

How Medicaid expansion has improved care access, outcomes

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An overarching principle behind the AMA's position on health care reform has been that any new legislation should not result in people losing their health insurance coverage. That principle is driven by the evidence showing that people without insurance live sicker and die younger.

The Affordable Care Act allowed states to expand Medicaid eligibility to include nonelderly adults with incomes of up to 138 percent of the federal poverty level. About 12 million newly eligible individuals enrolled in the program in the 31 states and District of Columbia that expanded Medicaid coverage.

Long-standing AMA policy advocates access to adequate health care coverage for all and that any changes to Medicaid financing should not undermine coverage gains that occurred under the ACA—particularly for individuals with the lowest incomes.

About 400,000 people are expected to enroll in Medicaid when Virginia's expansion takes effect in 2019. Enrollment could potentially grow by another 2.2 million people if the remaining 18 states were to implement Medicaid expansion.

Better coverage means better health

More data is being collected that indicates Medicaid expansion has had a positive impact on patient access and health as well as strengthening the financial stability of safety-net institutions.

In June, the journal *Health Affairs* published a report by University of Indiana researchers who conducted a systematic review of 77 studies related to Medicaid expansion. "The current best evidence on the ACA's Medicaid expansion suggests that improvements in access to and quality of care, as well as to some degree in health, have occurred," the researchers concluded.

The Kaiser Family Foundation (KFF) in March published a similar review of 202 studies examining the impact of Medicaid expansion.

Authors of the *Health Affairs* review observed that increased coverage led to improved access that was generally associated with improvements in health, work productivity and better quality of life.

Here are five ways Medicaid expansion has shown its value.

Coverage. Medicaid expansion is linked to increased insurance coverage across ethnic, racial, age and income groups. Researchers found coverage gains for “specific vulnerable populations,” including young adults, patients who take prescription drugs, people with HIV, newly diagnosed cancer patients and early retirees.

Access. Medicaid expansion was linked with a higher proportion of low- and moderate-income adults having a usual source of care.

A *JAMA Network Open* report by researchers at the Johns Hopkins School Public Health observed that Medicaid expansion was associated with increased buprenorphine with naloxone prescriptions “suggesting that expansion increased access to opioid-use disorder treatment.”

The Johns Hopkins researchers concluded that this suggests “the growing importance of Medicaid in pain management and addiction prevention.”

Outcomes. Research suggests that Medicaid expansion has led to increased use of preventive services. American Cancer Society researchers, writing in *JAMA Oncology*, noted the significance of this.

“We found a small yet significant shift to early-stage cancer diagnosis associated with Medicaid expansion for all cancers combined, non-Hodgkin lymphoma, and pancreatic cancer,” the researchers wrote. “These findings suggest improved access to screening services and symptom assessment in expansion states.”

Disparities. The American Cancer Society researchers also noted Medicaid expansion’s impact on socio-economic factors.

“Disparities in the percentage of uninsured patients by race/ethnicity, census tract-level poverty, and rurality were diminished or eliminated for patients in Medicaid expansion states but remained high in nonexpansion states, suggesting that Medicaid expansion may be an effective strategy in mitigating health disparities,” they wrote.

Economic stability. The reviews did not cite any economic impact Medicaid expansion had on physician practices, but researchers have discovered a positive impact on hospitals—which employ a growing share of physicians. This included reductions in uncompensated care, improved operating margins—especially for small hospitals—and reduced likelihood of closure, especially among rural

hospitals.

Researchers from Northwestern University's Kellogg School of Management noted in a Commonwealth Fund report the impact of Medicaid expansion on safety-net hospitals that had the highest burden of uncompensated care in 2013. In Medicaid expansion states, these hospitals saw uncompensated care costs fall by 2.6 percentage points compared to similar institutions in nonexpansion states.

"Hospitals that have benefited from the Medicaid expansion are hospitals that faced substantial shortfalls from serving low-income and uninsured populations," the Northwestern researchers concluded.

Several studies showed expansion having a positive impact on patient finances. The *Health Affairs* review cited one study indicating that expansion was linked to lower loan debt of patients in California, including less use of payday loans.