

IMPACT OF THE MEDICAID EXPANSION BY INDUSTRY

New Hampshire policymakers have an opportunity to offer affordable health care coverage to low-income residents by expanding the state's Medicaid program under the Affordable Care Act (ACA). A nine-member commission, created as part of the FY 2014-2015 budget, recently recommended that New Hampshire pursue the expansion and accept the billions of dollars in federal funds that would accompany it. Should the Legislature enact those recommendations, workers in the restaurant, construction, and lodging industries would be the principal beneficiaries, as would the companies that employ them.

Restaurant, Construction, and Lodging Workers Would See Large Gains in Health Insurance Coverage from Medicaid Expansion

Under the ACA, New Hampshire can extend its Medicaid program to all adults aged 19 through 64 with family incomes at or below 138 percent of the federal poverty level. Approximately 100,000 Granite Staters meet these criteria; of that total, nearly 75,000 are workers.¹ In turn, close to 33,000 of these workers lack health insurance. As a result, they would be among those most directly affected should New Hampshire elect to expand its Medicaid program.

Restaurant, Construction, and Lodging Workers Among Principal Beneficiaries of Medicaid Expansion

Insurance status of adults aged 19-64 and incomes at or below 138 percent of federal poverty line, by industry

	Age & Income Eligible workers	With Health Insurance	Without Health Insurance
Restaurants and other food service	8,950	4,030	4,920
Construction	7,350	3,590	3,760
Traveler accommodations	3,470	1,350	2,120
Janitorial, extermination, carpeting and other services to buildings	2,320	980	1,340
Amusement, gambling, and recreation industries	1,920	850	1,070
Elementary and secondary schools	2,460	1,430	1,040
Department and discount stores	1,850	1,030	820
Truck transportation	720	-	720
Grocery stores	1,520	830	690
Landscaping services	890	270	620
Subtotal - select industries	31,450	14,360	17,100
Total - all industries	74,660	41,970	32,690

Source: Analysis of the 2011 American Community Survey
Totals may not sum due to rounding

As the table above demonstrates, these workers are concentrated in a select group of industries in the Granite State. The ten industries listed account for almost half of all

income-eligible workers and more than half of the income-eligible workers without insurance. In particular, roughly 4,900 restaurant workers, 3,800 construction workers, and 2,100 lodging workers who currently lack insurance would be eligible for Medicaid should New Hampshire move ahead.

Construction Companies, Restaurants, and Other Employers Would Benefit from Expansion Too

Not surprisingly, the workers who would be most directly affected by the expansion of New Hampshire's Medicaid program tend to come from industries that employ the largest shares of the state's uninsured adults. Indeed, ten industries account for just over 46 percent of New Hampshire's adult uninsured workforce; eight of those ten have relatively high numbers of employees who would be income-eligible for Medicaid should New Hampshire approve the expansion.

One in Four Uninsured NH Adults Work in Construction or Restaurant Industries

Insurance status of adults aged 19-64, by industry

	Adult Workers	With Health Insurance	Without Health Insurance	Share without Health Insurance	Industry Share of Total without Health Insurance
Construction	58,610	42,700	15,910	27.1%	14.8%
Restaurants and other food service	38,340	23,880	14,460	37.7%	13.4%
Elementary and secondary schools	50,800	47,150	3,650	7.2%	3.4%
Traveler accommodations	7,330	4,380	2,950	40.2%	2.7%
Grocery stores	14,980	12,180	2,800	18.7%	2.6%
Janitorial, extermination, carpeting and other services to buildings	6,020	3,480	2,550	42.4%	2.4%
Amusement, gambling, and recreation industries	8,520	6,250	2,270	26.6%	2.1%
Nursing care facilities	11,320	9,350	1,970	17.4%	1.8%
Department and discount stores	9,040	7,160	1,880	20.8%	1.7%
Employment services	4,270	2,720	1,560	36.5%	1.4%
Subtotal - select industries	209,230	159,250	50,000	23.9%	46.4%
Total - all industries	749,370	641,560	107,810	14.4%	—

Source: Analysis of the 2011 American Community Survey
Totals may not sum due to rounding

More specifically, New Hampshire's construction industry employs roughly 58,600 adults. Of these workers, 15,900 or over 27 percent lack health insurance; they, in turn, amount to nearly 15 percent of all uninsured working adults in the state. Similarly, approximately 38 percent of the 38,300 New Hampshire adults working for restaurants and other food service companies do so without health insurance; they constitute just over 13 percent of uninsured adult workers.

Accepting the federal funds available to the state to insure low-wage residents will benefit thousands of workers in New Hampshire, as well as the construction and restaurant industries, which will employ a healthier and more productive workforce.

¹ The data presented here are from an analysis of the 2011 American Community Survey and are based on workers' industry assignments within the prior five years.