

Economic Impacts of Medicaid Cuts & Expansion in Wyoming

Peter Evangelakis, Ph.D.
Senior Vice President of Economics and Consulting, REMI
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Regional Economic Models, Inc.

The One Big Beautiful Bill Act (OBBBA) and Medicaid Expansion



- On July 3rd, Congress passed the OBBBA, which included large tax cuts funded by net reductions to federal spending and an increase in the budget deficit.
- A significant portion of the federal spending cuts come from Medicaid through several mechanisms. In total, federal Medicaid spending will be reduced by around \$1 trillion over the next 10 years.
- CBO estimates that OBBBA would leave 11.8 million people without health insurance in 2034 relative to their prior baseline estimate.
- Under the Affordable Care Act (ACA), states were allowed to extend Medicaid coverage to adults with incomes up to 138% of the federal poverty level, with the federal government covering 90% of the costs as of 2020.
- The American Rescue Plan Act of 2021 (ARPA) added a 5% federal match for existing enrollees during their first two years of a new expansion.

REMI Medicaid Expansion Studies



- REMI modeling has been used to study Medicaid expansion in over 15 states since 2013, including:
 - Alabama, Arkansas, Florida, [Georgia](#), Kansas, Mississippi, [Missouri](#), Montana, North Carolina, [Ohio](#), Oklahoma, South Carolina, South Dakota, Tennessee, Texas, Virginia, Wisconsin, [Wyoming](#)
- In [2025](#), REMI analyzed the economic impacts of Medicaid cuts from OBBBA and a potential expansion in [Wyoming](#). This analysis was done on behalf of the [Natrona Collective Health Trust](#).

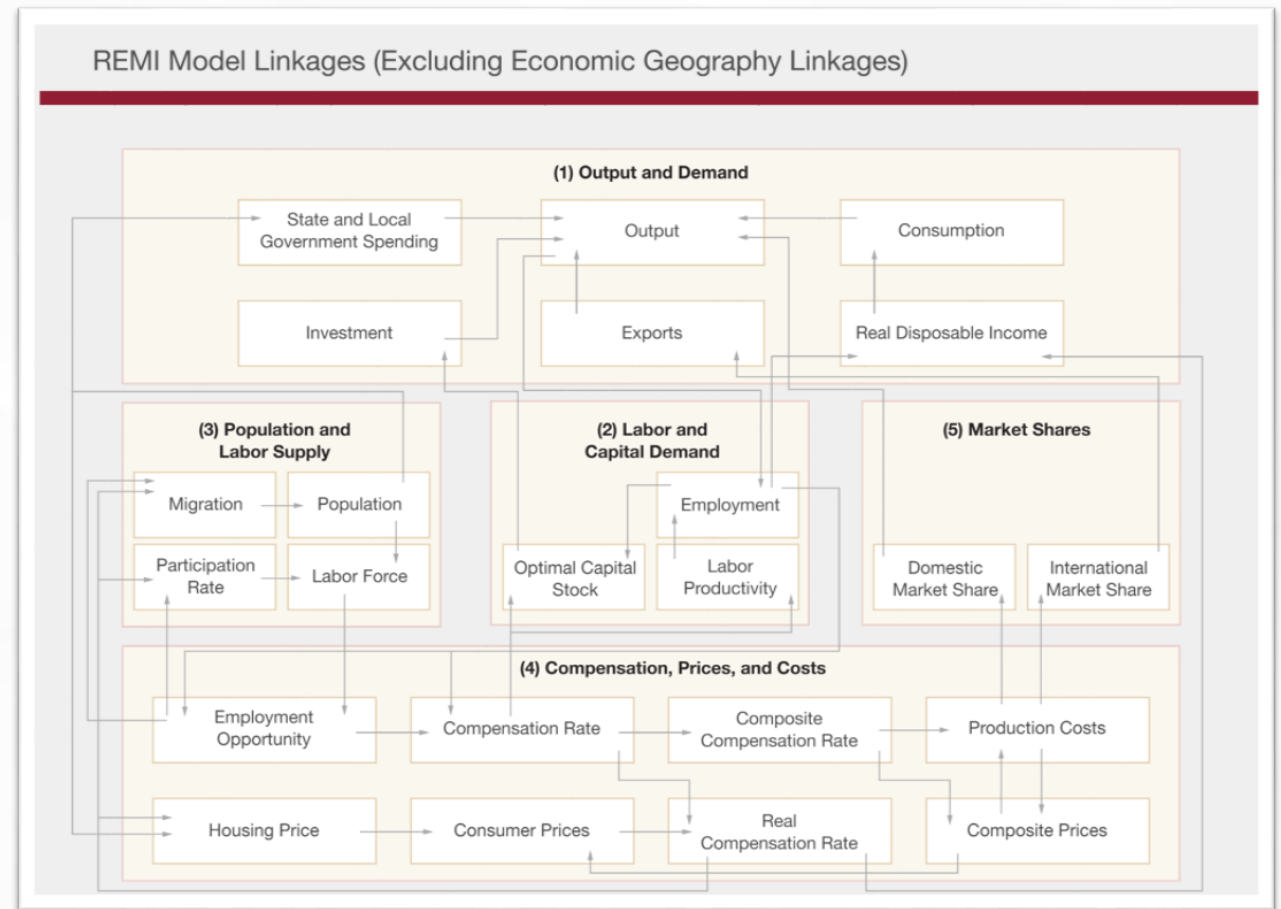
- REMI considered two scenarios in Wyoming for 2026-2030:
 - Worst-case Medicaid cuts [pre-OBBA passage estimate]
 - Medicaid expansion

REMI Model



PI⁺ is the premier software solution for conducting dynamic macroeconomic impact analysis of public policy.

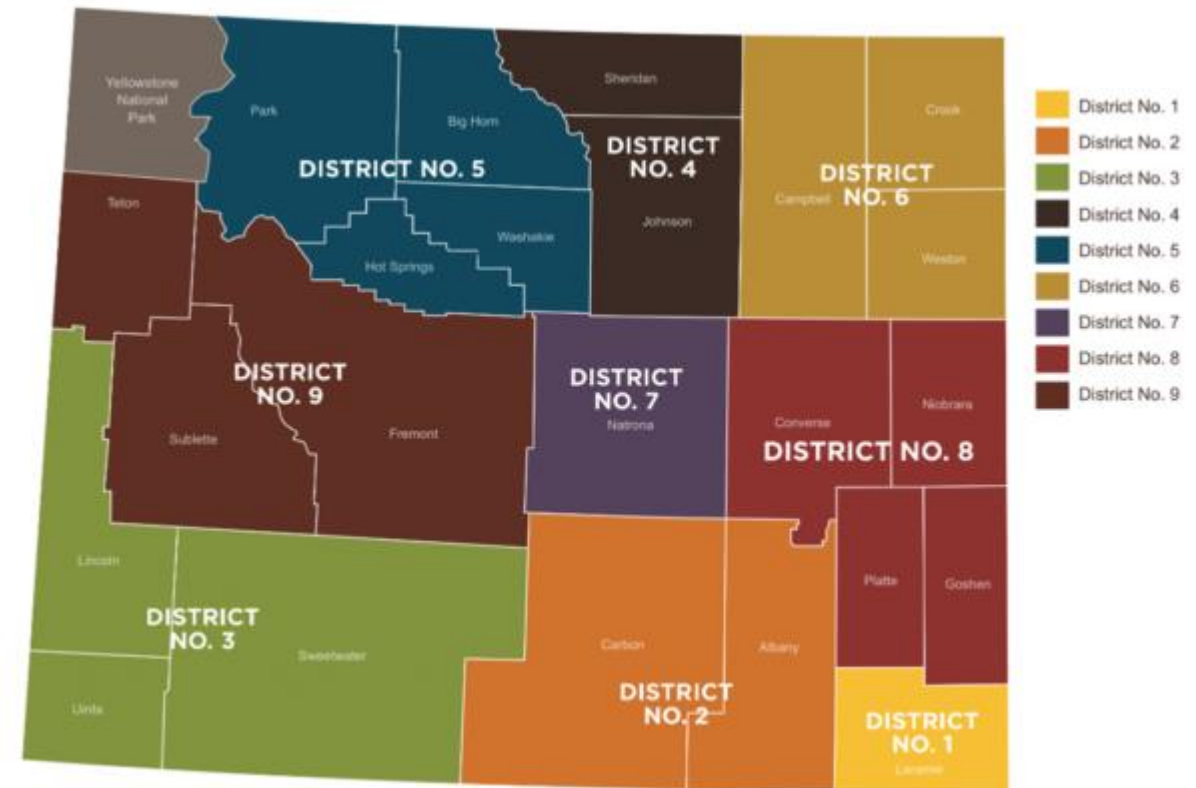
As our flagship model, PI⁺ specializes in generating realistic year-by-year estimates of the total local, state, and national effects of any specific policy initiative.



what does **REMI** say?sm

Regional Layout

- A Judicial District-level PI+ economic model of Wyoming was used for this analysis



Medicaid Cuts Scenario



- REMI considered the direct impact of Medicaid cuts to be a loss in revenues for health care providers
 - REMI used a ten-year estimate of \$880 billion in federal Medicaid cuts (KFF), which translates to \$88 billion annually [pre-OBBA passage estimate]
 - Using the PI+ model baseline forecasts and Wyoming Department of Health (WDH) data and estimates, they were distributed by Judicial District across:
 - Ambulatory health care services
 - Hospitals
 - Retail trade

Medicaid Cuts Results – State Results



State Results

- Average Annual Impacts
 - -192 jobs
 - -\$27.8M in GDP
 - -\$14.6M in disposable personal income

Table 3: State-Level Economic Impacts

State Results	2026	2027	2028	2029	2030	Average
Total Employment	-235	-181	-184	-182	-179	-192
<i>Selected Key Industries</i>						
Ambulatory health care services	-111	-77	-77	-76	-76	-83
Construction	-22	-23	-23	-21	-19	-22
State and local government	-13	-16	-18	-19	-19	-17
Hospitals	-21	-15	-15	-15	-15	-16
Retail Trade	-13	-10	-10	-10	-10	-11
Food services and drinking places	-9	-7	-8	-8	-8	-8
Administrative and support services	-6	-4	-4	-4	-4	-5
Wholesale Trade	-2	-1	-1	-1	-1	-1
Gross Domestic Product (GDP)	-29.2	-26.6	-27.2	-27.9	-28.3	-27.8
Disposable Personal Income	-14.4	-12.8	-14.3	-15.3	-16.2	-14.6
Population	-65	-96	-120	-139	-154	-115
<i>*Units: Total Employment in Jobs; GDP and Disposable Personal Income in Millions of Nominal Dollars; Population in Individuals. Totals and averages may not correspond to components due to rounding.</i>						

Medicaid Cuts Results – Regional Results



Table 4: State-Level and Regional Economic Impacts

Results (5 Year Averages)	Total Employment	Gross Domestic Product (GDP)	Disposable Personal Income	Population
State	-192	-27.8	-14.6	-115
Judicial District 1	-47	-6.1	-3.2	-26
Judicial District 2	-12	-1.9	-1.0	-10
Judicial District 3	-19	-2.4	-1.2	-10
Judicial District 4	-14	-1.8	-1.0	-7
Judicial District 5	-18	-2.5	-1.1	-11
Judicial District 6	-13	-2.0	-0.9	-6
Judicial District 7	-36	-5.7	-2.8	-23
Judicial District 8	-8	-1.2	-0.6	-7
Judicial District 9	-26	-4.2	-2.8	-14
<i>*Units: Total Employment in Jobs; GDP and Disposable Personal Income in Millions of Nominal Dollars; Population in Individuals. Totals may not correspond to components due to rounding.</i>				

Medicaid Expansion Scenario



- REMI considered the direct impact of Medicaid expansion to be increased revenues for health care providers and net changes in state government revenue
 - Two-year forecasts were gleaned and extended to five years from WDH data and estimates
 - Using the PI+ model baseline forecasts, increased expenditures were spread across:
 - Ambulatory health care services
 - Hospitals
 - Retail trade
 - Net state government revenue savings in the first two years were modeled as temporary property tax relief, while net state government revenue costs in the last three years were modeled as cuts to state government spending to meet balanced budget requirements.
 - Expiration of the 2-year ARPA provision

Medicaid Expansion – State Results



State Results

- Average Annual Impacts:
 - 440 jobs
 - \$60.9M in GDP
 - \$41.5M in disposable personal income

Table 5: State-Level Economic Impacts

State Results	2026	2027	2028	2029	2030	Average
Total Employment	303	515	463	464	454	440
<i>Selected Key Industries</i>						
Ambulatory health care services	102	164	155	154	153	145
Construction	34	66	70	68	62	60
Retail trade	30	50	38	38	37	39
State and local government	16	36	43	47	48	38
Hospitals	18	29	29	28	28	27
Food services and drinking places	16	27	21	22	23	22
Administrative and support services	8	12	11	11	10	10
Wholesale trade	3	5	3	3	3	4
Gross Domestic Product (GDP)	35.4	66.4	66.3	67.9	68.7	60.9
Disposable Personal Income	23.4	42.2	44.3	47.7	50.1	41.5
Population	83	197	267	321	361	246
<i>*Units: Total Employment in Jobs; GDP and Disposable Personal Income in Millions of Nominal Dollars; Population in Individuals. Totals and averages may not correspond to components due to rounding.</i>						

Medicaid Expansion – Regional Results



Table 6: State-Level and Regional Economic Impacts

Results (5 Year Averages)	Total Employment	Gross Domestic Product (GDP)	Disposable Personal Income	Population
State	440	60.9	41.5	246
Judicial District 1	163	19.9	20.1	84
Judicial District 2	24	3.7	1.9	19
Judicial District 3	35	4.5	2.2	18
Judicial District 4	30	3.9	2.4	15
Judicial District 5	32	4.5	2.0	20
Judicial District 6	24	3.6	1.4	10
Judicial District 7	65	10.4	5.1	40
Judicial District 8	16	2.4	1.2	13
Judicial District 9	50	8.1	5.3	26
<i>*Units: Total Employment in Jobs; GDP and Disposable Personal Income in Millions of Nominal Dollars; Population in Individuals. Totals may not correspond to components due to rounding.</i>				

Scenario Comparison



State Results – Medicaid cuts relative to Medicaid expansion

- Average Annual Impacts
 - -632 jobs
 - -\$88.8M in GDP
 - -\$56.1M in disposable personal income

Executive Summary Table 3: Medicaid Cuts Relative to Medicaid Expansion

Results (5 Year Averages)	State	Metropolitan	Non-Metropolitan
Total Employment	-632	-311	-321
Gross Domestic Product (GDP)	-88.8	-42.0	-46.8
Disposable Personal Income	-56.1	-31.2	-25.0
Population	-361	-173	-188
<i>*Units: Total Employment in Jobs; GDP and Disposable Personal Income in Millions of Nominal Dollars; Population in Individuals. Totals may not correspond to components due to rounding.</i>			

For more information, please contact
Peter.Evangelakis@remi.com