

MEASURING POVERTY ALLEVIATION THROUGH MEDICAID EXPANSION



Social Services Appropriations Subcommittee – August 20th, 2019

THEORY

- Getting Medicaid could raise people out of poverty through one or more of the following mechanisms:
 - Improved health
 - Can obtain employment
 - Can maintain employment
 - Less absenteeism
 - Retain more income
 - Fewer out-of-pocket medical expenses
 - Less likelihood of catastrophic expenses/medical bankruptcy

HOW TO OPERATIONALIZE

- Poverty
 - Federal poverty level (FPL)
 - \$12,490 for individuals
 - \$25,750 for family of four
- Poverty alleviation
 - Change in income
 - % change
 - Crossing FPL threshold
 - Change in utilization of other public assistance programs
- Improved health
 - Change in healthcare utilization

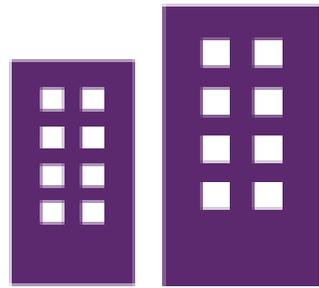
INTERVENING FACTORS

- Limited job skills
- Disability
- Lag in effect of coverage
- Utilization of coverage
- Childcare
- Housing stability

SOCIAL DETERMINANTS OF HEALTH/ INTERGENERATIONAL POVERTY FACTORS



Childhood experiences



Housing



Education



Social support



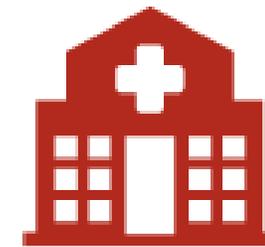
Family income



Employment



Our communities



Access to health services

PROPOSED MODELS

- Dependent variables
 - Change in income
 - Participation in other public assistance programs
 - Duration of enrollment
- Independent variables
 - Gender
 - Age
 - Primary language
 - Race
 - Marital status
 - Median income of zip code
 - Member of Native American tribe
 - Duration of coverage
 - Disability status
 - Offender status
 - Veteran status
 - Family size

OTHER NOTES

- Research shows that the smallest poverty reduction effect has been found among nondisabled adults, the primary expansion population.
- Medicaid's effect on poverty alleviation may become more pronounced over time, as healthcare costs continue to rise.

PROPOSED NEXT STEPS

- LFA, in coordination with DWS, can provide summary statistics for the included variables at time of enrollment for the expansion population during the 2020 General Session.
- LFA, in coordination with DWS, can provide an analysis of the first year of data during the 2020 interim.

RESOURCES

- Hill, S.C., Abdus, S., Hudson, J.L., & Selden, T.M. (2014). Adults in the income range for the Affordable Care Act's Medicaid expansion are healthier than pre-ACA enrollees. *Health Affairs*, 33(4), 691-699.
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- Remler, D.K., Korenman, S.D., & Hyson, R.T. (2017). Estimating the effects of health insurance and other social programs on poverty under the Affordable Care Act. *Health Affairs*, 36(10), 1828-1837.
- Sommers, B.D., & Oellerich, D. (2013). The poverty-reducing effect of Medicaid. *Journal of Health Economics*, 32(5), 816-832.
- Zewde, N., & Wimer, C. (2019). Antipoverty impact of Medicaid growing with state expansions over time. *Health Affairs*, 38(1), 132-138.