

# MEDICAID REFORM AND EXPANSION

## Federal Funding FAQ

### What if the federal government withdraws funding for Medicaid expansion?

It would take an act of Congress and approval of the President to withdraw federal funding for Medicaid expansion. Thirty states have expanded Medicaid; a majority of states have an interest in maintaining the federal match.

### If the match changes, won't Alaska be stuck with the bill for the expansion population?

No. The Governor's bill makes Alaska's participation contingent on maintenance of at least 90 percent federal match. A letter from US Department of Health and Human Services Secretary Burwell confirms Alaska can withdraw from the program should the state's contribution go above 10%.

### Isn't it wrong to give people Medicaid if we can't guarantee they'll have it forever?

Having health insurance even for a short time enables people to get preventive care and can improve health outcomes. The possibility of losing health coverage is no reason not to provide it in the first place.



### Aren't we just increasing the federal deficit by accepting federal Medicaid dollars?

Alaska accepts federal dollars for transportation, military, education, job training, and social services. We should also accept federal health care funding, which ensures a healthier workforce, strengthens small hospitals, and creates jobs.

Also, under the Affordable Care Act, federal funding for Alaska hospitals will drop nearly \$600 million in the next 10 years, with or without Medicaid expansion. These reductions were written into the ACA under the assumption that Medicaid expansion would offset the cuts. The U.S. Supreme Court made Medicaid expansion optional, but the scheduled cuts remain in place for all states.

“As taxpayers, Alaskans are already subject to increased federal taxes established to fund the national healthcare law. If Alaska continues to reject Medicaid expansion, Alaska businesses will pay twice.”

- Alaska Chamber  
April 8, 2015

<sup>1</sup> [http://alaskachamber.com/files/1274.pdf?utm\\_source=Capitol+Notes%3A+Special+Edition+-+24+Hour+Rule+in+effect+&utm\\_campaign=EOS+Capitol+Notes&utm\\_medium=email](http://alaskachamber.com/files/1274.pdf?utm_source=Capitol+Notes%3A+Special+Edition+-+24+Hour+Rule+in+effect+&utm_campaign=EOS+Capitol+Notes&utm_medium=email)

<sup>2</sup> See <http://d2vx0b949pmiku.cloudfront.net/wp-content/uploads/2012/11/Summary-Medicare-Cuts-11-6-13-v4.pdf>

<sup>3</sup> Alaska State Hospital and Nursing Home Association

Learn more at: [Gov.Alaska.Gov/Medicaid](http://Gov.Alaska.Gov/Medicaid)