Improving Medicaid’s Continuity of Coverage: An Update

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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 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

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>2006</td>
<td>79.7%</td>
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<tr>
<td>2007</td>
<td>79.7%</td>
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<tr>
<td>2008</td>
<td>80.3%</td>
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<tr>
<td>2009</td>
<td>81.3%</td>
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<td>2010</td>
<td>83.1%</td>
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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


