

# Investing in Alaska

## Medicaid and Access to Mental Health and Addiction Services

*“The single sector in which we project economic growth next year is health care, and that sector is at risk if Congress repeals Medicaid expansion.” - Heidi Drygas, Alaska Commissioner<sup>1</sup>*

### Addiction and mental illness in Alaska

- Over [4.15 percent](#)<sup>2</sup>, or over 30,000 people, in Alaska have a serious mental illness, and these individuals are among our most vulnerable citizens.
- Tragically, Alaska 122 Alaskans lost their lives to drug overdoses in 2015.<sup>3</sup>

### Opioid Epidemic and Overdose Deaths<sup>4</sup>

State	Drug Overdose Deaths (rate/100,000)	Rx Opioid Use per 1000 population	Buprenorphine use per 1000 population	% Share of Bupe paid by Medicaid
Alaska	122 (16.0)	566	30	34.2
U.S.	52,404 (16.3)	695	39	24.2

### Medicaid is an essential source of funding for behavioral health services in Alaska

Alaska is a Medicaid Expansion state, and currently receives a [50 percent](#)<sup>5</sup> matching rate from the federal government for regular funding for Medicaid services. Along with the match rate for expansion populations, these federal funds provide important support to the state in a time of increasing pressure on the state budget. Over the course of a year and a half alone, Medicaid expansion brought **\$260 million** in federal dollars into the state economy.<sup>6</sup> Alaska’s general fund revenue collections were lower than targeted in FY 2016.<sup>7</sup>

- [8,500](#) Alaskans are enrolled in the Medicaid Expansion.
- [130,000](#) Alaskans are enrolled in Medicaid.<sup>8</sup>
- As a result of the Medicaid Expansion, Alaska has treated over 5,000 individuals for mental illness and substance use disorders, and over 10,000 in total, including the Marketplaces.<sup>9</sup>

<sup>1</sup> Alaska Economic Trends, January 2017. <http://labor.alaska.gov/trends/jan17.pdf>

<sup>2</sup> State Estimates of Adult Mental Illness from the 2011 and 2012 National Surveys on Drug Use and Health (Feb 2014). <http://archive.samhsa.gov/data/2k14/NSDUH170/sr170-mental-illness-state-estimates-2014.htm>

<sup>3</sup> Centers for Disease Control and Prevention, <https://www.cdc.gov/drugoverdose/data/statedeaths.html>

<sup>4</sup> Impact of Medicaid Expansion on People with Mental Illness and Substance Use Disorders **Medicaid Study by States**. Harvard Medical School, Department of Health Policy. Richard Frank and Sherry Glied. <https://www.hcp.med.harvard.edu/background-information-richard-frank-article>.

<sup>5</sup> Federal Medical Assistance Percentage (FMAP) for Medicaid and Multiplier (2017). Kaiser Family Foundation. <http://kff.org/medicaid/state-indicator/federal-matching-rate-and-multiplier/?currentTimeframe=0>

<sup>6</sup> Families USA, <http://familiesusa.org/product/defending-health-care-2017-what-stake-Alaska>

<sup>7</sup> <https://higherlogicdownload.s3.amazonaws.com/NASBO/9d2d2db1-c943-4f1b-b750-0fca152d64c2/UploadedImages/Fiscal%20Survey/Fall%202016%20Fiscal%20Survey%20of%20States%20-%20S.pdf>

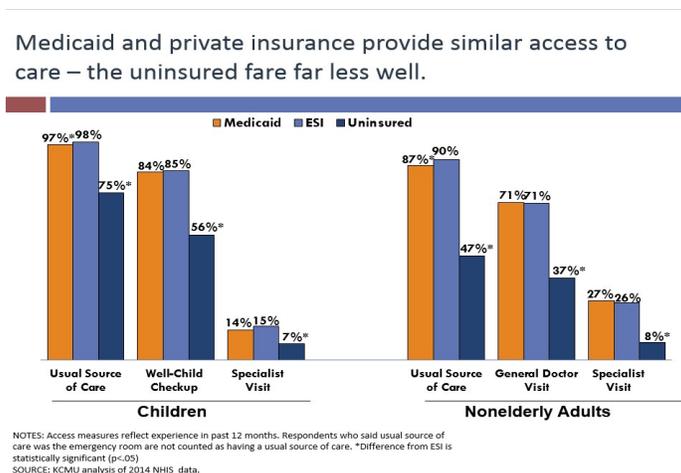
<sup>8</sup> Kaiser Family Foundation. <http://kff.org/health-reform/state-indicator/medicaid-expansion-enrollment/?currentTimeframe=0>

<sup>9</sup> <https://www.hcp.med.harvard.edu/sites/default/files/Key%20state%20SMI-OD%20v3corrected.pdf>

## Access to healthcare is Essential to the American Dream

**Recent research has found that access to health care leads to greater economic mobility across generations.** Increased access to Medicaid has led to decreased infant mortality, improved education outcomes, decreased rates of depression, and improved employment.<sup>10</sup> According to a March 2015 ASPE Study, an Alaska study projected that implementation of the Medicaid Expansion would secure \$2.33-\$3.4 billion for the state and could create over 3,700 jobs between 2014 and 2019.<sup>11</sup>

States that have expanded Medicaid have seen major reductions in uncompensated care delivered by safety net institutions, significant drops in the number of uninsured, and budget savings for hospitals and community health clinics.<sup>12</sup>



*The costs do not go away if you don't fund the service. They show up in uncompensated care, increased costs to the corrections and legal system and increased disruption in the lives of individuals, families and organizations who are interacting with individuals with a mental illness or SUD who are unable to access what they need to live successfully in their community of choice -- Mental health provider in New Hampshire (National Council Medicaid Study, 12/2016)*

<sup>10</sup> Health and Economic Opportunity: Webinar Recording. Atheendar Venkatarami and Rourke O'Brien (Sept 14, 2016). <https://www.youtube.com/watch?v=DBvmSJeTTjs>

<sup>11</sup> [https://aspe.hhs.gov/sites/default/files/pdf/139231/ib\\_MedicaidExpansion.pdf](https://aspe.hhs.gov/sites/default/files/pdf/139231/ib_MedicaidExpansion.pdf)

<sup>12</sup> [Beyond the Reduction in Uncompensated Care: Medicaid Expansion Is Having a Positive Impact on Safety Net Hospitals and Clinics](#), by Adam Searing, Georgetown University Center for Children and Families and Jack Hadley, Georgetown University Health Policy Institute, June 2016