**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 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/csphws2101/files/2021-06/MH_Impact_Economic_brief_FINAL_1.pdf](https://www.bluecrossmafoundation.org/sites/g/files/csphws2101/files/2021-06/MH_Impact_Economic_brief_FINAL_1.pdf).