

RESOLUTION IN SUPPORT OF MEDICAID EXPANSION  
ADOPTED BY THE BOARD OF TRUSTEES OF  
BARRETT HOSPITAL & HEALTHCARE  
12/03/2024

WHEREAS, Barrett Hospital & HealthCare provides vital healthcare services to Beaverhead County residents as well as residents of the community in a critical access hospital, and primary care and specialty clinics;

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 health outcomes, and higher medical costs as a result of delayed care and seeking emergency care for conditions that could have been avoided or managed through preventative care;

WHEREAS, Medicaid expansion has played a significant role in ensuring the availability and accessibility of healthcare services for low-income individuals and families in our community and Beaverhead County who would otherwise struggle to afford essential medical services;

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 by 44% for residents of Beaverhead County since Medicaid expansion was implemented;

WHEREAS, in 2024, Medicaid expansion in Beaverhead County has improved health outcomes and led to early detection of disease including breast cancer screenings and treatment for 63 women, 24 colon cancer screenings which potentially averted 10 cases of cancer, mental health services for 237 patients, and substance abuse treatment for 23 patients;

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 statewide opioid epidemic;

WHEREAS, Barrett Hospital & HealthCare relies on Medicaid expansion reimbursements to sustain operational costs, including essential medical equipment, staffing, and critical infrastructure;

WHEREAS, Barrett Hospital & HealthCare has remained financially viable due in large part to a 2.7% reduction in uncompensated care levels since Medicaid expansion took effect;

WHEREAS, Barrett Hospital & HealthCare is currently facing unprecedented financial pressures resulting from a 8.03% 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) paired with 2.27% increase in 2024 compared to the prior year;

WHEREAS, the payments received for caring for Medicaid patients represents 15% of Barrett Hospital & HealthCare's revenues, which support the financial stability of our organization for all who depend on us for care;

WHEREAS, a loss of Medicaid expansion would be catastrophic to Barrett Hospital & HealthCare, with negative impacts on our bottom line of \$200,000, along with even greater impacts to Barrett Hospital & HealthCare's supplemental payments received from the Hospital Utilization Fee being reduced by \$1.98 million or possibly gone entirely;

WHEREAS, losing Medicaid expansion in 2025 would likely result in reduced revenues, leading to budgetary constraints and possibly forcing reductions in staff, services, and quality of care provided by Barrett Hospital & HealthCare;

WHEREAS, community and residents from our service area receive care not only from Barrett Hospital & HealthCare 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, and refer, may be negatively impacted by significant changes to or the sunset of Medicaid expansion in Montana;

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 Beaverhead County, Medicaid expansion has supported 40, \$2.1 million in personal income and \$5.8 million in local economic activity;

NOW THEREFORE BE IT RESOLVED, Barrett Hospital & HealthCare endorses Montana's current Medicaid expansion program, supports repealing the sunset of the program, and further recognizes our patients, caregivers, and the citizens of Dillon and Beaverhead County have a compelling interest in ensuring our hospital, and primary care and specialty clinics, remain financially viable to provide vital healthcare services and an economic engine for our surrounding area;

BE IT FURTHER RESOLVED, Barrett Hospital & HealthCare strongly requests our local 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;

BE IT FURTHER RESOLVED, the Barrett Hospital & HealthCare Board of Trustees will adopt a budget scenario for Fiscal Year 2026 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 03, 2024, BY THE GOVERNING BOARD OF TRUSTEES OF Barrett Hospital & HealthCare

X. Nate W. Finch

Nate Finch, President

Board Members:

Shane Puyear, Vice President

Susan Davis Briggs, Director

Lawrence Morrisroe, Director

Janet Tatarka, Director