## RESOLUTION IN SUPPORT OF MEDICAID EXPANSION ADOPTED BY THE BOARD OF TRUSTEES OF Beartooth Billings Clinic December 5, 2023

WHEREAS, Beartooth Billings Clinic exists to improve the health of the patients and communities we serve;

WHEREAS, a significant body of research, studies and reports indicate that having health coverage is key to improving the health status of a community;

WHEREAS, a high rate of uninsured residents is linked to an increase in the severity of patient conditions, poorer outcomes, and higher costs as a result of delayed care and seeking emergency care for conditions that could have been avoided or managed through preventative care;

WHEREAS, the expansion of Medicaid in Montana has provided healthcare coverage to low-income Montanans who otherwise have few other options for healthcare coverage, helping to reduce the rate of uninsured Montanans by 45% and residents of Carbon County by 9% (953 individuals) since Medicaid expansion was implemented;

WHEREAS, Montana is experiencing a behavioral health crisis, and Montana's expansion of Medicaid provides a stable payment source for behavioral health services including \$54 million in new funds for substance abuse disorder prevention and medication-assisted treatment to address the state's opioid epidemic;

WHEREAS, in 2022, Medicaid expansion in Montana has improved health outcomes and led to early detection of disease, including breast cancer screenings and treatment for 7106 women (\*5 in Carbon County), 3907 colon cancer screenings (\*5 in Carbon County) which potentially averted 1291 cases of cancer (\*4 in Carbon County), mental health services for 38,456 patients (\*21+ in Carbon County), and substance abuse treatment for 7123 patients; (\* Prior 12 months)

WHEREAS, Montana has the 13<sup>th</sup> lowest rate of state general fund spending on Medicaid nationally and a lower rate of spending than peer states (CO, ND, SD, WA, WY), including those states that have not expanded or implemented expansion of Medicaid (SD, WY);

WHEREAS, Medicaid expansion has significantly grown Montana's economy according to a 2023 study conducted by ABMJ Consulting, which reported that Medicaid expansion helped create and sustain over 7,500 new jobs across multiple industries, and generated an estimated \$475 million in new personal income and \$775 million in economic activity in 2022. For Carbon

County, Medicaid expansion has supported 21.6 jobs, over \$1M in personal income and \$2.8M in local economic activity;

WHEREAS, Beartooth Billings Clinic has remained financially viable due to an approximate 3% reduction in uncompensated care levels since Medicaid expansion took effect;

WHEREAS, Beartooth Billings Clinic is currently facing unprecedented financial pressures resulting from a 18% increase in expenses (driven by post-pandemic forces including a shortage of healthcare workers and reliance on temporary contractors, increased prices for drugs and other supplies due to inflation) over the period of three fiscal years (FY20 to FY23);

WHEREAS, the payments received for caring for Medicaid patients represents \$1.2M of Beartooth Billings Clinic revenues (inpatient/outpatient Medicaid & HUF reimbursement directly related to Medicaid expansion) for the period of July 1, 2022 through June 30, 2023, which support the financial stability of our organization for all who depend on us for care;

WHEREAS, residents from our service area receive care not only from us but several other Montana hospitals, independent physicians and health services, and the ability of these providers to remain financially viable and continue to provide care to all patients may be negatively impacted by significant changes to or the sunset of Medicaid expansion in Montana;

WHEREAS, the Beartooth Billings Clinic Board of Trustees has a fiduciary responsibility and commitment to serve all in our community to plan for the fiscal impacts of any major known or anticipated event on the organization, such as the current Medicaid expansion sunset date of July 2025;

NOW THEREFORE BE IT RESOLVED, Beartooth Billings Clinic endorses Montana's current Medicaid expansion program, supports repealing the sunset of the program, and further recognizes our patients, caregivers, and the citizens of Carbon County have a compelling interest in ensuring our hospital remains financially viable and an economic engine for our surrounding area. The sustainment of rural health in many parts of our state is dependent on this effort.

BE IT FURTHER RESOLVED, Beartooth Billings Clinic strongly requests our legislative delegation and the Montana Legislature to repeal the sunset of the Medicaid Reform and Integrity Act passed in 2019 and protect healthcare coverage for low-income Montanans and the \$775 million economic engine it has created; and

BE IT FURTHER RESOLVED, the Beartooth Billings Clinic Board of Trustees will adopt a budget scenario for Fiscal Year 2025 that outlines the changes that will be necessary to maintain financial solvency of the organization without Medicaid expansion, and our organization will

inform members of our community and local legislators on the impacts to local healthcare services should the Legislature not renew the program.

APPROVED ON THIS DAY, December 5, 2023, BY THE GOVERNING BOARD OF TRUSTEES OF Beartooth Billings Clinic.

Jim Duncan, Board President

## **Board Members:**

Kelly Heaton, Vice President
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