

Executive Summary

Lost Federal Funds: Lost Opportunities for Maine

Maine has forfeited a \$1.9 billion investment in families and the economy

Since 2011, Maine has forfeited over \$1.9 billion in available federal resources that could have helped protect Mainers' health and well-being, promote tax fairness, and boost the state's economy. These funds would have injected up to \$700 million into Maine's economy and supported as many as 4,800 jobs annually.

In recent years, Maine has refused federal funds for programs that include Medicaid expansion and children's health insurance, and for health care testing, screening, and treatment—including for colorectal cancer, mental illness, and substance abuse. It has prevented federal funds from helping hungry children, those with Alzheimer's disease, and victims of domestic violence and sexual assault, and failed to secure available federal funds to support business needs. The state's current approach is causing lasting harm.

Turning away federal funds so that people suffer from addiction and chronic disease, families go hungry, and roads and public structures crumble will not strengthen Maine's economy. Securing and using federal resources to invest in public health, education, health care, education, and infrastructure will.

Maine lawmakers need to act to:

- Use accumulated TANF funds to meet basic needs and support educational programming for Maine's low-income families and children as the law intends;
- Expand access to health care, drug treatment, and chronic disease prevention programs by accepting federal Medicaid funds;
- Restore Maine's public health network of public nurses, health screenings, and support services for adolescent parents, youth with substance use disorders, families dealing Alzheimer's disease, and victims of domestic abuse by securing available federal grants for these programs;
- Invest in children's future by expanding access to food nutrition, child care, and health care using available federal funding;
- Present voters a robust bond package to improve transportation safety and efficiency; and
- Conduct a public inquiry into state government's pursuit and expenditure of federal funding to ensure that the resources are effectively managed and expended for their intended purpose.

Key Federal Funds Lost for Maine's Public Health

Federal funds are available for health testing, screening, intervention, and treatment as well as responding to epidemics, serving victims of sexual assault, assisting caregivers, and providing public health nursing services, but the state is turning these dollars away.

Why These Lost Dollars Matter	Dollars Lost to Maine	The Facts
Substance Abuse: Treats addiction sufferers, including youth	\$3.8 million	<ul style="list-style-type: none"> ✓ Average one death per day in Maine ✓ Addiction costs the state \$750 million/year
Alzheimer's: Supports sufferers of the disease and their caregivers	\$300,000	<ul style="list-style-type: none"> ✓ One in eight people aged 65 and older has Alzheimer's; the 6th leading cause of death in Maine ✓ 69,000 Maine Alzheimer's caregivers give 78 million hours of unpaid care each year ✓ Maine's Medicaid Alzheimer's cost is \$187 million annually
Colorectal Cancer: Provides life-saving screenings for low-income people	\$1 million	<ul style="list-style-type: none"> ✓ Colon cancer is the third leading cause of cancer death for both men and women in Maine ✓ Rural Mainers are most at risk for colon cancer
Healthy Transitions: Treats teens with severe mental illness	\$3 million	<ul style="list-style-type: none"> ✓ Prevents school drop outs, homelessness, and suicide ✓ Services not eligible for Medicaid or private insurance

Key Federal Funds Lost for Maine's Families and Children

Maine has forfeited federal funds that would have kept families out of poverty, helped improve food security, and supported early education for Maine children.

Why These Lost Dollars Matter	Dollars Lost to Maine	The Facts
SNAP: Feeds hungry families and children	\$142 million	<ul style="list-style-type: none"> ✓ 63% of SNAP dollars go to families with children ✓ Every \$1.00 increase in food assistance generates \$1.70 in economic activity
TANF: Helps poor families and children meet basic needs	\$200 million	<ul style="list-style-type: none"> ✓ Maine children are falling into deep poverty—that's half the federal poverty level—at a rate eight times faster than the national average ✓ 16,000 Maine children have lost basic assistance
Child Care Block Grant: Keeps children safe while their parents work and maximizes their future well-being	\$3.1 million	<ul style="list-style-type: none"> ✓ Child care support helps families with very low incomes remain in the workforce ✓ In Maine child care is more expensive than college

Key Federal Funds Lost for Health Care

The state's continued refusal to accept federal funding to expand Medicaid prevents 70,000 low-income Mainers from accessing affordable health care and puts their health and the health of Maine's economy at risk.

Why These Lost Dollars Matter	Dollars Lost to Maine	The Facts
Medicaid Expansion: Provides access to health care for low-income families	\$1 billion	<ul style="list-style-type: none"> ✓ Maine's health ranking dropped from 15 in 2015 to 22 in 2016, one of the largest one-year declines in the country ✓ Health insurance provides treatment for opioid addiction, gets Mainers back into the workforce, and decreases hospitals' uncompensated charitable care ✓ Federal government would pay 95% of costs in 2017
MaineCare: Gives low-income families with children access to health care and adults	\$244 million	<ul style="list-style-type: none"> ✓ 3,500 fewer Maine children had health insurance in 2015 than in 2010, the worst drop in the nation ✓ Most children receiving Medicaid have parents who work ✓ Cuts to MaineCare forced hundreds off substance abuse treatment programs, including veterans and pregnant women
CHIP: Provides health insurance for children	\$59.5 million	<ul style="list-style-type: none"> ✓ Covers 25,000 children not eligible for MaineCare and includes children in foster care and those with severe disabilities

Key Federal Funds for Lost Maine Business Infrastructure

The state has a \$1.5 billion backlog of road and bridge repairs but, by reducing bonding levels by an average of \$28 million a year, has lost millions in federal matching funds for infrastructure.

Why These Lost Dollars Matter	Dollars Lost to Maine	The Facts
Transportation and Other Bonds: Keeps drivers safe and commerce moving	\$196 million	<ul style="list-style-type: none"> ✓ More deaths on Maine roads per year on average from poor road construction than from alcohol (49 vs 37) ✓ \$1.5 billion in needed road and bridge repairs
Forest Legacy Program: Keeps forest lands intact	\$1.73 million	<ul style="list-style-type: none"> ✓ Forest products; a \$1.8 billion dollar industry

MECEP provides citizens, policy-makers, advocates, and media with credible and rigorous economic analysis that advances economic justice and prosperity for all Maine people. MECEP is an independent, nonpartisan organization founded in 1994. Visit MECEP's web site for a copy of our full report, Lost Federal Funds: Lost Opportunities for Maine, which includes a full list of federal funds Maine has forfeited, 2011-2017.