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HEALTH POLICY: PART II

MEDICAID MAY SEE AN ACTIVE YEAR IN 2019

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The year 2019 will be very active for Medicaid as we will see an interesting juxtaposition where some states will be expanding eligibility while other states may withdraw coverage from beneficiaries if they don't meet new requirements. Through gubernatorial elections, direct ballot initiatives regarding Medicaid expansion and changes in the composition of state legislatures, the midterm elections will affect Medicaid in multiple states. Particularly "hot" topics in the world of Medicaid include Medicaid expansion in states which have not already expanded and the institution of work requirements for Medicaid beneficiaries in various states. In states that had governorship changes which could affect Medicaid expansion or work requirements, the composition of the state legislature is an important consideration as governors in most of these states will need to work with their legislatures in order to adopt changes.

In Idaho, Nebraska, and Utah, voters passed direct ballot initiates to expand Medicaid to their states through various funding mechanisms.[1] Montana had already expanded Medicaid; however, a ballot initiative to continue funding Montana's Medicaid expansion beyond June 2019 failed in the midterm elections and thus continued funding for the current expansion is in the hands of the legislature.[2] Maine, Kansas, and Wisconsin saw a flip in their governors from Republican to Democrat and all of the newly elected governors support Medicaid expansion or further expansion (applicable to Wisconsin). In Alaska, the Republican governor elect has criticized the state's previous Medicaid expansion (under an Independent governor) and favors a review of the program.[1] Although Wisconsin does have a new Democratic governor, further attention will need to be directed to health affairs in this State as the outgoing Republican governor signed multiple bills before leaving office which could stymy the incoming governor's efforts.[3] As of January 2019, all but 14 states have expanded Medicaid.

Medicaid expansion was but one portion of the Affordable Care Act (ACA); yet, it has had far-reaching consequences for patients. Most recently, researchers have investigated not only the health outcomes associated with Medicaid expansion but also the potential "anti-poverty" effects, suggesting that Medicaid expansion has reduced the nation's burden of poverty relative to the pre-ACA era. One study has suggested that Medicaid expansion alone has pulled 690,000 Americans out of poverty. The anti-poverty effects were predictably not significantly seen amongst elderly adults (whose eligibility status was not affected by the ACA) but rather amongst nonelderly adults, who were the targets of expansion, through reductions in direct out-of-pocket spending on health care and decreasing the likelihood of incurring medical debt.[4]

While examining the positive effects of Medicaid expansion on health status and/or household finances, another key area to watch will be that of Medicaid work requirements. The Centers for Medicare and Medicaid approved Medicaid work requirement demonstration projects under a Section 1115 Work Requirement Waiver in several states and more states are applying or considering the same. Each state's proposal has differences in the mandatory work hours required, who may be exempt due to differing definitions of disability, whether volunteer hours count towards the requirement, day-care considerations, and various other factors. The first state to implement a work requirement has been Arkansas, and many policy folks have watched as greater than 16,000 Arkansas Medicaid beneficiaries have lost coverage. While the stakes are high for these individuals, we do not yet know the full consequences on their health or household finances. Additional data is needed.[5]

While SGIM's health policy efforts have historically focused on national health policy, we have all heard the saying (often ascribed to the former Speaker of the US House of Representatives, Tip O'Neil) that "all politics is local" and thus we must not lose sight of what our membership is facing at their local level and how these policies ultimately impact our patients. It seems then that patient

continued on page 2

HEALTH POLICY: PART II *(continued from page 1)*

care and healthcare delivery is local to a large degree. The interplay between national and state health policy is fascinating and explains why our SGIM members face different hurdles in different regions.

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