


Medicaid

# Closing the Coverage Gap in Utah: Health Insurance for Working Individuals and Families



Utah lawmakers have an opportunity to accept federal funds to increase access to affordable health coverage for low-income residents. Taking that opportunity would mean nearly 140,000 uninsured Utahns would gain access to affordable health insurance.\* For many of these residents, this would be their only opportunity for health coverage.

Accepting federal funds would allow Utah to cover low-income residents with incomes up to 138 percent of the federal poverty level, which is \$27,310 for a family of three in 2014. This would extend health coverage to many more adults. The state's current Medicaid program only covers parents with extremely low incomes (family income must be no more than 47 percent of poverty, which is roughly \$9,301 for a family of three). A limited number of non-disabled adults without dependent children, and parents who don't qualify for Medicaid, have very limited insurance coverage through Utah's Primary Care Network (PCN) program. Most adults without dependent children do not have any coverage no matter how low their income.

Utah can increase access to health coverage at any time, but has not yet chosen to do so. If Utah does take up this opportunity, the federal government will pay virtually all costs of health coverage for newly eligible individuals.<sup>1</sup>

\*This is an estimate of the number of uninsured Utahns with incomes under 138 percent of poverty, the group that would benefit if Utah extended coverage. This report profiles that group. Not all of these individuals will enroll in the program. The number who enroll could be much smaller and will depend on a variety of factors such as state outreach and education. See the Methodology section for more information on how this estimate was derived; different methodologies will yield different results.

## Most Who Would Be Helped by Expanding Health Coverage Are Working

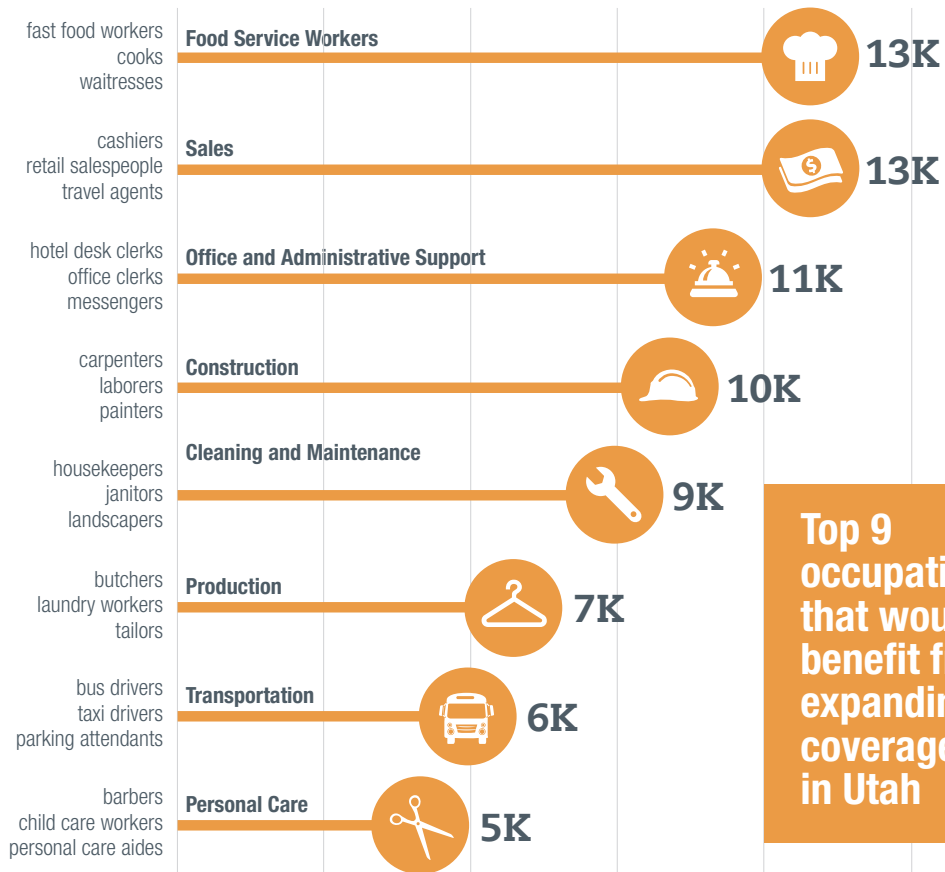
If the state chooses to increase access to affordable health coverage, most of the uninsured Utahns who would benefit are working. In fact, approximately 66 percent—more than 90,000—of these Utahns are currently working or have worked within the last year. Of the 34 percent who are not working, more than half (18 percent of all who could benefit) are classified as “not in the workforce.” They include people with disabilities, students, non-working spouses, and people who have left the workforce.<sup>2</sup> The remaining 16 percent are unemployed.

These uninsured Utahns work in occupations that most people encounter and rely on every day. These workers are in industries that are critical to the state's economy: They are fast food workers, telephone operators, cashiers, electricians, and janitors. They work in industries that range from transportation and construction to the production and retail sectors.

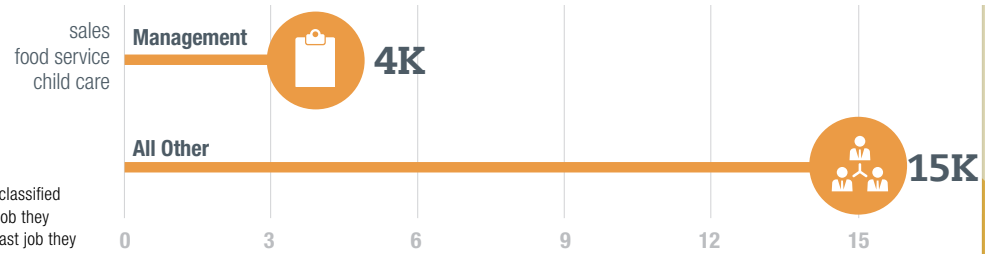
## Top 9 occupations of the employed but uninsured in Utah who would benefit from expanding health coverage



Most of those who would benefit if Utah expanded health coverage are working adults. Fully 66 percent of those who could benefit work in occupations that Utah residents rely on, supporting industries that are the foundation of the state's economy.



Top 9 occupations that would benefit from expanding coverage in Utah



Note: People are classified according to the job they now have or the last job they held in the prior 12 months.

## Expanding coverage is a sound investment for Utah, creating a healthier workforce and strengthening the state's economy.

Our calculations define Utah adults with incomes under 138% of poverty who are employed but lack health insurance and who are currently working or who have worked in the last 12 months. This population is equal to 66 percent of the 140,000 uninsured adults who could benefit if the state expanded health coverage. It excludes the following: people who have never worked or who have been out of the workforce for 5 years or more (18% of the 140,000 uninsured adults), and those we define as "unemployed," who had not worked in 1-5 years (16% of the 140,000 uninsured adults).

Source: These data are based on information from the American Community Survey, which is conducted by the U.S. Census Bureau. Data are based on an analysis of uninsured Utah residents ages 18-64 with family incomes up to 138% of poverty (\$27,310 for a family of three in 2014).

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## Health Insurance for More Utahns Is an Investment in Utah's Workforce and Its Economy

Utah's governor and legislature are working together for economic growth and a bright future for Utah. Members of both political parties agree that a strong workforce is critical to the state's future economic success.<sup>3</sup>

Perhaps no action represents a smarter long-term investment in Utah's workforce and future economic success than ensuring that its workers are prospering and healthy. Accepting the federal funds to extend health coverage would give hundreds of thousands of working Utahns access to affordable health insurance. That will create a healthier, more productive workforce that would benefit Utah employers.<sup>4,5</sup>

But making the choice to take the federal funds to extend coverage will do more than provide many Utahns with health insurance: It will provide an economic stimulus to the entire state. Currently the federal government pays for roughly 70 percent of the Medicaid program, and the state pays the rest. If Utah takes up the option to extend health coverage, federal funding is much more generous—through 2016, the federal government will pay all of

the costs for those gaining insurance coverage. The federal share will then gradually fall to 90 percent in 2020, where it will stay.

If Utah opts to accept the federal funds to expand health coverage, substantial new money will come into the state over the next 10 years. This influx of new dollars will have a significant impact on the state's economy. If Utah had taken up this option in January 2014 when it was first available, the new federal funds flowing into the state would have supported 2,264 jobs and added roughly \$138 million to the gross state product (GSP).<sup>6</sup>

### It Is Time to Move Forward

Utah can choose to have a healthier workforce and more jobs at any time. It can take the federal funds to extend health coverage rather than leave its workers behind—and walk away from federal dollars on the table. This decision is in the hands of state leaders.

For a complete list of citations and the methodology for this publication, visit:  
[www.familiesusa.org/product/expanding-health-coverage-working-individuals-and-families](http://www.familiesusa.org/product/expanding-health-coverage-working-individuals-and-families)

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