

Healthy cooperation

From the Editors in the [April 17, 2013](#) issue



[Some rights reserved](#) by [Brooks Elliott](#)

Though most state Republican leaders vowed last year to reject the expansion of Medicaid under Obamacare, several GOP governors have made plans to increase their Medicaid rolls after all. This is very good news. Currently, many states only cover people who fall well below the federal poverty line, leaving uninsured those who are less desperately poor. Obamacare offers states funds to expand coverage to 133 percent of the poverty line—and now some Republicans have decided they can't pass this up. Expanded coverage meets human need, they realize, and fewer uninsured people will mean fewer unpaid hospital bills and more health-care jobs.

Arkansas found its own way to like the expansion. The state asked the Obama administration for permission to buy private insurance for the targeted population instead of enrolling them in Medicaid. The administration agreed—and now other states are adopting this approach. This accommodation appeals to Republicans' preference for relying on the private sector. It also ensures that patients will be able

to keep their doctors if their incomes fluctuate, whereas under Medicaid they might go in and out of eligibility depending on income.

Private plans will likely cost taxpayers more than traditional Medicaid does. Still, wider health coverage—whether public or private—is an unquestionably positive thing. It's encouraging to see a Democratic president and Republican state leaders work together toward a shared goal, despite their differences as to the ideal means of getting there. It's a case of caring about results more than ideology.

Still, some GOP leaders continue to oppose the Medicaid expansion on the grounds that it will discourage work and perpetuate a culture of dependency. This fear is unfounded. Most people who would be covered by Medicaid live in households where someone has a job; the problem is that they can't afford insurance.

In fact, it's not the Medicaid expansion that discourages work—it's the stingier status quo. In a typical state, a family of three loses its Medicaid eligibility when its income hits \$11,900—far too little to be able to afford insurance. In that case, often the best available option is to make sure you stay under this threshold—and don't increase your income—so as to keep Medicaid. Expanding Medicaid coverage would eliminate this perverse incentive.

The U.S. social safety net has evolved into a system that primarily supports working families. Yet some persist in raising the specter of people choosing the dole over the workplace. House Republicans recently passed a budget that would make deep cuts to the safety net, including a repeal of all Obamacare spending and \$810 billion in additional Medicaid cuts. Budget chair Paul Ryan said he wants to make sure that able-bodied people aren't depending on the government for their livelihood. What his budget actually does is reduce the benefits that help hardworking people survive.

The Medicaid expansion will help lift people out of poverty without discouraging them from helping themselves. In several states, Republican leaders are putting the welfare of their people over their small-government ideology. Let's hope this pragmatic form of leadership spreads to other states and to Capitol Hill.