

The Affordable Care Act and Medicaid: The Health Status of New Enrollees

John Holahan

Health and Medicine Policy Research Group
Forum

How Safety Net Institutions Can Best Leverage
Federal and State Health Reform



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America Under the Affordable Care Act (2010)

Health Insurance Coverage Distribution of the Nonelderly

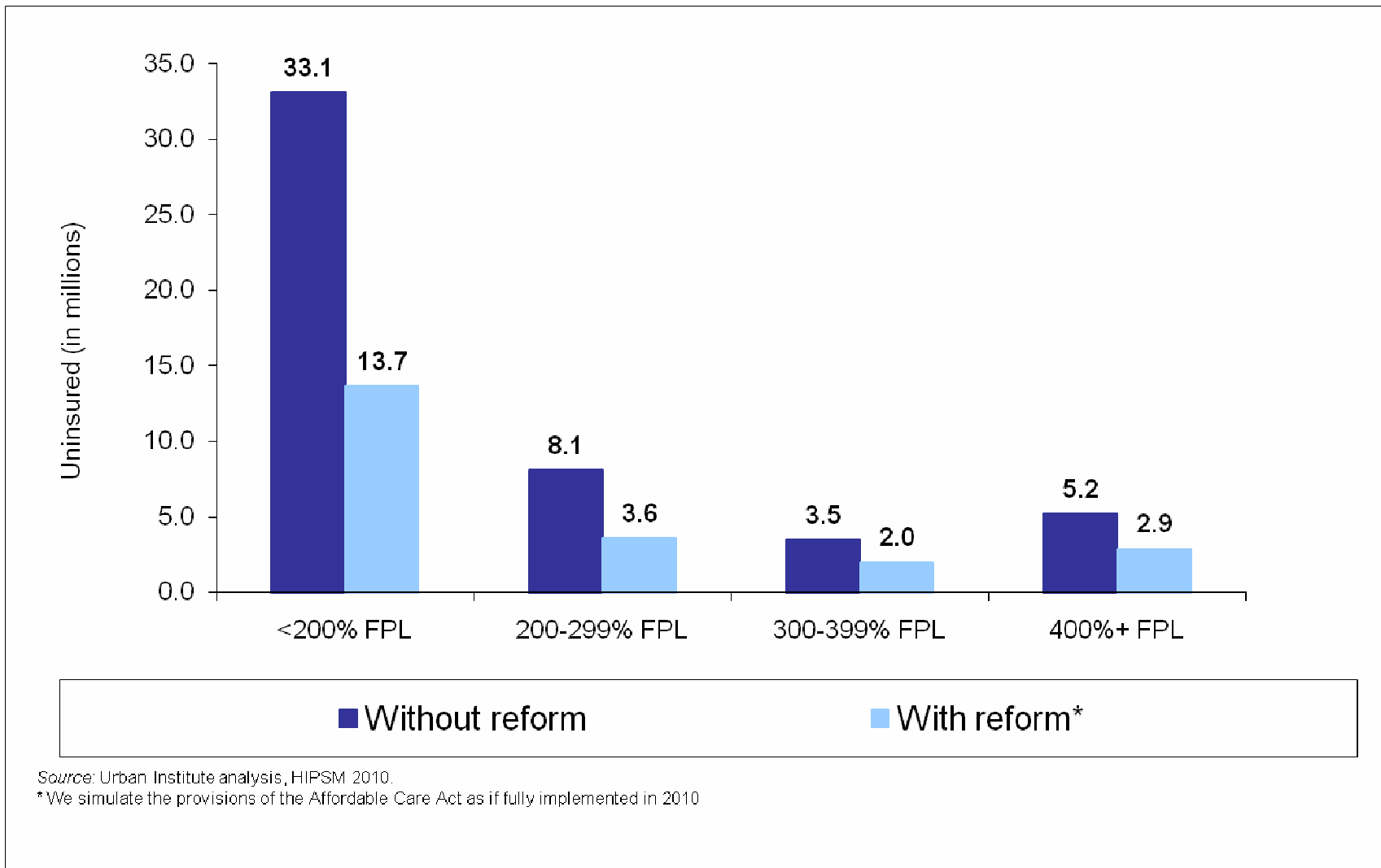
	Without reform	With reform ^a	Change
Coverage (in millions)			
Insured	218.0	245.9	27.8
Employer (non-exchange)	151.6	130.4	-21.2
Employer (exchanges)	0.0	20.7	20.7
Non-group (non-exchanges)	14.8	3.3	-11.6
Non-group (exchanges)	0.0	23.1	23.1
Medicaid/CHIP	42.9	59.7	16.7
Other (including Medicare)	8.7	8.7	0.0
Uninsured	49.9	22.1	-27.8
Total	268.0	268.0	0.0

Source: Urban Institute analysis, HIPSMS 2010.

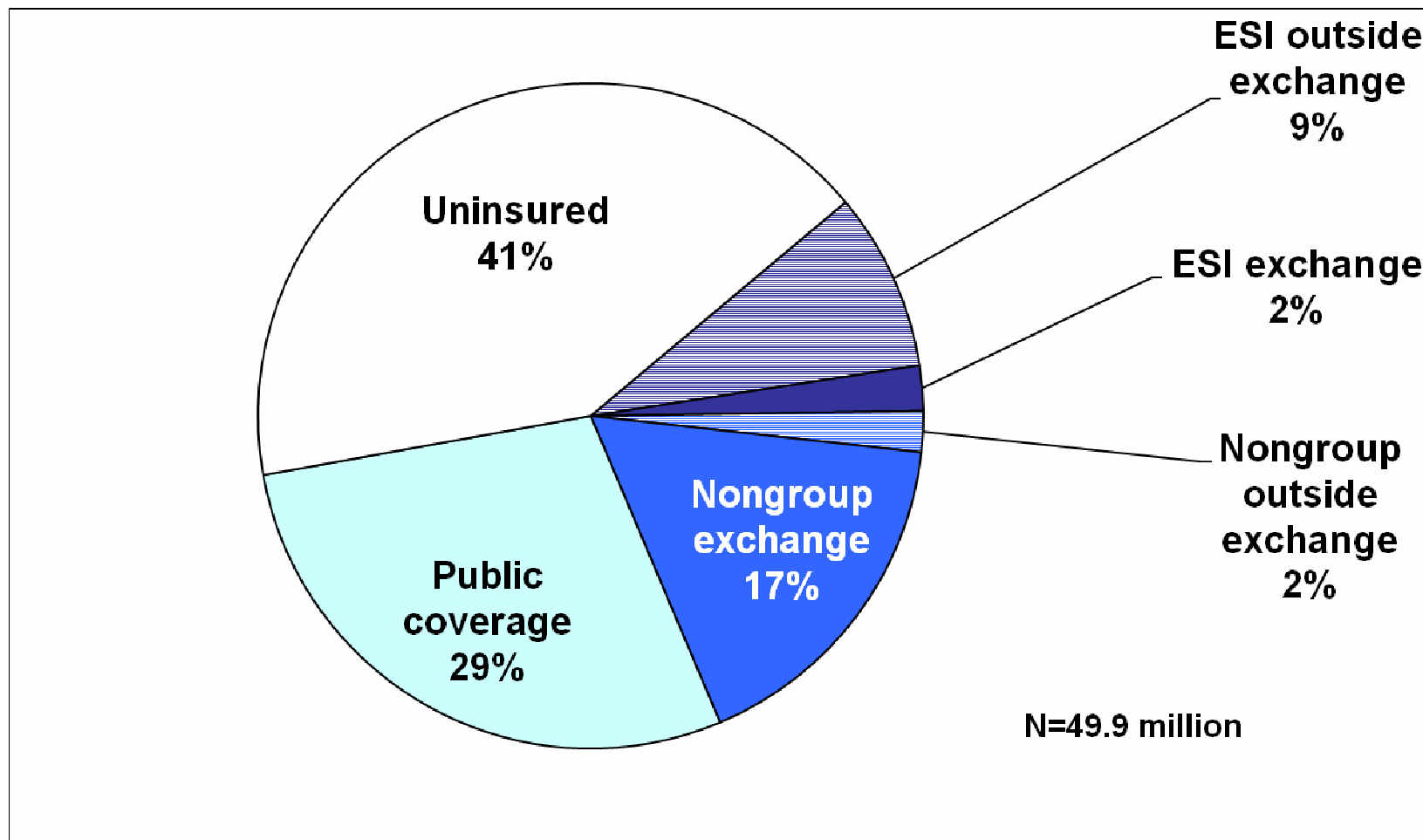
a. We simulate the provisions of the affordable Care Act as if fully implemented in 2010.



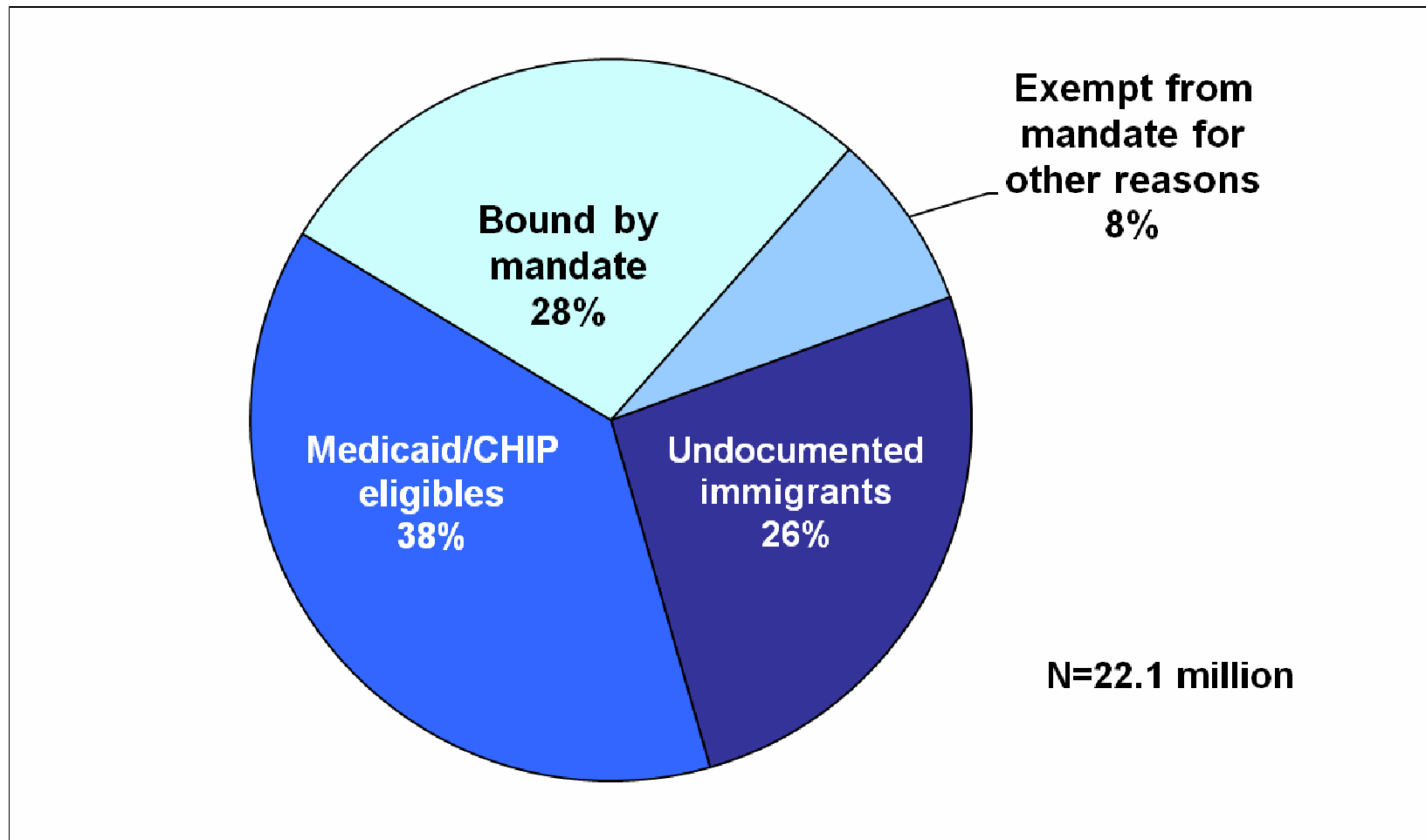
Number of Uninsured by Income Group



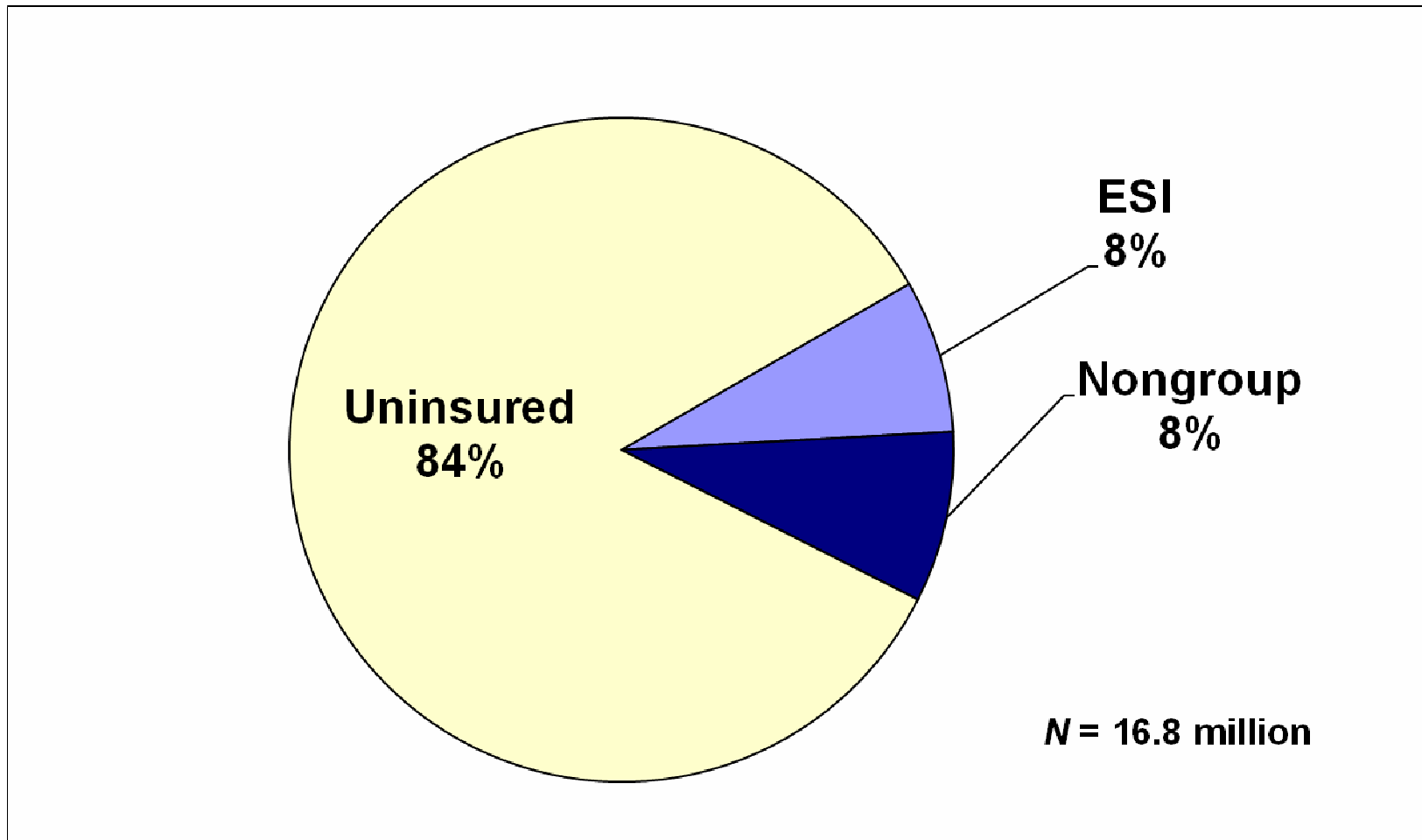
Those Uninsured Without Reform—What Coverage Would They Have Under the ACA?



Those Left Uninsured After Reform



Those Who Newly Enroll in Medicaid Under the ACA—What Coverage Would They Have Had without Reform?



The Health Status of New Medicaid Enrollees Under Health Reform

- The Affordable Care Act will add at least 16.0 million to Medicaid; large numbers will be childless adults
- Will they be healthier or in worse health? Less costly than current enrollees or more costly?
- The new enrollees will come mainly from the uninsured but also from many who now have private coverage
- We examine the health characteristics of those who have incomes below 138% FPL and now on Medicaid and compare with the uninsured and privately insured

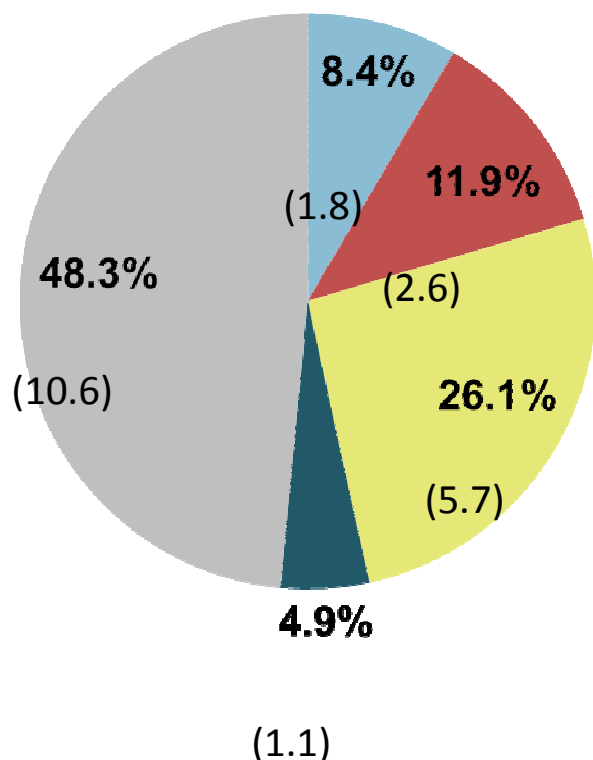
Analysis Uses Two Years (2005-2006) of the Medicaid Expenditure Panel Survey

- Sample limited to adults with incomes below 138% FPL
- Classified individuals by insurance status reported in December of survey year
- Reported findings on health status and chronic illness
- Examined selection issue with Health Insurance Policy Simulation Model (HIPSM)

Insurance Distribution of Childless Adults and Parents (19-64) with Gross Household Income Less than 138% FPL, 2005-2006

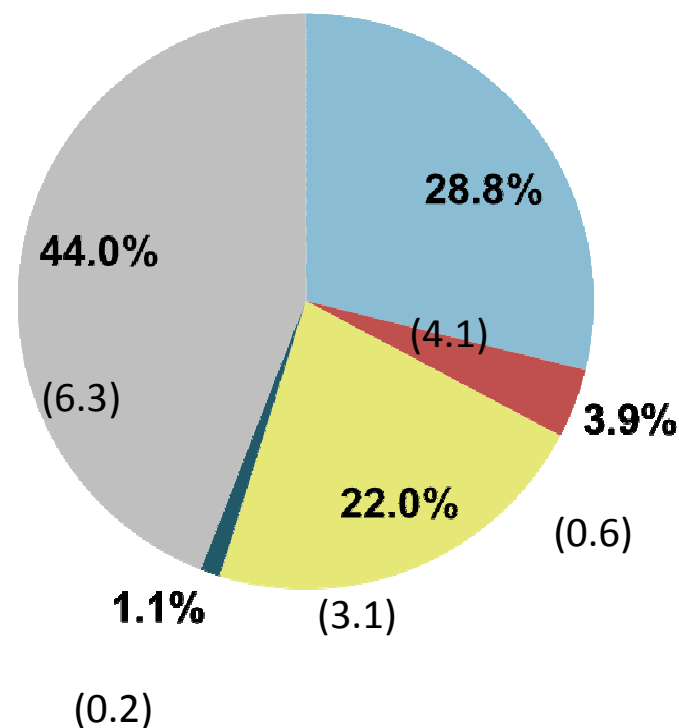
Childless Adults

(22.0 Million)



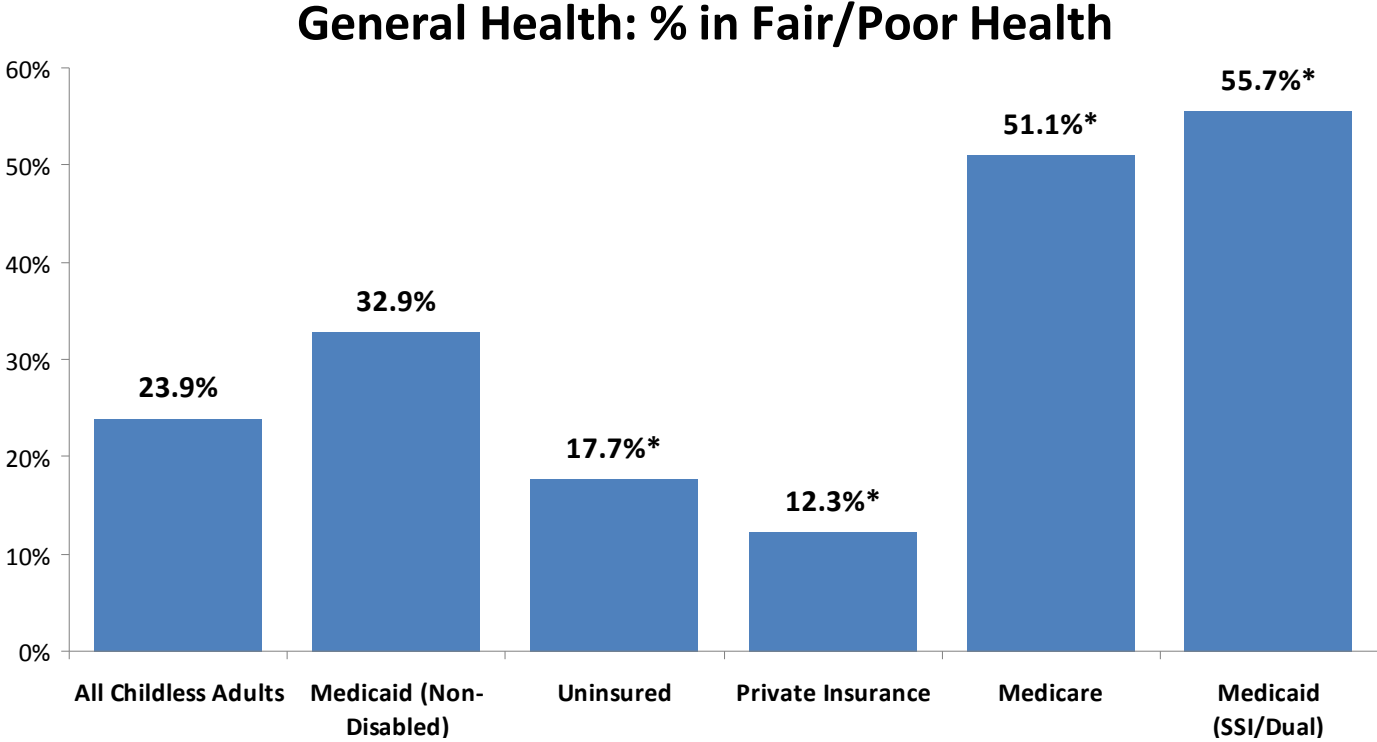
Parents

(14.2 Million)



■ Medicaid (Non-Disabled)
 ■ Medicaid (SSI/Dual)
 ■ Private Insurance
 ■ Medicare
 ■ Uninsured

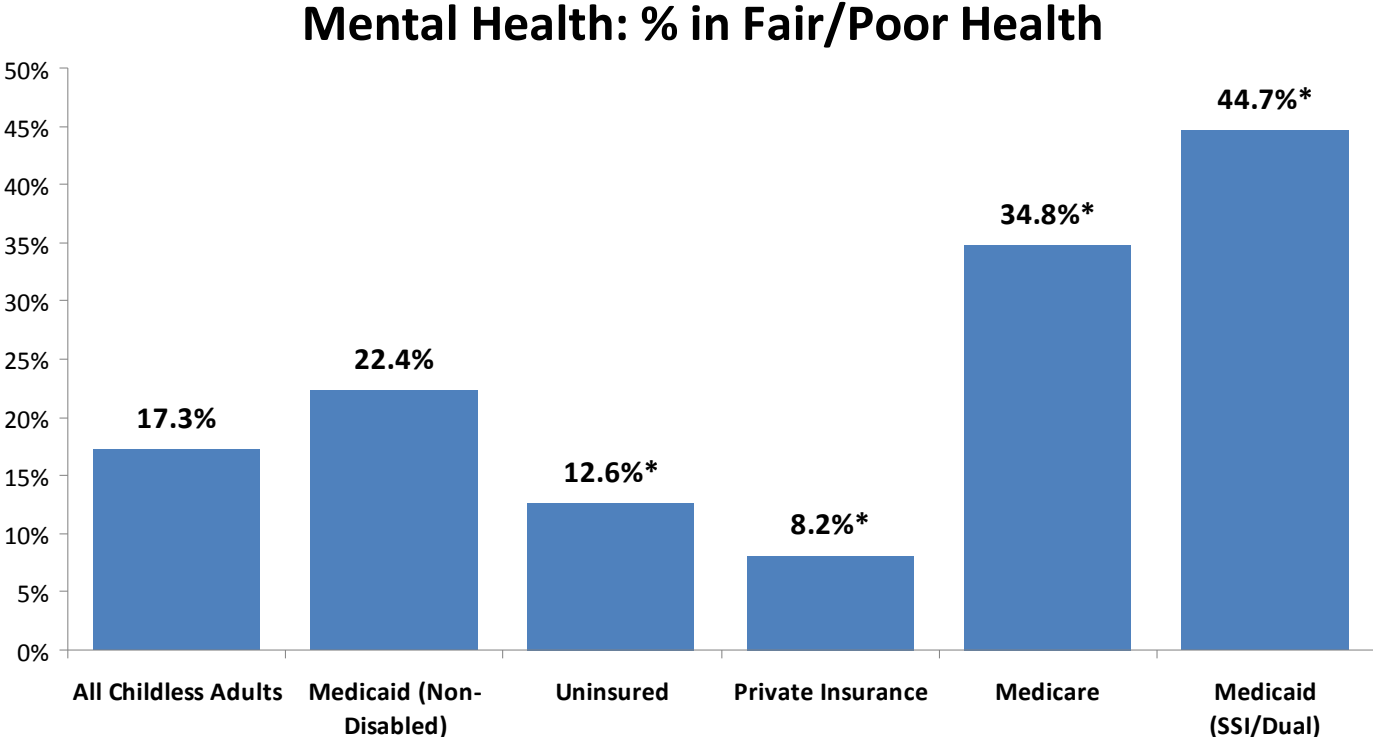
Health Status and Expenditures for Childless Adults (19-64) at or below 138% FPL by Current Insurance Status, 2005-2006



Source: Medical Expenditure Panel Survey, 2005-2006

* Indicates statistically significant difference from Medicaid (Non-Disabled).

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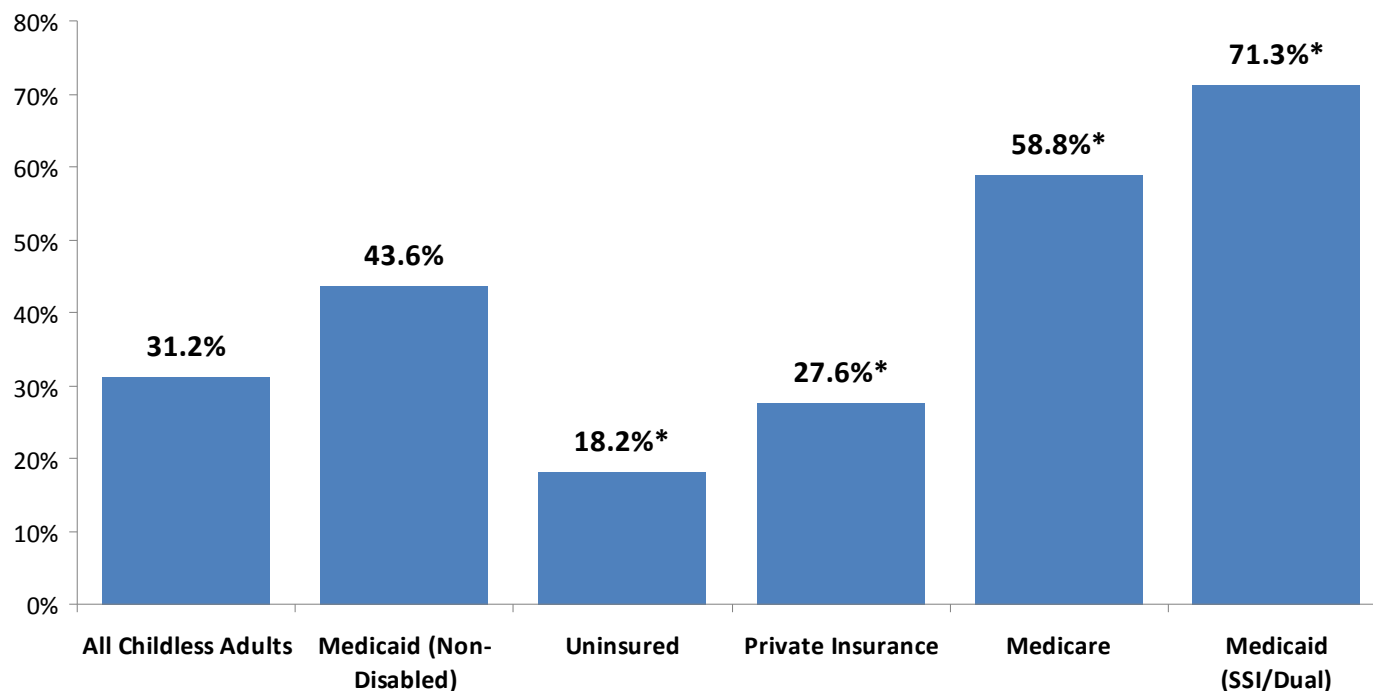


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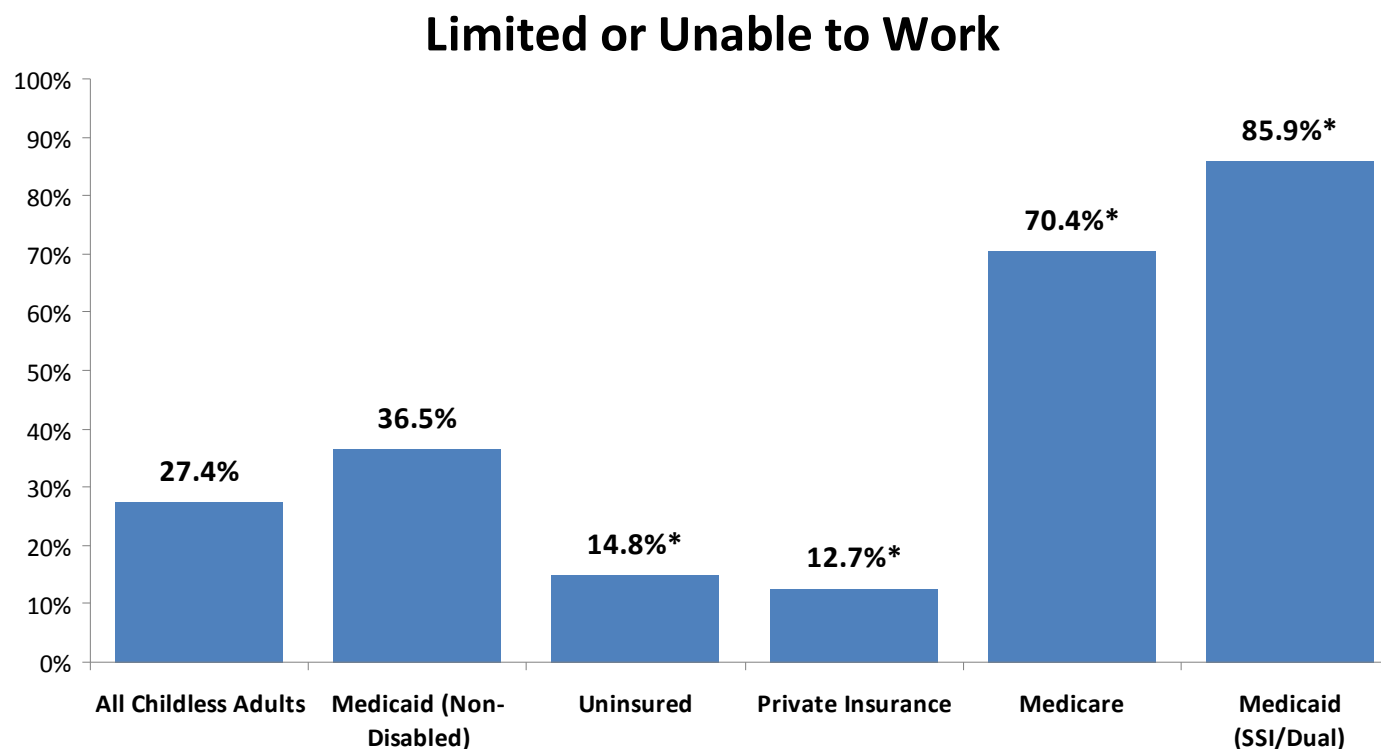
2 or More Chronic Conditions



Source: Medical Expenditure Panel Survey, 2005-2006

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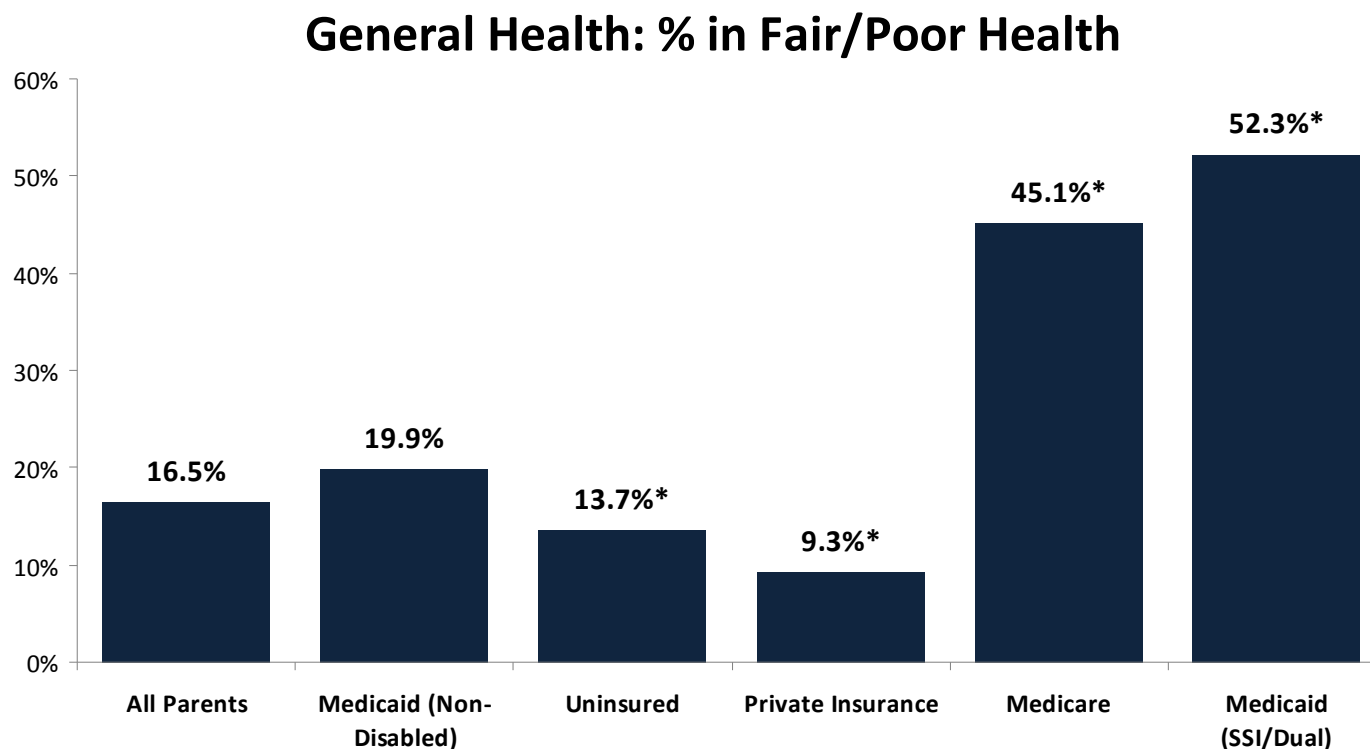
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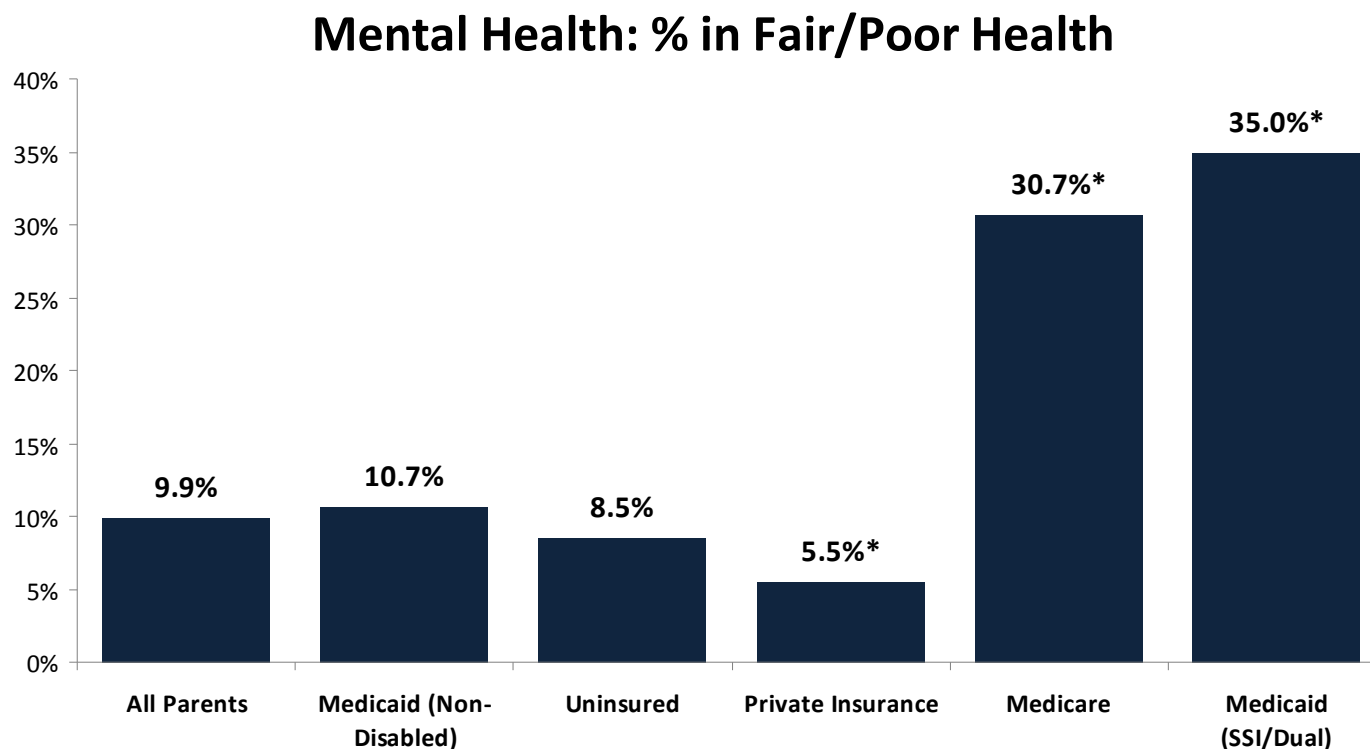
Health Status and Expenditures for Parents (19-64) at or below 138% FPL by Current Insurance Status, 2005-2006



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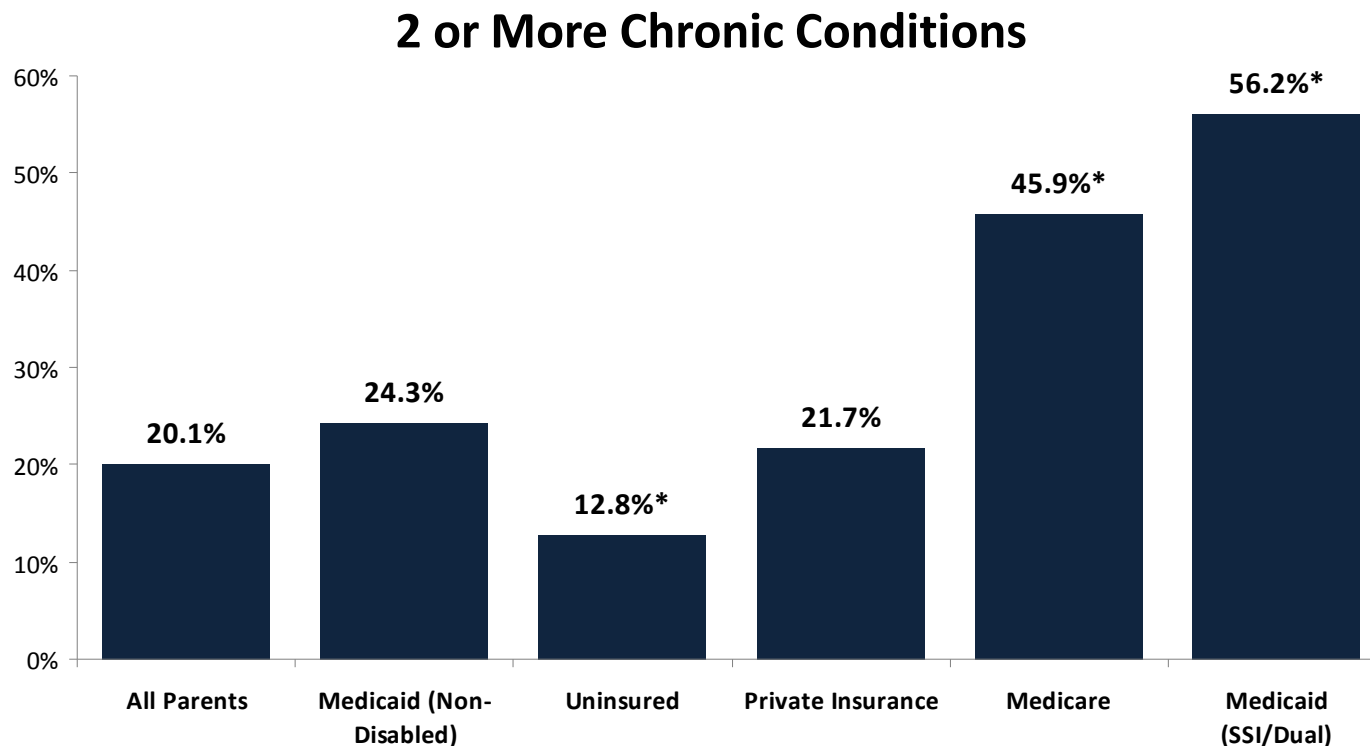
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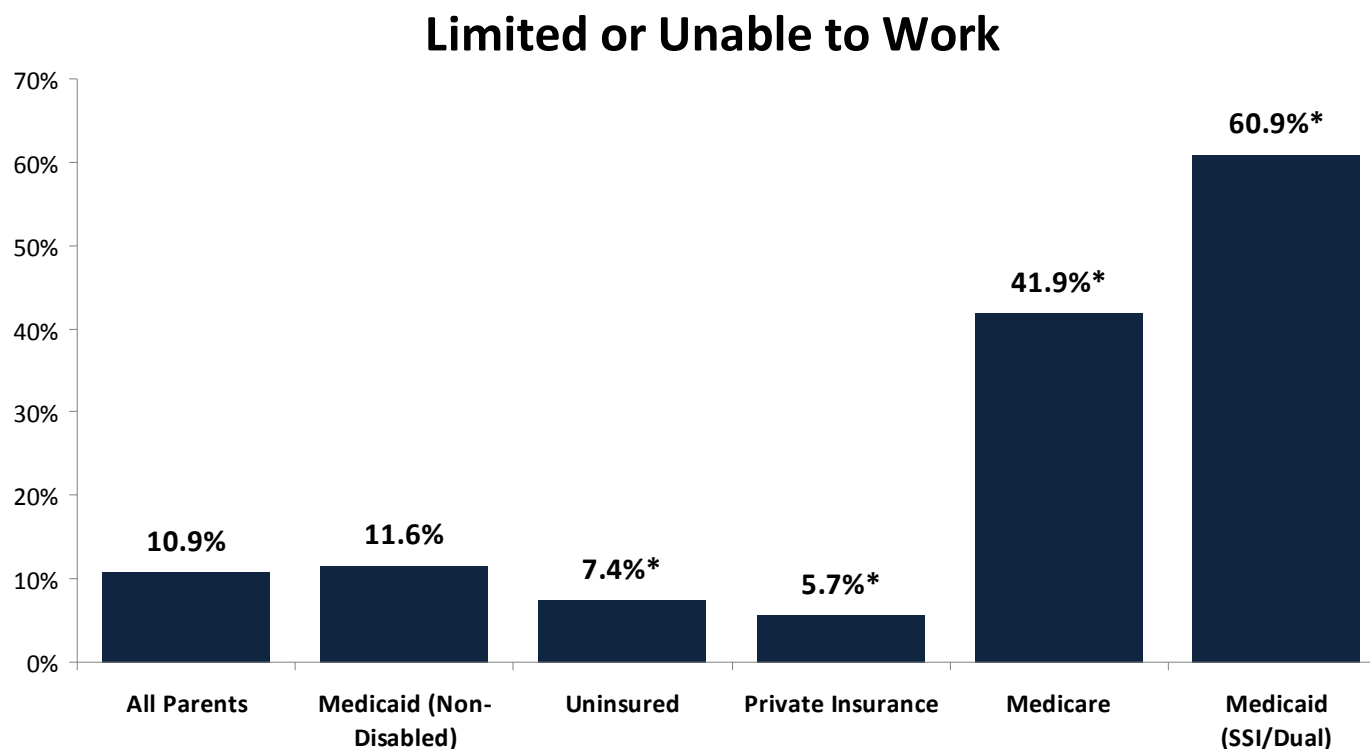
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Presence of Chronic Condition Medicaid vs. Uninsured

	Childless Adults			Parents	
	Medicaid	Uninsured		Medicaid	Uninsured
Asthma	9.3	3.3*		6.4	3.3*
Diabetes	13.4	4.4*		5.7	3.2*
Endocrine Disorders	17.0	8.3*		7.6	3.4*
Hypertension	22.8	9.1*		10.0	6.7*
Musculoskeletal	9.7	5.9*		3.9	2.5
Nervous System	10.0	4.1*		7.8	5.0*
Respiratory	8.4	4.9*		6.3	3.0*
Pregnancy	8.7	1.1*		25.0	10.1*

*Statistically significant at the .05 level.

Health Characteristics, All Adults

	All Adults	
	Medicaid	Uninsured
General Health % Fair/Poor	23.9	16.2*
Mental Health % Fair/Poor	14.4	11.1*
2+ Chronic Condition	30.3	16.2*
Limited or Unable to Work	19.3	12.0*

*Statistically significant at the .05 level.

Projected Age And Health Status Of Medicaid Eligible Adults Under Reform According To Their Medicaid Enrollment Status

New Medicaid Eligibles		
Health Status	Medicaid	Uninsured
% Good Health	81.6	89.5
% Poor Health	18.4	10.5
Total	100%	100%
Age Status		
18-24	30.4	33.7
25-45	22.6	29.2
35-45	15.0	14.7
45-55	18.6	13.3
55-64	13.4	9.2
Total	100.0%	100.0%

Full Year Equivalent Medicaid Enrollment and Acute Care Costs Per Enrollee by Age, Disability Group, and MAS Group for Beneficiaries Without Institutionalized Long-Term Care Spending, nor any Restricted Benefits

		MAS			
Group	Category	Cash Assistance/Section 1931 (includes SSI Individuals)	Medically Needy	Poverty-Related Eligibles	Section 1115
Non-Disabled Ages 19-64	FYE Medicaid Enrollment (in thousands)	3,014	734	788	809
	FYE Acute Care Spending Per Enrollee	\$4,247	\$4,222	\$5,977	\$5,256
Disabled Ages 19-64	FYE Medicaid Enrollment (in thousands)	4,118	182	487	n/a
	FYE Acute Care Spending Per Enrollee	\$9,761	\$14,532	\$6,929	n/a

Source: Urban Institute estimates based on data from MSIS 2007 and CMS64
Acute care expenditures include prescription drug spending.

Conclusions

- The Affordable Care Act will add almost 17 million people to Medicaid
- New Medicaid enrollees will come mostly from the uninsured; some from the privately insured
- The population Medicaid (non-disabled) now serves are less healthy on average than the newly eligible uninsured or privately insured

Conclusions, cont.

- Medicare and Medicaid (SSI-Dual) currently serve those in worst health
- The newly eligibles who enroll in Medicaid will be in worse health than those who remain uninsured but how much so depends on participation