

The Oregon Medicaid Experiment

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Background and Introduction

- In 2008, Oregon used a lottery to allocate a limited number of Medicaid spots for low-income adults (ages 19-64) on a waiting list for Medicaid
 - Eligibility included being Oregon residents, being uninsured for six months, having an income below 100% FPL, and having assets below \$2,000
- About 30,000 people were selected from the 90,000 on the waiting list and 10,000 who met eligibility requirements and successfully filled out the application were enrolled
- Offered a unique opportunity for a 2 year social “experiment” comparing Medicaid coverage with no health coverage at all for similar low-income populations

Oregon Medicaid Experiment: Initial Findings

- **Medicaid coverage increases the use of health services**
 - More likely to report having a regular place of care and more likely to report having a usual doctor
 - Increased the use of preventive care such as mammograms and cholesterol monitoring
- **Medicaid coverage improves financial security**
 - Reduction in number of people that report having to borrow money or skip payment on other needs because of medical bills
 - Enrollees less likely to have unpaid bills sent to a collection agency
- **Medicaid coverage improves self-reported health**
 - More likely to indicate they are in good/very good/excellent health, less likely to screen for depression, and more likely to report they are “happy” or “very happy”

Oregon Medicaid Experiment: Overall Findings

- **Medicaid associated with improved access to care compared to uninsured**
 - 50% improvement in having a usual source of care; similar increase in office visits
 - 30% increase in number of women who had pap smears, and a doubling in use of mammograms for women 50 years and older
 - 20% improvement in the probability of receiving all needed care
 - 3.5x more patients diagnosed and treated for diabetes
- **Led to a substantial reduction in the risk of a positive screening for depression**
 - Depression, often associated with lower rates of employment and problems with parenting, dropped by 30%

Oregon Medicaid Experiment: Overall Findings

- **Led to substantial reduction in catastrophic expenditures**
 - Out of pocket medical expenses exceeding 30% of income were 80% less than for those without insurance and the likelihood of medical debt was reduced 20%
- **No significant effect on the prevalence or diagnosis of hypertension and high cholesterol or on the use of medications for these conditions**
 - It increased probability of diagnosis and treatment for diabetes but had no significant effect on average diabetic blood sugar control

Oregon Medicaid Experiment: Lessons Learned

- **Medicaid works as health insurance**
 - Increases utilization of preventive and primary care services
 - Increases diagnoses and treatment of medical conditions
 - Increases the probability of having a usual source of care
 - Increases self reported positive health status
 - Decreases catastrophic health costs and medical bankruptcy

Oregon Medicaid Experiment: Lessons Learned

- **Less clear from this study that having Medicaid improves health**
 - May indicate short follow-up of study, small number of persons with chronic conditions, and/or limited number of outcomes
 - Unclear the extent to which patients were adherent with clinical regimen for diabetes, hypertension, and high cholesterol
 - Separate study in NEJM in 2012 reported that expansion of Medicaid coverage for low-income adults in Arizona, Maine, and New York reduced mortality by 6%

Oregon Medicaid Experiment: Lessons Learned

- **Does not tell us how to make health care or health insurance better**
 - Unclear if findings suggest a problem in Medicaid or in medical care, generally
 - Challenges both the optimistic view that Medicaid can reduce health care spending, at least in the short run, and the pessimistic view that Medicaid coverage won't make a difference to the uninsured