Medical journals, experts refute claim that Medicaid cuts ER use

By Kathryn Watson

October 29, 2013

ALEXANDRIA — Increase **Medicaid** patients to decrease emergency room visits — it's one of the top arguments made by those advocating expansion in the **Old Dominion**.

"When patients get sick, they seek care in our emergency rooms, where costs are the most expensive," wrote **Dr. Jennifer Smith,** a physician with **Bon Secours Richmond Health System** in public comments submitted online to Virginia's **Medicaid Innovation and Reform Commission**. "With Medicaid expansion, over 300,000 additional Virginians could see a doctor in a timely manner, protecting their own health and avoiding inefficient use of medical resources."

It's a common, reoccurring comment that — on its face — makes sense, but it may not be the case. As MIRC decides whether to expand the program by up to 400,000 Virginians, it's worth evaluating.

A handful of studies published in medical journals contradict the much-cited claim in Virginia that expanding Medicaid will keep state and private insurance costs down by keeping more people out of emergency rooms.

When **Oregon** drew 30,000 random names from a waiting list and placed them on Medicaid, researchers "did not find significant changes in visits to the emergency department or hospital admissions" after two years, according a study published by the **New England Journal of Medicine**.

A study published in the **Journal of the American Medical Association** found that adult Medicaid patients were three times more likely than the uninsured, and seven times more likely than the privately insured, to use an emergency room for conditions that could have been taken care of with primary care.

The **Annals of Emergency Medicine** reported that Medicaid patients are about 1.51 times as likely as privately insured, and 1.42 times as likely as the uninsured, to have at least one emergency room visit a year.

"The data seems to at least show that it's not going to be some drastic reduction in unnecessary ER use," **Jonathan Ingram**, a director of research for the **Florida**-based **Foundation for Government Accountability**, told **Watchdog.org.**

"In fact, (being on Medicaid) actually increases their use of hospital emergency rooms," Ingram said.

Why? There are a handful of reasons.

Medicaid patients are often sicker than the rest of the population, and sometimes people on Medicaid lack the transportation or education about primary care needed to get them there.

Accessing a primary care doctor is much harder for Medicaid patients, who are often put on back burners by their doctors — if they have one — because Medicaid just doesn't pay as well as private insurance or even **Medicare**. Medicaid pays roughly two-thirds what private insurance pays, leading to one in four Virginia doctors no longer accepting new Medicaid patients.

"Medicaid patients tend to visit the ER more, partly because they tend to be in poorer health overall. But they also visit the ER more because they can't see their primary care provider in a timely fashion or at all," wrote **Dr. Adit Ginde**, an MD, MPH, and FACEP at the **University of Colorado School of Medicine** and senior author of the study published in the Annals of American Medicine.

On top of that, Medicaid patients don't have to foot the massive ER bills.

"Well Medicaid makes the ER free for people," said **Michael Cannon**, director of health policy studies for the **Libertarian**-leaning **Cato Institute**. "Nobody spends (other people's) money as carefully as they do their own."

So accessibility wins out, he said. Emergency overcrowding isn't about to go away with Medicaid expansion — in Virginia or anywhere else.

"Why wouldn't they just go and use the emergency room instead of waiting forever to get into a private doctor?" Cannon said.

— Kathryn Watson is an investigative reporter with Watchdog.org, and can be reached at kwatson@watchdog.org.