

### **NORTH DAKOTA: CASE STUDY**

North Dakota opted to accept federal funding to expand Medicaid under the Affordable Care Act.

Medicaid expansion was passed by the North Dakota Legislature and signed into law by former Governor Jack Dalrymple in April 2013. Dalrymple was the fourth Republican Governor to throw support behind the expansion of Medicaid in early 2013. Enrollment began in October 2013, with coverage effective January 2014.

North Dakota's decision to participate in the Medicaid expansion has not only provided health insurance coverage to tens of thousands of low wage workers-but also provided an enormous boost to the

state's economy.

Numerous studies conclude that the expansion of Medicaid directly reduced costs to the state, and enabled the state to draw down billions of dollars in additional federal funding that supported jobs and maintained the state's healthcare infrastructure.

Indeed, according to the North Dakota Hospital Association, between NDFY 2015-2019, Medicaid expansion extended health coverage to 22,600 North Dakotans, bringing over \$946 million North Dakota tax dollars home, at a 24:1 ROI for North Dakota taxpayers.<sup>3</sup>



# FOLLOWING MEDICAID EXPANSION UNCOMPENSATED CARE WAS NEARLY CUT IN HALF TO \$150 MILLION

— North Dakota Hospital Association



## **UNCOMPENSATED CARE**

Medicaid expansion also let to a material reducation in uncompensated care cost for North Dakota Hospitals. In fact, prior to the Medicad expansion bad debt and charity care rose from \$102 million in 2008

to \$274 million in 2014-- a nearly three fold increase. Following expansion, hospitals saw a signficant decrease in the amount of uncompensated care. Bad debt was nearly cu in half to \$150 million in 2016.4

#### 1. HELPING COMMUNITY MEMBERS:

Medicaid expansion ensures 22,600 North Dakotans main health coverage, preserving healthcare access for our its most vulnerable citizens.

- 2. HELPING BUSINES OWNERS: Medicaid expansion keeps the cost of insurance low for the businesses that drive our economy.
- 3. HELPING HEALTHCARE PROVIDERS: Medicaid expansion is critical to covering operating costs at North Dakota hospitals

and clinics, the loss of which will results in staff cuts and closed facilities.

- 4. HELPING THE BOTTOM LINE: The Affordable Care Act cut some forms of hospital funding to pay for Medicaid expansion, therefore states are already investing in Medicaid expansion, regardless of whether they implement it.
- 5. A WIN FOR NORTH DAKOTA IN EVERYWAY: Medicaid expansion enjoys wide bipartisan support in North Dakota.

## NORTH DAKOTA HOSPITAL ASSOCATION

\$24 BACK FOR EVERY \$1 INVESTED

++ 24-1 ROI

NEW HEALTHCARE SPENDING

\$946M

TOTAL PEOPLE HELPED

23K PEOPLE

\* Data courtesy of the North Dakota Hospital Association. \$946 Million figure is the combined total from the 2015-2017 biennium and the 2017-19 biennium.