

Effects of the 2005 Missouri Medicaid Legislation on Recipients: Measuring Changes in Coverage, Care, and Health Status

In 2005, the Missouri Legislature instituted substantial changes to the state's Medicaid program which were signed into law by Governor Matt Blunt. Since the legislation was enacted, many Missourians have lost or experienced changes in their Medicaid coverage as the eligibility criteria and covered services were substantially revised. The Missouri Foundation for Health and the Health Care Foundation of Greater Kansas City contracted with the Center for Health Policy at Washington to investigate the impact of the 2005 Medicaid changes on Missouri residents. The study was designed to capture data from individuals in their daily environments rather than in health care settings; therefore, interviews of Medicaid recipients were conducted either by phone or in their homes.

Background

To implement the study design, Center for Health Policy investigators partnered with Urban Strategies, Inc., a human services organization focused on linking low-income housing residents with social services and with a housing management company that manages mixed-income housing units across Missouri. The research team completed surveys for 844 rental households in St. Louis City, Kansas City, Springfield, Kirksville, and Carthage. These households represent 844 adult respondents and 581 children.

Adult Findings

This survey found that 15 percent of adults lost their Medicaid coverage since 2005. An additional 32 percent reported experiencing changes in their Medicaid coverage. Changes to coverage cited by respondents included loss of treatments or services, increased costs for medications, increased costs for doctor visits, and increased spend-down amounts.

Of those who lost coverage, 62 percent reported being uninsured at the time of the survey. Furthermore, 53 percent who lost coverage reported that they needed medical care in the past year and had not received it. For those who experienced no change in Medicaid coverage, only 5 percent reported not receiving needed medical care. Respondents who stated they had not received needed medical care were asked to identify the main reasons that they did not receive care. Of them approximately half stated that the cost of care was too great and/or they did not have health insurance. Other frequently cited reasons were lack of funds for co-payment, the doctor/hospital would not accept their insurance, and lack of transportation.

Survey participants were also asked if they had experienced increased costs for going to the doctor or buying medicines in the past year. For those reporting a loss of Medicaid coverage, 81 percent said costs had increased. Of those reporting a change in Medicaid coverage, 50 percent reported an increase in out-of-pocket costs. Only 10 percent of respondents who had not experienced changes in coverage reported that costs had increased. Respondents indicating they had experienced increased costs for the doctor or medicines were also asked how they manage the increased costs. The top three responses were:

- do not go to the doctor even when they need to,
- do without something else, and
- go places that do not charge as much.

Interviewers asked respondents to rate their health status on a scale of 0 to 10 before and after changes in the Medicaid program. For those who reported a change in or loss of their Medicaid coverage:

- 53 percent reported a negative change in health status,
- 8 percent reported a positive change in health status, and
- 39 percent reported no change in health status.

Finally, survey participants were asked to rate their perception of the quality of the health care services they received before and after the Medicaid program changes. For individuals who reported they had experienced a change in or loss of their Medicaid coverage, 44 percent reported that the quality of health care services decreased, 10 percent said the quality of health care services had improved, and 46 percent reported no change.

Children Findings

Survey participants were asked about changes in their children's Medicaid coverage related to the 2005 legislation. Most of the children (88%) experienced no change in their Medicaid coverage, while 3 percent reported that their children lost Medicaid and 9 percent reported changes in their children's coverage.

Respondents were then asked questions to measure their ability to access health care services for their children. Of those reporting a change in their children's Medicaid coverage, 20 percent indicated that their children had foregone needed medical care in the past year. Only 3 percent of respondents that reported no change in their children's Medicaid responded that their children had not received needed medical care.

Participants also rated the perception of the health status of their children on a scale of 0 to 10 before and after the Medicaid changes. The results for respondents who reported changes in or loss of their children's Medicaid coverage were:

- 37 percent reported a negative change in health status,
- 7 percent reported a positive change in health status, and
- 57 percent reported no change in health status.

Implications

The principal impact of the 2005 Missouri Medicaid changes was on adults. Health status, ability to get needed care, ability to work, and quality of care were all affected by a reduction or elimination of Medicaid benefits for low-income Missouri residents. Ultimately, 90 percent of respondents who lost Medicaid coverage in 2005 were either added to the ranks of the state's uninsured (62%) or regained/became newly eligible for public coverage through Medicaid and/or Medicare (28%). Only 8 percent of adult survey participants who had lost coverage were able to access employer-sponsored insurance.

These results are supported by the 2007 Current Population Survey that indicates Missouri's uninsured population increased from 668,000 to 772,000.¹ This one-year, 14 percent increase caused the percentage of uninsured Missourians to increase from 11.7 to 13.3 percent. This study supports the conclusion that much of the growth in Missouri's uninsured can be tied to the decrease in Medicaid coverage in 2005.

¹ U.S. Census Bureau, "Table HI05. Health Insurance Coverage Status and Type of Coverage by State and Age for All People: 2006," *Current Population Survey 2007 Annual Social and Economic Supplement*, http://pubdb3.census.gov/macro/032007/health/h05_000.htm.

ABOUT THIS FACT SHEET

The information presented is taken from *Effects of the 2005 Missouri Medicaid Legislation on Recipients: Measuring Changes in Coverage, Care, and Health Status* prepared at the Washington University Center for Health Policy by Deborah Chase, MPA; Leah Kemper, MPH; and William A. Peck, MD. The full report is available at www.mffh.org and www.healthcare4kc.org.



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