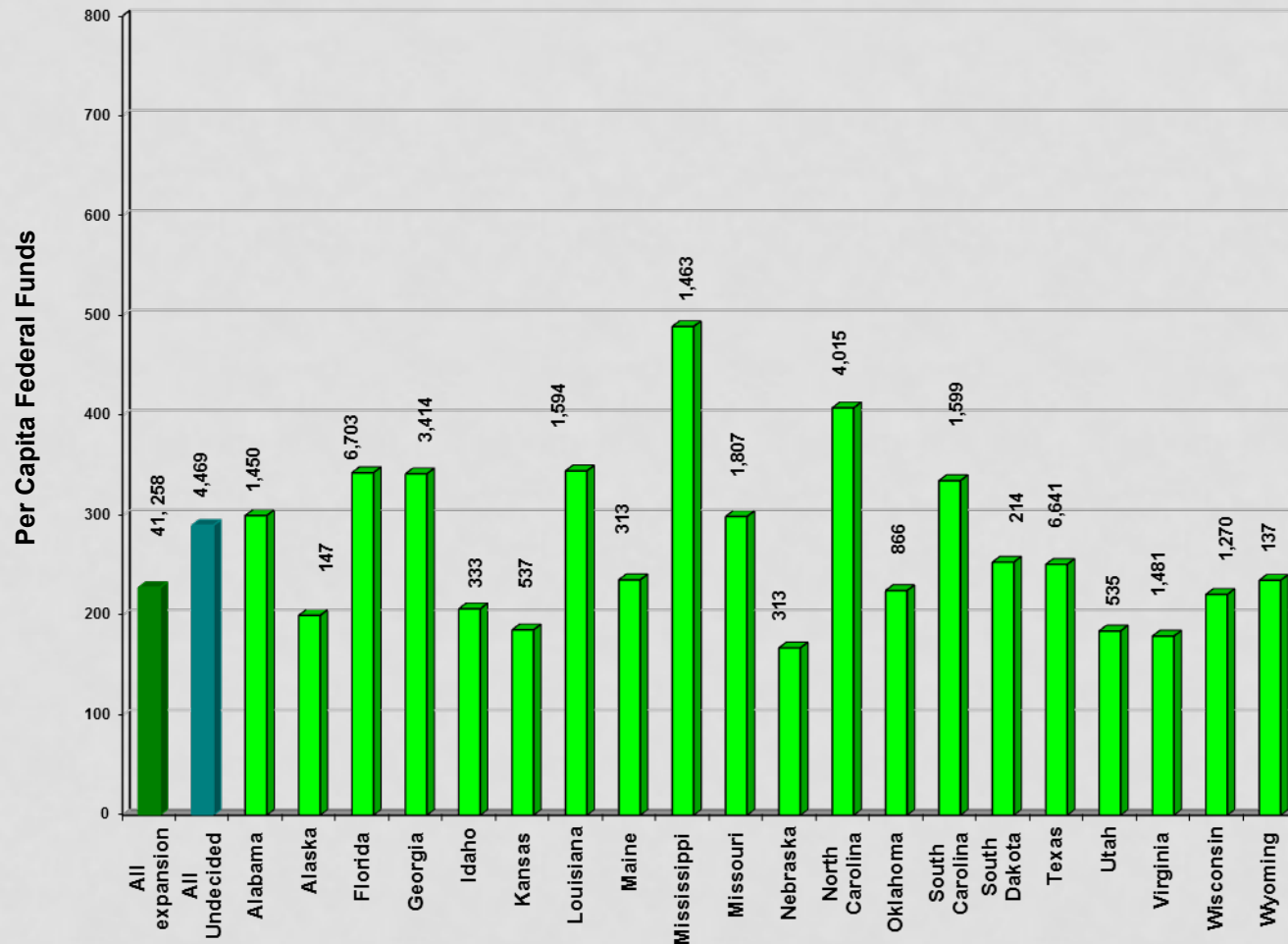


# COSTS TO STATE BUDGETS NET OF UNCOMPENSATED CARE, 2022



COMPARED TO WHAT?

# PER CAPITA FEDERAL FUNDS FOREGONE, 2016

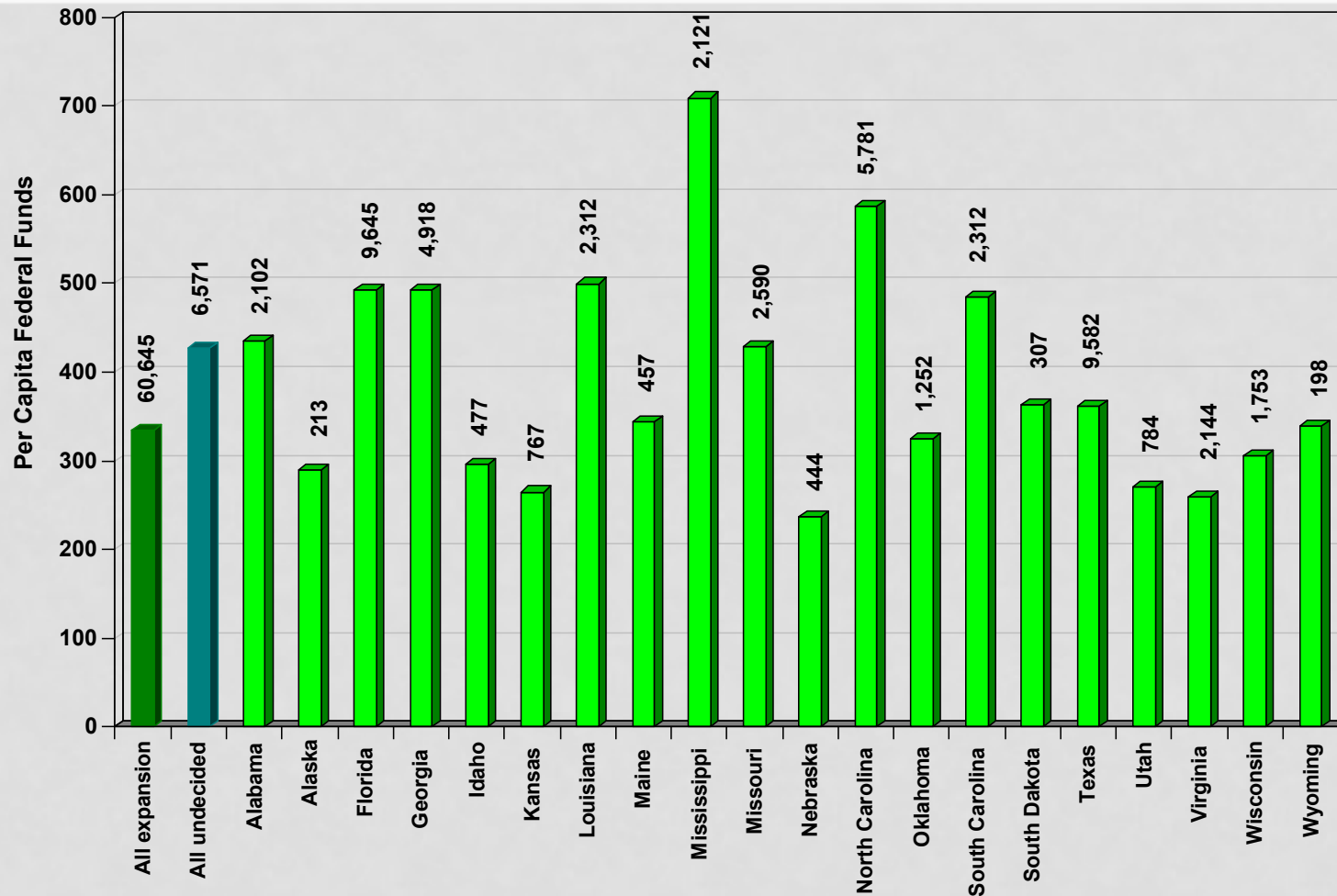


\* Individual data labels: Aggregate Federal Funds in millions

Based on Holahan et al.



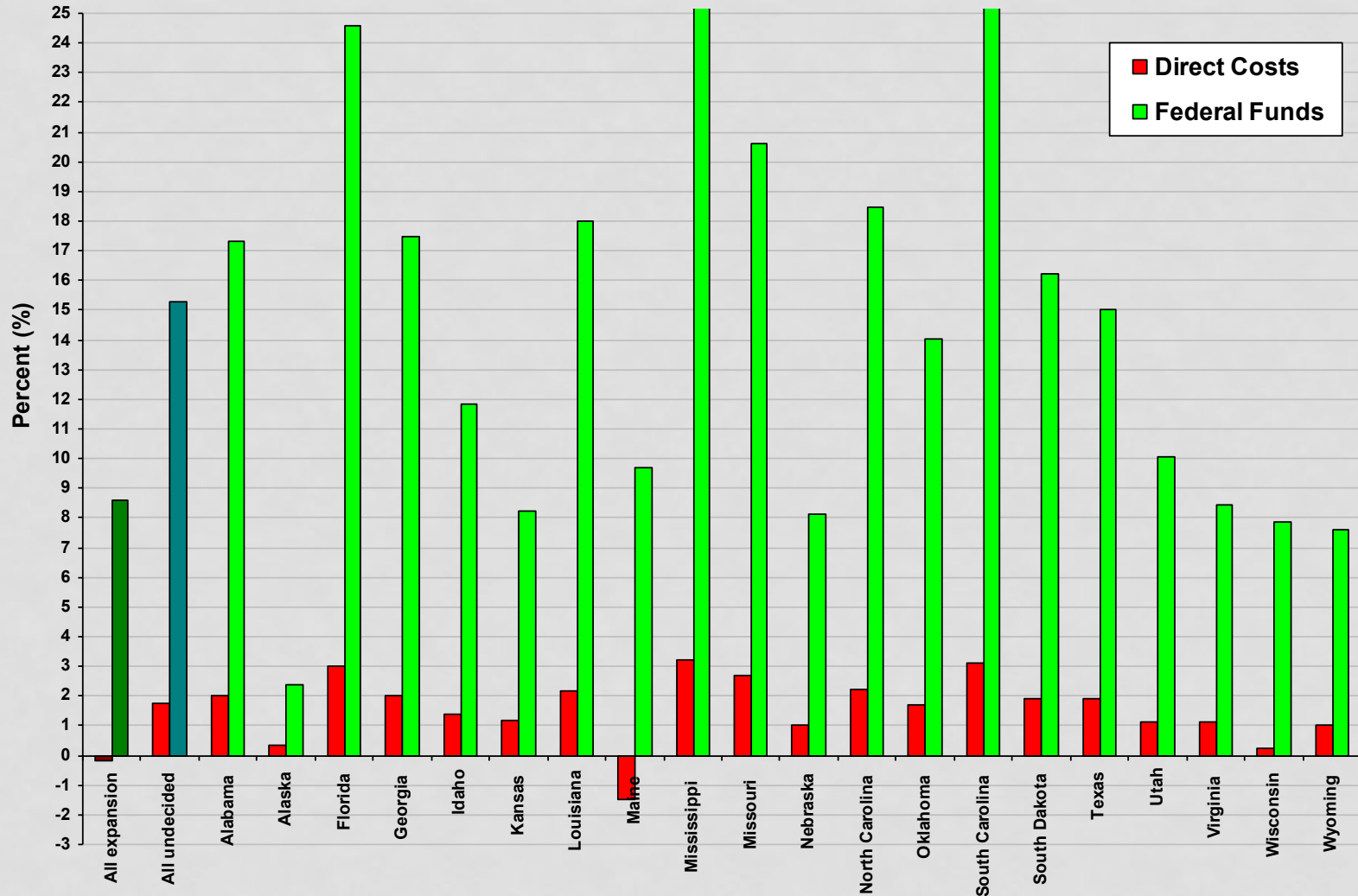
# PER CAPITA FEDERAL FUNDS FOREGONE, 2022



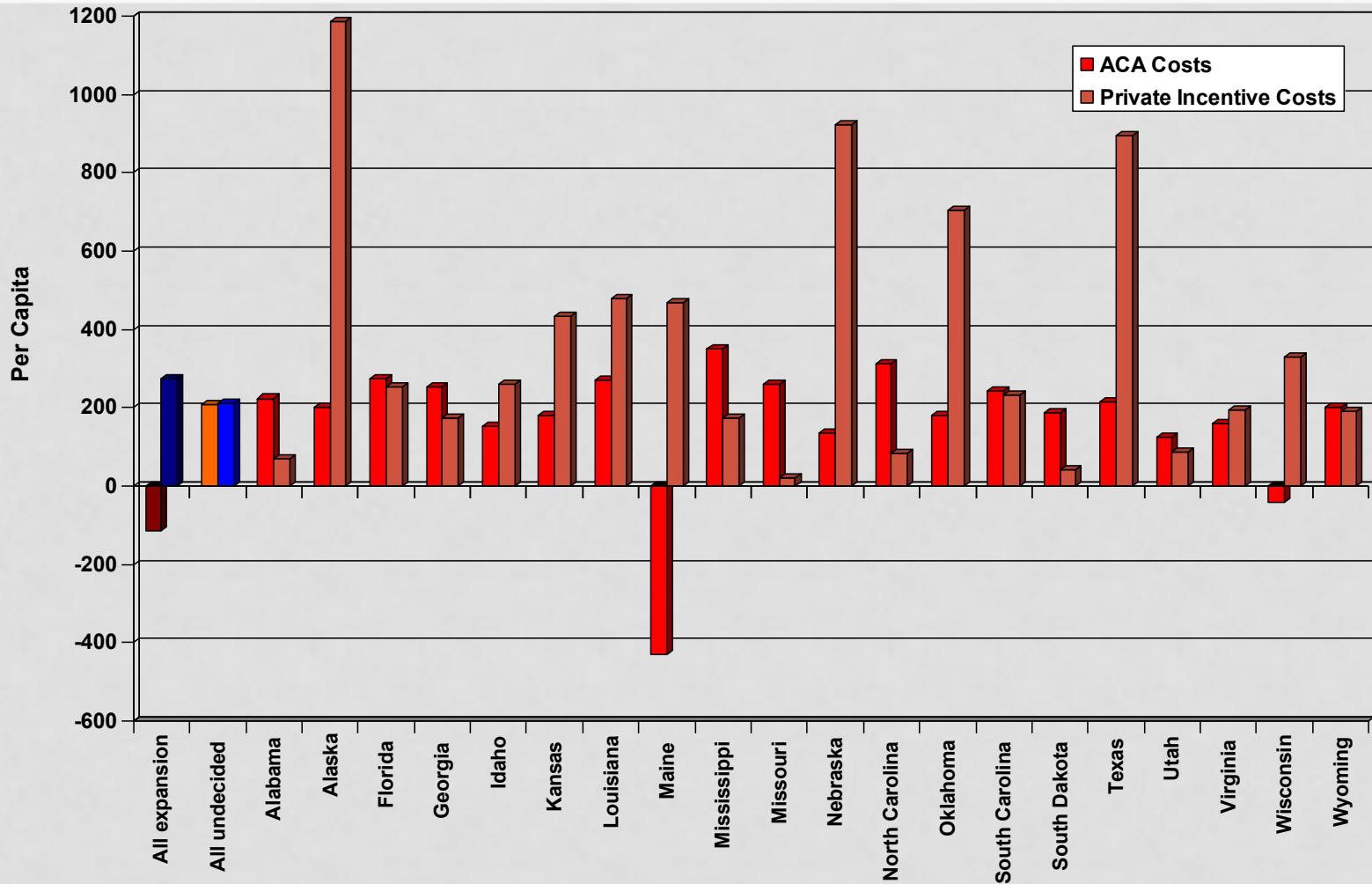
\* Individual data labels: Aggregate Federal Funds in millions

Based on Holahan et al.

# NET STATE COSTS VS. FEDERAL FUNDS FOREGONE / STATE BUDGETS, 2022

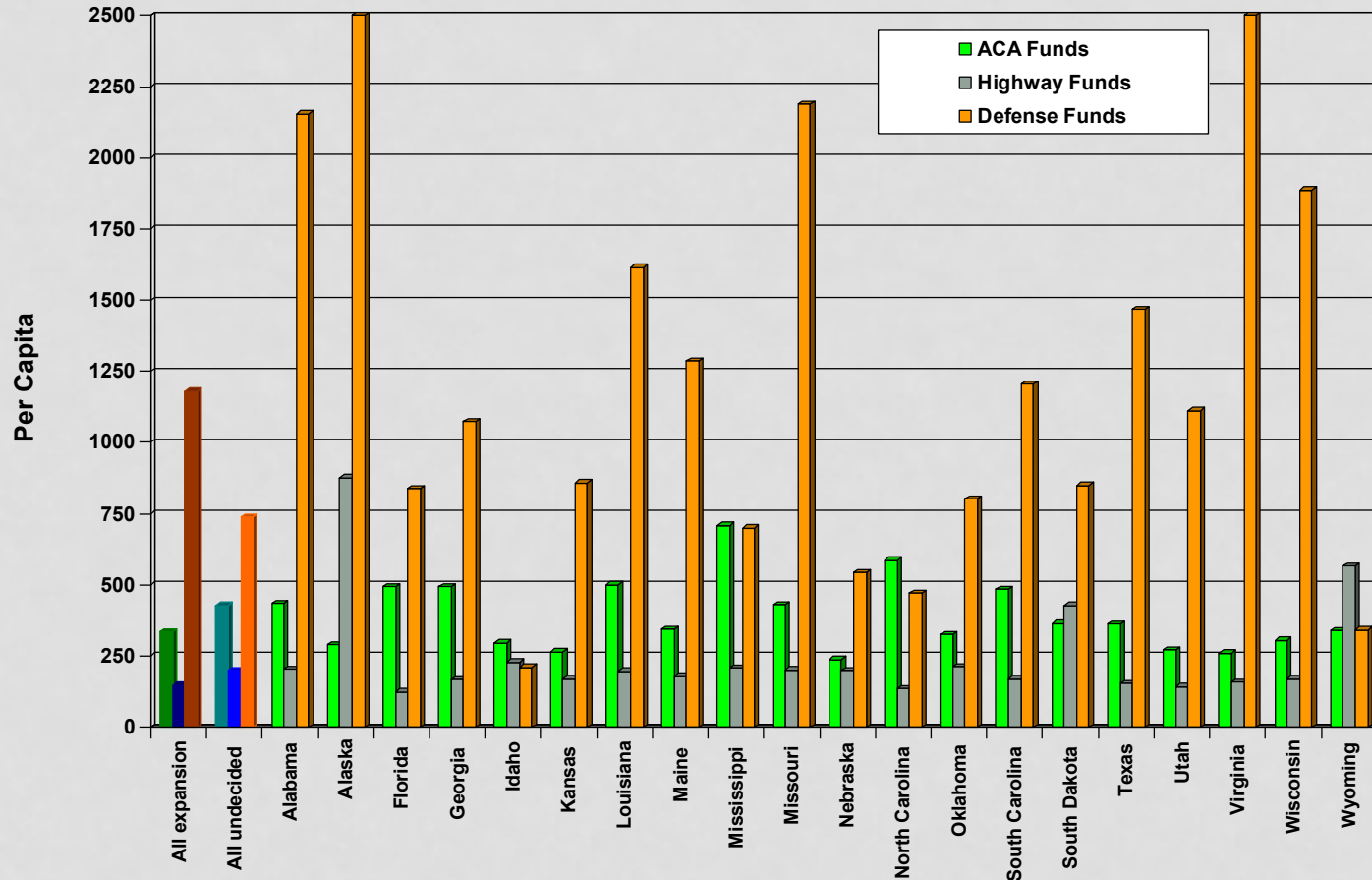


# PER CAPITA STATE DIRECT COSTS / PRIVATE INCENTIVES, 2022



Glied and Ma

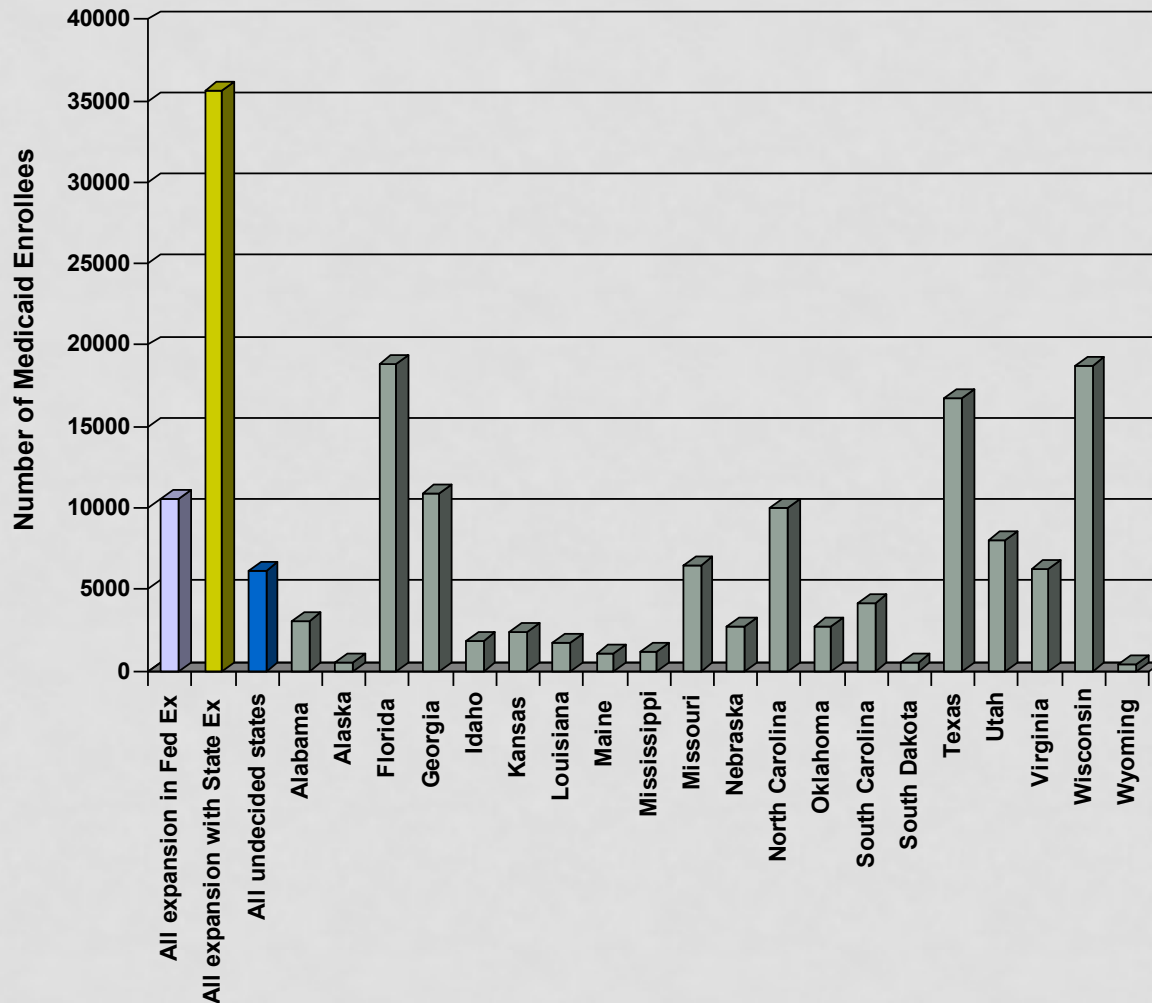
# PER CAPITA FEDERAL FUNDS FOREGONE/ HIGHWAY AND DEFENSE FUNDS, 2022



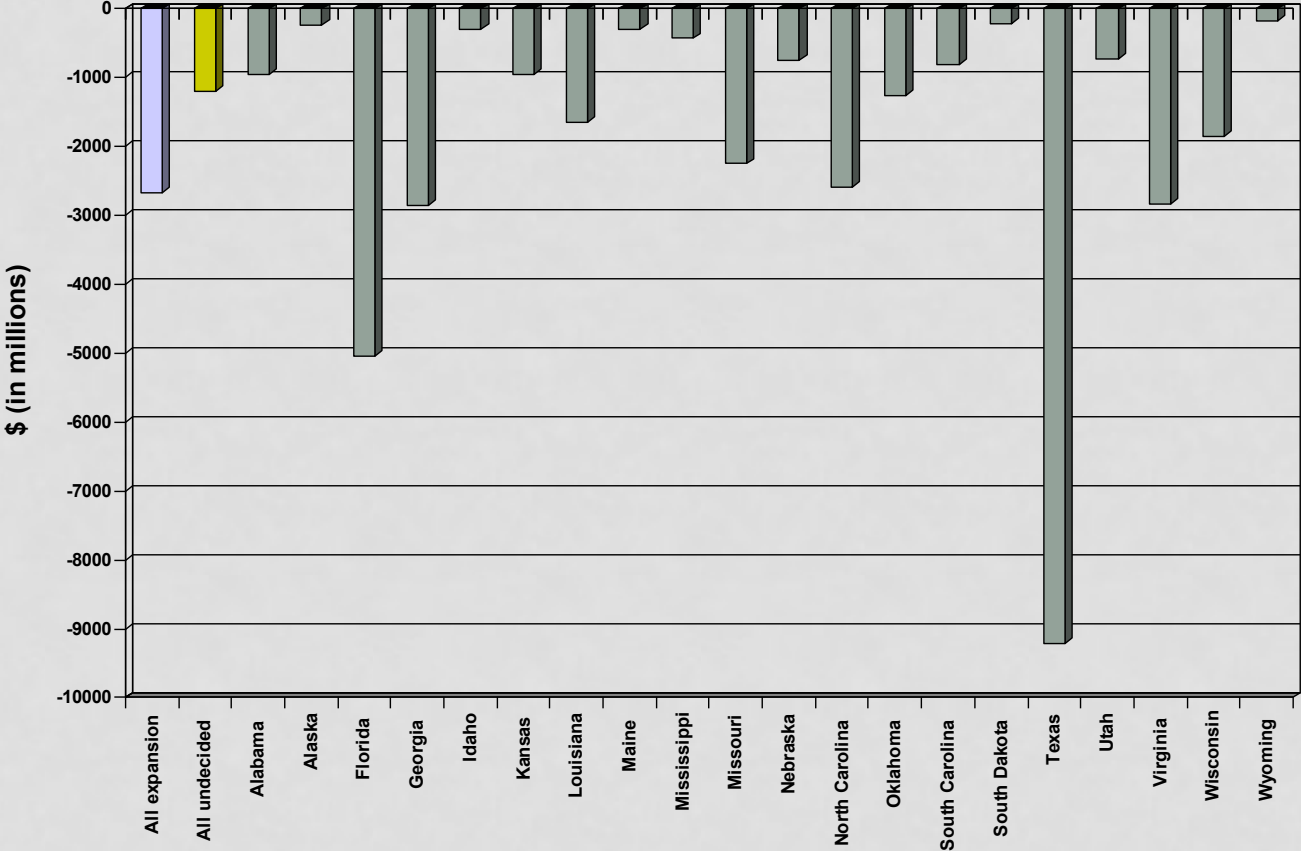
**COSTS INCURRED DESPITE  
SAYING NO**

# WOODWORK EFFECTS

NEW MEDICAID ENROLLMENT ON WEBSITES THROUGH DECEMBER  
2013



# NET FEDERAL REVENUE FLOWS IF STATES DON'T EXPAND, 2022



# WHO GAINS AND LOSES FROM NON-EXPANSION?

## LOSERS

- Low income non-expansion state residents
- Non-expansion state residents who own or are employed by businesses associated with health care (and multipliers)
- State residents who own or are employed by businesses used by beneficiaries (and multipliers)

## GAINERS

- Taxpayers in expansion states
- Non-expansion state residents who pay high state taxes but do not benefit from state economic growth



# FURTHER INFORMATION

- Medicaid brief

<http://www.commonwealthfund.org/Publications/Issue-Briefs/2013/Dec/Federal-Funds-Medicaid-Expansion.aspx>

- Holahan brief

<http://kaiserfamilyfoundation.files.wordpress.com/2013/01/8384.pdf>

- ASPE expansion data

[http://aspe.hhs.gov/health/reports/2013/marketplaceenrollment/dec2013/ib\\_2013dec\\_enrollment.pdf](http://aspe.hhs.gov/health/reports/2013/marketplaceenrollment/dec2013/ib_2013dec_enrollment.pdf)

- Sherry.glied@nyu.edu