

HEALTHY DEMOCRACY ROAD SHOW

**A grass roots campaign to spread the truth
about democracy and health care in South Carolina**

Organizers' Toolkit

Compiled by the SC Progressive Network Education Fund
July 2014

Resources

The SC Progressive Network's web site — www.scpronet.com — has this Toolkit and other organizing material available for free download. It also includes links to South Carolina and national resources on Medicaid expansion and the Affordable Care Act.

Many groups are working on Medicaid expansion in South Carolina. Some useful links include:

- **SC Hospital Association:** Offers information and videos on the issue at www.scha.org/medicaidexpansion.
- **Accept Me SC:** A coalition that includes nonprofits, hospitals and small businesses. Find them at www.schealthcarevoices.org • facebook.com/Acceptmesc
- **Harvard Law School, Center for Health Law and Policy Innovation:** Includes a South Carolina specific PowerPoint presentation by Robert Greenwald at www.law.harvard.edu/academics/clinical/lsc/clinics/health.htm
- **The Kaiser Commission on Medicaid Expansion** study “The cost and coverage implications of the ACA Medicaid Expansion” gives great detail and state comparisons of costs that differ greatly from Gov. Nikki Haley's figures. See the 50-page report at www.kff.org/medicaid/8384.cfm
- **“The Economic Impact of the Affordable Care Act,”** by the Darla Moore School of Business, USC, at www.scha.org/medicaidexpansion
- **SC Primary Health Care Association:** Federally and state-funded community health care centers at www.scphca.org
- **“Dying for Coverage: The Deadly Consequences of Being Uninsured”** by Families USA. This publication is available at www.familiesusa.org

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This Toolkit is available for free download under “Healthy Democracy” at www.scpronet.com.



This toolkit is to help health care advocates and grass roots organizers:

- ▼ Make clear arguments for expanding Medicaid and understanding the forces behind South Carolina's opposition to the Affordable Care Act.
- ▼ Understand the movement-building strategy of advocating for health care as a right.
- ▼ Commit to a organizing campaigns that extend beyond candidates, elections or parties.
- ▼ Strategically target your work to educate voters with sophisticated data and mapping services.
- ▼ Build a strong movement for progressive change that will empower citizens and benefit all who call South Carolina their home.

The Healthy Democracy Road Show is a nonpartisan project of the SC Progressive Network Education Fund. It is a continuation of the Network's health care advocacy work on the Affordable Care Act and Medicaid expansion in South Carolina. Participants must sign an agreement to not advocate for or against a candidate. We educate and agitate around issues, and let the voters decide which candidate represents their interests.

The Healthy Democracy Road Show's challenge is to reach the more than 600,000 South Carolinians who don't have health insurance and make sure they know that state lawmakers refused to accept federal funding to provide them free, or subsidized, health care. We have the names and addresses of 294,217 registered low-income SC voters who were denied no-cost, or information on low-cost health care this year. The Harvard School of Public Health predicts that more than 1,000 of them will die this year because they lack access to adequate health care.

In 2010, the governor's race was decided by 60,000 votes. A goal of the **Healthy Democracy Road Show** is to educate registered voters who were denied health care, helping them understand the state's policy on Medicaid expansion and the Affordable Care Act, and encourage them to vote in their own best interests.

Overview

We believe it is our moral obligation to challenge state lawmakers' and Gov. Nikki Haley's refusal to accept Medicaid expansion for South Carolina. The numbers, common sense and decency are on our side. Gov. Haley defends her refusal to accept the nine-to-one match in (our) tax money by claiming, "What good do the nine dollars do us when we can't come up with the one?"

Truth is, a USC School of Business study found that accepting the Medicaid expansion funding — and the 44,000 jobs it would create — would see the state \$9 million in the black by the time the 10% match was due. It's not the lack of revenue that may kill Medicaid expansion; it's rigid ideology that has promoted the idea that government is bad and the taxes that support it are unfair. That political mindset threatens not just health care, but education, environmental regulations, workers rights and so on.

Medicaid expansion is an opportunity to expose the amorality of the anti-government extremists who are running state government, and to demand that they stop playing politics with people's lives.

Who Decides?

Like much associated with the Affordable Care Act, it remains unclear whether the SC governor can over-ride the legislature in accepting Medicaid expansion. Kentucky Gov. Steve Beshear bypassed his legislature and issued an executive order for the state to expand Medicaid and implement the ACA. Since October, 421,000 Kentuckians have been enrolled. A Kentucky Tea Party activist lost a federal lawsuit to stop the executive implementation of the Medicaid expansion, but the case is being appealed.

In South Carolina, the legislature would decide to appropriate funds to implement expansion, but since the program is 100 percent federally funded for the first three years, the governor could argue that no state money is necessary. Electing candidates who support the ACA would change the political dynamic about “Obamacare,” prevent a veto of a bill to accept the money, and greatly improve the chances of getting legislation passed.

What next?

We support the ACA while advocating a single-payer plan not based on profit. The anti-ACA forces will be back with numerous efforts to obstruct the ACA in SC. In the 2015 legislative session we can anticipate:

- Reintroduction of the “Anti-Commandeering Act” to make illegal publicly financed support of the ACA
- Legislation to regulate nonprofit ACA Navigators (such as the SC Progressive Network) through the state Dept. of Insurance. Tests, fees, fines and penalties will be intended to deter promotion of the ACA.
- Anti-ACA forces supporting an “Arkansas Plan” for Medicaid expansion that would allow the state to privatize Medicaid expansion funding. Diverting the funding through insurance companies would add at least 15 percent to the state’s cost but satisfy the free market’s demands.
- A progressive legislative proposal for SC to adopt the “Vermont Model” of ACA implementation, a version close to a state-based nonprofit system. If we push Vermont and they push Arkansas, maybe we can get generic expansion passed.

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Questions? Concerns? Suggestions?

Contact the SC Progressive Network.

Call 803-808-3384 or email network@scpronet.com.

For more, see www.scpronet.com. Find us on Facebook, Twitter and YouTube.

Timeline

July

Establish working groups:

- **Tech** (mapping and data gathering, setting up phone banking)
- **Media campaign** (messaging for canvassing script & talking points)
- **Theatre** (virtual and real road show)
- **Recruit crews** (set up organizing teams around the state)

Get handouts, both for organizers and public, written, designed and printed.
Write, print and post on line an organizer's Road Show tool kit
Identify and train up technical/data people
Develop and post to social media various Road Show pieces
Fund-raising

August

Training the trainers
Neighborhood canvassing of targeted communities, voter registration, education
Road shows statewide
Media campaign to raise issue in mainstream and social media

Aug. 21-28: Public launch in select cities

September

Road Show events, town halls
Canvassing, voter registration, education
Media campaign to raise issue in mainstream and social media

October

Oct. 4: voter registration ends

Get out the vote
Road shows statewide
Media campaign to raise issue in mainstream and social media

November

Nov. 4: election protection

Nov. 15: Network fall retreat, Penn Center. Plan for 2015

What's the point of the Healthy Democracy Road Show?

To tell the truth about health care

If our democracy was healthy, it would reflect the need and will of the majority by enacting universal health care. The US is alone in the developed world in making health care a for-profit industry. Other nations have made health care a benefit of citizenship. Taxpayer-funded health care costs about half as much as we pay in the United States, it covers everyone, and gets better results. In these countries, no one loses their home if they get sick, or has to put on a bake sale to raise money for their kid's cancer treatment.

Our road show will be going into communities across the state talking to people have been denied health care due to our state's opposition to the Affordable Care Act (ACA). Lawmakers turned down \$1.4 billion this year to provide health care to 300,000 of our poorest citizens. We have the names and addresses of more than 127,000 registered voters who were denied no-cost Medicaid coverage this year. We need to let them know that our state's policy to reject "Obamacare" will cause some 1,300 of them to die this year.

We'll also be targeting the 200,000 citizens who don't have health insurance and didn't take advantage of the subsidized plans offered through the ACA. Because state leaders vilified "Obamacare" and turned down millions of dollars to help people sign up for the insurance, and because the media has done a poor job of educating people, most of them never knew they could get a policy at substantial discounts. We think they should know who refused to help them get health care, and help them understand how they can sign up. This voter education, registration and mobilization project will help voters make informed decisions about candidates for governor regarding their support for affordable, accessible health care.

This is a nonpartisan campaign. We are letting citizens know how the debate over "Obamacare" affects them and their family, and where the candidates stand on health care policy. Some candidates are strongly opposed to subsidizing health care with tax dollars, believing the free market will do a better job. Some candidates believe that the Affordable Care Act is a step towards insuring that health care is a right for all Americans.

To tell the truth about democracy

Democracy isn't working in South Carolina. In the global practice of electing representatives, the United States ranks 138th of 172 nations in voter turnout, averaging 47 percent since 1945. About 75 percent of the voting age population is registered to vote, but only about half turn out every four years. That means more people don't vote than do in South Carolina.

When Barack Obama was elected president in 2008, John McCain carried South Carolina by 172,447 votes. More than 500,000 voting-age black citizens didn't vote that election. In 2010, Gov. Nikki Haley beat Vincent Sheheen by 60,000 votes, while 1.2 million registered voters sat out the election.

Our election districts are drawn by the election winners, and 73 percent of the incumbents will win with 99 percent of the vote. (While we always made fun of the old Soviet elections with one candidate, Vladimir Putin won the recent Russian presidential election with only 68 percent of the vote.)

Republicans have been the majority party in SC since the mid-'90s, and the political districts have been increasingly drawn around racial lines to insure a Republican majority. These rigged districts mean that politicians don't have to represent the interests of all citizens, because fewer than 10 percent of citizens turn out in the primaries, mostly of the same race as the candidate. Remember that before the Republicans became the majority party, committed to representing privileged, white interests, Democrats did that job for about 80 years. A healthy democracy isn't about parties or candidates; it's about an educated and empowered citizenry that sets its society's priorities, and makes politicians follow them.

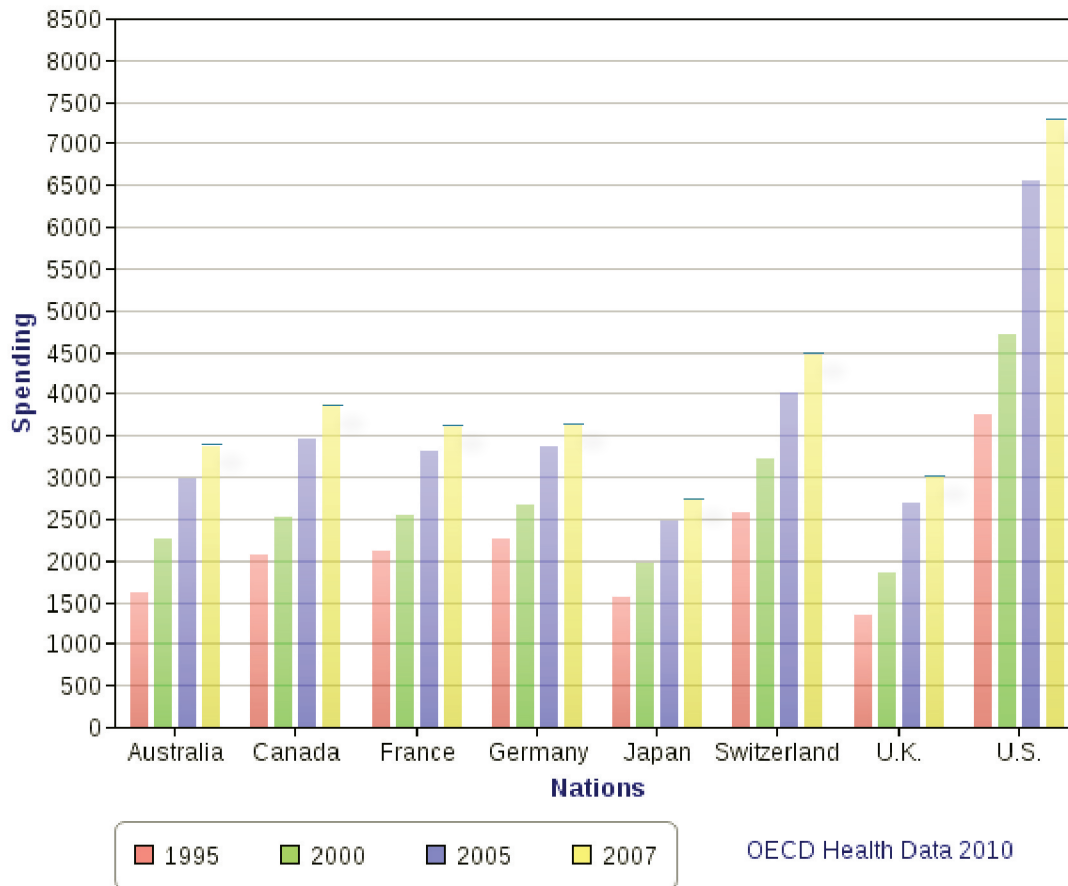
The Healthy Democracy Road Show is designed to take voter registration beyond traditional party building or a specific campaign or candidate. It is a long-term effort to engage voters in a larger movement for social change based on citizen empowerment.

Affordable Care Act in South Carolina – A Primer

The Affordable Care Act (ACA) or “Obamacare,” was passed by Congress in 2010 to lower health care costs and insure more Americans. On average, US citizens pay twice as much for health care than citizens in the 37 developed nations where health care is a right of citizenship. The for-profit health care industry in the US has successfully resisted a national health care program since President Franklin Roosevelt tried to include universal health care as part of the New Deal that brought us Social Security in 1935.

The ACA is not a health care plan like other nations have, but a plan to give our tax dollars to insurance companies. It is a step in the right direction, but we have a long way to go.

Total health expenditure per capita, US\$ PPP



Since its founding in 1995, the SC Progressive Network has promoted a nonprofit health care system that would be paid for by our taxes. A national, nonprofit plan would provide everyone with health care at a greatly reduced cost. Federal legislation (H-676) that would provide “Medicare for all” has been filed repeatedly over the past decade, but has little chance of becoming law anytime soon. Congress’ commitment to free-market, for-profit health care is why we have the ACA and its subsidization of the insurance industry.

The ACA intended to lower the cost of health care by providing a free Medicaid card to low-income citizens who now use emergency rooms for their medical needs. A “medical home” would be provided for around 300,000 poor South Carolinians to provide them with preventative care and check-ups that would keep them from waiting until serious complications force them into the emergency rooms.

The ACA also provides reduced price insurance, depending on income, to get more working people covered. A single person with an annual income between \$11,500 and \$46,000 — or a household with income between \$19,500 and \$78,000 for a family of three — can get reduced price insurance on the ACA marketplace.

The ACA was enacted to increase the quality and affordability of health insurance, lower the uninsured rate by expanding public and private insurance coverage, and reduce the costs of health care for individuals and the government. It introduced a number of mechanisms — including mandates, subsidies, and insurance exchanges — meant to increase coverage and affordability. The law also requires insurance companies to cover all applicants within new minimum standards and offer the same rates regardless of pre-existing conditions or gender. The ACA also ended caps on what a policy will pay per year and over a lifetime.

On June 28, 2012, the US Supreme Court upheld the constitutionality of the ACA's mandate that required all citizens to buy health insurance. But the Court held that states cannot be forced to participate in the ACA's Medicaid expansion under penalty of losing their current Medicaid funding.

You should know

- **Gov. Nikki Haley said, “We’re not just saying NO to Medicaid expansion, we are saying NEVER!”**

South Carolina is one of nine states (seven of them in the South) whose Republican governors and lawmakers have made it a political crusade to refuse Medicaid expansion. Twenty-six states have expanded, three are debating the issue, and 11 are not expanding at this time. SC refused \$1.4 billion to provide Medicaid coverage to more than 300,000 poor South Carolinians. **The Harvard School of Public Health estimates that more than 1,000 will die in South Carolina this year because of this policy decision.**

- **Medicaid expansion would have created over 40,000 new jobs.** That’s about seven times the number of jobs that Boeing was given a billion-dollar tax subsidy to bring to South Carolina.

- **South Carolina refused to establish a state exchange** to help people navigate the complicated ACA insurance marketplace that provides subsidized coverage. Since SC refused \$48 million this year to help people enroll in the marketplace, most South Carolinians do not know that low- and moderate-income earners can get substantial discounts. Minimum wage workers can get a free policy. The average wage earner making \$23,000 can get a \$4,000 policy for \$40 a month. In states that refused to set up an exchange, nonprofit organizations such as the SC Progressive Network received small grants to help people enroll.

- **South Carolina denied assistance to 300,000 citizens living under the poverty level.** One has to make more than the poverty level to get a subsidy in the marketplace. So, a worker making \$11,400 will pay \$3,000+ for the policy that someone making \$12,000 can get for free. This is because the ACA was set up to provide a free Medicaid card to those living below the poverty level. Since SC refused the free Medicaid coverage for our poor citizens, they will continue going to emergency rooms.

- **Hospitals lost \$250 million this year to provide services to the poor and uninsured** because they were supposed to get a free Medicaid card. Since SC refused Medicaid expansion, they will have to keep going to the emergency rooms that lost funding to provide their care, driving up health care costs for everyone.

- **The state legislature tried to make it illegal to help citizens sign up for affordable care.** A bill to prohibit local governments, libraries, or any public employee from helping implement the ACA passed the House this session, and will be back in 2015. The bill also would attempt to regulate ACA navigators out of business.

SC Progressive Network

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scha medicaid expansion q&a

1. Who will gain coverage under Medicaid expansion?

According to the South Carolina Department of Health and Human Services (DHHS), Medicaid expansion under the Affordable Care Act (ACA) will extend coverage to an estimated 250,000 uninsured individuals making at or below 138% of the Federal Poverty Level (FPL). For a single adult, that's around \$15,000 a year. For a married couple, the annual income limit increases to just \$20,879. These vulnerable South Carolinians simply cannot afford health insurance and Medicaid expansion is the most cost-effective way to provide them coverage.

2. How will the insured benefit from Medicaid expansion?

Employers and families with health insurance are currently paying inflated premiums to cover the costs of uncompensated care provided to the uninsured. By expanding coverage, the rate of increase in health insurance premiums for the privately and commercially insured will decelerate as the amount of unreimbursed care declines.

3. What is the cost for Medicaid expansion in the 2014 State budget?

There are virtually no state expenses for expanding Medicaid to the newly eligible during the first three years of expansion (2014-2016), as the Federal government pays 100% of the cost. In fact, a significant portion of DHHS's 2014 budget request stems from the tens of thousands of individuals and families who are already eligible for Medicaid, but have not enrolled in the program.

4. How is the Federal Government paying for Medicaid expansion?

The Federal Government is significantly cutting Medicare reimbursement and other federal hospital funding that helps cover the costs of uncompensated care for the uninsured. The ACA sought to offset these cuts with increased coverage through Medicaid expansion and newly-created health exchanges. These cuts remain in place whether or not the State decides to expand Medicaid and will cost South Carolina's hospitals more than \$2.6 billion from 2014-2020.

5. What happens to South Carolina's hospitals if we refuse Medicaid Expansion?

Hospitals will be forced to continue shifting more costs of the uninsured to the insured as they absorb the more than \$2.6 billion in federal cuts to Medicare and other healthcare cuts that fund the ACA from 2014-2020. Urban hospitals will balance their budgets by increasing costs to make up for lost revenue, while rural hospitals face even more tremendous financial pressures.

6. What is South Carolina's incentive to expand Medicaid?

The Federal Government will fund 100% of the cost for the newly eligible Medicaid population for the first three years (2014 - 2016). Gradually the federal match will decline to 90% in 2020 and beyond. And while South Carolina currently recognizes a 70/30 Federal/State match on Medicaid dollars, Medicaid expansion will result in a permanent 90/10 Federal/State match on newly eligible Medicaid enrollees.

7. Will South Carolina subsidize the ACA in other states?

The ACA significantly cuts Medicare reimbursements and uncompensated care funding for South Carolina's hospitals to pay for Medicaid expansion and other aspects of the law. By refusing Medicaid expansion, our hospitals will pay for "Obamacare" in other states without receiving the full benefits of the law.

8. What is the economic impact of Medicaid expansion in South Carolina?

According to a recent study conducted by the USC Moore School of Business, the annual economic impact of the \$11.2 billion in new federal funding tied to Medicaid expansion will result in \$1.5 billion in labor income and nearly 44,000 new jobs for South Carolina from 2014-2020. The surge of increased federal dollars into South Carolina's economy will generate enough state tax revenue to offset all of the state's initial costs and fund a significant portion of the state's permanent 10% Medicaid match in 2014 and beyond.

9. How will our neediest citizens be affected by rejecting Medicaid expansion?

Because the ACA was passed with the understanding that all states would expand Medicaid up to 138% of the Federal Poverty Level (FPL), rejecting expansion means that federal insurance subsidies will be unavailable to uninsured South Carolinians with incomes between 100% and 400% of FPL, while those living in poverty receive no coverage and no access to federal subsidies to afford healthcare.

10. How will Medicaid expansion affect South Carolina's workforce?

Countless studies show that insured employees are healthier and more productive on the job. Therefore, investing in Medicaid expansion will make South Carolina's workforce healthier and more productive. DHHS Director Tony Keck said it best when explaining his agency's reasoning for expanding Medicaid to more children in South Carolina in 2012, "by connecting children to a medical home we will help to ensure they get the preventative care they need to stay healthy and excel in school." It's safe to say that that same philosophy can be applied to South Carolina's workforce.

11. How will Medicaid expansion impact mental health in South Carolina?

Recent tragedies have brought attention to our nation's mental health epidemic, and South Carolina has recognized the steepest drop in mental health funding in America in the last four years (40%). Medicaid expansion would expand access to care for South Carolina's mentally ill while recognizing savings for the Department of Mental Health.

12. How will Medicaid expansion benefit employers?

The ACA requires large employers to provide affordable healthcare coverage to full-time employees; otherwise, they face financial penalties when those employees access health exchanges because affordable coverage is not offered. Refusing Medicaid expansion will drive more low-income employees to health exchanges, putting employers at risk of financial penalties, while Medicaid expansion would qualify these employees for health coverage at no cost to the employer.

The Affordable Care Act: effective in SC in spite of opposition

Social Security. Unemployment Insurance. Medicare. Medicaid. We all know how much these programs help working people when they are in need – what a great equalizer they can be for those not born into privilege and power.

The Affordable Care Act is the next step in providing that safety net for those Americans who need help from their government. 108,000 South Carolinians have already enrolled in this program, which is designed to help people who previously had no access to health insurance.

Now the government helps people who can't afford the premiums. Those of us who are hard workers but have been priced out of health care get a leg up. Small business owners can help their employees get insurance, even if the business is going through tight times.

No longer can insurance companies deny people coverage because they're sick – the reason we buy health insurance, after all.

People just figuring out what health insurance is all about have access to Certified Healthcare Navigators – experts in explaining, in plain language, what help is available.

How the ACA Came About

After debating what to do for the first year of the Obama Administration, Congress decided to offer a hybrid health system. Citizens in Canada and Europe get health care through their taxes at half the cost we pay in the US. Our elected officials voted to maintain a private healthcare system, with health insurance playing the middleman between doctors and patients and the government helping those who couldn't quite afford the cost of monthly healthcare payments.

Congress created the ACA in 2010. The aim was to:

- Provide a place where it was easy to shop for health insurance, without insurance terminology confusing people;
- For those who needed it, provide a way to qualify for help from the federal government to pay portions of the monthly insurance payments (the industry calls them premiums);
- For those who weren't working, expand Medicaid, to help people get back on their feet – especially those who were sick and had lost their jobs.

Just like what happened when the Social Security Act was signed by Franklin D. Roosevelt in 1935, those opposed to the ACA resisted the idea of being required to buy insurance. After all the dust had settled from the debates and lawsuits, it was decided that the main portions of the law would stay, and that states could determine for themselves whether to expand Medicaid or not.

The ACA in South Carolina – No Medicaid Expansion

South Carolina's legislators and governor are adamantly opposed to the ACA. They chose not to cooperate with implementing the ACA in our state, which means they also chose not to expand Medicaid here.

This decision means that single adults who make less than \$11,490 (the Federal Poverty Line) can't take advantage of the ACA in South Carolina. For a family of four, it means the family income must be at least \$23,550. If your family makes less than these amounts, the ACA can't help you because South Carolina's elected officials chose not to expand Medicaid.

How Can I Get Help Now?

The Open Enrollment Period closed on March 31, while the next Open Enrollment won't start until November 15. However, there are some life situations that will allow you to sign up now, if you meet the qualifying income requirements.

Qualifying Life Events:

- Marriage, having a baby, adopting a child or placing a child for adoption or foster care.
- Moving your residence.
- Gaining citizenship.
- Leaving incarceration.
- Losing other health coverage—due to losing job-based coverage, divorce, the end of an individual policy plan year in 2014, COBRA expiration, aging off a parent's plan, losing eligibility for Medicaid or CHIP, and similar circumstances.
- **Important:** Voluntarily ending coverage doesn't qualify you for a special enrollment period. Neither does losing coverage that doesn't qualify as minimum essential coverage.
- For people already enrolled in Marketplace coverage: Having a change in income or household status that affects eligibility for premium tax credits or cost-sharing reductions.

There are people available to help you determine whether you can enroll now and, if you are eligible, can help you through the process. They're called Navigators. Navigators will also be available in November, when the next Open Enrollment period begins.

To contact a Navigator, send an e-mail to navigator@scpronet.com, or call **803.445.1921**.

Medicaid Expansion: Costs or Savings for South Carolina?

Posted August 10, 2012 by theruoffgroup.com

Will a Medicaid expansion under the Affordable Care Act (ACA) cost South Carolina \$1.085 billion or save us somewhere between \$59 million and \$679 million? Those are two numbers on the table as South Carolina begins a debate on whether to expand its Medicaid program to cover all adults up to 138 %^[1] of the Federal Poverty Level (FPL). And we need to understand what those numbers mean to truly debate the future of healthcare for the least prosperous of our state.

The SC Department of Health & Human Services (SCDHHS) contracted with the actuarial firm, Milliman, to estimate the net cost of expanding Medicaid under the Affordable Care Act. The projected cost to South Carolina was \$1.085 billion through State Fiscal Year 2019-2020 (SFY '20). However, a July 2011 study by researchers at The Urban Institute suggests that South Carolina could save between \$59 million and \$678 million from 2014 through 2019 because of the same Medicaid expansion. Those are big differences with significant policy implications for the state.^[2]

Why so different? Milliman estimates include half of calendar year 2020 when state costs for the expansion population will go up a little. From 2014 through 2016, the federal government will pay 100 % of those costs, declining to 90 % from 2020 on.

Good news is that more people will be covered under the program, and though it will cost more in Medicaid, it will mean savings elsewhere for South Carolina. Although the Milliman report includes significant state savings from increased drug rebates (\$335.5 million), lowered costs for uncompensated hospital care (\$217.5 million) and four years of enhanced federal match for the Children's Health Insurance Program (CHIP) (\$130.2 million), it does not look at state savings outside the SCDHHS budget. Those would include significant increases to the number of Department of Mental Health patients made eligible for Medicaid, meaning that the feds would pick up at least 90% of costs now paid by state dollars. Nor does it address eliminating coverages for those currently eligible at above 138 % of FPL. That includes pregnant women who would be eligible for subsidized private insurance through the Health Benefits Exchange, so no longer need Medicaid coverage

Much of the difference in calculation is because we have to estimate how many people will sign up for Medicaid—especially among those currently eligible. Two-thirds of the added costs posited by Milliman are for folks who could walk into SCDHHS tomorrow and sign up regardless of whether South Carolina expands Medicaid. Milliman estimates twice as much cost from currently eligible families (\$1.032 billion) as from the newly eligible (\$429 million). The federal government will only cover the current match rates for those currently eligible, roughly 70 % for adults and 80 % for children eligible under the Children's Health Insurance Program (CHIP).

There is a large body of academic research on participation rates, discussed here. The Milliman estimates are, to be generous, at the high end of the evidence on actual participation rates. Milliman asserts: "... the participation rates were reviewed for consistency with participation in the Medicare program which exceeds 95% and the Medicaid / CHIP programs for children which exceeds 85%." In Medicare a large portion of enrollees are automatically enrolled as seniors eligible based on age, so these take-up rates are largely irrelevant to the more stigmatized Medicaid program. Child take-up rates will exceed those of adults.

Milliman argues (more strongly in public presentations than in their written report) that the personal responsibility requirement, the mandate, will drive eligible persons to sign up. But what is frequently ignored is that the mandate the Supreme Court dubbed a tax will not apply to persons who are not required to file federal income tax returns—which is just about anyone who is a parent with children living at below 50 % of FPL.

Yes, there will be a welcome mat effect which will see many currently eligible parents and children enroll because they are made aware of their eligibility and enrollment is made easier. The high levels of already-eligible children enrolled when we opened our CHIP program were the result of very intensive outreach efforts. Any welcome mat effect here is likely to be more a product of consumer education efforts through the Health Benefits Exchange than through a Medicaid expansion—a cost of the ACA but not of an expansion. If we eliminate costs for those currently eligible, the multiyear Milliman estimate drops to \$53.5 million.

And there will be some “crowd out” as newly eligible persons who currently have private insurance opt for Medicaid coverage. The research literature is pretty clear that there is practically no crowd out below 100 % of FPL. People paying below poverty wages (aside from public employers) don’t provide health coverage and private coverage is completely unaffordable. But Milliman shows large crowd out effects for those currently eligible.

Taking welcome mat and crowd out effects into account and relying on the available empirical research on participation rates, The Urban Institute estimates that Medicaid costs will increase by \$570 million from 2014-2019, not the \$1.8 billion asserted by Milliman.

South Carolina’s report is one of a series which Milliman issued across the country. Those reports have come under attack for a number of failings, including especially unrealistic participation estimates. See, for example, health policy researcher Leighton Ku’s analysis of the Milliman report on Nebraska. Milliman estimates that 85 % of expansion uninsured parents and 80 % of expansion childless adults will enroll. The Urban Institute coverage model, based on “take-up rates consistent with the empirical literature,” “achieves an average take-up rate of about 73 percent for the uninsured who are newly eligible.” This is higher than a 60 – 70 % “baseline rate due to outreach and enrollment simplification provisions in the ACA.”

A recent study “... suggest[s] that when Medicaid is expanded in 2014, take-up may be less than anticipated because new enrollees will be offered a more restrictive set of benefits—known as ‘benchmark coverage’—compared to those in traditional Medicaid, and the majority of newly eligible adults will be in groups with traditionally low take-up (primarily non-disabled adults).” (Benjamin D. Sommers et al, Reasons For The Wide Variation In Medicaid Participation Rates Among States Hold Lessons For Coverage Expansion In 2014, Health Affairs, 31, no.5 (2012) 909-919.) Although the low take-up rates (just above 50 percent in 2007-2009) for those currently eligible in our state create greater potential budget exposure, those low rates suggest that, without major changes in outreach and enrollment, South Carolina will never reach the very high participation rates assumed by Milliman and costs will be much lower than they suggest.

Two additional points. First, keep in mind these estimates cover several years, not just a single fiscal year. The highest yearly estimate by Milliman shows an additional \$278.4 million in state costs on the Medicaid budget from the Affordable Care Act in SFY20. That is not chump change, but it is within the range of annual increases in the last decade for the Medicaid budget. Secondly, if Milliman’s estimates are correct, the return on South Carolina’s investment is \$13.3 billion dollars in federal matching funds, or 1229 %, by SFY20. That is not even counting the multiplier effects of injecting an additional two billion federal dollars a year into our state’s economy in SFY20 and every year thereafter. Nor does it include a calculation of the benefit to small employers being better able to afford group health insurance because some employees are eligible for Medicaid.

In sum, the estimates for costs of a Medicaid expansion being advanced by SCDHHS are higher than those supported by empirical data and fail to take into account additional savings to the State, if not to SCDHHS. We have not begun to address the beneficial effects of expanding Medicaid to as many as half a million South Carolinians. As the General Assembly explores a Medicaid expansion, it should do so with realistic numbers based on empirical research and taking into account all costs and savings directly attributable to an expansion and not just SCDHHS costs and savings. To date, SCDHHS has failed to provide estimates of those other savings.

[1] The Affordable Care Act expands Medicaid coverage for all persons up to 133 % of the Federal Poverty Level, but the calculation of that income includes a 5 % disregard making the effective level 138 %. Base eligibility for the Low-Income Families Program (basic Medicaid) in South Carolina is currently 50 % of the Federal Poverty Level but only available to parents with children.

[2] For a discussion of why estimates of costs vary so much, see The Urban Institute’s report for the Kaiser Commission on Medicaid and the Uninsured at <http://kff.org/healthreform/upload/8149.pdf>.

The Ruoff Group provides the state’s most indepth progressive analysis of state policy available. Information about Medicaid expansion is available at www.TheRuoffGroup.com. A subscription service to their weekly “Policy Updates” is a must for serious policy work. Contact Dr. John Ruoff at 803-603-3224 or JRouff@TheRuoffGroup.com.

Healthy Democracy Road Show Volunteer Pledge

This is an agreement between the SC Progressive Network Education Fund and participants of the Healthy Democracy Road Show.

I, _____
(print name)

have completed the Healthy Democracy Road Show training on voter education and registration in South Carolina.

I understand that the Healthy Democracy Road Show Project is a nonpartisan effort and that I will neither support or oppose a candidate, nor wear or distribute material supporting or opposing a candidate while I am representing the Healthy Democracy Road Show.

I understand that I am legally responsible for the truthful completion of Voter Registration forms and promise that all information is correct to the best of my belief.

I will protect the privacy of all personal information on the Voter Registration form.

I understand that the forms I complete and turn in will be checked by the SC Progressive Network and that if I am found to have willfully allowed false information to be included, I will face legal consequences.

I will safeguard the completed Voter Registration forms and return them promptly to the SC Progressive Network or its appointed representative.

(signature)

(address)

(phone)

(email)

(date)

SC Progressive Network Education Fund
PO Box 8325, Columbia, SC 29202
803-808-3384
www.scpronet.com

HEALTHY DEMOGRAPHY ROADSHOW

A grass roots campaign to tell the truth about health care

Did you know?

Because SC lawmakers turned down the Affordable Care Act (“Obamacare”)

- ◆ More than 1,000 people in SC will die this year.
- ◆ We lost \$1.4 billion to provide Medicaid to more than 250,000 poor citizens, most homeless people, and 13,000 low-income veterans.
- ◆ The state refused \$48 million to help people understand and access affordable health insurance.

Before Nov. 4, know the candidates’ position on the ACA and Medicaid expansion.

Vote like your life depends on it.
It just might.

SC Progressive Network

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Find us on Facebook and Twitter.



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HEALTHY DEMOCRACY ROADSHOW SCRIPT

This draft covers important talking points. Know these points and put them in your own words and cadence. You will find different levels of interest, so be brief and let the citizen extend the conversation. The "Road Crew" will have ID badges and vests. Each crew will have a captain that will be responsible for insuring that information is gathered and reported and that non-partisan guidelines are followed. All participants must sign the volunteer's nonpartisan agreement.

Hello, I'm _____ and I'm working with the SC Progressive Network, we're a nonprofit human rights organization that got a grant to help people understand how the federal Affordable Care Act - which you may know as "Obamacare" – can help working people get free or low cost health insurance. We're not selling anything, and we can't tell you who to vote for. *(These grants were given to nonprofits in the states where the governor refused to take our own federal tax dollars to insure the poor and help working people access low-cost health insurance.)*

Did you know that under the Affordable Care Act, all Americans earning less than about \$12,000 a year are eligible for completely free healthcare under an expansion of Medicaid, but that South Carolina refused the federal funding, denying health care to over 250,000 people?

- 1) Yes
- 2) No

Did you know that free, or hugely discounted health insurance, based on income, is available for individuals and families?

- 1) Yes
- 2) No

Is there anyone in your household that could use our help understanding what insurance programs and discounts they are eligible for? They can call us for an appointment. (803-445-1921 on the flyer)

- 1) Yes (make Navigator appointment note)
- 2) No

Here's information on the Affordable Care Act, how you can contact the Progressive Network for help navigating the ACA, and the leading gubernatorial candidates positions on expanding health care.

(offer flyer)

We're not going to suggest who you should vote for, but we can share this information with you so you can cast an informed and effective vote this November.

Are you registered to vote at this address? Is anyone else home who needs to update their voter registration? Do you have a photo ID to vote with?

(Register or update voter registration form – return unfolded form to canvas captain.)

Would you be interested in absentee voting so that you vote by mail?

- 1) Yes (explain the process and get them to sign the request for absentee ballot application we will turn in)
- 2) No

We need your help spreading the word about the importance of voting for candidates who support our health care needs this November.

Will you talk this up with all the voters in your family? Will you pass out some of these flyers to your neighbors or at your church?

- 1) Yes
- 2) No
- 3) Please contact me in the future about other local Network events.
- 4) If the individual is really supportive, ask them if they would sign up to help some of their neighbors host a community event in the fall.

Can we count on your vote for expanding health care in South Carolina?

Thank you for your time.

If we do not have accurate contact information for this person, please write down their name, phone number, and email address. Thank them for their time, and if they signed up to “spread the word”, note their preferred form of communication (phone, text, or email?).