Op-Ed

What Louisiana Tells Us About the ACA Medicaid Expansion

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ONE OF THE BIGGEST HEALTH CARE STORIES THESE DAYS doesn't get nearly the attention it deserves. It is the slow-but-steady expansion of Medicaid, the program that's been providing insurance to the poor since the 1960s, as part of the Affordable Care Act (ACA). If you follow the political debates about "Obamacare," chances are you hear much more about changes to the private insurance market and what those changes mean for consumers. But the number of people who have coverage thanks to the law's Medicaid expansion (roughly 15 million as of 2016) is actually a bit larger than the number getting coverage through the exchanges (roughly 13 million).¹ The Medicaid expansion's impact on economic security and public health is probably larger too.

In June, I got an early glimpse of what a bigger Medicaid program could mean for Louisiana, thanks to a group visit for journalists organized by the Henry J. Kaiser Family Foundation. Until recently, Louisiana was among the states whose officials were refusing to expand Medicaid eligibility as the ACA's architects had originally envisioned. But in 2015, John Bel Edwards ran for governor on a promise to join the expansion—that is, to make Louisiana's version of Medicaid available to all people in households with incomes below 133% of the poverty line. (In 2016, that's \$15,800 for an individual and \$26,813 for a family of 3.) Edwards won and on January 12, 2016, one day after taking office, he signed an executive order implementing the expansion.

The ink was barely dry when state agencies began trying to sign up as many people as possible—by automatically enrolling those who were already receiving other forms of state assistance and by conducting outreach efforts through health clinics and other venues that serve low-income communities. Coverage was set to begin paying for services on July 1, 2016. By the time of my visit, roughly 2 weeks before that start

date, state officials were saying that enrollment had passed the 200,000 mark—easily more than half of the total eligible population, according to official estimates.

As a candidate, Edwards had touted the expansion as a way to help the state's economy.² Tax dollars from Louisiana were going to pay for the ACA's Medicaid expansion no matter what, he pointed out. The only question was whether Louisiana would then get its share of federal dollars back—or whether it'd simply be subsidizing insurance in other states that had expanded their Medicaid programs. It may have helped Edwards that business leaders were making similar economic arguments. It may have helped him even more that a sudden influx of federal Medicaid money would reduce a looming \$2 billion deficit for the coming fiscal year.

But in promoting the Medicaid expansion, Edwards didn't just talk about jobs and deficits. He also talked about compassion and fair play. Contrary to stereotypes about "welfare," Edwards noted, the majority of people on Medicaid are in households led by people with jobs. They just don't have enough money to pay for health insurance on their own. Without coverage, they either go into debt because of medical bills or miss out on care altogether, which could mean missing critical screenings or forgoing care for serious ailments. Over time, Edwards promised, the people of Louisiana would be more financially secure—and a good deal healthier, too.

Edwards is a Democrat. But he's a relatively conservative one governing in a relatively conservative state. And while the ACA as a whole continues to generate intense opposition from Republicans, the Medicaid expansion has found plenty of champions in the GOP, at least at the state level. Among those who have famously brought larger Medicaid programs to their states are Jan Brewer of Arizona and John Kasich of Ohio.

In pitching the expansion to their legislatures and voters, they made many of the same arguments that Edwards did—and ran into plenty of opposition. Among other things, critics pointed out, Medicaid pays far less for services than either private insurance or Medicare does. Doctors frequently limit the number of Medicaid patients they will see or refuse to see them all, making access to specialty care particularly difficult. Some studies have found that health outcomes for people on Medicaid are worse than the outcomes for people with other forms of coverage—and even for those with no coverage at all.³

Overall, however, research gives strong reason for optimism. Some of the best evidence comes from previous efforts to expand Medicaid or programs like it—in Oregon and, later, in Massachusetts.⁴ Studies from those states showed unequivocally that people getting Medicaid ended up more financially secure and were reporting better mental health outcomes. Medicaid's impact on physical health in those states has been more ambiguous. (The data from Massachusetts is more encouraging than the data from Oregon.) But plenty of other research suggests that giving people Medicaid makes them healthier, at least at the margins.⁵

One reason the effects on health are so unclear is that they can take many years to be measured by researchers. Another reason is that, fundamentally, health outcomes have more to do with underlying conditions like poverty, diet and exercise habits, and other social determinants of health than with insurance status or access to care. It's something Louisiana's officials know and, during our visit, they spoke about using the expansion as an opportunity to wage campaigns against public health scourges like obesity and smoking.

In the meantime, these officials promised, just getting people coverage would have a meaningful impact. At one point, Rebekah Gee, the obstetrician who is now Secretary of Health, talked about what it was like under the old system: new mothers losing their temporary Medicaid coverage 60 days after giving birth and women with worrisome Pap tests struggling to pay for follow-up care. "This will make a difference," Gee promised.

The next day, at a clinic for the homeless in the city's central district, we heard from Albert Forest, a 57-year-old African American truck driver, unemployed and living in shelters, who had been suffering from back pain. Now, with a procedure scheduled, he was hopeful he could work again. "I probably couldn't get the surgery without Medicaid," he said. "It's wonderful. I really appreciate it."

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