

# THE EFFECTS OF ACA MEDICAID EXPANSIONS ON EMPLOYMENT AND WAGES IN THE U.S MEAT PROCESSING INDUSTRY

by

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(Under the Direction of Genti Kostandini)

## ABSTRACT

This study examines the effects of the Affordable Care Act (ACA) Medicaid expansion on employment and wages in the U.S. meat processing industry from 2005 to 2022. The analysis employs a Difference-in-Differences (DID) approach using state-level panel data from the Bureau of Labor Statistics (BLS) and the U.S. Census Bureau. The study focuses on three occupational groups: (1) Butchers and Meat Cutters, (2) Slaughterers and Meat Packers, (3) Meat, Poultry, and Fish Cutters and Trimmers. The results show that Medicaid expansion positively and significantly affected the employment of Slaughterers and Meat Packers, increasing employment by 667 workers or 33.5%. Additionally, Medicaid expansion resulted in a decrease of approximately 441 workers, or 15.8%, in the employment of Meat, Poultry, and Fish Cutters and Trimmers. The study finds mixed effects on wages: Medicaid expansion increased the wages of Slaughterers and Meat Packers but decreased the wages of Butchers and Meat Cutters. An event study framework provides support for the persistence of these effects over time, highlighting the

heterogeneous impacts of Medicaid expansion on different occupational groups within the industry. The findings underscore the need for targeted policy interventions to support workers affected by changes in the healthcare landscape.

INDEX WORDS: Medicaid Expansion, U.S. Meat Processing Industry, Employment, Wages, Difference-in-Differences, Labor market outcomes

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## DEDICATION

I dedicate this work to God Almighty, whose grace, strength, and wisdom sustained me through every step of this journey, because it was not easy, but it was worth it. To my dear mother and my late aunt, whose unwavering love, prayers, and sacrifices have been my foundation and greatest source of encouragement, this achievement is as much theirs as mine. To my friend Elijah, thank you for believing in me, standing by me, and lifting my spirits when the path was unclear. And finally, to the resilient workers in the U.S. meat processing industry, whose dedication and labor inspired this research, may your voices and experiences continue to shape better policies and working conditions for generations to come.

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## TABLE OF CONTENTS

|   |     |
|---|-----|
| INTRODUCTION .....  | 1-3 |
| BACKGROUND AND ESSENTIALS OF THE AFFORDABLE CARE ACT .....              | 4-8 |
| LITERATURE REVIEW .....   | 9   |
| 3.1 US Meat Sector .....  | 9   |
| 3.2 Meat Slaughterhouse and Packing Industry .....                      | 11  |
| 3.3 ACA and US Macro Economy .....                                      | 12  |
| 3.4 ACA Employment and the Labor Market.....                            | 13  |
| 3.5 ACA and Meat Processing Sector.....                                 | 16  |
| DATA and DATA METHODS .....   | 18  |
| 4.1 Research Methodology .....  | 24  |
| 4.2 Event Study Model .....   | 26  |
| RESULTS AND DISCUSSION .....  | 28  |
| 5.1.1 Impact of Medicaid Expansion on Aggregated BLS Variables .....    | 28  |
| 5.1.2 Impact of Medicaid Expansion on Total Employment .....            | 30  |
| 5.1.3 Impact of Medicaid Expansion on Hourly Mean Wage .....            | 34  |
| 5.1.4 Impact of Medicaid Expansion on Annual Mean Wage.....             | 37  |
| 5.2.1 Robustness Check for Pre-Trend Analysis .....                     | 40  |
| 5.2.2 Robustness Check for Pre-Trend Analysis on Total Employment ..... | 43  |
| 5.2.3 Robustness Check for Pre-Trend Analysis on Annual Mean Wage ..... | 46  |

|   |    |
|---|----|
| 5.2.4 Robustness Check for Pre-Trend Analysis on Hourly Mean Wage ..... | 50 |
| 6 CONCLUSION.....   | 54 |
| REFERENCES .....  | 57 |

## LIST OF TABLES

|   |    |
|---|----|
| Table 1: Summary Statistics of Employment, Wages, and Demographic Data .....                              | 19 |
| Table 2: Summary Statistics of Employment, Wages, and Demographic Data before Medicaid<br>Expansion ..... | 21 |
| Table 3: Summary Statistics for the Occupational Classification Codes .....                               | 22 |
| Table 4: Impact of Medicaid Expansion on Aggregated Bureau of Labor Statistics Variables ...              | 28 |
| Table 5: Impact of Medicaid Expansion on Total Employment.....  | 31 |
| Table 6: Impact of Medicaid Expansion on Hourly Mean Wage .....   | 33 |
| Table 7: Impact of Medicaid Expansion on Annual Mean Wage .....   | 36 |
| Table 8: Robustness Check for Pre-Trend Analysis for Aggregated BLS Variables .....                       | 38 |
| Table 9: Robustness Check for Pre-Trend Analysis on Total Employment .....                                | 40 |
| Table 10: Robustness Check for Pre-Trend Analysis on Annual Mean Wage .....                               | 43 |
| Table 11: Robustness Check for Pre-Trend Analysis on Hourly Mean Wage .....                               | 45 |

## LIST OF FIGURES

|   |    |
|---|----|
| Figure 1: Status of States Action on Medicaid Expansion ..... | 8  |
| Figure 2: Food at Home Inflation.....                         | 10 |

## **CHAPTER 1**

### **INTRODUCTION**

Employees in the US beef, hog, and poultry slaughtering and processing facilities undertake hazardous tasks under challenging conditions. Managing the continuous influx of animals and birds at processing facilities and live-holding areas is inherently perilous and labor-intensive (Compa et al., 2004). Companies in the meat and poultry business do not guarantee idyllic work environments, nor should such expectations be held (Powell & Seabury, 2018).

Transforming an eight-hundred-pound cow or a five-pound chicken into tenders for supermarket checkout or fast-food restaurant counters inherently requires hard physical labor in difficult environments. Thus far, the sector has demonstrated less willingness to collaboratively enhance respect for workers' rights, whether by trade association standards or through unified advocacy for legislative protections (Human Rights Watch, 2005). However, an equivalent or greater obligation to prevent infringement of workers' rights in the meat and poultry sector resides with government entities at both the federal and state levels. Only governmental entities have the requisite legal authority to effectively deter companies from infringing upon workers' rights and can alter the precarious conditions of the hundreds of thousands of workers in the U.S. meat sector (Dillender et al., 2015). Regrettably, health and safety legislation inadequately address significant concerns within the meat and poultry sector (Compa et al., 2004). Consequently, it is essential to examine the impact of the Affordable Care Act on employment within the U.S. meat industry.

Employment in the meatpacking or poultry processing sector is well recognized and perilous. Compa et al. (2004) disclosed that most workers in the meat business reported experiencing a significant injury, such as lacerations, in a meat or poultry processing facility. Injuries encompassed scars, swellings, rashes, amputations, blindness, and other ailments.

Health insurance coverage plays a vital role in the U.S. meat processing industry, serving as a critical risk management tool to address the sector's inherent vulnerabilities. Meat processors face numerous risks, including equipment breakdowns, supply chain disruptions, workplace injuries, and product contamination, all of which can significantly impact operations and profitability (National Meat Association, 2021). Also, workers' compensation is essential given the high-risk nature of the industry, where repetitive tasks and the use of heavy machinery contribute to injury rates higher than in many other sectors (Bureau of Labor Statistics, 2022).

Despite the availability of comprehensive health insurance options, small and medium-sized meat processors often struggle with the costs of premiums, which can limit their ability to access adequate coverage (American Meat Processors Association, 2021). As the industry continues to grow and evolve, particularly in response to increasing consumer demand and heightened regulatory scrutiny, insurance remains a cornerstone for safeguarding operations and fostering resilience.

Several works, such as (Kandilov and Kandilov., 2019; Gooptu et al., 2016) have given insights into how the ACA has affected labor outcomes amongst agricultural workers and the impact of the ACA on labor mobility. Still, there is a paucity of data on the impact of the ACA on employment outcomes, particularly within the US meat processing industry. This research, therefore, aims to fill the gap in the literature by estimating how Medicaid expansion has affected employment and wages in the US meat processing industry.

Furthermore, while existing studies on the ACA's labor market effects often focus on macroeconomic outcomes or low-wage jobs broadly (Antwi et al., 2013; Garrett & Kaestner, 2015), there is a notable gap in understanding the sector-specific implications for industries where the health and safety of workers are critical concerns. Research in this area could provide deeper insights into whether the ACA provision of Medicaid expansion has mitigated or incentivized employment in the workforce composition of the industry.

Addressing this gap is essential, as it could inform policymakers on the interplay between healthcare access and labor market dynamics in the industry. This is particularly relevant given ongoing debates about the ACA's long-term economic impact and potential reforms to workplace safety regulations. By exploring the case of the U.S. meat industry, future research could contribute to a more nuanced understanding of how healthcare policy shapes labor outcomes in high-risk work environments.

This research will help policymakers understand the employment impact of healthcare reforms in high-risk sectors like the US meat industry, providing insights for businesses on balancing health benefits with workforce levels. It will contribute to the literature on healthcare policy and labor market outcomes.

## **CHAPTER 2**

### **BACKGROUND AND ESSENTIALS OF THE AFFORDABLE CARE ACT**

Medicaid expansion under the Affordable Care Act (ACA) refers to expanding Medicaid eligibility to cover low-income adults with incomes up to 138% of the federal poverty level. This provision was intended to reduce the number of uninsured individuals and improve access to healthcare, particularly for adults who were previously ineligible for Medicaid due to their income levels (Rosenbaum et al., 2020). While the expansion has been adopted in many states, some states, including Tennessee, have not expanded Medicaid, resulting in a coverage gap for many low-income residents (Kaiser Family Foundation, 2021).

The contraction of Tennessee's Medicaid program, known as TennCare, occurred when the state reduced Medicaid eligibility and implemented stricter enrollment requirements. In the past, Tennessee had operated one of the most expansive Medicaid programs in the country, but in recent years, the state has faced challenges in financing and managing the program (Kaiser Family Foundation, 2020). As a result, TennCare has reduced coverage for some low-income individuals and imposed stricter eligibility criteria, particularly for those with disabilities or mental health needs, limiting access to healthcare for vulnerable populations (Bodenheimer & Grumbach, 2021). These changes have been a response to rising Medicaid costs, but they have also led to significant concerns about increased uninsured rates and reduced access to care. Other states that have also not expanded Medicaid include Texas, South Carolina, Kansas, Florida, Georgia, Wyoming, Wisconsin, Mississippi and Alabama.

The Affordable Care Act is one of the most significant social legislation of our era. The Affordable Care Act of 2010 (ACA) was enacted by Congress and signed into law by President Obama on March 23, 2010 (Manchikanti et al., 2011). The ACA faced legal challenges, and on June 28, 2012, the Supreme Court affirmed the constitutionality of the health care law. The ACA was implemented to augment the number of Americans with health insurance and reduce healthcare costs (Manchikanti et al., 2011).

The expansion of Medicaid is an essential component. The ACA broadens the program's parameters and elevates the number of individuals that states are required to cover. Traditionally, states only provide coverage for impoverished adults with children. Nonetheless, a stipulation of the ACA mandates that state Medicaid programs extend coverage to adults with incomes up to 133% of the federal poverty level by 2014.

The fundamentals of the ACA have been articulated in numerous publications, most of which are partisan and opinion driven. Most of the discussion of the ACA's basics in this study is sourced from Bredesen's book (Bredesen, 2010). Bredesen (2010) characterized the "mandate" as a legal obligation necessitating that almost every American citizen and legal resident obtain health insurance or incur a penalty. Mandated minimum standards resemble traditional health insurance policies, with a significant added focus on access to preventive treatment (Bredesen, 2010). Key provisions include the individual mandate, which initially required most Americans to have health insurance (Kaiser Family Foundation, 2021). The establishment of health insurance marketplaces allows individuals and small businesses to compare and purchase standardized plans categorized by coverage levels (Centers for Medicare & Medicaid Services, 2021).

Legal challenges to the ACA have focused on the requirement that individuals, unless excluded, must procure health insurance from a private entity if they do not obtain it through an employment

or government program. Individuals who fail to comply, starting in 2014, have been subjected to a "penalty" (Shaw et al., 2019). The individual mandate provision of the Affordable Care Act (ACA) officially took effect on January 1, 2014. This provision required most Americans to maintain minimum essential health coverage or face a financial penalty unless they qualified for an exemption. The mandate aimed to increase the number of insured individuals and stabilize insurance markets by encouraging healthy people to enroll.

The Affordable Care Act (ACA) mandates that companies with a minimum of 50 full-time-equivalent (FTE) employees provide "affordable" health insurance that satisfies minimum coverage standards for those working an average of at least 30 hours per week (Dillender, n.d.). Large firms that fail to provide health insurance to full-time employees offer policies lacking basic benefits or do not cover an adequate portion of the policy's premium, may incur significant financial penalties (Dillender et al., 2015). The ACA's employer mandate aims to enhance employer-sponsored health insurance, thereby improving employee compensation and job quality; however, concerns have arisen that it may lead some employers to hire more part-time workers to circumvent the mandate (Dillender, n.d.).

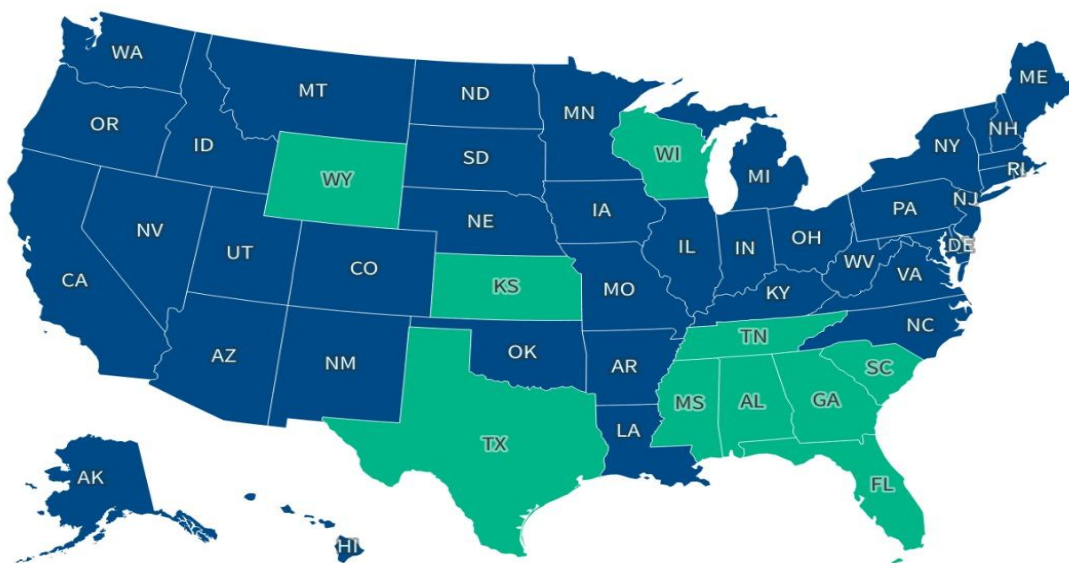
The ACA provides coverage to approximately 30 million uninsured individuals in the United States and forbids discriminatory actions by insurers. Additional regulations prohibit insurance providers from denying or terminating coverage for ill individuals, imposing exorbitant premiums on the elderly or chronically ill, or enforcing lifetime benefit caps. As mentioned, the ACA expanded Medicaid to cover low-income adults earning up to 138% of the federal poverty level, though not all states adopted this provision (Rosenbaum et al., 2020). It also protects individuals with pre-existing conditions, ensuring they cannot be denied coverage or charged higher premiums

(Pollitz, 2021). Additionally, all plans must cover essential health benefits, such as preventive care, mental health services, and maternity care (HealthCare.gov, 2023).

Figure 1 illustrates the states that have adopted and implemented Medicaid Expansion. As of 2022, 39 states (including the District of Columbia) have expanded their Medicaid eligibility, although the Supreme Court subsequently deemed the provision unconstitutional (Fang & Krueger, 2021). Arkansas, Arizona, California, Colorado, Connecticut, Delaware, Hawaii, Iowa, Illinois, Kentucky, Massachusetts, Maryland, Michigan, Minnesota, North Dakota, New Hampshire, New Jersey, New Mexico, Nevada, New York, Ohio, Oregon, Rhode Island, Vermont, Washington, West Virginia and the District of Columbia all expanded Medicaid in 2014. 3 states, Alaska, Indiana, and Pennsylvania, expanded Medicaid in 2015, and Louisiana and Montana expanded Medicaid in 2016. Idaho, Maine, and Virginia expanded Medicaid in 2019, and states like Missouri, North Carolina, Nebraska, Oklahoma, South Dakota, and Utah all expanded Medicaid in 2020.

## Status of State Action on the Medicaid Expansion Decision

■ Adopted and implemented (41 states including DC) ■ Not adopted (10 states)



Source: KFF tracking and analysis of state actions related to adoption of the ACA Medicaid expansion

**KFF**

Figure 1: Status of States Action on Medicaid Expansion as of 2022

To improve affordability, the ACA provides subsidies and tax credits for individuals earning between 100% and 400% of the federal poverty level, reducing premiums and out-of-pocket costs (Kaiser Family Foundation, 2021). The employer mandate requires businesses with 50 or more full-time employees to offer insurance or face penalties (Congressional Research Service, 2020). Lastly, the ACA emphasizes preventive services, requiring insurers to cover screenings, vaccinations, and wellness visits at no extra cost (HealthCare.gov, 2023). These provisions have significantly expanded healthcare access and improved financial protection for millions of Americans.

## **CHAPTER 3**

### **LITERATURE REVIEW**

#### **3.1 THE US Meat Sector**

Significant price escalations for beef, pork, and chicken are propelling the recent price hikes observed by consumers in the grocery store, a metric generally referred to as "food at home."

Figure 2 illustrates the accumulated price changes in food products, highlighting the inflationary trends in meat products. Collectively, these three commodities constitute fifty percent of the rise in food prices at home since December 2020. Since that period, beef prices have increased by 14.0%, pork by 12.1%, and poultry by 6.6% (Deese et al., 2021). Meat products like beef and pork experienced the highest price increases in both time frames, poultry also saw a price increase.

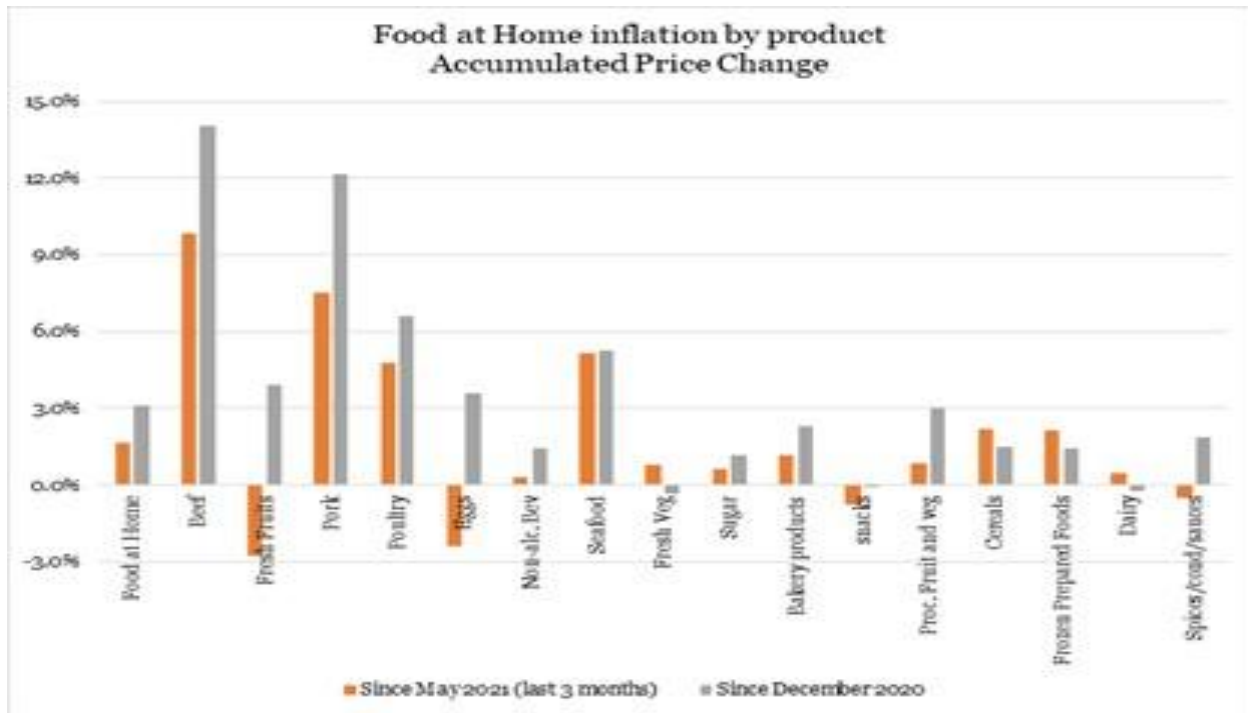


Figure 2. Food at home inflation (source: White House, 2021)

Four major conglomerates, namely JBS Foods, Tyson Foods, Cargill, and Marfrig, dominate meat supply chains, reducing profits for producers while increasing costs for consumers (Reuters, 2021). The meatpacking sector procures cattle, hogs, and chickens from farmers and ranchers, processes them, and subsequently sells beef, pork, and poultry to merchants such as grocery shops. The industry is significantly concentrated and functions as a critical choke point in the supply chain (Deese et al., 2021).

Currently, four companies dominate roughly 55-85% of the market for these three items, according to data from the U.S. Department of Agriculture. This indicates significant consolidation within the business during the past fifty years, as large conglomerates have increasingly acquired smaller processors. In 1977, the top four beef-packing companies held merely 25% of the market, whereas they now dominate with 82% (Deese et al., 2021). In the poultry sector, the leading four processing

companies held 35% of the market share in 1986, whereas they currently command 54%. In the pork industry, the leading four hog-processing companies held 33% of the market share in 1976, whereas they now control 66% (Deese et al., 2021).

This convergence empowers intermediaries to exploit both consumers and agricultural producers (Reuters, 2021). There exists a protracted history of large meat processors increasing their profits, while families incur higher grocery expenses and farmers and ranchers receive diminished compensation for their products. In the absence of this corporate concentration, consumer prices would decrease, and conditions would be more equitable for farmers and ranchers (Deese et al., 2021).

During the pandemic, meat processors achieved unprecedented profits, adversely affecting consumers, farmers, and ranchers (Deese et al., 2021). The dynamics of a hyper-consolidated pinch point in the supply chain create significant concerns for pandemic profiteering. Throughout the pandemic, wholesale beef prices escalated at a far higher rate than the input costs for cattle. This indicates that the prices processors pay to ranchers remain stagnant, while the prices processors charge retailers are rising (Deese et al., 2021).

### **3.2 Meat Slaughterhouse and Packing Industry**

The U.S. meat slaughterhouse and packing industry plays a central role in both the national and global food systems. This sector is characterized by significant market concentration, where a few large firms dominate the market, raising concerns about competitive fairness and producer bargaining power. The USDA (2020) reports that four major firms control over 80% of the beef market, which limits competition and can lead to price manipulation. This concentration has

resulted in the closure of many smaller, independent slaughterhouses, particularly in rural areas, leading to economic and employment challenges (Garfinkel & Zepeda, 2017).

Labor practices within the meat processing industry are another key issue, with workers often facing poor working conditions, including repetitive tasks that lead to high injury rates. Studies have shown that workers in meatpacking plants experience higher rates of musculoskeletal injuries and exposure to hazardous substances (Kochan et al., 2015). Moreover, the industry's reliance on immigrant labor raises concerns about exploitation and lack of workplace protections (Fernandez & Valdés, 2017). Although the Affordable Care Act has improved healthcare access for some workers, many in the industry remain uninsured, exacerbating health and safety concerns (Baker et al., 2016).

Regulatory frameworks, primarily managed by the USDA's Food Safety and Inspection Service (FSIS), are designed to ensure food safety and quality, but the effectiveness of these regulations is often debated. The rise of antibiotic-resistant bacteria due to overuse in livestock production poses a significant challenge to food safety (Smith & Wesson, 2016). However, innovations in automation and food traceability have improved both operational efficiency and safety standards in slaughterhouses (MacDonald et al., 2016). Economic factors, such as export demand and trade agreements, significantly influence the meatpacking industry. The sector contributes billions to the U.S. economy through exports to markets like China and Mexico (USDA, 2020), though disruptions such as trade wars, or the COVID-19 pandemic have exposed vulnerabilities in global supply chains (Dube, 2020).

Looking ahead, the U.S. meatpacking industry faces several challenges, including labor shortages, growing consumer demand for sustainable production, and competition from plant-based

alternatives (Chriki & Hocquette, 2020). Innovations in automation and worker safety programs are critical to addressing these issues, ensuring the sector's continued growth and adaptation.

### **3.3 ACA and US Macro Economy**

The health care reform in the United States was partially motivated by the twin challenges that the U.S. health care system encountered. First, a significant portion of the U.S. population lacked health insurance (more than 15.2% in 2009), whereas all other Organization for Economic Co-operation and Development (OECD) countries had national health insurance. Second, the U.S. allocated a significantly higher proportion of its national income to health care than any other OECD country (health care accounted for approximately 18% of the U.S. GDP in 2009) (Aizawa, 2019).

The Affordable Care Act (ACA) aims to increase health insurance coverage in the U.S. by expanding Medicaid (3.7%) and Medicare (3.1%), while decreasing employment-based insurance by 1.2% and increasing individual health insurance by only 0.5% (Aizawa & Fang, 2020). Medicaid expansion is a key part of the ACA, which maintains a mix of publicly provided insurance (Medicare and Medicaid), employer-sponsored insurance (ESHI), and individual health insurance (Fang & Krueger, 2021). The ACA's key provisions include allowing young adults to stay on their parents' insurance until age 26, implementing the individual and employment mandates, creating health insurance exchanges, expanding Medicaid, and offering premium subsidies for those purchasing insurance through the exchange (Fang & Krueger, 2021).

The primary objective of the Affordable Care Act (ACA) is to reform the health insurance system. Nevertheless, it also has a substantial effect on the macroeconomy, public health, and the labor market for a variety of reasons. The healthcare sector is responsible for approximately 18% of the

U.S. GDP (Aizawa & Fang, 2020). Moreover, out-of-pocket healthcare cost shocks continue to be one of the most significant hazards encountered by American households (Fang, 2016) and are responsible for approximately 26% of personal bankruptcies among low-income households (Gross & Notowidigdo 2011). Consequently, the health insurance system's reforms have an impact on the decisions of individual consumers regarding their consumption, saving, and labor supply. These decisions are significant for macroeconomic analysis when aggregated across all households.

### **3.4 ACA, Employment, and the Labor Market**

The Affordable Care Act (ACA), implemented in 2010, significantly impacted U.S. employment patterns, particularly through its employer mandate and health insurance provisions. While concerns about job reductions and hour limitations due to the employer mandate were raised, studies have found limited overall effects on employment (Gooptu, Moriya, Simon, & Sommers, 2016). Some employers adjusted by shifting workers to part-time roles (Levy et al., 2017), but the broader labor market remained stable (Gooptu et al., 2016). The ACA reduced job lock, allowing individuals to switch jobs or become self-employed due to improved access to insurance (Garthwaite, Gross, & Notowidigdo, 2014). In small businesses, the employer mandate had little effect on hiring (Sloan & Conover, 2017) mainly because they are not subject to the same penalty requirements as larger firms. Additionally, health improvements from expanded coverage contributed to higher productivity and fewer work absences (Baicker et al., 2013). However, sectoral differences emerged, with industries like retail and food services seeing more part-time work, particularly in non-expansion states (Kaestner, Garrett, & Chen, 2017). Overall, the ACA's employment effects were complex, with both direct and indirect impacts on the labor market.

Several studies have explored the effects of Medicaid on employment, with mixed results. For example, (Garthwaite et al., 2014) found an increase in employment after a Medicaid contraction in Tennessee, while Dague et al. (2014) and Baicker et al. (2014) observed modest effects in Wisconsin and Oregon. Despite these studies, uncertainty remains regarding the impact of ACA's Medicaid expansions on labor market outcomes (Duggan et al., 2017). Rather than examining specific industry sectors, these studies focused on how Medicaid coverage changes affected labor market outcomes across demographic groups, such as the general low-income, and working-age population.

The ACA also influences labor market outcomes through private health insurance exchanges. Workers who previously stayed in their jobs until Medicare eligibility may now retire or reduce hours as the ACA offers more affordable insurance outside employment (Duggan et al., 2017). Additionally, insurance subsidies decrease as income rises, creating an effective tax rate on additional earnings, which may discourage work (Duggan et al., 2017). The ACA's Medicaid expansion targeted low-income individuals, including farm workers, who had limited insurance coverage prior to the ACA (Hansen et al., 2003). Studies confirm that the ACA increased coverage among low-income individuals, including young adults, and had a notable impact on Medicaid eligibility (Frean et al., 2017).

Research on the ACA's effects on farm workers has shown mixed results. Kandilov and Kandilov (2019) found that Medicaid expansion increased government-provided insurance utilization but did not significantly impact labor supply. (Donkor, Perloff, & Gabbard, 2021) found an increase in farmworkers' insurance coverage, although employer-provided benefits remained unaffected. Despite higher utilization of medical services among those with pre-existing conditions, the ACA did not significantly impact emergency room visits (Donkor et al., 2021).

### **3.5 ACA and Meat Processing Sector**

While the ACA directly targets healthcare access and reform, its indirect effects on various sectors, including the meat processing industry, have been noteworthy. The ACA has implications for the meat processing sector, particularly with employee health insurance, workplace safety, and healthcare costs, which significantly affect the sector's workforce dynamics and operational costs. The meat processing industry relies heavily on low-wage, immigrant labor, with many workers previously lacking adequate healthcare coverage. The ACA sought to address this gap by expanding Medicaid and establishing health insurance marketplaces. According to a study by Nyman (2015), the expansion of Medicaid under the ACA has provided a significant portion of workers in the meat processing industry with access to healthcare, improving overall health outcomes and reducing absenteeism due to illness. Access to affordable healthcare is linked to greater worker productivity, particularly in physically demanding sectors such as meat processing, where worker health directly impacts productivity and safety (Baker et al., 2016).

Additionally, the ACA's employer mandate, which requires businesses with over 50 employees to offer health insurance, has had mixed effects on the meat processing sector. On one hand, larger companies in the sector have complied with the mandate by offering health plans, thus improving access to care for their employees (Feldstein, 2017). However, smaller companies have faced challenges in meeting the requirements, leading to higher operational costs, especially for those with a significant number of hourly or seasonal workers. This has led some smaller meat processors to consider cost-cutting measures, including limiting hours or reducing employee benefits, to offset the costs of providing health insurance (Sanger-Katz, 2015).

Furthermore, the ACA has played a role in enhancing workplace safety in the meat processing industry. The ACA emphasizes preventive care, which includes workplace health screenings and

wellness programs. These measures can improve worker health and reduce injuries in an industry known for its high injury rates (McClellan et al., 2016). By focusing on preventative care, the ACA contributes to reducing healthcare costs associated with work-related injuries and chronic conditions, which is crucial in industries like meat processing, where the physical demands of the job can lead to long-term health issues

## **CHAPTER 4**

### **DATA AND DATA METHODS**

This study uses state-level data on employment and wages from 2005 to 2022. The Bureau of Labor Statistics (BLS) classifies the meat processing industry into three parts with the following occupational classification codes, 1) Butchers and Meat Cutters (51-3021), 2) Meat, Poultry, Fish Cutters and Trimmers (51-3022), and 3) Slaughterers and Meat Packers (51-3023). These datasets are combined into a state-year panel database covering 50 states and the District of Columbia containing BLS data on meat processing employment and wages from 2005-2022 based on BLS data.

As mentioned, at least 40 states and the District of Columbia have expanded Medicaid under the provisions of the ACA, 25 states which are predominantly blue states, and the District of Columbia expanded Medicaid in January 2014, following this initial expansion, 15 more states also expanded Medicaid after January 2014 such as Montana in 2016 and Nebraska in 2020. In contrast, as mentioned, 10 states, which include Texas, Florida, Wyoming, Wisconsin, Kansas, Georgia, Tennessee, Alabama, and South Carolina, are yet to expand Medicaid.

The U.S. Census Bureau provides annual state-level data on poverty rate, median household income, and population size. These variables provide state-level estimates of key socioeconomic characteristics, ensuring the inclusion of relevant factors that may influence employment and wages in the meat processing sector and are included in the analysis.

The various datasets are combined and merged into state-year panel databases covering 50 states and the District of Columbia, which contain significant meat processing employment from 2005

to 2022 based on BLS and U.S. Census Bureau data. As mentioned, forty states, including the District of Columbia, have implemented the Medicaid expansion provision of the ACA, while 10 states have not.

Table 1 summarizes the BLS data in the sample. We use the annual total employment in meat processing occupations across the three categories, which indicates the total estimated number of workers employed in meat processing occupations in each state over the 2005 to 2022 period. The mean across the sample is 2,682 employees per year, with a standard deviation of 3,146 which indicates the different sizes of meat processing industries across states. The hourly mean wage variable captures the estimated average hourly wage for meat processing occupations in each state for the same period. The average is \$13.66/hour with a standard deviation of \$2.75/hour. The data on the annual mean wage captures the overall distribution of income in the meat processing industry. It accounts for an average yearly wage of \$28,406 with a standard deviation of \$5,726.

Table 1: Summary Statistics of Employment, Wages, and Demographic Data in the Meat Processing Industry for the 2005-2022 period

| Variable                               | Observations | Mean                    |
|--|--------------|-------------------------|
| Total Employment (Number of Employees) | 2,442        | 2,682.45<br>(3146.94)   |
| Hourly Mean Wage (\$/hour)             | 2,562        | 13.66<br>(2.75)         |
| Annual Mean Wage (\$/year)             | 2,562        | 28,406.91<br>(5726.72)  |
| Poverty (% of the population)          | 2,566        | 13.23<br>(3.07)         |
| Median Household Income (\$)           | 2,566        | 56,446.57<br>(12228.79) |

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Note: Standard deviation in parentheses

The mean state-level percentage of the population in poverty is 13.23% with a standard deviation of 3.07, indicating demographic differences among states. The mean state-level median household income is \$56,447 with a standard deviation of \$12,229, showing disparities in economic conditions.

Table 2 shows the summary statistics of the dataset before the implementation of the Medicaid expansion provision of the ACA. For both control and treatment, control states have a mean employment of 4,052. The mean hourly wage is \$12.62, and the mean annual wage is \$26,254, Both are slightly lower than the overall average, suggesting that wage levels were slightly lower in control states pre-ACA. The mean percentage of the population in poverty is 14.90%, which is significantly higher than the overall average. This reflects the demographic and socioeconomic

disparities in control states. The mean household income stands at \$50,618, which is below the overall average, and may suggest that control states may be experiencing weaker economic conditions pre-ACA.

Treatment states, on the other hand, have a mean employment of 2,410. The mean hourly wage is \$12.79/hour, and the mean annual wage is \$26,607, which are both slightly higher than in control states, but still below the overall sample average. The mean percentage of the population in poverty is 13.21% which is lower than that of the control and just a little behind the total average. The mean household income is \$51,894, which is slightly higher than the control states but still below the sample average.

Table 2: Summary statistics of employment, wages, and demographic data in the Meat Processing Industry for control and treatment before Medicaid expansion for the 2005-2014 period.

| Variable                               | Observations | <u>Control</u>         | Observations | <u>Treatment</u>       |
|--|--------------|------------------------|--------------|------------------------|
|  |              | Mean                   |              | Mean                   |
| Total Employment (Number of employees) | 512          | 4,052.32<br>(3561.63)  | 1,108        | 2,410.78<br>(2930.29)  |
| Hourly Mean Wage (\$/hour)             | 518          | 12.62<br>(2.33)        | 1,171        | 12.79<br>(2.33)        |
| Annual Mean Wage (\$/year)             | 518          | 26,253.59<br>(4835.83) | 1171         | 26,606.80<br>(4845.53) |
| Poverty (% of the population)          | 518          | 14.90<br>(3.10)        | 1,174        | 13.21<br>(2.90)        |
| Median Household Income (\$)           | 518          | 50,618.26<br>(8637.23) | 1,174        | 51,894.1<br>(8600.89)  |

Note: Standard deviation in parentheses

Table 3 presents the summary statistics for each of the three occupational classification codes in the meat processing industry from 2005 to 2022. As mentioned, these occupational codes include (1) Butchers and Meat Cutters, (2) Meat Poultry, Fish Cutters and Trimmers, and (3) Slaughters and Meat Packers. Meat Poultry, Fish Cutters and Trimmers appear to have the highest average number of employees (3,173), while Slaughters and Meat Packers have the highest average annual wage (\$26,322).

Table 3: Summary Statistics for the Occupational Classification Codes in the Meat Processing Industry for the 2005-2022 period.

| Variables                           | <u>Butchers and Meat</u> |          | <u>Meat Poultry, Fish cutters and</u> |          | <u>Slaughters and Meat Packers</u> |          |
|-------------------------------------|--------------------------|----------|---------------------------------------|----------|------------------------------------|----------|
|                                     | <u>Cutters</u>           |          | <u>Trimmers</u>                       |          |                                    |          |
|                                     | Observations             | Mean     | Observations                          | Mean     | Observations                       | Mean     |
| Total                               | 912                      | 2,622    | 842                                   | 3,173    | 688                                | 2,162    |
| Employment<br>(Number of employees) |                          | (3372.6) |                                       | (3276.8) |                                    | (2527.7) |
| Hourly                              | 917                      | 15.5     | 886                                   | 12.6     | 759                                | 12.7     |
| Mean Wage<br>(\$/hour)              |                          | (2.7)    |                                       | (2.2)    |                                    | (2.2)    |
| Annual                              | 917                      | 32,239   | 886                                   | 26,225   | 759                                | 26,322   |
| Wage<br>(\$/year)                   |                          | (5532.2) |                                       | (4665.3) |                                    | (4563.8) |

Note: Standard deviation in parentheses

#### **4.1 Research Methodology**

This study adopts a Difference-in-Differences (DID) approach with multiple periods to compare changes in employment and wages in the meat processing industry before and after implementing the expansion of Medicaid provision in the Affordable Care Act between states that adopted it and those that did not.

The study employs 2 key binary treatment variables: The treatment group indicator distinguishes between states that have implemented Medicaid expansion and those that have not. States where Medicaid has been expanded are assigned binary variables of 1, while those without expansions are assigned binary variables of 0. Second, there is the period indicator. For pre-Medicaid expansion periods and post-Medicaid expansion periods, pre-Medicaid expansion periods are assigned a binary variable of 0, while post-Medicaid expansion periods are assigned a binary variable of 1.

Total employment, hourly mean wage, and annual wage are the dependent variables, We also add control variables such as state poverty population and median household income. These control variables account for various socioeconomic factors that could influence our dependent variables. The poverty rate is an important control variable as it accounts for the percentage of the population living below the federally defined poverty line and gives insight into the economic well-being in each state. Median household income data is also included in the study as it is a key measure of economic activity and financial well-being at the household level.

The Medicaid expansion treatment indicates the implementation status of the Medicaid expansion provision of the ACA within states. This variable is assigned a binary variable of 1 for each year a state has implemented the Medicaid expansion provision and a value of 0 for each year it did

not. The start date when a state implemented the Medicaid expansion is used to code this variable. The control group (No Medicaid expansion) indicator is for states that did not implement the Medicaid expansion provision of the ACA, providing a baseline for comparison.

As mentioned, this study employs a difference-in-differences approach to estimate the impact of the Medicaid expansion provision of the Affordable Care Act on state-level employment and wages in the meat processing sector. The difference-in-differences model specification takes the following form:

$$y_{it} = \beta_0 + \beta_1 Postaca_i + \beta_2 Treatment_i + \beta_3 PostacaXTreatment_i + \beta_4 X_{it} + \alpha_t + \gamma_i + \varepsilon_{it} \quad (1)$$

Where  $i$  indicate states,  $t$  indicates years,  $y$  is the outcome (employment or wages), *postaca* is a treatment binary variable for the pre- or post-ACA period, pre-ACA periods take 0 while post ACA period take the value of 1. *Treatment* is a treatment binary variable indicating whether the states implemented the Affordable Care Act, control states take the value of 0 while treated states take the value of 1.  $X_{it}$  is a vector that contains control variables like state population and median household income; to account for other factors that might influence employment/wage in the meat processing industry, And  $\gamma_i$  is state fixed effects to control common shocks or trends affecting all states in a specific year.  $\alpha_t$  is year fixed effects to control for unobserved, time-invariant characteristics within each state, *Postaca X treatment* is the interaction term that captures the causal effect of Medicaid expansion. This approach is well-suited for policy evaluation as it controls for unobserved, time-invariant heterogeneity between states, and common shocks or trends affecting all states over time.

## 4.2 Event Study Model

To evaluate the dynamic effects of Medicaid expansion on employment and wages and to check the parallel trends assumption, this study also uses an event study framework. More specifically, to estimate changes in outcomes in relation to the year of Medicaid expansion acceptance, the model adds a number of event-time markers. A thorough chronology of the policy's effects is given by the coefficients on these measures, which show both pre-treatment trends and post-treatment dynamics.

The unobserved time-invariant variations between states are captured by state-fixed effects. Common shocks that impact every state in a particular year are captured by year-fixed effects.

The model is specified as:

$$Y_{it} = \sum_k \beta_k Treated_{i+t+k} + \beta_j X_{it} + \alpha_i + \gamma_t + \varepsilon_{it} \dots\dots\dots(2)$$

Where  $Y_{it}$  represents the outcome variable (either total meat processing employment, average hourly wages, or average annual wages) for state ( $i$ ) in year ( $t$ ).  $Treated_{i+t+k}$  denotes the leads ( $k < 0$ ) and lags ( $k > 0$ ) of Medicaid expansion adoption. Each lead and lag indicator captures the effect of Medicaid expansion  $k$  periods before or after its adoption. The coefficient represents the impact of Medicaid expansion for each lead and lag.

The leads ( $k < 0$ ) test for pre-expansion trends, assessing whether employment and wage trends in treated and control states were parallel before the policy's implementation. Finding no significant coefficients for these pre-expansion leads supports the parallel trends assumption, a critical requirement for identifying causal effects.

The lags ( $k > 0$ ) trace the post-expansion effects over time, revealing how quickly the policy's impact materializes and whether the effects persist, grow, or diminish. Significant lag coefficients

indicate the timing and magnitude of Medicaid expansion's impact on employment and wages in the meat processing sector.

This event study approach provides a robustness check for the Difference-in-Differences analysis by offering a detailed view of the policy's dynamics. As mentioned, if the parallel trend approach holds, It provides strong support that observed effects are attributable to Medicaid expansion and not driven by pre-existing trends or other time-varying confounders.

## **CHAPTER 5**

### **RESULTS AND DISCUSSION**

This section presents results on the impacts of Medicaid expansion on total employment, annual mean wage, and hourly mean wage in the meat processing industry from 2005-2002. Results are also presented on robustness checks for pre-trend analysis for Medicaid expansion states on total employment, annual mean wage and hourly mean wage.

#### **5.1.1 Impact of Medicaid Expansion on Aggregated BLS Variables (Total Employment, Annual Mean Wage and Hourly Mean Wage)**

The regression results for the effects of Medicaid expansion on total employment, hourly mean wage, and annual mean wage are shown in Table 4. These models aggregate the results over the 3 occupational groups with and without controls for poverty and median income. This was done to enhance statistical precision and capture industry-wide trends. The results show that ACA expansion is associated with a positive impact on total employment, although the result is not statistically significant. Similarly, the impact of Medicaid expansion on hourly and annual mean wages was positive but not statistically significant. The lack of statistical significance suggests that this result is not significantly different from zero. This implies that the data doesn't provide strong evidence that the Medicaid expansion significantly impacts employment in meat processing industries at the usual levels of statistical confidence. These results, however, are consistent with economic theory; the results indicate that Medicaid expansion is associated with an increase of 10.4% in total employment, which indicates that increased access to healthcare can reduce the

barriers to labor force entry. The positive impact of Medicaid expansion on the hourly mean wage suggests that increased access to healthcare may increase workers' productivity, which may lead to an increase in hourly wages and annual mean wages, aligning with previous studies, such as Hu et al. (2016), which indicates that Medicaid expansion had a significant impact on the financial well-being of low-income individuals.

**Table 4: Impact of Medicaid expansion on Aggregated Bureau of Labor Statistics variables (total employment, annual mean wage, and hourly mean wage) across occupational classification codes from 2005-2022**

| VARIABLES          | Total<br>employment | Hourly mean<br>wage | Annual mean<br>wage  | Total<br>employment  | Hourly mean<br>wage    | Annual mean<br>wage   |
|--------------------|---------------------|---------------------|----------------------|----------------------|------------------------|-----------------------|
| Medicaid expansion | 251.5<br>(190.8)    | 0.689<br>(0.545)    | 1,434<br>(1,133)     | 139.1<br>(191.9)     | 0.641<br>(0.575)       | 1,336<br>(1,196)      |
| Poverty rate       |                     |                     |                      | 131.7*<br>(67.19)    | -0.117<br>(0.234)      | -244.8<br>(486.5)     |
| Median Income      |                     |                     |                      | 0.0491**<br>(0.0209) | 6.89e-05<br>(9.24e-05) | 0.143<br>(0.192)      |
| Constant           | 7,506***<br>(256.1) | 31.50***<br>(0.763) | 65,521***<br>(1,587) | 3,596**<br>(1,475)   | 29.83***<br>(5.942)    | 62,061***<br>(12,358) |
| Observations       | 918                 | 918                 | 918                  | 918                  | 918                    | 918                   |
| R-squared          | 0.963               | 0.700               | 0.700                | 0.963                | 0.701                  | 0.701                 |

Robust standard errors in parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

### **5.1.2 Impact of Medicaid Expansion on Total Employment in the Meat Processing Industry**

Results in Table 5 show the impact of Medicaid expansion on total employment in the meat processing industry from 2005-2022 for each of the three occupational groups—Butchers and Meat Cutters (columns 1 and 4), Slaughters and Meat Packers (columns 2 and 5), and Meat, Poultry, and Fish Cutters and Trimmers (columns 3 and 6). And offer insights into the effects of Medicaid expansion. This was done to understand how Medicaid expansion affects each group individually to identify occupation-specific impacts. We also include control variables, state poverty population percentage and median household income to account for various socioeconomic factors that could influence our dependent variables.

The impact of Medicaid expansion on employment in the meat processing industry is heterogeneous. Results show that Slaughters and Meat packers experienced an increase in employment, while Meat, poultry, fish cutters, and trimmers saw a decrease.

The result also reveals that Medicaid expansion has a negative effect on the employment of butchers and meat cutters, although this is not significant. Also, Medicaid expansion has a positive and significant effect on the employment of slaughters and meat packers (666.6,  $p < 0.01$ ). This implies that Medicaid expansion increases the employment of slaughters and packers by approximately 33.5%. The significant increase in employment of Slaughters and meat packers suggests that Medicaid expansion may have led to an increase in the number of employees, which could be attributed to increased workforce retention and reduced absenteeism. On the other hand, Medicaid expansion had a negative and significant impact on the employment of Meat, Poultry, Fish Cutters, and Trimmers. The difference in the results between these categories can be mainly attributed to each occupational group in the meat processing industry having a somewhat specific

and unique job demand. Slaughters and meat packers perform tasks such as removing bones, cutting meat into standard cuts in preparation for marketing, and severing jugular veins to drain blood and facilitate slaughtering. These processes are physically demanding and have high injury rates; workers with access to better healthcare due to Medicaid expansion may have been more willing to remain in these jobs, which could also have led to an influx of new employees.

The significant decrease in employment of Meat, Poultry, Fish Cutters, and Trimmers (-440.9,  $p < 0.001$ ) suggests that Medicaid expansion may have led to a decrease in demand for certain meat processing services. This implies that Medicaid expansion reduces the employment of Meat, Poultry, Fish Cutters, and Trimmers by approximately 441 persons, or 15.8%. Perhaps this could be attributed to automation and efficiency and changes in industry dynamics (Wall Street Journal, 2021), meat, poultry fish cutters, and trimmers perform tasks such weighing meats, tagging containers for weight and contents, inspecting meat products for defects, bruises, or blemishes, and removing them along with any excess fat. These tasks have seen significant automation, which could have led to a reduction in employment. This automation in meat processing has perhaps led to significant changes in the industry's labor dynamics, which may be the reason for the disparity and differences across the three occupational groups (Acemoglu & Restrepo, 2017). While automation often improves efficiency and addresses labor shortages, it also could contribute to a decline in employment opportunities for roles such as meat, poultry, and fish cutters and trimmers (Kim, Kwon, Kim, Seol, & Cho, 2023).

To further validate the explanatory power of the model used in Table 5, F-tests were conducted to check whether the key independent variables: Medicaid expansion, poverty rate, and median household income have joint significance on total employment across the three occupational categories examined: Butchers and Meat Cutters, Slaughters and Meat Packers, and Meat, Poultry,

and Fish Cutters and Trimmers. For Butchers and Meat Cutters, the F-statistic is has a p-value of 0.0016, indicating joint significance at the 1% level. For Slaughters and Meat Packers, the F-statistic has a p-value of 0.0005, also confirming joint significance at the 1% level. For Meat, Poultry, and Fish Cutters and Trimmers, the F-statistic has a p-value of 0.0087, establishing joint significance at the 1% level.

These results provide strong evidence that the combination of Medicaid expansion, poverty rates, and median income significantly impacts employment levels across all three occupational groups in the meat processing industry. The consistency of significance across categories suggests that both healthcare policy and state-level economic conditions jointly shape labor market dynamics in meaningful ways. This reinforces the inclusion of these variables in the model and supports the robustness of the estimated policy impacts.

**Table 5: Impact of Medicaid expansion on total employment in the meat processing industry from 2005-2022**

| VARIABLES          | Butchers and<br>meat cutters | Slaughters and<br>meat packers | Meat, poultry,<br>fish cutters and<br>trimmers | Butchers and<br>meat cutters | Slaughters and<br>meat packers | Meat, poultry,<br>fish cutters and<br>trimmers |
|--------------------|------------------------------|--------------------------------|--|------------------------------|--------------------------------|--|
| Medicaid Expansion | -94.72<br>(79.08)            | 693.8***<br>(171.3)            | -440.9***<br>(149.0)                           | -120.7<br>(75.01)            | 666.6***<br>(171.7)            | -495.1***<br>(150.5)                           |
| Poverty rate       |                              |                                |  | -59.61*<br>(31.87)           | 95.36<br>(72.52)               | 88.30<br>(56.69)                               |
| Median Income      |                              |                                |  | 0.0369***<br>(0.0125)        | -0.00696<br>(0.0170)           | 0.0158<br>(0.0175)                             |
| Constant           | 2,531***<br>(85.02)          | 3,315***<br>(342.0)            | 2,910***<br>(202.1)                            | 1,595**<br>(751.6)           | 2,409*<br>(1,359)              | 1,077<br>(1,287)                               |
| Observations       | 912                          | 688                            | 842  | 912                          | 688                            | 842  |
| R-squared          | 0.966                        | 0.830                          | 0.910  | 0.967                        | 0.830                          | 0.911  |

Robust standard errors in parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

### **5.1.3 Impact of Medicaid Expansion on Hourly Mean Wage in the Meat Processing**

#### **Industry**

The impact of Medicaid expansion on hourly mean wages in the meat processing industry as shown in Table 6, yields mixed results. On the one hand, the expansion is associated with a significant increase in wages for Slaughters and Meat Packers, with a coefficient of 0.244 ( $p < 0.05$ ). This implies that Medicaid expansion increases the wages of Slaughters and meat packers by \$0.244 which is in line with the results in Table 5 as an increase in employment in a sector often comes with a higher wage. On the other hand, the expansion is associated with a significant decrease in wages for Butchers and meat cutters, with a coefficient of -0.299 ( $p < 0.001$ ). Implying that the expansion decreases wages for Butchers and meat cutters by \$0.299.

To assess the robustness and validity of the regression results presented in Table 6, F-tests were conducted to evaluate the joint significance of the key explanatory variables: Medicaid expansion, poverty rate, and median income. The results vary across occupational categories.

For Butchers and Meat Cutters, the F-statistic has a p-value  $< 0.001$ , indicating that the explanatory variables are jointly significant at the 1% level. This suggests that the model effectively captures the factors influencing hourly wages within this occupational group and provides strong support for the validity of the estimated effects. For Slaughterers and Meat Packers, the F-statistic has a p-value of 0.0342, which indicates joint significance at the 5% level. While this provides moderate support for the model's robustness, it also suggests that additional unobserved factors may contribute to wage variation in this subgroup. For Meat, Poultry, and Fish Cutters and Trimmers, the F-statistic has a p-value of 0.2350, indicating that the included variables are not jointly

significant at conventional confidence levels. This probably weakens the strength of the conclusions drawn for this occupational group and suggests that the model may omit relevant variables or that wage determination in this occupational group is influenced by more complex or industry-specific dynamics not captured in the current specification.

Overall, the F-test outcomes reinforce the robustness of the regression model for Butchers and Meat Cutters and to a lesser extent for Slaughterers and Meat Packers. However, the findings highlight the need for caution when interpreting wage effects for Meat, Poultry, and Fish Cutters and Trimmers and suggest opportunities for future research to explore additional covariates or alternative model specifications tailored to the unique characteristics of this occupational group.

**Table 6: Impact of Medicaid expansion on hourly mean wage in the meat processing industry from 2005-2022**

| VARIABLES          | Butchers and<br>meat cutters | Slaughters<br>and meat<br>packers | Meat, poultry,<br>fish cutters<br>and trimmers | Butchers and meat<br>cutters | Slaughters and<br>meat packers | Meat, poultry,<br>fish cutters and<br>trimmers |
|--------------------|------------------------------|-----------------------------------|--|------------------------------|--------------------------------|--|
| Medicaid Expansion | -0.109<br>(0.0996)           | 0.244*<br>(0.139)                 | 0.0163<br>(0.106)                              | -0.299***<br>(0.0987)        | 0.158<br>(0.145)               | 0.0912<br>(0.112)                              |
| Poverty rate       |                              |                                   |  | 0.0664<br>(0.0468)           | 0.0583<br>(0.0690)             | -0.102*<br>(0.0574)                            |
| Median Income      |                              |                                   |  | 0.000126***<br>(1.64e-05)    | 6.23e-05**<br>(2.47e-05)       | -2.85e-05<br>(1.76e-05)                        |
| Constant           | 13.64***<br>(0.127)          | 10.27***<br>(0.152)               | 10.60***<br>(0.157)                            | 7.014***<br>(1.128)          | 6.705***<br>(1.655)            | 13.19***<br>(1.273)                            |
| Observations       | 917                          | 759                               | 886  | 917                          | 759                            | 886  |
| R-squared          | 0.907                        | 0.819                             | 0.860  | 0.917                        | 0.821                          | 0.861  |

Robust standard errors in parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

#### **5.1.4 Impact of Medicaid Expansion on Annual Mean Wage in the Meat Processing Industry**

Table 7 shows the impact of Medicaid expansion on annual wages in the meat processing industry from 2005 to 2022. For each of the three categories, the results show that the impact of Medicaid expansion on annual mean wages in the meat processing industry varied considerably across occupational groups. As mentioned, this is perhaps a result of the occupational groups in the meat processing industry having a somewhat specific and unique job demand.

For butchers and meat cutters, Medicaid expansion was associated with a slight decrease in annual mean wages, with a coefficient of -226.6 although with controls this increased to -621.8 and became significant. This finding suggests that occupations requiring more specialized skills, such as butchering and meat cutting, may be less sensitive to changes in healthcare policy, potentially due to greater job stability within this subgroup.

In contrast, for Slaughters and Meat Packers, Medicaid expansion had a statistically significant positive impact on annual mean wages. The coefficient, which is significant at the 10% level ( $p < 0.1$ ), implies that Medicaid expansion led to an approximate \$508.70 increase in annual mean wages for this occupational group. The positive wage response may reflect the physically demanding nature of slaughtering and meat-packing work, where improved access to healthcare could have enhanced worker health, reduced absenteeism, and improved overall productivity. These improvements may have incentivized employers to offer higher wages to retain healthier, more reliable employees in labor-intensive roles. For meat, poultry, and fish cutters and trimmers, the small and statistically insignificant increase suggests that Medicaid expansion had a limited influence on wages for this occupational group. This may be due to external factors such as automation and industry restructuring, which could have reduced the labor demand for low-skilled

manual processing tasks (Kim, Kwon, Kim, Seol, & Cho, 2023), thereby diminishing any potential wage benefits arising from expanded healthcare coverage.

To evaluate the robustness of the regression models estimating the impact of Medicaid expansion on annual mean wages across occupational groups, joint F-tests were conducted to assess the significance of the main explanatory variables: Medicaid expansion, poverty rate, and median income. For Butchers and Meat Cutters, the model had an F-statistic with a p-value  $< 0.001$ , indicating strong joint significance and validating the explanatory power of the covariates. Also, the model for Slaughterers and Meat Packers had an F-statistic with a p-value of 0.0343, suggesting moderate joint significance at the 5% level. Deviating from the first two occupational groups, Meat, Poultry, and Fish Cutters and Trimmers had an F-statistic with a p-value of 0.2360, suggesting that the variables do not jointly explain variation in wages for this group at conventional significance levels. These findings suggest that while the regression models for Butchers and Slaughterers are statistically robust, the model for Trimmers may be underspecified, warranting further investigation into additional explanatory variables that better capture wage dynamics in this occupational category.

**Table 7: Impact of Medicaid expansion on Annual mean wage in the meat processing industry from 2005-2022**

| VARIABLES          | Butchers and<br>meat cutters | Slaughters and<br>meat packers | Meat, poultry,<br>fish cutters and<br>trimmers | Butchers and<br>meat cutters | Slaughters and<br>meat packers | Meat, poultry,<br>fish cutters and<br>trimmers |
|--------------------|------------------------------|--------------------------------|--|------------------------------|--------------------------------|--|
| Medicaid Expansion | -226.6<br>(207.1)            | 508.7*<br>(288.4)              | 35.21<br>(220.3)                               | -621.8***<br>(205.4)         | 328.3<br>(301.8)               | 190.7<br>(233.1)                               |
| Poverty rate       |                              |                                |  | 137.3<br>(97.31)             | 120.8<br>(143.5)               | -212.3*<br>(119.4)                             |
| Median Income      |                              |                                |  | 0.263***<br>(0.0340)         | 0.129**<br>(0.0513)            | -0.0592<br>(0.0366)                            |
| Constant           | 28,368***<br>(264.0)         | 21,358***<br>(316.8)           | 22,050***<br>(326.2)                           | 14,607***<br>(2,345)         | 13,958***<br>(3,443)           | 27,433***<br>(2,647)                           |
| Observations       | 917                          | 759                            | 886  | 917                          | 759                            | 886  |
| R-squared          | 0.907                        | 0.819                          | 0.860  | 0.917                        | 0.821                          | 0.861  |

Robust standard errors in parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

### **5.2.1 Robustness Check for Pre-Trend Analysis for Medicaid Expansion States**

The result of the robustness check for pre-trend analysis for Medicaid expansion for all three categories aggregated is shown in Table 8. The pre-trend analysis for Medicaid expansion states examines the robustness of the relationship between Medicaid expansion, total employment, and annual mean wage in the meat processing industry. For total employment, the coefficients for pre-treatment leads are statistically insignificant. Also, the joint significance test fails to reject the null hypothesis, inferring that pre-treatment trends in employment are parallel between the treated and control states. The significant and increasing post-treatment effects indicate that Medicaid expansion positively impacted employment levels in the meat processing industry over time.

**Table 8: Robustness Check for Pre-Trend Analysis for Medicaid Expansion States, Aggregated Bureau of Labor Statistics (total employment, annual mean wage, and hourly mean wage) variables across occupational classification codes.**

|                            | (1)        | (2)         | (3)         |
|----------------------------|------------|-------------|-------------|
| VARIABLES                  | Total      | Annual mean | Hourly mean |
|                            | employment | wage        | wage        |
| 5 Years Pre-Expansion      | -10.52     | -2,131      | -1.024      |
|                            | (286.8)    | (2,056)     | (0.989)     |
| 4 Years Pre-Expansion      | 270.4      | -1,813      | -0.871      |
|                            | (298.0)    | (1,831)     | (0.881)     |
| 3 Years Pre-Expansion      | 340.2      | 2,112       | 1.017       |
|                            | (316.4)    | (1,833)     | (0.881)     |
| 2 Years Pre-Expansion      | 287.3      | 545.5       | 0.261       |
|                            | (300.0)    | (1,889)     | (0.908)     |
| 1 Year Pre-Expansion       | 265.5      | 614.2       | 0.297       |
|                            | (296.0)    | (1,715)     | (0.824)     |
| Year of Medicaid Expansion | 338.6      | 2,721       | 1.306       |
|                            | (317.2)    | (1,940)     | (0.933)     |
| 1 Year After Expansion     | 607.3*     | 312.2       | 0.151       |
|                            | (347.6)    | (1,998)     | (0.961)     |
| 2 Years After Expansion    | 587.3      | 2,388       | 1.149       |
|                            | (428.4)    | (2,461)     | (1.183)     |
| 3 Years After Expansion    | 346.4      | -877.3      | -0.422      |
|                            | (493.3)    | (2,342)     | (1.126)     |
| 4 Years After Expansion    | 87.79      | 1,501       | 0.722       |
|                            | (484.7)    | (2,911)     | (1.400)     |

|                         |          |           |          |
|-------------------------|----------|-----------|----------|
| 5 Years After Expansion | 560.8    | 3,828*    | 1.840*   |
|                         | (432.7)  | (2,138)   | (1.028)  |
| 6 Years Post-Expansion  | 1,089**  | -364.7    | -0.176   |
|                         | (478.4)  | (2,438)   | (1.172)  |
| 7 Years Post-Expansion  | 853.9*   | 112.9     | 0.0540   |
|                         | (510.8)  | (2,421)   | (1.164)  |
| 8 Years Post-Expansion  | 1,125**  | -4,772    | -2.296   |
|                         | (525.7)  | (4,500)   | (2.164)  |
| Constant                | 7,503*** | 65,509*** | 31.49*** |
|                         | (255.5)  | (1,592)   | (0.765)  |
| Observations            | 918      | 918       | 918      |
| R-squared               | 0.964    | 0.705     | 0.705    |

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Robust standard errors in parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

For the annual mean wage, the coefficients for pre-treatment leads are also statistically insignificant. Also, the joint significance fails to reject the null hypothesis, inferring that pre-treatment trends in annual are parallel between treated and control states. This implies that there is evidence of a significant positive impact of Medicaid expansion on annual wages, although these effects are not consistent across all lags.

For the hourly mean wage, the coefficient for pre-treatment leads also supports the parallel trends assumption. Also, the joint significance test fails to reject the null hypothesis, inferring that pre-treatment trends in hourly wage are parallel between treated and control states. This implies that there is evidence of a positive impact of Medicaid expansion on hourly wages in the short and mid-term, but these effects are not consistently sustained over time.

### **5.2.2 Robustness Check for Pre-Trend Analysis on Total Employment for Medicaid Expansion States**

The pre-trend analysis for Medicaid expansion states as shown in Table 9 examines the robustness of the relationship between Medicaid expansion and total employment in the meat processing industry. For each of the categories, (1) Butchers and meat cutters, (2) Meat, Poultry, Fish Cutters and Trimmers, and (3) Slaughters and Meat Packers.

The results suggest that there is no significant trend in total employment for Butchers and Meat Cutters, and Meat, Poultry, Fish cutters and Trimmers in the pre-expansion period. However, for Slaughters and Meat packers, there is a significant positive trend in the pre-expansion period, indicating an increase in total employment before Medicaid expansion. In contrast, the post-expansion period shows significant changes in total employment for all three occupations. Thus, results for Slaughters and Meat packers when it comes to total employment are not supported by the parallel pre-trend analysis and should be interpreted with a lot of caution.

**Table 9: Robustness Check for Pre-Trend Analysis on Total Employment for Medicaid Expansion States**

| VARIABLES                  | Butchers and<br>meat cutters | Meat, poultry, fish<br>cutters and<br>trimmers | Slaughters and<br>meat packers |
|----------------------------|------------------------------|--|--------------------------------|
| 5 Years Pre-Expansion      | -86.03<br>(117.1)            | -25.62<br>(221.3)                              | 469.4*<br>(249.4)              |
| 4 Years Pre-Expansion      | -87.24<br>(122.0)            | -49.57<br>(205.5)                              | 602.6**<br>(235.3)             |
| 3 Years Pre-Expansion      | -25.36<br>(129.5)            | -272.0<br>(218.4)                              | 654.9***<br>(241.4)            |
| 2 Years Pre-Expansion      | -91.60<br>(130.3)            | -275.1<br>(261.8)                              | 567.6*<br>(289.0)              |
| 1 Years Pre-Expansion      | -118.5<br>(130.9)            | -486.4<br>(298.4)                              | 847.6***<br>(324.9)            |
| Year of Medicaid Expansion | -211.8*<br>(124.2)           | -389.7<br>(279.1)                              | 899.7**<br>(354.8)             |
| 1 Year After Expansion     | -201.4<br>(138.3)            | -539.4**<br>(266.1)                            | 1,346***<br>(351.4)            |
| 2 Years After Expansion    | -105.5<br>(135.1)            | -588.2**<br>(299.5)                            | 1,119***<br>(311.0)            |
| 3 Years After Expansion    | -186.9<br>(166.3)            | -842.2***<br>(293.8)                           | 1,340***<br>(339.2)            |
| 4 Years After Expansion    | -238.7<br>(199.8)            | -1,074***<br>(359.2)                           | 1,393***<br>(402.5)            |

|                         |                     |                     |                     |
|-------------------------|---------------------|---------------------|---------------------|
| 5 Years After Expansion | -154.6<br>(258.2)   | -723.2**<br>(348.7) | 1,614***<br>(421.2) |
| 6 Years After Expansion | 84.22<br>(308.9)    | -487.7<br>(346.1)   | 1,683***<br>(413.2) |
| 7 Years After Expansion | 76.01<br>(318.9)    | -621.9*<br>(356.9)  | 1,467***<br>(455.4) |
| 8 Years After Expansion | 212.0<br>(213.8)    | -240.3<br>(424.0)   | 1,348***<br>(466.8) |
| Constant                | 2,531***<br>(85.87) | 2,903***<br>(203.6) | 3,295***<br>(333.0) |
| Observations            | 912                 | 842                 | 688                 |
| R-squared               | 0.966               | 0.912               | 0.835               |

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Robust standard errors in parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

For Butchers and Meat cutters, the coefficients for the post-expansion period are not significant, indicating no clear trend in total employment after Medicaid expansion. For Meat, Poultry, Fish Cutters and Trimmers, the coefficients for the post-expansion period are significant and negative, indicating a decrease in total employment after Medicaid expansion. The negative coefficients in the midterm (3 years and 5 years after Medicaid expansion) indicate a possible reduction in employment during the transition phase of Medicaid expansion amongst meat, poultry, and fish cutters and trimmers in the meat processing industry. However, for Slaughters and Meat packers, the coefficients for the post-expansion period are significant and positive, indicating an increase in total employment after Medicaid expansion.

The implications of these findings are that Medicaid expansion has a significant impact on total employment in the meat processing industry, particularly for Slaughters and Meat Packers. The results suggest that Medicaid expansion leads to an increase in total employment for Slaughters and Meat packers, but a decrease in total employment for Meat, Poultry, Fish Cutters and Trimmers.

The robustness of these findings is supported by the pre-trend analysis, which shows no significant trend in total employment for Butchers and meat cutters and Meat, Poultry, Fish Cutters and Trimmers in the pre-expansion period. However, the significant positive trend in total employment for Slaughters and Meat packers in the pre-expansion period suggests that the relationship between Medicaid expansion and total employment may be more complex for this occupation.

Overall, the results provide evidence that Medicaid expansion has a significant impact on total employment in the meat processing industry, particularly for Slaughters and Meat Packers. However, the findings also suggest that the impact of Medicaid expansion on total employment may vary by occupation, and that further research is needed to fully understand the relationship between Medicaid expansion and labor market outcomes in the meat processing industry.

### **5.2.3 Robustness Check for Pre-Trend Analysis on Annual Mean Wage for Medicaid Expansion States**

The pre-trend analysis for Medicaid expansion states examines the robustness of the relationship between Medicaid expansion and annual mean wage in the meat processing industry, which is shown in Table 10. The results suggest no significant trend in annual mean wage for Butchers, Meat Cutters, Slaughters, and Meat Packers in the pre-expansion period. However, there is a significant negative trend for Meat, Poultry, Fish Cutters, and trimmers in the pre-expansion

period, indicating a decrease in annual mean wage before Medicaid expansion. In contrast, the post-expansion period shows significant changes in the annual mean wage for all three occupations. For Butchers and Meat Cutters, the coefficients for the post-expansion period are not significant, indicating no clear trend in annual mean wage after Medicaid expansion. For Meat, Poultry, Fish Cutters and Trimmers, the coefficients for the post-expansion period are significant and negative, indicating a decrease in annual mean wage after Medicaid expansion. For Slaughters and Meat Packers, the coefficients for the post-expansion period are significant and positive, indicating an increase in annual mean wage after Medicaid expansion.

The implications of these findings are that Medicaid expansion has a significant impact on annual mean wage in the meat processing industry, particularly for slaughters and meat packers. The results suggest that Medicaid expansion leads to an increase in annual mean wage for Slaughters and Meat Packers, but a decrease in annual mean wage for Meat, Poultry, Fish Cutters and Trimmers.

**Table 10: Robustness Check for Pre-Trend Analysis on Annual Mean Wage for Medicaid Expansion States**

| VARIABLES                  | Butchers and meat<br>cutters | Meat, poultry, fish<br>cutters and<br>trimmers | Slaughters and<br>meat packers |
|----------------------------|------------------------------|--|--------------------------------|
| 5 Years Pre-Expansion      | 254.0<br>(276.4)             | -496.3<br>(305.1)                              | 231.9<br>(422.6)               |
| 4 Years Pre-Expansion      | 151.8<br>(261.3)             | -983.5***<br>(319.4)                           | 413.3<br>(428.7)               |
| 3 Years Pre-Expansion      | 161.5<br>(272.6)             | -1,207***<br>(318.0)                           | 609.4<br>(423.7)               |
| 2 Years Pre-Expansion      | 207.2<br>(307.9)             | -796.2**<br>(380.1)                            | 431.1<br>(451.0)               |
| 1 Years Pre-Expansion      | 25.83<br>(333.3)             | -883.8**<br>(412.8)                            | -5.627<br>(432.6)              |
| Year of Medicaid Expansion | -128.5<br>(304.9)            | -559.0<br>(405.8)                              | -9.112<br>(485.0)              |
| 1 Year After Expansion     | -100.5<br>(354.0)            | -1,145**<br>(451.5)                            | 562.0<br>(558.6)               |
| 2 Years After Expansion    | -114.8<br>(421.3)            | -740.5*<br>(415.8)                             | 1,321*<br>(685.9)              |
| 3 Years After Expansion    | 57.38<br>(555.8)             | -645.3<br>(443.3)                              | 695.4<br>(559.4)               |
| 4 Years After Expansion    | -294.4<br>(489.4)            | -355.4<br>(480.6)                              | 907.7<br>(626.0)               |

|                         |           |           |           |
|-------------------------|-----------|-----------|-----------|
| 5 Years After Expansion | 40.49     | -405.2    | 2,134***  |
|                         | (555.3)   | (571.6)   | (648.2)   |
| 6 Years After Expansion | -213.8    | -264.8    | 1,407*    |
|                         | (599.2)   | (685.8)   | (729.6)   |
| 7 Years After Expansion | -574.3    | -1,351**  | 1,382*    |
|                         | (620.8)   | (608.0)   | (771.6)   |
| 8 Years After Expansion | -268.6    | -1,565**  | 720.4     |
|                         | (750.0)   | (714.0)   | (1,075)   |
| Constant                | 28,364*** | 22,043*** | 21,334*** |
|                         | (267.1)   | (323.4)   | (321.9)   |
| Observations            | 917       | 886       | 759       |
| R-squared               | 0.908     | 0.864     | 0.826     |

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Robust standard errors in parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

The robustness of these findings is supported by the pre-trend analysis, which shows no significant trend in annual mean wage for Butchers, Meat Cutters, Slaughterers, and Meat Packers in the pre-expansion period. However, the significant negative trend in annual mean wage for Meat, Poultry, Fish Cutters, and Trimmers in the pre-expansion period suggests that the relationship between Medicaid expansion and annual mean wage may be more complex for this occupation.

Overall, the results provide evidence that Medicaid expansion has a significant impact on annual mean wage in the meat processing industry, particularly for slaughters and meat packers. However, the findings also suggest that the impact of Medicaid expansion on annual mean wage may vary by occupation, and that further research is needed to fully understand the relationship between Medicaid expansion and labor market outcomes in the meat processing industry.

#### **5.2.4 Robustness Check for Pre-Trend Analysis on Hourly Wage for Medicaid Expansion States**

The result of pre-trend analysis for Medicaid expansion states examines the robustness of the relationship between Medicaid expansion and hourly mean wage in the meat processing industry as shown in Table 11. The results suggest that there is no significant trend in hourly mean wage for Butchers and Meat Cutters in the pre-expansion period. However, there is a significant negative trend for Meat, Poultry, Fish Cutters, and Trimmers in the pre-expansion period, indicating a decrease in hourly mean wage before Medicaid expansion. For Slaughters and Meat Packers, there is a significant positive trend in the pre-expansion period, indicating an increase in hourly mean wage before Medicaid expansion. In contrast, the post-expansion period shows significant changes in the mean hourly wage for all three occupations.

**Table 11: Robustness Check for Pre-Trend Analysis on Hourly Mean Wage for Medicaid Expansion States**

| VARIABLES                  | Butchers and<br>meat cutters | Meat, poultry, fish<br>cutters and<br>trimmers | Slaughters and<br>meat packers |
|----------------------------|------------------------------|--|--------------------------------|
| 5 Years Pre-Expansion      | 0.122<br>(0.133)             | -0.239<br>(0.147)                              | 0.113<br>(0.203)               |
| 4 Years Pre-Expansion      | 0.0729<br>(0.126)            | -0.473***<br>(0.154)                           | 0.200<br>(0.206)               |
| 3 Years Pre-Expansion      | 0.0786<br>(0.131)            | -0.580***<br>(0.153)                           | 0.293<br>(0.204)               |
| 2 Years Pre-Expansion      | 0.0988<br>(0.148)            | -0.384**<br>(0.183)                            | 0.208<br>(0.217)               |
| 1 Year Pre-Expansion       | 0.0129<br>(0.160)            | -0.425**<br>(0.198)                            | -0.00202<br>(0.208)            |
| Year of Medicaid Expansion | -0.0628<br>(0.146)           | -0.271<br>(0.195)                              | -0.00373<br>(0.233)            |
| 1 Year After Expansion     | -0.0477<br>(0.170)           | -0.551**<br>(0.217)                            | 0.271<br>(0.269)               |
| 2 Years After Expansion    | -0.0549<br>(0.203)           | -0.356*<br>(0.200)                             | 0.637*<br>(0.330)              |
| 3 Years After Expansion    | 0.0285<br>(0.267)            | -0.311<br>(0.213)                              | 0.334<br>(0.269)               |
| 4 Years After Expansion    | -0.141<br>(0.235)            | -0.171<br>(0.231)                              | 0.436<br>(0.301)               |

|                         |                     |                     |                     |
|-------------------------|---------------------|---------------------|---------------------|
| 5 Years After Expansion | 0.0196<br>(0.267)   | -0.196<br>(0.275)   | 1.027***<br>(0.311) |
| 6 Years After Expansion | -0.102<br>(0.288)   | -0.129<br>(0.330)   | 0.677*<br>(0.351)   |
| 7 Years After Expansion | -0.275<br>(0.298)   | -0.650**<br>(0.292) | 0.663*<br>(0.371)   |
| 8 Years After Expansion | -0.128<br>(0.361)   | -0.755**<br>(0.343) | 0.346<br>(0.517)    |
| Constant                | 13.64***<br>(0.128) | 10.60***<br>(0.156) | 10.26***<br>(0.155) |
| Observations            | 917                 | 886                 | 759                 |
| R-squared               | 0.908               | 0.864               | 0.826               |

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Robust standard errors in parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

For Butchers and Meat Cutters, the coefficients for the post-expansion period are not significant, indicating no clear trend in hourly mean wage after Medicaid expansion. For Meat, Poultry, Fish Cutters and Trimmers, the coefficients for the post-expansion period are significant and negative, indicating a decrease in hourly mean wage after Medicaid expansion while for Slaughters and Meat Packers, the coefficients for the post-expansion period are significant and positive, indicating an increase in hourly mean wage after Medicaid expansion.

The implications of these findings are that Medicaid expansion has a significant impact on hourly mean wage in the meat processing industry, particularly for Slaughters and Meat Packers. The results suggest that Medicaid expansion leads to an increase in hourly mean wage for Slaughters

and Meat Packers, but a decrease in hourly mean wage for Meat, Poultry, Fish Cutters and Trimmers.

The robustness of these findings is supported by pre-trend analysis, which shows no significant trend in hourly mean wage for Butchers and Meat Cutters in the pre-expansion period. However, the significant negative trend in hourly mean wage for Meat, Poultry, Fish Cutters and Trimmers and significant positive trend for Slaughters and Meat Packers in the pre-expansion period suggest that the relationship between Medicaid expansion and hourly mean wage may be more complex for these occupations, and results should be interpreted with caution.

## **CHAPTER 6**

### **CONCLUSION**

This study adopts a Difference-in-Differences (DID) approach with multiple periods (2005 to 2022) to compare changes in employment and wages in the meat processing industry before and after implementing the expansion of Medicaid provision in the Affordable Care Act between states that adopted it and those that did not. Total employment, hourly mean wage, and annual wage are the variables of interest. The analysis of Medicaid expansion's impact on the meat processing industry reveals a complex and multifaceted relationship. The results suggest that Medicaid expansion has a significant impact on labor market outcomes, including total employment, annual mean wage, and hourly mean wage.

In terms of total employment, the results show that Medicaid expansion leads to an increase in total employment for Slaughters and Meat Packers, but a decrease in total employment for Meat, Poultry, Fish Cutters and Trimmers. The impact on total employment for Butchers and Meat Cutters is not significant. Regarding annual mean wage, the results indicate that Medicaid expansion leads to an increase in annual mean wage for Slaughters and Meat Packers, but a decrease in annual mean wage for Meat, Poultry, Fish Cutters and Trimmers. The impact on annual mean wage for Butchers and Meat Cutters is not significant.

In terms of hourly mean wage, the results show that Medicaid expansion leads to an increase in hourly mean wage for Slaughters and Meat Packers, but a decrease in hourly mean wage for Meat, Poultry, Fish Cutters and Trimmers. The impact on hourly mean wage for Butchers and Meat Cutters is not significant. The pre-trend analysis suggests that there is no significant trend in labor

market outcomes before Medicaid expansion, indicating that the relationship between Medicaid expansion and labor market outcomes is not driven by pre-existing trends.

Overall, the findings suggest that Medicaid expansion has a significant impact on labor market outcomes in the meat processing industry, particularly for Slaughters and Meat Packers. However, the findings also highlight the importance of considering the complex and multifaceted nature of the relationship between Medicaid expansion and labor market outcomes, and the need for further research to fully understand this relationship.

In conclusion, the findings of this analysis provide evidence that Medicaid expansion has a significant impact on labor market outcomes in the meat processing industry. Specifically, the results suggest that Medicaid expansion leads to an increase in total employment, annual mean wage, and hourly mean wage for Slaughters and Meat Packers, but a decrease in total employment, annual mean wage, and hourly mean wage for Meat, Poultry, Fish Cutters and Trimmers. The impact on labor market outcomes for Butchers and Meat Cutters is not significant. The pre-trend analysis and placebo test results provide robustness checks for the findings, suggesting that the relationship between Medicaid expansion and labor market outcomes is not driven by pre-existing trends or factors other than Medicaid expansion.

The findings of this analysis have important implications for policymakers, researchers, and industry stakeholders. They suggest that Medicaid expansion can have a positive impact on labor market outcomes in the meat processing industry, particularly for certain occupations. However, the findings also highlight the importance of considering the complex and multifaceted nature of the relationship between Medicaid expansion and labor market outcomes, and the need for further research to fully understand this relationship. Overall, this analysis contributes to the growing body of research on the impact of Medicaid expansion on labor market outcomes and provides new

insights into the effects of Medicaid expansion on the meat processing industry. The implications of these findings are multifaceted. Firstly, policymakers should be aware of the potential impact of Medicaid expansion on wages in the meat processing industry. While the expansion may lead to increased demand for certain services, it may also lead to decreased demand for others, resulting in lower wages for workers in those occupations. Secondly, industry stakeholders should consider investing in training programs that support workers in the meat processing industry, particularly in areas with high poverty rates. This could help to improve wages and employment prospects for workers in the industry. Finally, the findings suggest that the meat processing industry should consider diversifying its products and services to cater to changing consumer demands and preferences. This could help to stabilize wages and employment in the industry, even in the face of changes brought about by Medicaid expansion.

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