

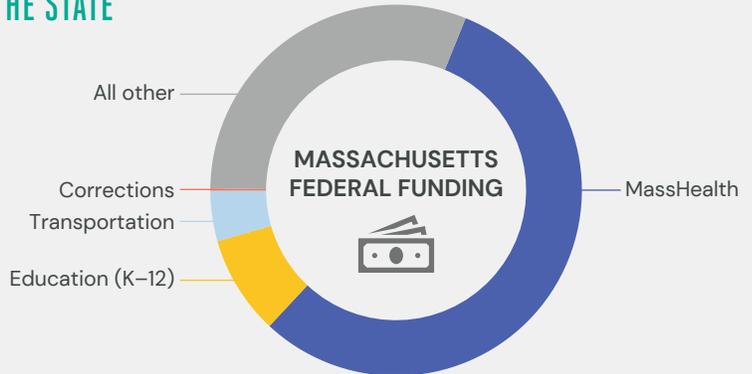
The Economic Impact of MassHealth



Massachusetts prides itself on its strong and dynamic economy. MassHealth contributes significantly to the state's economic strength. In a recession, while much of the rest of the economy contracts, MassHealth enrollment and spending grows, acting as a stabilizer for the economy.

MASSHEALTH BRINGS BILLIONS IN FEDERAL FUNDS TO THE STATE

- MassHealth is the **largest source of federal funding** to the state.
- In state fiscal year 2018, Massachusetts received **\$8.05 billion** in federal funding for MassHealth.
- The amount of federal funding for MassHealth is **sevenfold larger** than the next biggest source of federal funds to the state.
- For every dollar in MassHealth spending, the federal government **covers at least half**.



MassHealth generates **56%** of all federal funds provided to the state.

MASSHEALTH IS A CRITICAL SOURCE OF REVENUE FOR HEALTH CARE PROVIDERS

- MassHealth is responsible for **more than half (53%)** of all revenue for nursing homes and **43%** of long-term services and supports spending.
- Providers delivering prenatal care critical to the long-term well-being of Massachusetts families count on MassHealth for **one-third of their revenue**.
- MassHealth makes up about **one-fifth** of hospital revenue, and in 2014 the payments it provides for uncompensated care covered **40% of hospital uncompensated care costs**.



MASSHEALTH CREATES JOBS AND SUPPORTS THE WORKFORCE OF TODAY AND TOMORROW

- Employment in Massachusetts' health care sector accounts for **14% of all jobs** in the state (employing half a million people), and roughly **125,000 of these jobs** can be attributed to MassHealth.
- MassHealth provides coverage to people in **the low-income workforce across many industries**, keeping employees healthy through preventive care and treatment for chronic conditions.
- MassHealth helps individuals with disabilities to be **active members of the workforce** by allowing them to work without fear of losing their health care coverage.
- MassHealth covers **700,000 children**, setting up the Commonwealth's children for long-term health and educational success. Medicaid coverage in early childhood leads to **higher academic test scores and improved health in adulthood**.



For more information on The Economic Impact of MassHealth, see the full issue brief at https://www.bluecrossmafoundation.org/sites/g/files/cspkws2101/files/2021-06/MH_Impact_Economic_brief_FINAL_1.pdf.