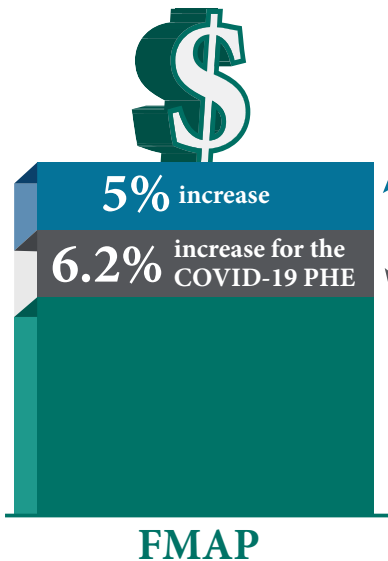
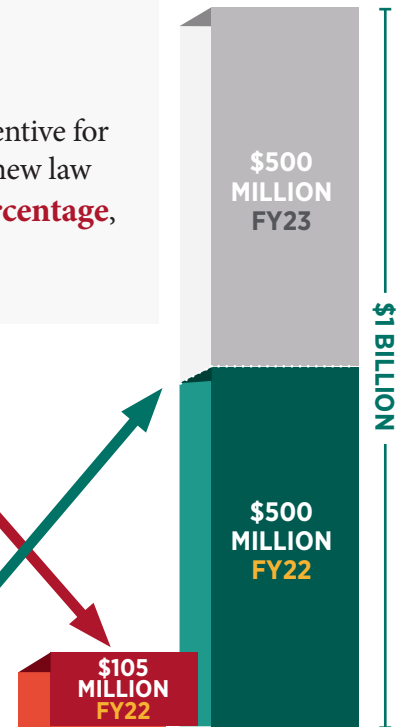


EXPANSION INCENTIVE

The **American Rescue Plan Act of 2021** provides a significant financial incentive for states to implement Medicaid expansion if they have not already done so. The new law authorizes a targeted **5% increase in the Federal Medicaid Assistance Percentage**, which is the share of Medicaid costs paid by the federal government.

Gov. Parson's current budget proposal for implementing Medicaid expansion has a **general revenue cost of \$105 million** for FY 2022.

The new law would **bring \$1 billion in unanticipated revenue to Missouri** throughout the two years the incentive is available.



THE 5% FMAP INCREASE:

Is authorized for eight calendar quarters (two years) after Missouri's Medicaid expansion spending begins.

Applies to Medicaid costs of the traditional eligibility groups covered by Medicaid — the elderly, disabled, blind, pregnant women, and low-income parents and children. *It does not apply to the expansion population, the CHIP program or Medicaid disproportionate share hospital payments.*

Is added to the **6.2% FMAP increase** being paid to states during the federally declared COVID-19 public health emergency.

Is available only to states that have not implemented Medicaid expansion before the March 11, 2021, effective date of the federal law.

PUBLIC OPINION

Nearly **two-thirds of voters (65%) favor implementing the expansion of Medicaid**, with only 26% opposing it.

When voters hear the arguments supporting expansion, **favor increases to 70% for the legislature to implement the expansion of Medicaid**, with only 23% opposing it.

There is a high level of agreement that the will of the voters should be followed, especially because **COVID-19 reminded us of the importance of health care** and Medicaid expansion will insure those who earn less than \$18,000 a year.

The data indicate that public opinion favors the legislature implementing the will of the voters and expanding Medicaid during the legislative session.