

**Who Benefits Under Insure Tennessee?  
Healthy People - Healthy Tennessee  
Executive Summary – January 12, 2015**

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The *Insure Tennessee Plan* would extend eligibility for public health insurance to all working-age adults earning less than 138% of the federal poverty level. Under the *Insure Tennessee Plan*, approximately 470,000 working age adults would become newly eligible for public insurance. It is estimated that roughly 200,000 individuals in this target population would choose to acquire public insurance. The costs of the *Insure Tennessee Plan* will be fully funded by the federal government for the first two years, decreasing to 90% federally funded by 2020, and funded at 90% beyond 2020.

The *Insure Tennessee Plan* would have a positive impact on the health status of the state's population and lead to significant improvements in quality of life. Benefits to Tennesseans include:

- improved access to health care and quality of life for the working poor
- improved efficacy of public health interventions (e.g., vaccines)
- increased efficiency of medical care delivery and utilization
- increased effectiveness of preventative care in averting debilitating, chronic illness
- lower uninsurance rates among veterans
- increased financial stability for rural hospitals

If the newly eligible population utilizes medical care at the same rate as those currently enrolled in TennCare, implementing the *Insure Tennessee Plan* is estimated to impart the following financial benefits on the state economy:

- \$1.03 billion in new health care revenues
- \$909 million in new income for residents of the state
- 15,000 full-time equivalent jobs

This report summarizes the prospective financial and labor-force impacts of the *Insure Tennessee Plan*. It characterizes the 'Insure Tennessee population' that would be eligible under expanded coverage and makes comparisons to those currently eligible for TennCare and the ineligible majority (many of whom have access to private health insurance). We find that the Insure Tennessee population is an important part of the work force but is likely at higher risk for catastrophic health events. Many individuals in the Insure Tennessee population either do not have insurance through their employer (or require a 'stop-gap' form of insurance between jobs), but cannot afford private health insurance. Access to affordable health care and timely physician advice may make a large difference in the Insure Tennessee population's ability to work and be healthy in the future. Implementing the *Insure Tennessee Plan* will yield significant economic benefits for state residents and the state economy.