



Medicaid Expansion Makes Nebraskans, Our Communities, and Our Economy Healthier

Nebraskans Worked Together to Demand Medicaid Expansion

Nebraskans came together to advocate for Medicaid expansion over the course of nearly a decade. Efforts included multiple legislative attempts, rallies and education, a successful ballot initiative, administrative advocacy to oppose a tiered benefit system with work requirements, and others.¹ In October 2021, Medicaid expansion was fully implemented so that all enrollees automatically receive the same benefits, including dental, vision, and over-the-counter drug coverage, nearly three years after Nebraskans voted to mandate that the state implement the program.²

Since Medicaid expansion was implemented, tens of thousands of Nebraskans have gained access to health coverage through the program. The chart below shows the number of enrollees in Medicaid expansion each month as reported by Nebraska DHHS in monthly reports.³ As the graph shows, after a steady rise to a peak enrollment of 84,096 in April 2023, enrollment in this category declined during the unwinding of COVID-19 continuous coverage protections.⁴ For over four years, tens of thousands of Nebraskans have consistently relied on Medicaid expansion to ensure their access to health care.

Nebraska Medicaid Expansion Enrollment by Month



Month and Year Reported in DHHS Monthly Medicaid Expansion Reports to Nebraska Legislature and Governor

1. *How Did We Get Medicaid Expansion in Nebraska?*, Nebraska Appleseed, accessed Jan. 16, 2025, <https://neappleseed.org/medicaidexpansion>.

2. *Id.*

3. *View Agency Reports*, Nebraska Legislature, accessed Jan. 16, 2025, <https://neappleseed.org/wp-content/uploads/2024/12/Medicaid-Unwind-Brief-12.2024-Nebraska-Appleseed.pdf>.

4. For more information on COVID-19 Medicaid protections and unwinding, see Kelsey Arends, Nebraska Appleseed, *Unpacking the Medicaid "Unwind"*, Dec. 2024, <https://neappleseed.org/wp-content/uploads/2024/12/Medicaid-Unwind-Brief-12.2024-Nebraska-Appleseed.pdf>.

Medicaid Expansion Fills Critical Gaps

Medicaid Expansion Enrollees Need Coverage

Prior to the implementation of Medicaid expansion, many Nebraskans who now qualify for the expansion category fell into “the coverage gap,” meaning that they were ineligible for traditional Medicaid coverage but also did not make enough income to afford other insurance or qualify for premium tax credits for coverage on the Health Insurance Marketplace.⁵ Medicaid expansion enrollees generally do not have other affordable options for health insurance.

Medicaid expansion improves access to care, utilization of services, the affordability of care, and financial security among low-income individuals.⁶ Studies also show post-expansion improvements in self-reported health and an association with certain positive health outcomes.⁷ Expansion further reduces mortality overall and for specific health conditions.⁸ Specifically, expansion is associated with significant declines in mortality for different types of cancer, cardiovascular disease, liver disease, maternal mortality, and others.⁹ Expansion significantly increases access to and utilization of maternal care and generally is associated with improvements in birth outcomes.¹⁰

Medicaid Expansion Promotes Economic Security for Nebraska Families

Medicaid expansion has ripple effects and provides stability in multiple areas of Nebraskans’ lives. For example, studies show expansion is associated with reductions in rates of food insecurity, poverty, and home evictions.¹¹ Medicaid expansion has further shown a stabilizing effect by decreasing catastrophic health expenditures (health care spending as a percentage of family income), greater increases in income, and decreased levels of income inequality.¹²

Medicaid Expansion Addresses Disparities - Particularly for Rural Communities and Communities of Color

Medicaid expansion is associated with greater improvements in access to care in rural areas and rural hospitals experience particularly substantial improvements in financial performance after expansion.¹³ As discussed further below, at a critical time for rural hospitals and health care access in rural communities, Medicaid expansion is a proven

5. Molly McCleery, *Medicaid Expansion in Nebraska: Addressing Socioeconomic Inequities*, 52 Creighton L. Rev. 411 (2019), <https://cdr.creighton.edu/server/api/core/bitstreams/33ebee0d-ab43-4831-bfca-7890c0232c96/content> (last visited Jan. 16, 2025).

6. Madeline Guth, Rachel Garfield, & Robin Rudowitz, *The Effects of Medicaid Expansion Under the ACA: Studies from January 2014 to January 2020*, Henry J. Kaiser Family Foundation (KFF), Mar. 17, 2020, <https://www.kff.org/medicaid/report/the-effects-of-medicaid-expansion-under-the-aca-updated-findings-from-a-literature-review/>.

7. *Id.*

8. *Id.*

9. Madeline Guth & Meghana Ammula, *Building on the Evidence Base: Studies on the Effects of Medicaid Expansion*, KFF, May 6, 2021, <https://www.kff.org/medicaid/report/building-on-the-evidence-base-studies-on-the-effects-of-medicaid-expansion-february-2020-to-march-2021/>.

10. *Id.*

11. Guth et al., 2020, *supra* note 6.

12. Guth et al., 2021, *supra* note 9.

13. *Id.*

support. Additionally, evidence shows that expansion has improved access to care and narrowed health disparities based on race and ethnicity.¹⁴

Medicaid Strengthens Nebraska's Economy

Research shows Medicaid expansion has overwhelmingly positive effects on economic outcomes for states, hospitals, and providers.¹⁵ Approximately 60,000 Nebraska providers are contracted and providing services to patients with Medicaid.¹⁶ Expansion improves provider operating margins and profitability, particularly for hospitals in rural areas and small hospitals.¹⁷ This support to rural hospitals is particularly important as the past decade has seen 120 rural hospital closures or reductions in services nation-wide, which have adverse economic effects on rural communities and limit access to care.¹⁸

In the first two years of Medicaid expansion in Nebraska:

- The **uninsured rate** in Nebraska **dropped 14.5%**, the most significant drop in more than a decade;
- Nebraska **hospitals** experienced a **\$20 million reduction** in the amount of **financial assistance** or uncompensated care they had to write off; and
- Nebraska **bankruptcy filings fell by 23.5%**, outpacing the national average decrease during the same time period of only 17.7%.¹⁹

Analysis of the effects of Medicaid expansion on state economies show results of increased revenue and net state savings by offsetting costs in other areas.^{20,21} Further, expansion is associated with gains in employment and growth in the labor market.²²

The following graphic shows the weight and range of research on the effects of Medicaid expansion on economic measures.²³

14. Sarah Somers & Jane Perkins, *The Ongoing Racial Paradox of the Medicaid Program*, 16 J. Health and Life Sci. L. 96 (2022), p. 103-105, American Health Law Association, www.americanhealthlaw.org/journal.

15. Guth et al., 2021, supra note 9.

16. *Nebraska Medicaid Annual Report*, Nebraska DHHS, p. 3, December 1, 2024, [https://nebraskalegislature.gov/FloorDocs/108/PDF/Agencies/Health and Human Services Department of/107_20241227-115219.pdf](https://nebraskalegislature.gov/FloorDocs/108/PDF/Agencies/Health%20and%20Human%20Services_Department_of/107_20241227-115219.pdf).

17. Guth et al., 2021, supra note 9.

18. Joan Alker, Aubrianna Osorio, & Edwin Park, Georgetown University McCourt School of Public Health Center for Children and Families, *Medicaid's Role in Small Towns and Rural Areas*, Jan. 15, 2025, <https://ccf.georgetown.edu/2025/01/15/medicaids-role-in-small-towns-and-rural-areas/>.

19. Martha Stoddard & Henry J. Cordes, Omaha World Herald, *Expanded Medicaid Leaves Fewer Nebraskans without Health Coverage*, Sep. 25, 2022, updated Oct 30, 2023, https://omaha.com/news/state-and-regional/govt-and-politics/expanded-medicaid-leaves-fewer-nebraskans-without-health-coverage/article_3d9e91e8-38fa-11ed-bdbb-47e8fa6fbef7.html.

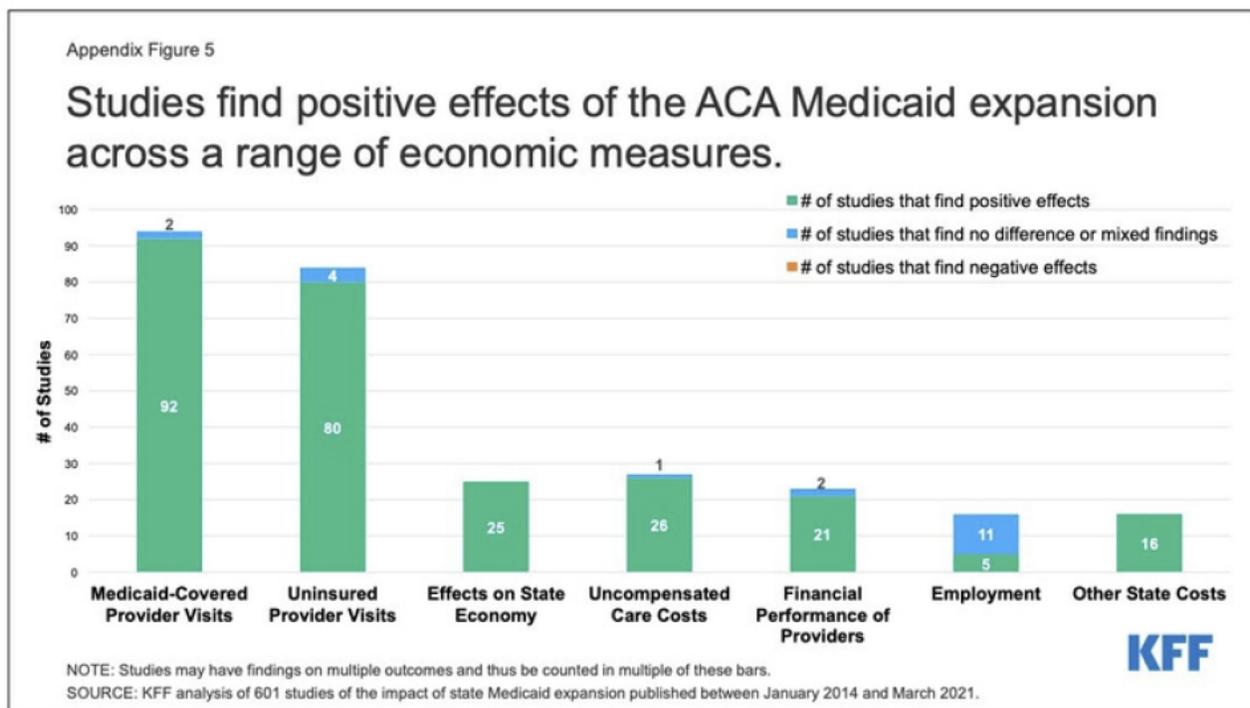
20. Guth et al., 2020, supra note 6.

21. Guth et al., 2021, supra note 9.

22. Guth et al., 2020, supra note 6.

23. Guth et al., 2021, supra note 9.

Economic effects (Appendix Figure 5). Studies find positive effects of Medicaid expansion on a range of economic measures. Economic effects of expansion include improvements in payer mix and other impacts on hospitals and other providers and positive effects on state budgets and economies. Studies also consider Medicaid spending per enrollee, marketplace effects, and employment and labor market effects.



Nebraskans Need Medicaid Expansion to be Protected at the State and Federal Level

Medicaid must be protected from funding cuts, caps, or other restrictions on essential care and coverage, at the state and federal level. Any cut to Medicaid is a direct attack on the health and financial security of Nebraskans. Nationwide, three-fourths of the public say they have a favorable view of the program, while only one-fifth say they have an unfavorable view. A majority of people across the political spectrum - Democrats (89%), independents (75%), and Republicans (65%) - view the program favorably.²⁴

Medicaid expansion critical to ensuring Nebraskans’ health and security, and that of our communities, health system, and state overall.