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Medicaid Expansion – Good Jobs, Good Health

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Seldom, if ever, has such a big win-win proposal been put before the Montana Legislature as the opportunity in 2013 to enact an expansion of Medicaid coverage to thousands of Montanans under the Affordable Care Act.

Producing more than 10,000 jobs while at the same time making Montana and Montanans healthier, the bill was a policy bonanza that should have easily passed the Legislature, but was narrowly defeated based upon political dogma, not facts.

But now we, the people of Montana, have the opportunity to do what’s right for ourselves and our economy. Petitions are now circulating to put Medicaid expansion on the ballot this November so the people can do what the Legislature refused to do.

Let’s take a look at the economics. I have been involved in every Legislature since 1971. Since 1985 I have also been up to my eyeballs in local and state economic development, where the ultimate measure of success is more and better jobs and a growing economy.

In all those years, I have never seen a single Legislative bill that was such a giant job-creator. The non-partisan Montana Bureau of Business & Economic Research (the BBER) conducted an extensive study of Medicaid expansion prior to the last Legislature. Every Legislator was armed with the facts as they considered the issue. What were those facts?

Medicaid expansion would bring into Montana over the next eight years between $5.8 and $6.4 billion dollars. According to the BBER report, those funds would create between 11,500 and 12,700 jobs in Montana. Let me repeat that, about 12,000 permanent jobs would be created and sustained in Montana.

Sixty percent of those jobs would have been in the medical sector, which would contribute to them being higher quality jobs. The BBER estimated the jobs would average $42,000 per year, which is 20% higher than the average Montana job.

And those funds, driving those jobs, would result in a doubling of Montana’s projected economic growth over the next seven years.

By the standard economic development parameters – more and better jobs and strong economic growth – Medicaid expansion was an economic development bonanza.

In terms of healthy Montanans, Medicaid expansion would provide health care coverage for at least 70,000 Montanans who currently do not have such coverage. By and large, these are working Montanans on the lower rungs of the economic ladder. Some estimates say 100,000 more Montanans covered but, either way, a healthier Montana would be the result.
This Medicaid expansion would augment the Montana results of the Affordable Care Act sign-ups, which are significant in their own right in terms of improving healthcare outcomes in Montana. Officials with the three insurance companies providing such policies in Montana, Blue Cross/Blue Shield, PacificSource and the new Montana Health Cooperative, have said that they had, since last October, signed up 71,300 people for individual coverage, including the marketplace policies.

This increase in medical coverage in Montana, especially when complemented by Medicaid expansion, will have a great impact on the health of Montanans, which includes saving lives. A recent study of death rates in Massachusetts shows a 3% reduction of mortality over the first 4 years that healthcare coverage went into effect there under Governor Romney. Extrapolated to the national level, a 3 percent decline in mortality among adults under 65 nationally would mean about 17,000 fewer deaths a year. It’s fair to assume that the lives of many Montanans would be saved by Medicaid expansion.

So, the facts show that Medicaid expansion in Montana is where good economics and good health intersect. Given those facts, when someone approaches you to sign the petition to get Medicaid expansion on the ballot, get all voters in your family to sign.

Then prepare yourself for an onslaught of negative advertising during the fall election by the Koch Brothers supported groups designed to persuade you to vote against your own best interests and the best interests of the state, both economically and health-wise. When that happens, and it surely will, stay with the facts, not the political rhetoric and the dogma, and vote for Medicaid expansion in the Treasure State.

This is Evan Barrett in Butte, thinking about the health of my family, your family and all Montanans.

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Evan Barrett of Butte, but formerly from Red Lodge and Roundup, has spent the last 45 years at the top level of Montana economic development, government, politics and education. He is currently the Director of Business & Community Outreach and an instructor at Highlands College of Montana Tech. These are his personal views.