

## Nebraska Must Expand Medicaid Now to Protect its Workers


As the COVID-19 crisis worsens, it is especially vital that all Nebraskans have health insurance to be able to obtain testing and treatment. Yet many Nebraskans will be laid off and lose access to employer coverage in the coming weeks, at the worst possible time for the public's health. In fact, in just the first week of the COVID-19-related economic crisis, Nebraskans filed almost 16,000 new unemployment insurance claims, an increase of about 2,000% from the previous week.<sup>1</sup> If those Nebraskans don't get health insurance, how will they pay for medical tests or for hospital care if they need it during this national health emergency?



Governor Ricketts announced last year that he would delay the start date of Medicaid expansion to October 1, 2020, almost two years after voters approved a ballot initiative for expansion. But Nebraskans need Medicaid expansion now more than ever. The governor should implement Medicaid expansion immediately. He can do this by simply updating the expansion-related state plan amendments that have already been submitted, changing the effective dates from October 1, 2020, to April 1, 2020.

Before the COVID-19 crisis hit, estimates showed that approximately 90,000 Nebraskans would be eligible for Medicaid when the state expanded. But that number is expected to grow as the crisis worsens. An estimated 33,000 additional jobs will be lost in Nebraska by summer 2020.<sup>2</sup> Many of the workers who lose these jobs will be newly uninsured unless the state expands Medicaid.

### TOP OCCUPATIONS OF NEBRASKANS IN THE COVERAGE GAP

-  Food preparation and serving occupations
-  Sales and related occupations
-  Construction and extraction occupations
-  Transportation and material moving occupations
-  Office and administrative support occupations
-  Cleaning and maintenance occupations
-  Production occupations
-  Health care support occupations

Medicaid expansion will fill in the coverage gap for tens of thousands of working Nebraskans and provide access to health care for tens of thousands more Nebraskans who are newly unemployed because of the COVID-19 pandemic.

Even Nebraskans who keep their jobs in the COVID-19 crisis may not have health coverage, because many working Nebraskans do not get job-based health insurance. This problem will be made worse during the economic crisis as employers cut hours and benefits.

Before the COVID-19 crisis, census data showed that seven in 10 Nebraskans who would be eligible for coverage through Medicaid expansion were working. Currently, almost no working Nebraskans are eligible for Medicaid, because the state does not offer Medicaid to adults who do not have dependent children, and it limits eligibility for parents to those with annual incomes below 58% of the federal poverty level (about \$12,600 for a family of three).

As a result, many working adults have no way to get health insurance. These working Nebraskans are in the “coverage gap,” meaning they don’t get coverage through their job and they don’t make enough to qualify for subsidized coverage on the

health insurance marketplace, but their income is too high to qualify for Medicaid. Table 1 (page 3) lists the most common occupations of the tens of thousands of working Nebraskans who fell into the coverage gap before the COVID-19 crisis. Now, even more Nebraskans are likely to lose their jobs and job-based insurance due to the worsening crisis.

Medicaid expansion will increase the income-based eligibility threshold to 138% of the federal poverty level. This will fill in the coverage gap for tens of thousands of working Nebraskans and provide access to health care for tens of thousands more Nebraskans who are newly unemployed because of the COVID-19 pandemic.

Governor Ricketts’ long delay of a voter-approved Medicaid expansion has already prevented working people from accessing coverage and is especially dangerous in the midst of a historic health crisis. This is not the time for political games. Lives are at stake. It is time to immediately implement Medicaid expansion.

**Table 1. The most common occupations of working adults who would benefit if Nebraska expanded Medicaid.**

Industries and Example Occupations	Number of Adults Eligible for Medicaid Expansion	Percentage of All Working Adults Eligible for Medicaid Expansion
<b>Food preparation and serving occupations</b> <i>(cooks, bartenders, restaurant servers, and dishwashers)</i>	10,290	15.6%
<b>Sales and related occupations</b> <i>(cashiers, retail salespeople, travel agents, and real estate brokers)</i>	7,220	10.9%
<b>Construction and extraction occupations</b> <i>(carpenters, electricians, roofers, and plumbers)</i>	7,122	10.8%
<b>Transportation and material moving occupations</b> <i>(bus drivers, train conductors, truck and tractor operators, and shipping and packaging workers)</i>	6,087	9.2%
<b>Office and administrative support occupations</b> <i>(telephone operators, bank tellers, receptionists, and secretaries)</i>	5,750	8.7%
<b>Cleaning and maintenance occupations</b> <i>(housekeepers, janitors, groundskeepers, and pest control workers)</i>	5,686	8.6%
<b>Production occupations</b> <i>(bakers, meat and poultry processors, machinists, and power plant workers)</i>	3,794	5.7%
<b>Health care support occupations</b> <i>(nurses, dental and medical assistants, and massage therapists)</i>	3,720	5.6%
<b>Other Occupations</b>	16,470	24.9%

Source: These data are based on Families USA's analysis of information from the American Community Survey 2014-2018, which was conducted by the U.S. Census Bureau.

Note: Data are based on an analysis of Nebraska residents ages 19-64 who meet the following criteria: have family incomes up to 138% of the federal poverty level (\$29,974 for a family of three in 2020), are uninsured or purchase insurance from the individual market, and are currently working or have worked in the last 12 months.

## Endnotes

<sup>1</sup> “Nearly 16,000 Nebraskans File Unemployment Claims Due to COVID-19,” 10/11 NOW, March 26, 2020, <https://www.1011now.com/content/news/Nearly-16000-Nebraskans-file-unemployment-claims-due-to-COVID-19-569123751.html>.

<sup>2</sup> David Cooper, Julia Wolfe, “Every State Will Lose Jobs as a Result of the Coronavirus: Policymakers Must Take Action,” Working Economics Blog, Economic Policy Institute, March 19, 2020, <https://www.epi.org/blog/every-state-will-lose-jobs-as-a-result-of-the-coronavirus-policymakers-must-take-action/>.

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