

Improving Medicaid's Continuity of Coverage: An Update

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May 10, 2013

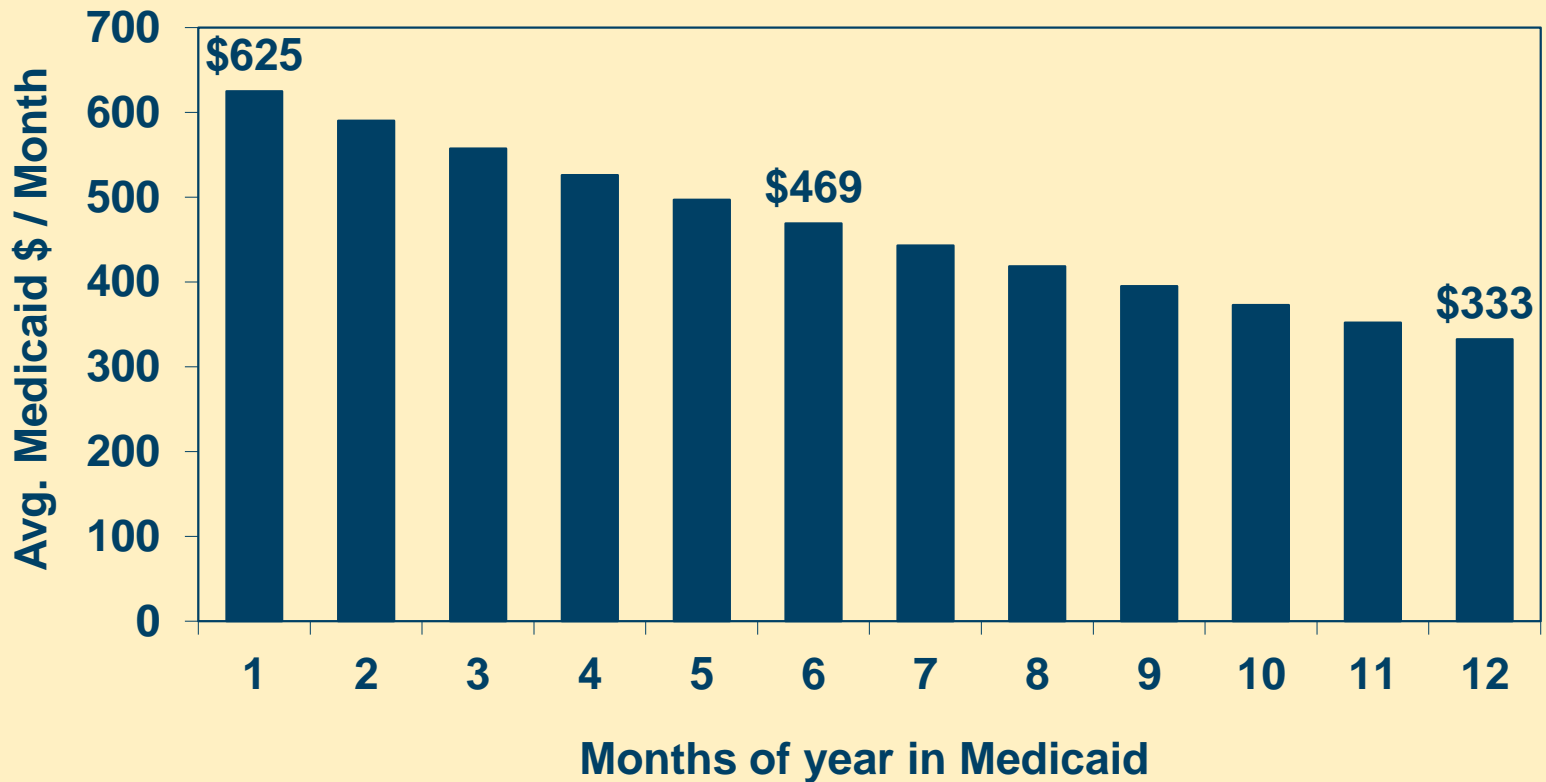
Medicaid's Leaky Sieve

- In employer-sponsored insurance people join when they get a job. The default is to keep the same insurance, unless someone requests a change.
- Medicaid often enrolls people for 6-12 month periods and requires monthly/quarterly reports.
- Millions lose coverage each year, although most are probably still eligible. Creates costly burdens for patients, providers and plans.
- Children have a **12 month continuous eligibility** option. MACPAC recommended this option for adults too.

Churning in Medicaid Causes:

- Disruptions in continuity of care and interruptions of preventive & primary care.⁴
- Increased hospitalizations for avoidable conditions that can be treated by better primary care: diabetes, heart failure, asthma, etc. For adults almost 4-fold greater risk.⁵
- Decreases in breast cancer screening and higher risk of poor outcomes.⁶
- Higher average monthly medical expenses.
- Higher administrative expenses for re-enrollment. (In CA, \$180 to enroll a child.)⁷
- More people uninsured at any given time.⁴

Average Monthly Medicaid Costs Decline When Adults Are Enrolled Longer: 12 months costs just 42% more than 6 months

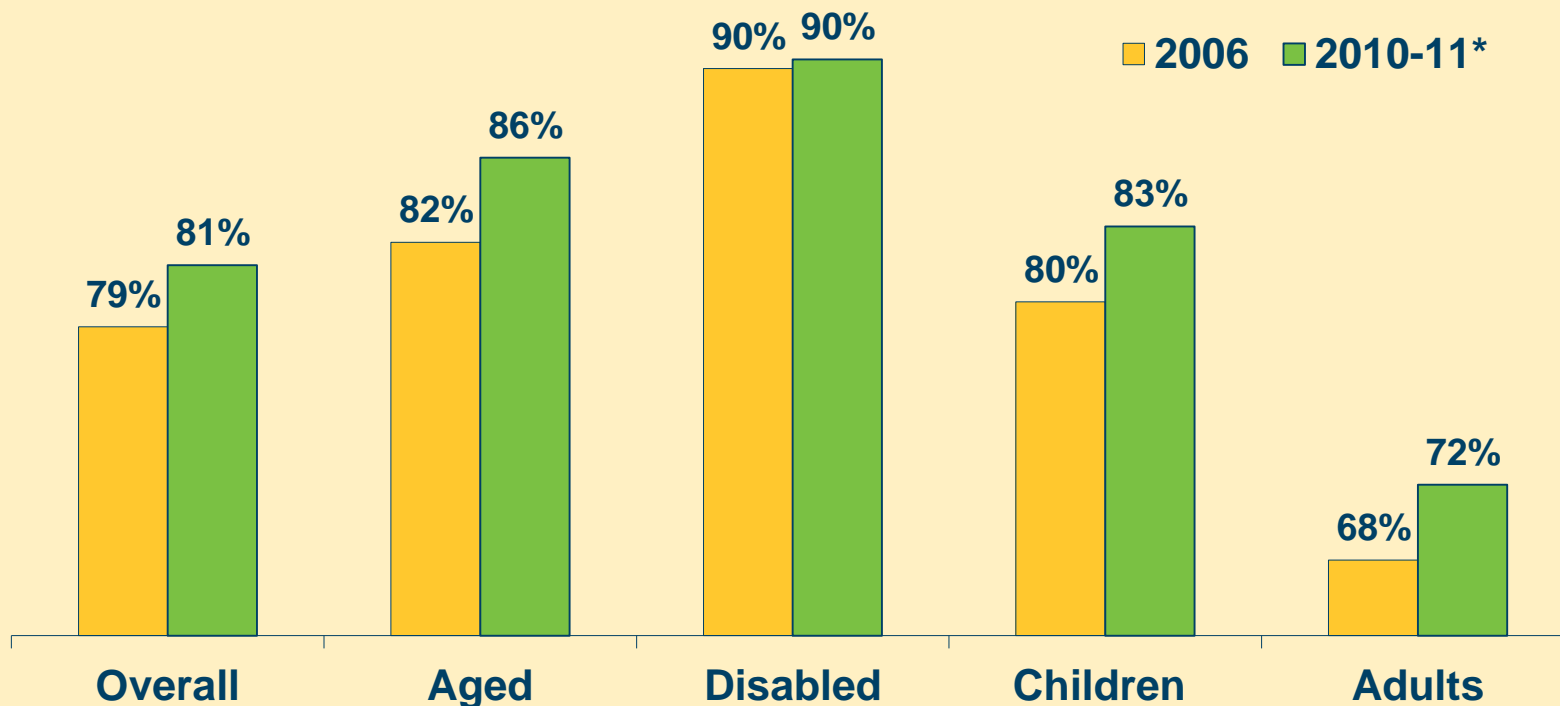


Source: GW analyses of 2006 Medical Expenditure Panel Survey, controlling for age, gender, health status, disability, pregnancy, income, education, etc.

Continuity of Care in Medicaid

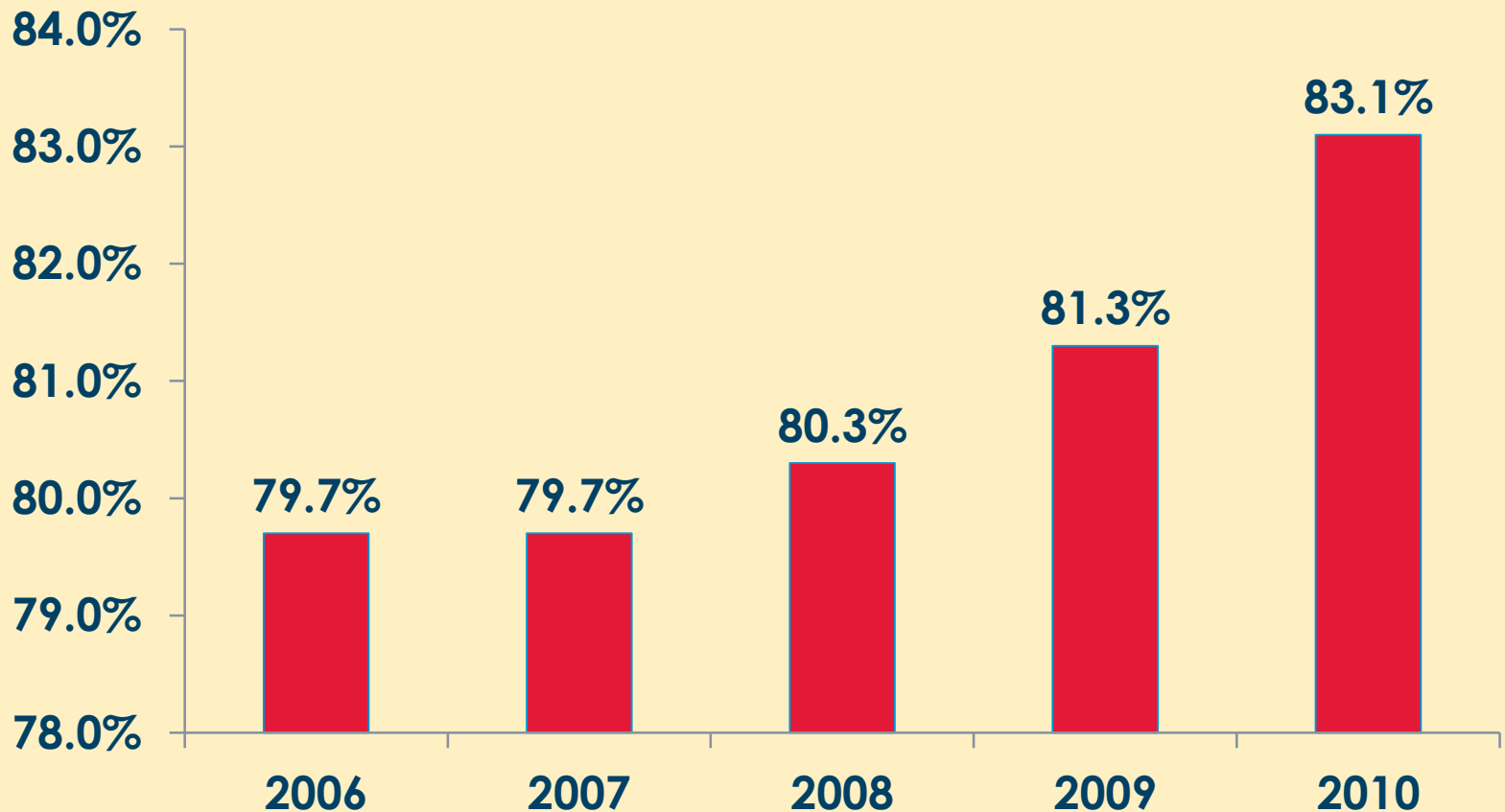
- Continuity ratio measures is fraction of a fiscal year that an average person is enrolled in Medicaid. (Avg monthly enrollment/annual ever enrolled)
- In FY 2010/11, continuity is best for blind and disabled (90%).
- Aged (86%)
- Children (83%)
- Non-elderly adults (72%)
- Continuity ratio is not a perfect measure. Don't know if person is uninsured, has coverage rest of year, or whether coverage was continuous.

Changes in National Average Medicaid Continuity Ratios from 2006-2010/11*



* 2006 data are all from FY 2006, but 2010/11 data are a blend of data from FY 2009 to 2011.

Apples to Apples Comparison for Children (46 States): 2006-10



Policy Changes May Have Improved Continuity for Children

- Preliminary results indicate that the seven states that adopted 12 month continuous eligibility for children after CHIPRA had improved continuity of children's coverage at a modest cost.
- MACPAC recommended state option for 12 month continuous eligibility for adults in light of ACA changes.⁸
- This could let states stabilize adult coverage & improve continuity of care in Medicaid at a modest cost.

References

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