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**REPORT: MEDICAID BENEFICIAIRES COVERED ONLY PART OF THE YEAR,  
EXPOSING PATIENTS, TAXPAYERS TO POORER HEALTH, HIGHER COSTS**

*Paperwork, Small Changes in Income Lead to Disenrollment Despite Continued Eligibility;  
Monthly Medical Costs for Adults Fall When Enrolled for More of the Year*

WASHINGTON – A new report authored by health policy researchers at George Washington University shows that the average Medicaid beneficiary is covered for only part of the year, leading to poorer health, higher-cost episodes of care, and frustrating the efforts of providers and others to deliver top-quality health care.

This is due in large part to the phenomenon of “churn,” where otherwise-eligible beneficiaries are disenrolled and reenrolled in the program owing to paperwork issues or small and often temporary changes in income. “Churn” leads millions of Medicaid beneficiaries to be removed from the program despite no change in their underlying eligibility. The on-again-off-again cycle of enrollment results in the disruption of care for people with low incomes, leads to higher monthly medical expenses, interferes with efforts to assess the quality of care delivered through the Medicaid program, and diverts resources from clinical care to eligibility assistance.

The report, commissioned by the Association for Community Affiliated Plans (ACAP) and authored by Leighton Ku, Ph.D., M.P.H. and Erika Steinmetz, M.B.A. of George Washington University, assessed enrollment continuity at the state level by dividing the average monthly number of Medicaid enrollees by the total, unduplicated number of people enrolled in Medicaid throughout the year. Enrollment continuity ratios reflect those who leave the program, including those who enroll in a commercial plan or move out of state, and do not account for changes in state reporting systems.

“Even short gaps in coverage can lead to delay or avoidance of needed care,” said Leighton Ku, Ph.D., M.P.H., Professor and Director of the Center for Health Policy Research at George Washington University’s School of Public Health and Health Services. “This can result in significant increases in hospitalizations for chronic diseases like diabetes, asthma and mental disorders. These costly interruptions can arise from something as simple as a change of address.”

The report found that churning leads to higher average monthly medical costs for adults in the program. An analysis of medical expenditure data shows that medical costs for an adult enrolled for all 12 months in Medicaid averaged \$333 per month, compared with average monthly costs of \$469 for those enrolled for six months and \$625 for those enrolled just one month.

“When Medicaid coverage ends, sometimes with virtually no warning, unnecessary and dangerous barriers between Medicaid beneficiaries and the care they need get raised,” said ACAP CEO Margaret A. Murray. “Patients are turned away from doctor’s offices and medical costs escalate. If we were to guarantee 12 months’ enrollment to those who enroll in Medicaid and CHIP, vital health resources would be stabilized for vulnerable populations and safety-net hospitals, providers and health plans would receive relief from costly administrative burdens. Everyone deserves coverage they can count on.”



Twelve-month continuous enrollment for Medicaid and CHIP beneficiaries is an idea that has gained momentum in recent months. In March, the Medicaid and CHIP Payment and Access Commission (MACPAC) endorsed a state option of 12-month continuous eligibility for those in the Medicaid and CHIP programs. Representatives Gene Green (D-Texas) and Joe Barton (R-Texas) recently introduced H.R. 1698, the *Stabilize Medicaid and CHIP Coverage Act*, which would provide for 12-month continuous enrollment for all who enroll in the Medicaid and CHIP programs.

To see more information about “churn,” including the full paper by Ku and Steinmetz, state-by-state maps detailing overall enrollment continuity ratios and rates broken out by population subgroups, and information about 12-month continuous enrollment, visit [www.coverageyoucancounton.org](http://www.coverageyoucancounton.org).

### **About ACAP**

ACAP represents 58 nonprofit Safety Net Health Plans in 24 states, which collectively serve more than ten million people enrolled in Medicaid, Medicare, the Children’s Health Insurance Program (CHIP), and other public health programs. For more information, visit [www.communityplans.net](http://www.communityplans.net).

Information from ACAP about “churn” is online at [www.coverageyoucancounton.org](http://www.coverageyoucancounton.org).

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