

Review of Research on Medicaid Expansion Impact

Written at the request of the MARA Committee
BY Joshua Poulette

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1. WHY LFD STAFF PERFORMED THIS RESEARCH

LFD staff were asked by legislative members of MARA to investigate the impact of Medicaid expansion. Legislators were interested in the impact of Medicaid expansion on the health of enrollees, but also its effects on state economies, personal finances, and other second-order or spinoff effects.

In order to answer this question LFD staff used existing analyses, as staff time and resources did not permit the execution of an original study on Medicaid expansion impact in Montana. Staff used two primary types of resources:

A. KFF (formerly Kaiser Family Foundation) meta-analyses of Medicaid expansion impact. KFF has performed several such analyses. The first analysis was most recently updated in March 2020 and reviewed 404 studies on the impact of Medicaid expansion published between 2014 and 2020. The second analysis was published in May 2021 and reviewed about 200 studies published between February 2020 and March 2021.

B. Peer-reviewed academic studies published in the 2021-2023 period. Staff prioritized reviewing studies with higher numbers of citations, indicating that these studies were viewed as reliable and noteworthy by other researchers.

The remainder of this document summarizes the findings of the two KFF meta-analyses (Section 2) as well as one dozen more recent peer-reviewed studies that have been fairly widely cited at the time of this review (Section 3). Following this review of literature is a brief section that identifies commonly used dependent variables in the study of Medicaid expansion impact (Section 4). Final thoughts and takeaways conclude this document (Section 5).

2. KFF META-ANALYSES ON THE EFFECTS OF MEDICAID EXPANSION

KFF has published several meta-analyses of Medicaid expansion impact. The first was most recently updated in March 2020 and the second was published in May 2021.

2.1. KFF Report - [*The Effects of Medicaid Expansion under the ACA: Updated Findings from a Literature Review*](#) (March 2020)

This report, which is an updated version of a previous report, summarizes results from 404 studies on the impact of ACA (Affordable Care Act) Medicaid expansion. The studies span from 2014 (when ACA Medicaid expansion went into effect) to January 2020.

The authors group studies by outcome of interest, or dependent variable, with the possibility that a study could have multiple types of outcomes of interest. The outcome categories the authors define are:

- A. Access and Utilization of Care – Likelihood that low-income persons will be able to access health care and will utilize health care services.

- B. Insurance Coverage – Uninsured rate and Medicaid coverage rate in a given jurisdiction.
- C. Payer Mix – Types of payers encountered by providers: private pay, government, or uninsured.
- D. Health Care Affordability and Financial Security – Ability to afford care / impact of lower care costs on household or individual financial well-being.
- E. Provider Capacity – Ability of providers to meet demands for care.
- F. Self-Reported Health – Individual assessment of their own physical and/or mental health; collected with survey instruments.
- G. State Budgets and Economies – State budget outcomes (revenue and expenditures) and overall economic growth.
- H. Positive Health Outcomes – Health outcomes such as mortality, birth weight, healthy behavior prevalence, and many others.

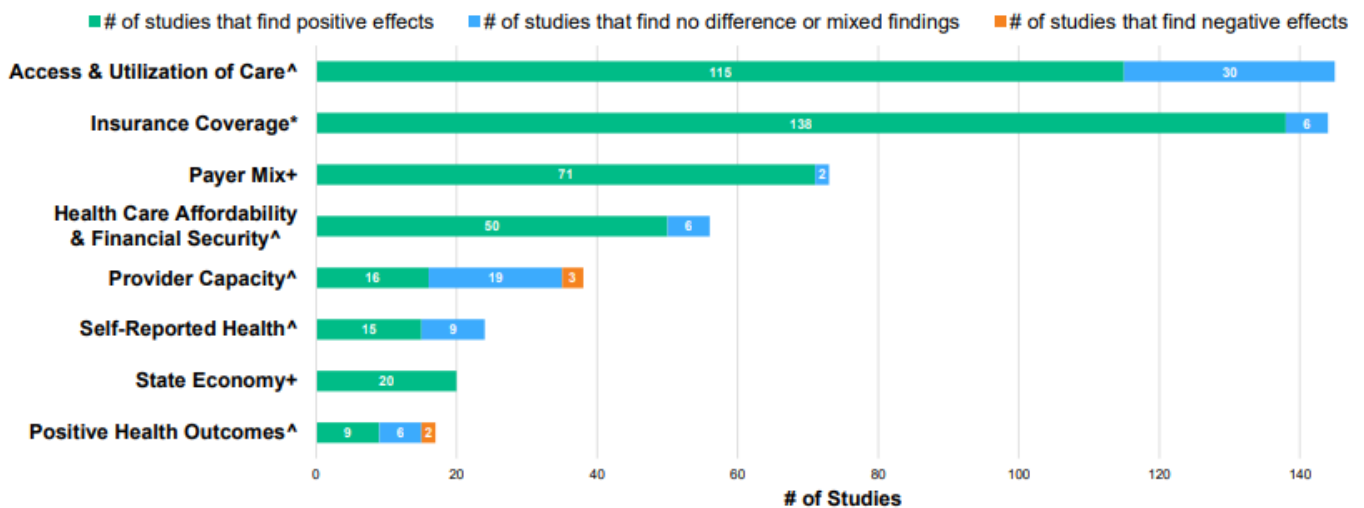
The figure below illustrates how the studies break down across each of these categories. In general, research of this type proceeds by comparing outcomes of interest in a state (or states) that have received the “treatment” – in this case expanded Medicaid – as compared to states that have not done so. For example, researchers may study cancer survival rates in 5 “expansion states” over a period of 3 years and compare those outcomes to similar “non-expansion states” in order to determine if the treatment is associated with a statistically significant difference in outcomes.

In Figure 1 below, several takeaways emerge.

- First, the most commonly studied outcomes of interest are impact on Access and Utilization of Care, Insurance Coverage, and the Payer Mix. On these outcomes, the vast majority of findings indicate that ACA expansions had significant positive effects – more people are covered, can receive access to care, and providers are less likely to experience uncompensated care
- Second, the two “economic” finding areas – Health Care Affordability/ Financial Security and State Budgets and Economies both exhibit strong positive effects from ACA expansions of Medicaid
- Third, the evidence for patient and provider effects (the three categories of Provider Capacity, Self-Reported Health, and Positive Health Outcomes) is mixed – roughly half of the surveyed studies find positive effects, while the other half find no significant effects or, in a few cases, negative effects

Figure 1

Studies generally find positive effects of the ACA Medicaid expansion on different outcomes.



NOTES: This brief groups outcomes into 3 categories, indicated as such: *Coverage outcomes, ^Access outcomes, +Economic outcomes. Studies may have findings on multiple outcomes and be counted in multiple bars. "Insurance Coverage" includes coverage rates generally and for Medicaid. SOURCE: KFF analysis of 404 studies of the impact of state Medicaid expansion published between January 2014 and January 2020.



Credit: KFF

2.2. KFF Report - [Building on the Evidence Base: Studies on the Effects of Medicaid Expansion, February 2020 to March 2021](#) (May 2021)

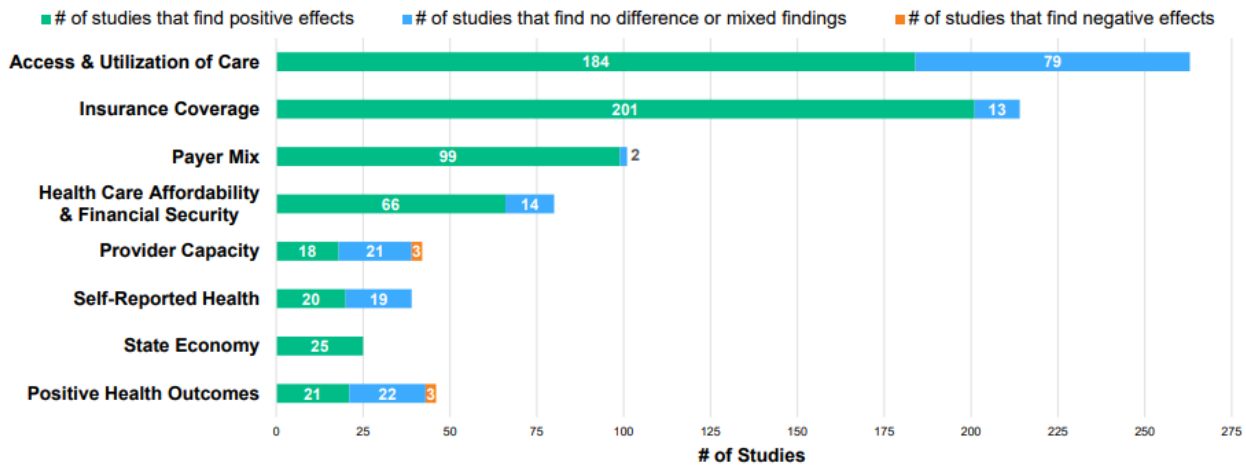
This report, which updates and builds upon the previous KFF report (Section 2.1), summarizes results from roughly 200 additional studies on the impact of ACA (Affordable Care Act) Medicaid expansion. The studies span from February 2020 to March 2021. When combined with the previous KFF report, the total number of studies summarized is 601.

The authors note that more recent studies of Medicaid expansion impact have had a noticeably different focus than the first batch of studies they surveyed (roughly 2014 to 2019): “recent research has increasingly focused on outcomes for specific populations, such as people with cancer or behavioral health needs. Recent research has also focused on specific outcomes such as mortality and social determinants of health. Although overall findings across these themes generally show positive effects of Medicaid expansion, a smaller number of studies find no impact of expansion on specific outcomes for specific populations; however, very few studies suggest any negative effects.”

The May 2021 report reproduces the graphic from the March 2020 report with the additional 197 studies included – Appendix Figure 1 below. The takeaways from Appendix Figure 1 of the May 2021 report are similar to the takeaways from Figure 1 of the March 2020 report (above).

Appendix Figure 1

Studies generally find positive effects of the ACA Medicaid expansion on different outcomes.



NOTES: Studies may have findings on multiple outcomes and be counted in multiple bars. "Insurance Coverage" includes coverage rates generally and for Medicaid.
 SOURCE: KFF analysis of 601 studies of the impact of state Medicaid expansion published between January 2014 and March 2021.

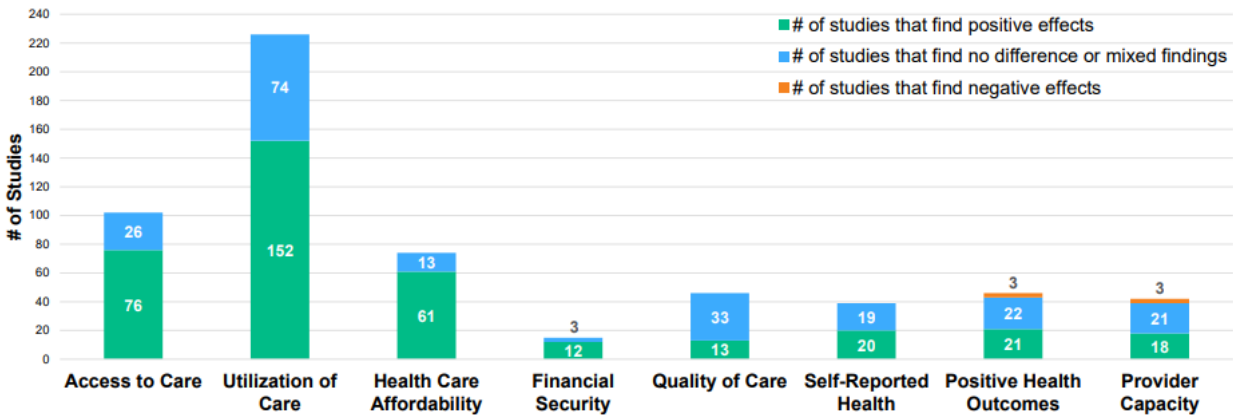


Credit: KFF

Appendix Figure 4 (below) illustrates that (similar to the 2020 report finding) ACA Medicaid expansion improved access to care, utilization of care, health care affordability, and financial security, but outcomes on quality of care, health measures, and provider capacity were mixed.

Appendix Figure 4

Studies find that the ACA Medicaid expansion increased access across a range of measures, though findings on health outcomes and provider capacity are mixed.

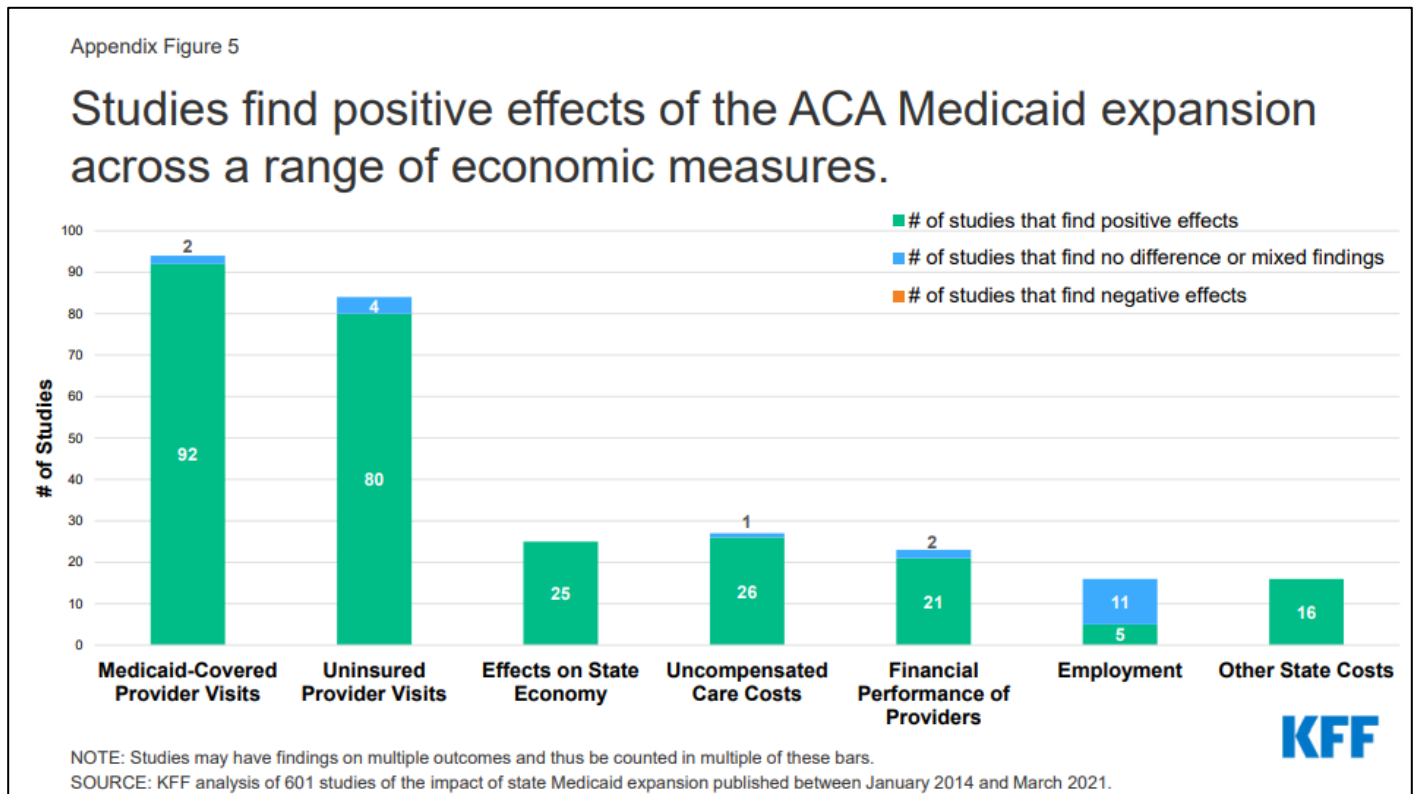


NOTE: Studies may have findings on multiple outcomes and thus be counted in multiple of these bars.
 SOURCE: KFF analysis of 601 studies of the impact of state Medicaid expansion published between January 2014 and March 2021.



Credit: KFF

Finally, Appendix Figure 5 below breaks down studies that focus on economic measures. The large majority of studies find positive economic impacts, especially those related to insurance coverage and compensation for providers. Impacts on employment metrics are mixed.



Credit: KFF

3. SAMPLE OF RECENT PEER-REVIEWED RESEARCH ON THE IMPACT OF MEDICAID EXPANSION

Staff used academic research search engines in order to survey a sample of peer-reviewed research on Medicaid expansion published more recently than the KFF studies, as well as some studies that were not included in the KFF review. Priority was given to studies with larger numbers of citations, indicating that those studies were seen as reliable and noteworthy by other researchers.

3.1. Sampled Health Outcomes and Health Status Research

Six of the twelve studies sampled primarily focused on health outcomes or health status as the outcomes of interest. Of these six studies, four demonstrated positive effects tied to Medicaid expansion, though effects were not always consistent across states or over time. One study had mixed outcomes, and another showed no significant impact.

- Patel et al (2022) examines the relationship between Medicaid expansion and suicide rates and finds a smaller increase in suicide rates in states that expanded Medicaid relative to those that did not. The authors suggest this difference may be due to broader access to mental health care in Medicaid expansion states. (Positive effect)
- Semprini et al (2022) studies the impact of Medicaid expansion on self-reported health status in the 5 year period between 2014 and 2018. The authors find significant positive impacts in 2015, 2017, and 2018, and moderately significant impact in 2014. They argue that the impact of expansion on self-reported health has appeared to moderate over time, indicating that many health gains tied to Medicaid expansion are due to pent-up demand. (Positive effect)
- Bellerose, Collin, and Daw (2022) conducted a review of literature (24 studies) on the interaction between Medicaid expansion and insurance coverage, health care use and health outcomes during the period of preconception through postpartum. The authors found evidence of Medicaid expansion increasing Medicaid coverage and reducing uninsurance and insurance churn. They found only limited evidence of Medicaid expansion significantly increasing perinatal health care use or improving infant birth outcomes. (Positive effect/mixed effect)
- Auty and Griffith (2022) studies the interaction between state Medicaid expansion decisions and drug overdose mortality during the first year of COVID-19 pandemic. The authors did not find a significant difference in drug or opioid overdose deaths across Medicaid expansion and non-expansion states. (No significant effect)
- Lee, Dodge, and Terrault (2022) finds evidence of a significant overall reduction in all-cause mortality associated with state decisions to expand Medicaid but note that this effect is variable across states and causes of mortality. (Positive effect)
- Austin, Sokol, and Rowland (2022) investigate the relationship between Medicaid expansion and the likelihood of postpartum depressive symptoms. The authors find evidence of a small reduction in the probability of postpartum depressive symptoms among women who delivered in expansion states. (Positive effect)

3.2. Sampled Coverage / Utilization of Care / Provider Effects / Financial Security Research

The remaining six of the twelve studies sampled primarily focused varied impacts of interest, including utilization of care, impact on providers, and individual financial security. Of these six studies, two demonstrated positive effects tied to expansion, two had mixed outcomes, one had a combination of positive and no significant effects, and one showed negative effects.

- Bullinger (2020) found evidence that Medicaid expansion was associated with increased certain types of child support payments. (Positive effect)

- Callison and Walker (2021) found evidence that Louisiana’s expansion of Medicaid was associated with lower levels of medical debt collections for those gaining coverage. (Positive effect)
- Nikpay (2022) demonstrates a shift in federal hospital subsidies from safety-net to non-safety-net hospitals, an unintended consequence of Medicaid expansion. Hospitals that provide higher levels of uncompensated care may receive fewer subsidies than hospitals which do not, as subsidies are based on Medicaid volume. (Negative effect)
- Carroll et al (2022) investigates the relationship between Medicaid expansion and hospital-based obstetric services. The authors find expansion is associated with a reduction in hospital closures, although not among hospitals with obstetric units. An additional finding was that rural obstetric units were less likely to close immediately after Medicaid expansion, but this effect diminished within two years. (Mixed effect)
- Hampton and Lenhart (2022) shows evidence of a reduction in marriage likelihood and increase in divorce likelihood tied to Medicaid expansions. The authors posit this may be due two factors. First, “reduced reliance on spousal insurance,” and second, incentives to either delay or forego marriage or get divorced in order to gain or retain eligibility for Medicaid expansion. (Mixed effect)
- Giannouchos, Ukert, and Andrews (2022) examines the relationship between state Medicaid expansions and emergency department (ED) visits by medical urgency. The authors found a statistically significant reduction in ED use for non-emergent conditions in Medicaid expansion states as compared to non-expansion states. There were no statistically significant differences observed for non-preventable conditions and injuries or substance use and mental health disorders. (Positive effect/No significant impact)

4. DATA AND THE STUDY OF MEDICAID IMPACT

The large body of research on the impact of Medicaid expansion is diverse. In general, researchers tend to focus on one or two types of outcomes they are interested in – this could be a health measure, like infant mortality or cancer survival rate, or perhaps a measure of hospital quality. There are dozens, if not hundreds, of both previously investigated and novel research questions focused on the impact of Medicaid on various outcomes.

Policymakers may also be interested in other dimensions of these questions – very few studies consider program cost, or opportunity cost, but state and federal policymakers may be more interested in the amount of benefit generated for each dollar spent on Medicaid (either traditional or expansion).

In short, policymakers should consider the **populations** and **outcomes** that are of the most interest in order to guide data collection efforts. Populations could include enrollees, subsets of enrollees such as children, providers, certain providers such as hospitals, and so on. Outcomes could include health outcomes, financial outcomes for providers or enrollees, budget outcomes for the state, and so on. Medicaid impact is a rich area of

research and has benefitted from the natural experiment resulting from individual state Medicaid expansion decisions.

5. CONCLUSION

This report has summarized the large body of literature on the impact of Medicaid expansion. The large majority of studies that focus on insurance coverage, access to care and utilization of care, and health care affordability find positive effects associated with Medicaid expansion. Studies that focus on health outcomes, quality of care, and provider capacity find more mixed outcomes. The LFD staff review of more recent research found a similar trend of a majority of studies showing positive effects, but a large minority of studies showing mixed results or a lack of significant impact.

Policymakers may have interest in Montana-specific research questions tied to Medicaid, and staff can investigate the data needs necessary to address these questions. Such research projects, while resource-intensive, may help shed light on the benefits associated with Medicaid expansion or traditional Medicaid.

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