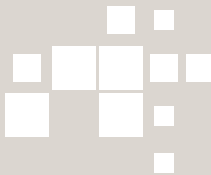


**2012 Policy Forum**

**EXPANDING  
HEALTH  
COVERAGE  
IN GEORGIA**

**October 19, 2012**

**The Carter Center  
One Copenhill  
453 Freedom Parkway  
Atlanta, Georgia**



**The Georgia Budget & Policy Institute**  
Georgia Budget & Policy Institute  
100 Edgewood Avenue, Suite 950  
Atlanta, Georgia 30303  
**404.420.1324 | [www.gbpi.org](http://www.gbpi.org)**



## ■ Agenda

- |                          |  |
|--------------------------|--|
| <b>8 - 8:30 a.m.</b>     | <b>Registration and Networking</b>   |
| <b>8:30 - 9 a.m.</b>     | <b>Breakfast</b>   |
| <b>9 - 9:15 a.m.</b>     | <b>Welcome</b><br>Taifa S. Butler, Deputy Director<br>Georgia Budget & Policy Institute  |
| <b>9:15 - 9:45 a.m.</b>  | <b>Presentation</b><br>Dr. Benjamin Sommers, Assistant Professor<br>Harvard School of Public Health  |
| <b>9:45 - 10:15 a.m.</b> | <b>Presentation</b><br>Dr. Heidi Allen, Assistant Professor<br>Columbia University School of Social Work   |
| <b>10:15 - 11 a.m.</b>   | <b>Panel Discussion   Facilitated Q&amp;A</b><br><br>Timothy Sweeney, Director of Health Policy<br>Georgia Budget & Policy Institute<br><br>Cindy Zeldin, Executive Director<br>Georgians for a Healthy Future |
| <b>11 a.m.</b>           | <b>Wrap-up and Closing</b>   |



## ■ GBPI Welcomes You

Dear Friends and Colleagues,

On behalf of the Georgia Budget & Policy Institute, it is with great pleasure that I welcome you to our 2012 Fall Policy Forum and today's discussion on using Medicaid to expand access to health coverage in Georgia.



Following the Supreme Court's ruling that allows states to decline the Medicaid expansion included in the Affordable Care Act, it is more important than ever to understand the ramifications of the decision that is now before state leaders. With the fifth highest rate of uninsured residents in the nation, Georgia could benefit greatly by using Medicaid to extend health coverage to more Georgians.

Our forum theme, Expanding Health Coverage in Georgia, promises to give us a clearer understanding of how using Medicaid to expand health coverage can improve access to care, lead to better health outcomes, and increase financial security for individuals and families across Georgia.

We at GBPI will continue to shape the conversation about health policy in Georgia and encourage policymakers to implement policies that improve access to health care and lead to better health outcomes for all Georgians; expanding Medicaid is a cost-effective way to accomplish these goals.

As Georgia weighs its option for Medicaid expansion, we will continue to provide a forum for honest debate about what is at stake for Georgia.

Thank you for joining us to learn more about the potential benefits of expansion in Georgia and for participating in this important discussion. I hope you find this forum to be exciting and informative and that you leave this special event with a clearer understanding of how the Medicaid expansion would benefit Georgia.

Alan Essig  
Executive Director  
The Georgia Budget & Policy Institute



## ■ Speaker Biography | Dr. Heidi Allen



Dr. Heidi Allen, an alumni of the MSW and PhD programs of the School of Social Work is using research to make a difference in the world. Dr. Allen and colleagues recently published early results from the Oregon Health Study, also called the Oregon Health Insurance Experiment. The Oregon Health Study is the first randomized clinical trial of the impact of Medicaid expansion to the uninsured. Not since the RAND health insurance experiment of the 1970's has there been such a rigorous examination of health insurance. Using hospital records, credit reports, mortality data, and a longitudinal mail survey, Dr. Allen found that becoming insured led to improvements in access to health care, personal finances, and self-reported health and mental well-being. Dr. Allen is a leader in the fielding effort of the next phases of the study, including 12,000 in-person interviews with physical health screenings and 600 qualitative interviews. Results of the Oregon Health Study will be instrumental in national and state policy as states work to implement the 2014 Medicaid expansions of the 2010 Patient Protection and Affordable Care Act.

Dr. Allen is currently an Assistant Professor at Columbia University School of Social Work.



### ■ **New Evidence on the Effects of Health Insurance**

A digest of The Oregon Health Insurance Experiment: Evidence from the First Year

*Those selected by ... lottery to apply for Medicaid have substantially and statistically significantly higher health care utilization, lower out-of-pocket medical expenditures and medical debt, and better self-reported health.*

In early 2008, Oregon opened a waiting list for a limited number of spots in its Medicaid program for low-income adults. This program had previously been closed to new enrollment. The state drew names by lottery from the 90,000 people who signed up. Random assignment of health insurance to some but not others had never been done before in the United States.

In The Oregon Health Insurance Experiment: Evidence from the First Year (NBER Working Paper No. 17190), authors Amy Finkelstein, Sarah Taubman, Bill Wright, Mira Bernstein, Jonathan Gruber, Joseph Newhouse, Heidi Allen, Katherine Baicker, and The Oregon Health Study Group examine the effects of the Oregon Medicaid lottery after approximately one year of insurance coverage. The authors find that those selected by the lottery to apply for Medicaid have substantially higher health care utilization, lower out-of-pocket medical expenditures and medical debt, and better self-reported health than the control group that was not given the opportunity to apply.

Being selected through the lottery is associated with a 25-percentage-point increase in the probability of having insurance during the study period. This net increase in insurance appears to come entirely through a gross increase in Medicaid coverage, with little evidence of substituting public for private insurance.

They find that being covered by Medicaid is associated with a 2.1 percentage point (30 percent) increase in the probability of having a



hospital admission, an 8.8 percentage point (15 percent) increase in the probability of taking any prescription drugs, and a 21 percentage point (35 percent) increase in the probability of having an outpatient visit. In addition, insurance is associated with an increase in reported compliance with recommended preventive care, such as mammograms and cholesterol monitoring.

Medicaid coverage also results in decreased exposure to medical liabilities and to out-of-pocket medical expenses, including a 6.4 percentage point (25 percent) decline in the probability of having an unpaid medical bill sent to a collection agency and a 20 percentage point (35 percent) decline in having any out-of-pocket medical expenditure. Because much medical debt is never paid, the financial incidence of expanded coverage thus appears to fall both on the newly insured and on their medical providers or others bearing the cost of uncompensated care. Finally, the authors find that insurance is associated with improvements across the board in measures of self-reported physical and mental health.

The authors' estimates of the impact of public health insurance in this study apply to able-bodied, uninsured adults below 100-percent of poverty who express interest in Medicaid coverage. In 2011, fewer than half of the U.S. states offered Medicaid coverage to this group, absent specific categorical requirements. As part of the 2010 Patient Protection and Affordable Care Act, starting in 2014 all states will be required to extend Medicaid eligibility to all adults up to 138 percent of the federal poverty level.

- Lester Picker, The National Bureau of Economic Research

**Read the working paper on the National Bureau of Economic Research's Website. <http://www.nber.org/papers/w17190>**



## ■ Speaker Biography | Dr. Benjamin Sommers



Dr. Sommers is a health economist and physician whose primary research interests are the uninsured, Medicaid, and medical decision-making. He was honored with the 2006 National Dissertation Award by Academy Health, a preeminent national association of health policy and health services researchers. Dr. Sommers is a practicing primary care internist, and he is also an Assistant Professor of Medicine

at Brigham & Women's Hospital and Harvard Medical School. He served as a Senior Advisor in the Office of the Assistant Secretary for Planning and Evaluation in the U.S. Department of Health and Human Services from 2011-2012. His current research projects focus on implementation challenges facing Medicaid under national health reform, barriers to health care access among low-income adults, and health care costs.



## ■ Expanding Medicaid to Low-Income Adults Leads to Improved Health, Fewer Deaths

Press release issued by the Harvard School of Public Health, July 25, 2012

*As States Consider Expansion Following Supreme Court Ruling on Health Reform, Study Shows Significant Benefits of Covering More People*

Boston, MA - A new study from Harvard School of Public Health (HSPH) finds that expanding Medicaid to low-income adults leads to widespread gains in coverage, access to care, and—most importantly—improved health and reduced mortality. It is the first published study to look specifically at the effect of recent state Medicaid expansions on mortality among low-income adults, and the findings suggest that expanding coverage to the uninsured may save lives.

“The recent Supreme Court decision on the Affordable Care Act ruled that states could decide whether or not they wanted to participate in the health care law’s Medicaid expansion. Our study provides evidence suggesting that expanding Medicaid has a major positive effect on people’s health,” said Benjamin Sommers, assistant professor of health policy and economics at HSPH and the study’s lead author.

In the past decade, several states expanded Medicaid from its traditional coverage of low-income children, parents, pregnant women, and disabled persons to include “childless adults,” poor adults without any children living at home and the population most directly targeted by the Affordable Care Act (ACA). Medicaid currently covers 60 million people, and the ACA will extend eligibility to millions more beginning in 2014. However, the Supreme Court decision gives states the option of choosing whether or not to expand coverage and, because of budget pressures, some states are considering cutbacks, not expansion.

The HSPH researchers, including senior author Arnold Epstein, chair of the Department of Health Policy and Management, and Katherine



Baicker, professor of health economics, analyzed data from three states—Arizona, Maine, and New York—that had expanded their Medicaid programs to childless adults (aged 20-64) between 2000 and 2005. They selected four neighboring states without major Medicaid expansions—New Hampshire (for Maine), Pennsylvania (for New York), and Nevada and New Mexico (for Arizona)—as controls. The researchers analyzed data from five years before and after each state's expansion.

The results showed that Medicaid expansions in three states were associated with a significant reduction in mortality of 6.1% compared with neighboring states that did not expand Medicaid, which corresponds to 2,840 deaths prevented per year for each 500,000 adults gaining Medicaid coverage. Mortality reductions were greatest among older adults, non-whites, and residents of poorer counties. Expansions also were associated with increased Medicaid coverage, decreased uninsurance, decreased rates of deferring care due to costs, and increased rates of “excellent” or “very good” self-reported health.

The groups that benefitted from Medicaid expansion in this study—older adults, racial and ethnic minorities, and those living in poor areas—are groups that have traditionally had higher mortality rates and faced greater barriers to care. The study results provide valuable evidence for state policymakers deciding whether or not to expand Medicaid, say the authors.

“Sometimes the political rhetoric is at odds with the evidence, such as claims that Medicaid is a ‘broken program’ or worse than no insurance at all; our findings suggest precisely the opposite,” said Epstein.



## ■ Panelist Biography | Timothy Sweeney



Tim has served as GBPI's health care policy analyst since 2005. He follows Medicaid and other health policy developments in Georgia closely, documenting the affects various budget and policy proposals have on state health care programs. Tim's research focuses on a wide variety of Georgia's healthcare issues affecting Medicaid and

PeachCare, as well as health insurance-related tax policy issues.

Prior to joining GBPI, Tim served as a senior fiscal analyst for the Joint Legislative Budget Committee in Arizona where he was responsible for developing enrollment and expenditure forecasts for the state's Medicaid program, analyzing policy proposals, assessing the fiscal impact of legislation affecting state health care programs, and drafting legislative language. Tim authored "Using a Medicaid Expansion to Target Georgia's Uninsured Adults in Poverty" and co-authored "Georgia's Medicaid Program: A Briefing for Community Leaders". In 2008, Tim served on the Healthcare Georgia Foundation's selection committee for the Joseph E Greene Community Service Award.

Tim holds a master's in public affairs from the La Follette School of Public Affairs at the University of Wisconsin – Madison, and a bachelor's in mathematics and political science from the University of Oregon. Tim has been quoted in several statewide publications including the Atlanta Business Chronicle, NPR Atlanta, Athens Banner-Herald and Georgia Health News, to name a few.



## ■ Medicaid Expansion to Largely Benefit Georgia's Uninsured Adults

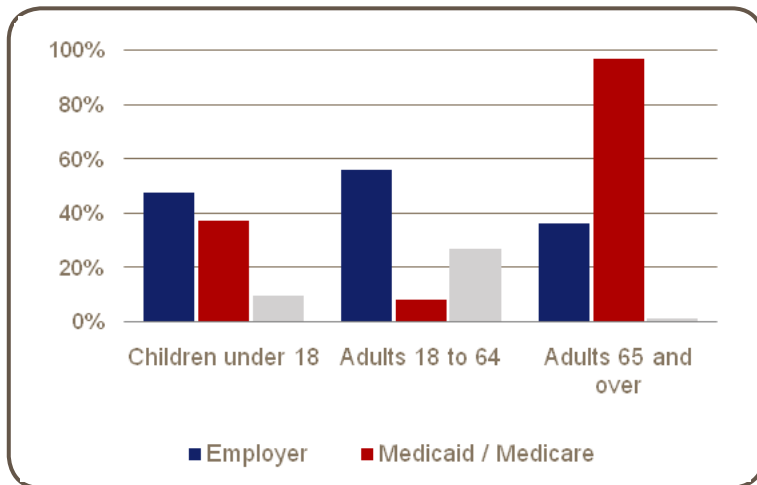
by Timothy Sweeney, Director of Health Policy

Georgia has a chance to dramatically increase access to health coverage, and to improve the lives of hundreds of thousands of Georgians. By expanding Medicaid through the Affordable Care Act (ACA), the nation's health reform law, Georgia's working-age adults (ages 18 to 64), who are more likely to be uninsured than other age groups, may benefit the most.

Here are some of the facts:

- More than one-quarter of all Georgians between the ages of 18 and 64 (more than 1.6 million Georgians) went without health coverage at any given time during 2011, a rate that is three-times as high as for children under-18.

**Figure 1 Adults Ages 18- 64 Are Uninsured at Higher Rate, 2011**



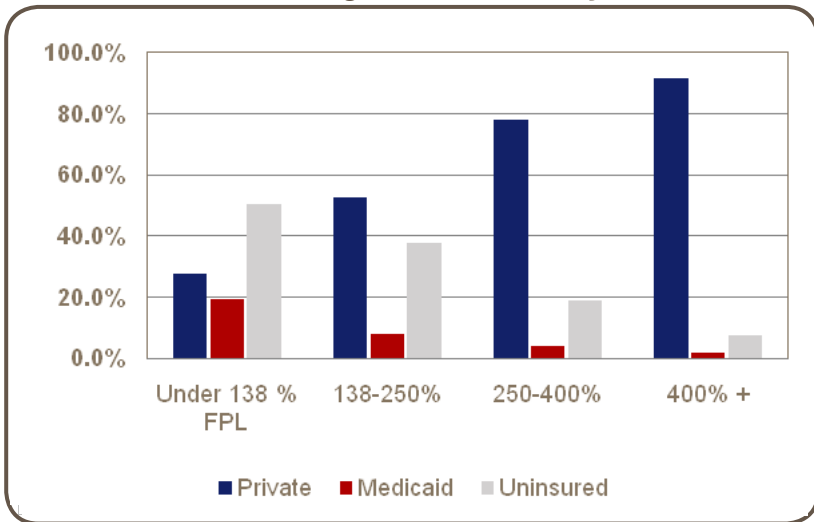
Source: US Census 2011 American Community Survey 2009-2011



- Medicaid and Medicare protect Georgia’s children and elderly, but very limited eligibility for adults leaves many adults without employer coverage uninsured.
- 27 percent of Georgians between 18 and 64 went without coverage, compared to less than 10 percent of children in Georgia and barely 1 percent of Georgians over 65.

Access to health coverage is largely a function of income. Georgians with higher incomes are more likely to have private insurance (such as coverage through an employer); however, low-income adults often lack employer coverage and cannot afford coverage on the individual market and are more likely to end up without coverage.

**Figure 2 Low-Income Working Adults More Likely to be Uninsured**

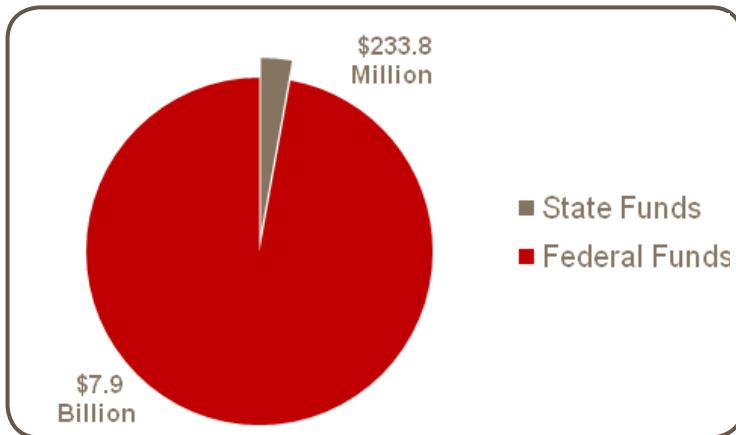


Source: US Census 2011 American Community Survey 2009-2011



- In 2011, about half of Georgians ages 18 to 64 with incomes below 138 percent of poverty (about \$15,000 for an individual or \$26,000 for a family of three) were without health coverage at a given point during the year. This is the income threshold to which states can expand Medicaid utilizing enhanced federal funds.

**Figure 3** New State Funding Would be Minimal in First Three Years



Source: Department of Community Health

- The expansion will bring in nearly \$8 billion in new federal funds in the first three years alone, while new state spending would be minimal.
- From FY 2014 to FY 2016, new federal funds account for nearly 97 percent of the coverage costs for newly enrolled Georgians.
- From FY 2017 to FY 2023, federal funds continue to cover about 90 percent of the coverage costs.

Expanding Georgia's Medicaid program would extend coverage to more than 500,000 adults who currently lack coverage and would likely lead to increased enrollment among children who are already eligible. In total, 650,000 more Georgians could be covered in the coming years who would likely remain uninsured if the state fails to expand the program.



## ■ Panelist Biography | **Cindy Zeldin**



Cindy Zeldin is the Executive Director of Georgians for a Healthy Future, a non-profit organization that advocates for access to quality, affordable health care for all Georgians through public education and outreach, coalition building, and public policy advocacy. Cindy joined Georgians for a Healthy Future as founding Executive Director in 2009 and brought ten years of experience in health policy to the role. She also currently serves as

a consumer representative to the National Association of Insurance Commissioners (NAIC), was appointed to and served on the Governor's Health Insurance Exchange Advisory Committee in 2011, and was named one of Georgia's "40 Under 40: Georgia's Best and Brightest" by Georgia Trend magazine in 2010. She holds an MPH from the Rollins School of Public Health at Emory University, an MA from the George Washington University, and a BA from Emory University.



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