DAILY KOS

Medicaid, ER studies make strong case for Obamacare

By: Jon Perr – May 2, 2013

This week, the *New England Journal of Medicine* published a major study of Medicaid in Oregon which has rapidly emerged of a Rorschach test of sorts. That is, partisans on either side of the political divide tend to see what they want to see in its results. While conservatives claim Medicaid expansion has been debunked by numbers showing little change in blood pressure, cholesterol, and diabetes over two years between those who did and did not gain access to Medicaid, liberals tout findings revealing "Medicaid improved rates of diagnosis of depression, increased the use of preventive services, and improved the financial outlook for enrollees."

Ultimately, as Ezra Klein, Kevin Drum, Aaron Carroll and Austin Frakt all conclude, the limited sample size, short-time frame and narrow measures of "health outcomes" make conclusions about the efficacy of Medicaid difficult to reach. But combined with other recent research, there is little question that Medicaid expansion will make the financial prospects and quality of life significantly better for the previously uninsured. As for the legion of Republican politicians instead insisting "no one goes without health care in America" because "you just go the emergency room," studies documenting the rapid disappearance of ER's and trauma centers show that GOP talking point is just a cruel joke.

Writing in the *New York Times*, Annie Lowrey provided a concise summary of what the NEJM paper says—and doesn't say—about the 10,000 out of 100,000 Oregonians who won the state's Medicaid lottery:

> The Oregon Health Study released a new round of results on Wednesday, showing that Medicaid coverage does not seem to improve low-income adults' blood pressure, blood sugar or weight in a two-year time frame. It says nothing about the chance of diagnosis of, eventual health outcomes for or costs associated with any form of cancer, Alzheimer's, Parkinson's or dozens of other debilitating medical conditions. It also says nothing about health results outside of a two-year time frame...
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> Where it says something, it says a lot: it provides strong evidence that Medicaid recipients will spend more, use more tests, experience less depression, have fewer bills sent to collection agencies, and so on. It shows health insurance working just the way insurance is supposed to work: protecting the financial stability of the people purchasing it.

As you'll see below, other recent analyses also had a lot to say about what happens when the uninsured gain coverage in ways similar to what will happen under the Affordable Care Act starting in 2014.

In Massachusetts, the 2006 health care reform Gov. Mitt Romney signed into law lowered the uninsured rate from 10 percent to a national low of two percent. Even with its individual mandate, "Romneycare" is extremely popular, generally enjoying a 3 to 1 margin of support from Bay State residents. In August 2011, a study by Charles J. Courtemanche and Daniela Zapata published by the National Bureau of Economic Research (NBR) showed that universal coverage in Massachusetts is indeed making people there healthier. AsKlein summed up their findings:

> The answer, which relies on self-reported health data, suggests they did. The authors document improvements in "physical health, mental health, functional limitations, joint disorders, body mass index, and moderate physical activity." The gains were greatest for "women, minorities, near-elderly adults, and those with incomes low enough to qualify for the law's subsidies."

As it turns out, those conclusions were largely in keeping with another NBER paper published in July 2011. It confirmed, as Harvard researcher and former member of President George W. Bush's Council of Economic Advisers Katherine Baicker put it, "Medicaid matters."

That analysis ("The Oregon Health Insurance Experiment: Evidence from the First Year") provided the first results of Oregon's Medicaid expansion. After Oregon in 2008 established a lottery to add 10,000 people to it limited Medicaid rolls, the NBER team interview 6,000 of the lucky ones and 6,000 of the 90,000 who lost out. The results were striking:

> We find that in this first year, the treatment group had substantively and statistically significantly higher health care utilization (including primary and preventive care as well as hospitalizations), lower out-of-pocket medical expenditures and medical debt (including fewer bills sent to collection), and better self-reported physical and mental health than the control group.

The *New York Times* provided some of the details of the Medicaid success story:

> Those with Medicaid were 35 percent more likely to go to a clinic or see a doctor, 15 percent more likely to use prescription drugs and 30 percent more likely to be admitted to a hospital. Researchers were unable to detect a change in emergency room use.
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> Women with insurance were 60 percent more likely to have mammograms, and those with insurance were 20 percent more likely to have their cholesterol checked. They were 70 percent more likely to have a particular clinic or office for medical care and 55 percent more likely to have a doctor whom they usually saw.
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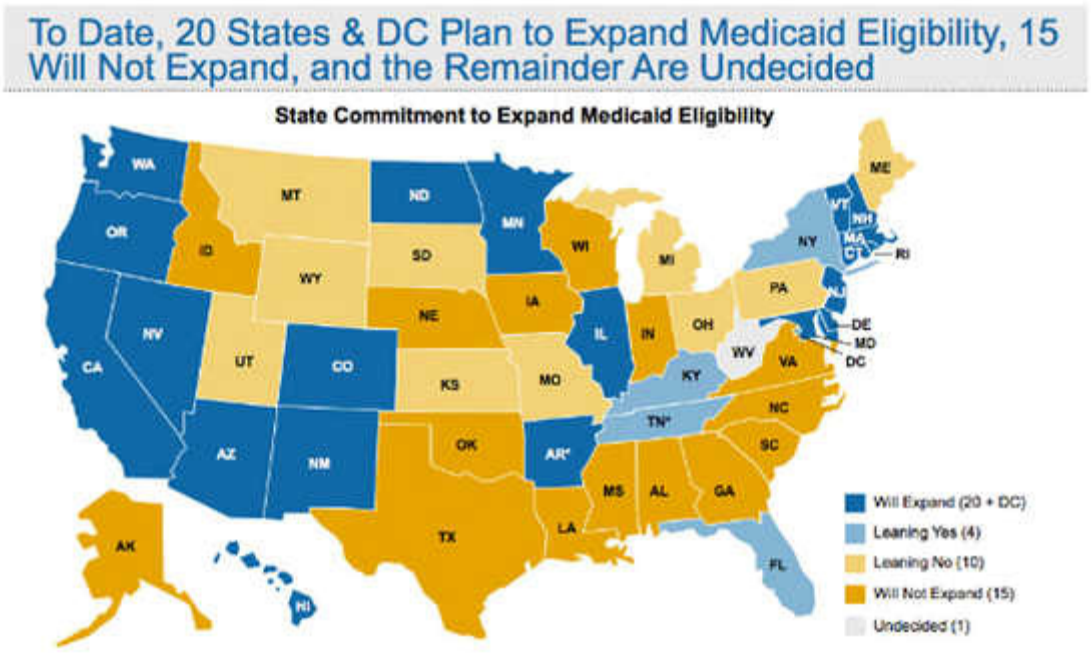
> The insured also felt better: the likelihood that they said their health was good or excellent increased by 25 percent, and they were 40 percent less likely to say that their health had worsened in the past year than those without insurance.

As the *Washington Post*'s Klein summed up the findings, "knowing that Medicaid matters is good, but we already sort of knew that."



What we also knew, this time with great certainty, is that the emergency room is no alternative to having health insurance. It's not just that the ER is no place for those with chronic conditions like diabetes, cancer and cardiac disease. As it turns out, the emergency room—the place GOP leaders including George W. Bush, Mitch McConnell and Mitt Romney said the uninsured can go for care—is an endangered species.

The Atlantic's Jason Silverstein documented that precise point in the wake of the Boston Marathon bombings. The availability of top-notch trauma care that saved so many lives in Boston is absent or disappearing in much of America. And the Americans who will have to travel far or go without emergency are overwhelming poor, minority or rural—very people the Obamacare Medicaid expansion was designed to help.

Citing four years of research by Renee Hsia, an emergency medicine physician, and Yu-Chu Shen, an economist, Silverstein reported that cost is leading to ER closures even as the volume of ER visits has risen precipitously. "Compared with travel times six years earlier," he wrote, "Hsia and Shen found that one out of every four people had to travel longer to get to a trauma center" and "nearly 16 million had to travel at least thirty minutes more." Why?

It isn't that there are fewer emergencies. According to the American Hospital Association, from 1991 to 2010, emergency department visits soared from 88.5 million to 127.2 million. That's an increase of nearly 44 percent. But during this same period, emergency departments closed at a rate of almost 11 percent. We see something similar with trauma centers. Between 1990 and 2005, 339 trauma centers shut their doors.

The *New York Times* offered more details on Hsia's findings two years ago. And the picture isn't a pretty one:

Urban and suburban areas have lost a quarter of their hospital emergency departments over the last 20 years, according to the study, in The Journal of the American Medical

> Association. In 1990, there were 2,446 hospitals with emergency departments in nonrural areas. That number dropped to 1,779 in 2009, even as the total number of emergency room visits nationwide increased by roughly 35 percent.
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> Emergency departments were most likely to have closed if they served large numbers of the poor, were at commercially operated hospitals, were in hospitals with skimpy profit margins or operated in highly competitive markets, the researchers found...
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> Emergency rooms at commercially operated hospitals and those with low profit margins were almost twice as likely as other hospitals to close, Dr. Hsia and her colleagues found. So-called safety-net hospitals that serve disproportionate numbers of Medicaid patients and hospitals serving a large share of the poor were 40 percent more likely to close.

Those dismal numbers don't just mean people in states rejecting Obamacare's Medicaid expansion will be out of luck when it comes to emergency care. And that's in the best of times. In the worst of times like a major terrorist strike, the Institute of Medicine (2006) and a House Oversight and Government Reform Committee study (2008) both warned, the American ER system is woefully unprepared to handle a "predictable surprise" attack on the scale of the 2004 Madrid bombing:

> The results of the survey show that none of the hospitals surveyed in the seven cities had sufficient emergency care capacity to respond to an attack generating the number of casualties that occurred in Madrid. The Level I trauma centers surveyed had no room in their emergency rooms to treat a sudden influx of victims. They had virtually no free intensive care unit beds within their hospital complex. And they did not have enough regular inpatient beds to handle the less severely injured victims. The shortage of capacity was particularly acute in Los Angeles and Washington, D.C.

Sadly, the shortage of common sense is also particularly acute in Washington, D.C. So while the Republicans' water-carriers at places like the CATO Institute declare the Oregon Medicaid study is "throws a stop sign in front of ObamaCare's Medicaid expansion," the bigger picture of America's 50 million uninsured and 84 million underinsured at a time of declining ER capacity instead can only mean only one thing for the Affordable Care Act.

Full speed ahead.