

## Medicaid Expansion Increases ER Visits, but Only Temporarily

*A new California study replicates an earlier finding from Oregon that the newly insured visit emergency rooms more. But luckily, California found that the boost wasn't permanent.*

[Olga Khazan](#)

Oct 15 2014

One of the key ways to cut healthcare costs is to reduce emergency-room visits. They're costlier than primary-care appointments, and patients who clog ERs with preventable issues divert precious resources away from sicker people. The question is, though, what makes people visit the emergency room more: Having health insurance, or lacking it?

A new study complicates the answer to that question and has major repercussions for states debating whether, and how, to expand their Medicaid programs.

### Current Status of Medicaid Expansion Decisions

There's some merit to this argument. A study of an earlier Medicaid expansion in Oregon [published in January](#) found that newly enrolled Medicaid patients went to the emergency room 40 percent more than other people did, often for conditions that could easily have been treated by a family doctor.

Conservatives saw it as evidence that Medicaid expansion would doom state budgets.

"This will make the states that didn't expand look even smarter, because they didn't fall for the false promise of lower ER use, and the states that did expand Medicaid will have even more crowded emergency rooms," Michael Cannon, director of health-policy studies at the libertarian Cato Institute, [told the \*Wall Street Journal\*](#) at the time.

But with a new study out today, the plot, as it so often does with Obamacare, thickens.

The paper, from UCLA's Center for Health Policy Research, found that ER use was higher among new enrollees in California's Low Income Health Program, the state's Medicaid-like program.

However, it also found that the spike was temporary.

At first, the newly insured Californians used ERs at the relatively high rate of 600 visits per 1,000 people.

But between 2011 and 2013, their ER usage declined by nearly 70 percent, to 183 visits per 1,000 people. Their hospital admissions also declined by 79 percent.

In fact, after two years in the program, the enrollees used hospitals at roughly the same rate as people who had already been insured.

The study authors said a likely reason for the eventual decline was that the LIHP program offered preventative care and treatment for chronic illnesses. Over time, LIHP patients were able to see regular doctors for their lingering medical issues, and they used hospitals less as a result.

California isn't Oregon, of course, and it remains to be seen if Oregon's ER usage dips similarly. Still, this should come as encouraging news for states that have already expanded Medicaid—and maybe serve as a push for those still on the fence.