FLORIDA HEALTH JUSTICE PROJECT

Connecting the Dots: How Medicaid Expansion will Improve Public Health, Increase Financial Stability, and Lessen Disparities in South Florida

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Background

Expanding Medicaid, the public program that has for decades provided health insurance to millions of low-income individuals and families, is a central strategy to improving health outcomes and lowering costs for uninsured South Floridians. Under the law, Medicaid was to be expanded to cover all adults between 19 and 65 living at up to 138% of the Federal Poverty Level. Yet pursuant to a 2012 United States Supreme Court decision, states must affirmatively opt-in to Medicaid expansion. Florida is currently one of just 14 states that have not expanded Medicaid, leaving large numbers of low-income residents without health coverage,[1] including over a million people in South Florida.[2]

The Face of South Florida's Uninsured

Southeast Florida has high rates of elderly residents, high rates of low-income individuals, and high rates of residents with no health coverage. In effect, our population is highly vulnerable, and highly marginalized. Nearly half (48%) of Florida's uninsured non-elderly (aged 0-64) live in households with incomes below 200% of the Federal Poverty Level (FPL).[3]

Statewide, nearly a third (32%) of the state's 19-64 year-olds living below 200% of the FPL are uninsured.[4] Further, while Blacks and Hispanics make up a combined 43% of Florida's population[5], they account for a full 56% of the total nonelderly uninsured population.[6] This reflects the higher uninsured rates experienced by Florida's Hispanics and Blacks (22% and 17%, respectively) as compared to Whites (13%).[7] These disparities reveal an injustice in urgent need of remedy. And Florida has earned a dubious distinction: both the White and Black non-elderly uninsured rates are tied for highest in the country among our sister states.[8]

Blacks and Hispanics account for a combined 87% of the Miami-Dade County (MDC) population,[9] where 20% of people under age 65 have no health insurance.[10] Likely as a result of this lack of coverage, just 64% of adults in MDC, including only half of 18-44 year-olds, and just 58% of Hispanics, have someone they think of as their doctor or health care provider, versus 72% statewide, and as compared to the Healthy People 2020 goal of 89%.[11] At the same time, as discussed in detail below, MDC is confronting high rates of poor outcomes, experienced disparately by Black residents.

Poor health outcomes among our most vulnerable residents are the natural result of a lack of Medicaid expansion, exacerbated by a disjointed and uncoordinated coverage delivery system. Currently, most uninsured individuals receive their medical care through our public hospital systems and federally funded health centers. The former lack accountability and both lack sufficient resources to treat the county's uninsured residents. If Florida were to follow the lead of the vast majority of our sister states and expand Medicaid, the healthcare system would benefit from a surge of federal funds. These dollars would allow the state and counties to strategically redirect state funds toward health-impacting services not covered by Medicaid, including those that address social determinants of health.

Medicaid Expansion Improves Access to Care and Utilization

Medicaid expansion is key to raising the rates of insured residents. Across the country, states that expanded Medicaid when given the opportunity to do so under the Affordable Care Act, have seen continuous and dramatic reductions in the percent of residents who are uninsured.[12] In the fourth year of ACA implementation, the rise in Medicaid enrollment was 17 percentage points higher among low-income adults in expansion states compared to non-expansion states.[13] One Ohio study found that Medicaid expansion cut the uninsured rate among low-income adults by 60%. Among adults eligible for expansion coverage, the uninsured rate fell nearly 20 percentage points from 2012 to 2017 (from 32% to 13%).[14]

> **ALLISON, MIAMI GARDENS**
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> **Allison works as a part-time cashier at Winn-Dixie and takes care of her 19-year-old son who is developmentally disabled. When her youngest child turned 18, she lost her Medicaid coverage. Like many low-wage and part-time workers, she does not receive insurance from her employer. Additionally, because her earnings are below the federal poverty level, she is not eligible for a subsidy that would make Marketplace insurance affordable. As a result, Allison is uninsured, and unable to access the medication she desperately needs for both her high blood pressure and her depression.**

High Costs are a Barrier to Care

Too many Floridians cannot access the care they need because of high care costs, or are straddled with financial burdens as a result of receiving care. A 2019 survey of over 1,200 Florida adults found that more than half (55%) experienced healthcare affordability burdens in the past year and more than three-quarters (78%) are worried about affording healthcare in the future.[15] Further, two out of five (43%) adults in the state's Southeast region who needed healthcare during the year experienced one or more cost-related barriers to getting that care.[16] Specifically, as a result of high costs, more than a quarter (27%) delayed going to the doctor or having a procedure done, 20% avoided going to the doctor or having a procedure done, 20% skipped a recommended medical test or treatment, nearly one-fifth (18%) did not fill a prescription, 15% cut pills in half or skipped doses of medicine, and 12% had problems getting mental healthcare.[17] With care costs too high, residents are losing out on critical care.

Medicaid Expansion Improves Access to Medical Services

Medicaid expansion is a critical pathway to ending this obstruction. Study after study shows that in states that have expanded Medicaid, access to care as well as utilization of medications and services has improved. Medicaid expansion is associated, for instance, with an increased probability of having a personal doctor,[18] and a decreased probability that cost was a barrier to medical care,[19] and more specifically, a decreased likelihood of not seeing a doctor because of cost.[20] Research has also documented that expansion is associated with improved access to care and treatment across myriad medical specialties and settings, including:

- Increased access to and utilization of certain types of cancer surgery[21]

- Increased access to a variety of medications, including those used to treat diabetes, cardiovascular disease, and mental health conditions, as well as birth control,[22] and treatment of tobacco cessation[23] and substance use disorders, including opioid use disorder[24]
- Increased access to treatment of mental health conditions[25]
- Increased access to family planning services[26]
- Increased access to rehabilitation services for patients with severe traumatic injuries[27]
- Increased lung transplant listings for nonelderly adults,[28] and increased heart transplant listing rates for African American adults[29]

As the state with the country's fourth highest rate of uninsured individuals (13%),[30] Florida has much room for improvement. Medicaid expansion could extend coverage to 805,000 newly eligible Floridians,[31] nearly a quarter of a million (234,000) of whom live in the Miami metro region (Miami-Dade, Broward, and Palm Beach Counties).[32] Expansion is imperative to improving public health in South Florida, and is a strategy the state can no longer afford to oppose.

Medicaid Expansion Improves Quality of Care and Outcomes

Logically, improvements in access to care and utilization have led to increases both in diagnoses of a range of diseases and conditions, and in the number of adults receiving consistent care for a chronic condition.[33] Accordingly, research has found Medicaid expansion is associated with improvements in self-reported[34] and provider-reported health measures.[35] Further, multiple studies have found Medicaid expansion is associated with improved quality of care and health outcomes including, but not limited to:

- Improved treatment of chronic conditions, including asthma and hypertension[36]
- Improvements in cardiac surgery patient outcomes[37] and cardiovascular mortality rates[38]
- Improvements in 1-year mortality among end-stage renal disease patients initiating dialysis[39]
- Significant increases in cancer screenings[40] and cancer diagnosis and/or early-stage diagnosis rates[41]

MIKA, MIAMI

Mika knew that buying health insurance was the responsible thing to do, and with the subsidy she qualified for, she was able to purchase coverage through the "Marketplace". It likely saved her life. When she felt the pain of what turned out to be appendicitis, she didn't hesitate to go to the hospital, knowing she was covered. But two years later, a car accident forced her to stop working. Without her income, she was ineligible for her insurance subsidy. Private insurance was now out of reach. And because Florida hasn't expanded Medicaid, she was left without coverage. As a result, she never got the x-rays and physical therapy she desperately needed after the accident. Mika continues to worry about the long-term impacts of that lack of medical attention.

Medicaid Expansion Reduces Health Disparities

Studies have found Medicaid expansion to be associated with decreasing disparities in access to and utilization of healthcare by race and ethnicity[42] as well as income.[43] One analysis of census data found that while all racial and ethnic groups saw gains in health coverage between 2013 and 2016, these gains were especially pronounced for minority groups and individuals with incomes below 139% of the federal poverty level. Further, reductions in disparities were greatest in states that expanded Medicaid.[44]

Medicaid Expansion Greatly Reduces Rates of Uninsured Blacks & Hispanics
Drops in uninsured rates were most significant among Blacks and Hispanics in expansion states. From 2013 to 2017, the percent of uninsured Hispanic adults in expansion states dropped nearly 20 percentage points (from 38% to 19%), as compared to a rate drop of approximately 7 points (from 42% to 35%) in non-expansion states. At the same time, the percent of uninsured Black adults in expansion states dropped 11 percentage points (from 21% to 10%), as compared to a rate drop of just 7 points (from 25% to 18%) in non-expansions states. Also during this period, the percent of uninsured White adults in expansion states dropped 7 percentage points (from 13% to 6%), as compared to a 3 point drop in non-expansion states (from 15% to 12%). This meant that in expansion states, the gap in uninsured rates between Hispanics and Whites fell a remarkable 12 percentage points versus a drop of 4 percentage points in non-expansion states.[45] With Hispanics representing nearly 70% of MDC's population,[46] Medicaid expansion is an essential remedy to our high rates of uninsured.

South Florida's Disparities in Health Outcomes are Dire
Given the impact of health coverage on improving health outcomes, reducing disparities in coverage is key to addressing the stark disparities in healthcare outcomes that persist across virtually every health measure. In Miami-Dade County, for instance, the age-adjusted death rate due to prostate cancer is 41 deaths per 100,000 Black, non-Hispanic men as compared to 18 deaths per 100,000 White men.[47] Similarly, the age-adjusted death rate due to hypertensive heart disease in Miami-Dade County per 100,000 is 25 deaths among Blacks, as compared to 13 deaths among Whites, while the age-adjusted death rate due to diabetes per 100,000 is 43 among Blacks versus 17 among Whites.[48] These disparities in outcomes demand urgent action; Medicaid expansion is key to turning the tide.

Medicaid Expansion Improves Individuals' Finances and States' Economies

Unsurprisingly, Medicaid expansion is associated with improved financial outcomes for beneficiaries. Specifically, expansion has allowed newly covered individuals to spend less on medical care and costs,[49] to experience less difficulty paying for care,[50] and to worry less about paying future medical bills among people in expansion states relative to non-expansion states.[51] Further, research has shown that Medicaid expansion significantly reduced the percentage of individuals with medical debt[52], reduced the average amount of medical debt,[53] and reduced the probability of having one or more medical bills go to collection in the past 6 months.[54]

Medicaid expansion has also been shown to facilitate labor market participation. In Ohio, an expansion state, more than four-fifths of Medicaid beneficiaries who are working reported that health coverage made it easier to work, and nearly two-thirds of unemployed beneficiaries reported that coverage made their job search easier.[55]

At the same time, research has shown that Medicaid expansion is also good for state economies and hospital systems. A 2019 report commissioned by the Commonwealth Fund projected that expanding Medicaid would save Florida over $160 million in 2020 and more than $900 million over five years.[56] Louisiana found that in FY 2017, expansion saved the state nearly $200 million.[57] A study by the Pennsylvania Department of Human Services found that the expansion of Medicaid led to an increase in state tax revenues of $53 million and an increase of 15,500 jobs in the healthcare sector.[58] Pennsylvania further found that statewide uncompensated care costs decreased by $92 million in 2015, a 9 percent drop, following Medicaid expansion. Prior to 2015, uncompensated care costs incurred by general acute care hospitals had increased every year from 2001-14.[59]

Locally, Miami-Dade County's public health system would be well-served by an infusion of federal Medicaid funds. In FY 2017, the Public Health Trust reported an operating loss of over $430 million.[60] If Florida were to expand Medicaid, we could anticipate the same results seen in other states: plunging uncompensated care costs, and a windfall in healthcare provider revenue for services to the newly insured, virtually all of which would come from federal funds.[61] This infusion of health care financing would be a tremendous boon to individual and public health locally, and would allow the state and counties to reallocate critical dollars toward services like housing, education, and employment supports that are not covered by Medicaid but are core to improving health outcomes.

CONCLUSION

Medicaid expansion has been shown to increase health care coverage, which in turn leads to a host of gains in access to care, quality of care, health outcomes, and reduced disparities. At the same time, a healthy population is good for individual and state economies, and Medicaid expansion has been associated with economic gains on both fronts. Both logic and justice demand that Florida join the significant majority of sister states in expanding Medicaid for a healthier future.

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