

ECONOMIC IMPACTS OF INCREASED FEDERAL FUNDING IN MISSOURI FROM MO HEALTHNET EXPANSION

**REMI WEBINAR
SEPTEMBER 30, 2020**

The Team



This project relied on extensive REMI experience estimating the economic impact of Medicaid expansion in OK, KS, IA, MD, AZ, NC, and across the country

Dr. Peter Evangelakis, Vice President of Economics, served as **Principal Investigator** for this project. Peter oversaw methodology development. Peter leads REMI's consulting practice, along with REMI's office in Washington, D.C.

Kyle Compton served as **Project Manager** for this project, overseeing data collection, stakeholder engagement, and project delivery.

Jeffrey Dykes served as an **Analyst** for this project, and was responsible for production support and data analysis.

William Kozlowski also served as an **Analyst** for this project, and was responsible for supporting programming to calculate impacts by race.

The Project



- REMI retained by MFH to estimate economic impact of Medicaid Expansion to Missouri
- REMI relied on WUSTL-CHEP experts for direct data
- Reported different dimensions of impact for 2022-2026



The Process



WUSTL-CHEP experts

- ❑ How much net new fed \$ entering MO?
- ❑ How much state \$ freed up for other uses?

WUSTL-CHEP & REMI

- ❑ How much fed \$ to each MOHN region?
- ❑ How much of that \$ to different sectors of economy?

REMI

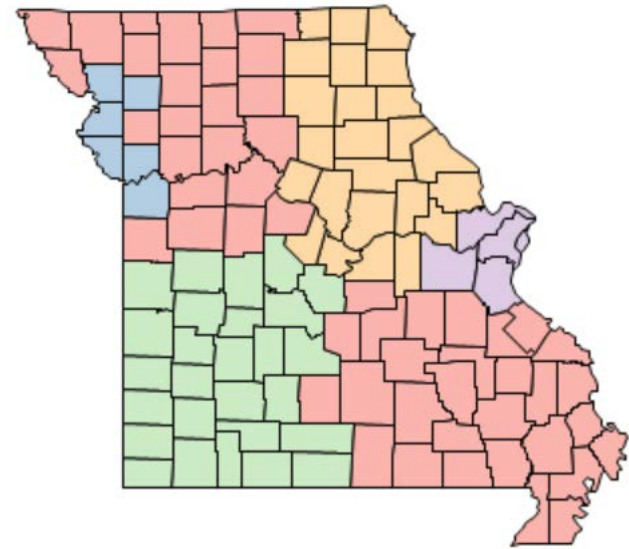
- ❑ What is economy-wide impact by region, industry, wage, and race?

Analysis of the Fiscal Impact of Medicaid Expansion in Missouri



February 2019

Missouri Healthnet Regions (6 Regions)



The Model



REMI's 40-year history of rigorous academic research and software development has led to the development of the state of the art model in macroeconomic research methodology:

Input-Output

Close analysis of inter-industry relationships

Econometrics

Advanced statistical analyses underpinning the model

General Equilibrium

Estimate of long-run stability of the economy allows for analysis of policy decisions

Economic Geography

Effects of geographic concentration of labor and industry



Integrated REMI economic modelling approach



what does **REMI** say? *sm*



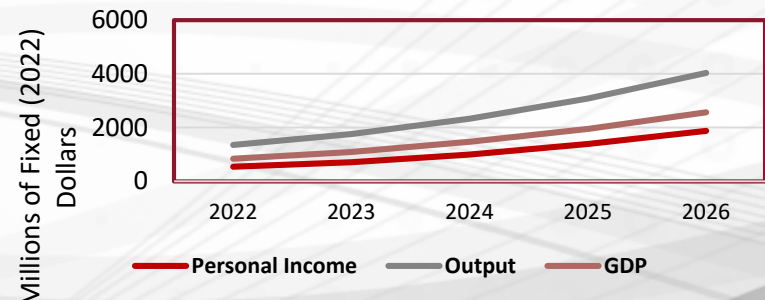
The Results: Impact to Missouri



Average Impacts/year

- 16,330 jobs
- \$2.5bn economic output
- \$1.6bn Gross State Product (GSP)
- \$1.1bn personal income

Personal Income, GDP, and Economic Output Impact



Employment Impact



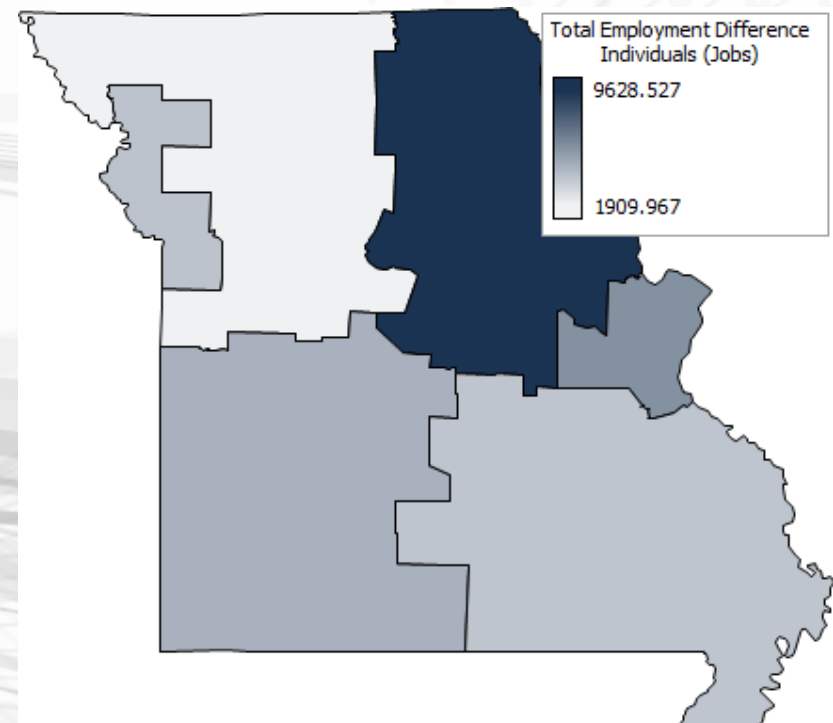
The Results: Impact Beyond KC/STL



**63.7% of new jobs are created
outside the KC, STL regions**

Average annual jobs outside
KC/STL regions

- NE: 4.5k jobs
- NW: 900 jobs
- SE: 2.1k jobs
- SW: 2.9k jobs



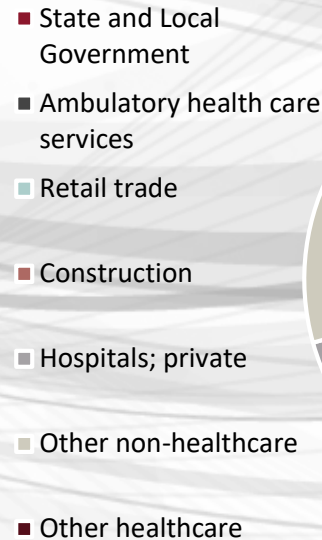
The Results: Impact Beyond Healthcare



**~80% of jobs created are
outside ambulatory
healthcare/hospitals**

- Freed up state funds allow for spending on education, transportation, public safety, etc.
- Flow of funds stimulates investment, construction spending

Employment Impacts by Industry



The Results: Equitable Impacts



- 87.8% of jobs created would be in industries paying above \$15/hour to full-time workers
- >2,300 jobs created per year for Black, Asian, Hispanic, and other historically marginalized populations
- ~\$500 additional income/household each year