



## Medicaid Study Author Emphasizes ‘Astounding’ Mental Health Benefits

By: Sahil Kapur – May 2, 2013

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An author of a major study on Medicaid released Wednesday conceded that its findings about the program’s impacts on beneficiaries’ physical health were “disappointing” but emphasized the substantial mental health benefits revealed in the research.

“The most important finding is mental health,” Jonathan Gruber, a co-author of the sweeping study and health policy expert at the Massachusetts Institute of Technology, told TPM.

Among Medicaid beneficiaries examined by the New England Journal of Medicine study in Oregon, depression rates dropped by one-third — from 30 percent to 21 percent.

“This is an astounding finding — that is a huge improvement in mental health,” said Gruber, who is also an architect of Obamacare, which expands Medicaid. He said the Oregon study “suggests that the major accomplishment of insurance is to have an outside impact on the quality of life. The most important thing the Affordable Care Act will accomplish is end the daily stress and uncertainty that face individuals who are uninsured.”

Austin Frakt, a health economist at Boston University and supporter of Medicaid who co-wrote a blog post analyzing the study, called the mental health statistics a “big deal.”

“There is a vast literature showing poorer downstream health outcomes for people who suffer untreated or insufficiently treated mental illness,” he wrote in an email.

“Consequently, even if you are tempted to completely dismiss the not statistically significant findings relating to physical health (not that I think that’s warranted), the mental health improvement alone is evidence of the positive benefits of Medicaid.”

The study did not find statistically significant physical health improvements for beneficiaries after two years of Medicaid coverage when looking at measures like blood-pressure and cholesterol. It found that Medicaid “decreased the probability of a positive screening for depression” and that it “increased the use of many preventive services, and nearly eliminated catastrophic out-of-pocket medical expenditures.”

“The physical health results are disappointing,” Gruber admitted, “but remember that all we are saying here is that there are not large short run physical health effects.”

Conservatives touted the study as a validation of their skepticism of Medicaid and their opposition to expanding it under the Affordable Care Act. Cato Institute’s Michael Cannon wrote that the study throws a huge ‘STOP’ sign in front of ObamaCare’s Medicaid

expansion.” Former Romney health policy adviser Avik Roy wrote that it “calls into question the \$450 billion a year we spend on Medicaid, and the fact that Obamacare throws 11 million more Americans into this broken program” — although Roy acknowledged the study’s positive finding on mental health.

Optics aside, the results of the study were mixed, providing cause for caution about the limitations of Medicaid while also revealing critical benefits on health and financial security.

“I would view this study as somewhat weakening the argument for universal coverage based on health improvements,” Gruber said, “and greatly strengthening the argument based on financial security and mental well being.”