

Some 'safety net' health clinics see drop in uninsured visits under Obamacare

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Study examines effects of state Medicaid expansions.

(HealthDay)—The expansion of Medicaid under the Affordable Care Act is reducing the number of uninsured patient visits to community health centers, new research suggests.

Community <u>health centers</u> provide primary-care services to low-income populations. Under federal funding rules, they cannot deny services based on a person's ability to pay and are viewed as "safety net" clinics.

In the January/February issue of the *Annals of Family Medicine*, researchers from Oregon Health & Science University (OHSU) report there was a 40 percent drop in uninsured visits to clinics in <u>states</u> where Medicaid was expanded during the first half of 2014, when compared to the prior year. At the same time, Medicaid-covered visits to those clinics rose 36 percent.



In states that did not expand Medicaid, there was no change in the rate of health centers' Medicaid-covered visits and a smaller decline, just 16 percent, in the rate of uninsured visits.

Nationally, 1,300 community health centers operate 9,200 clinics serving 22 million patients, according to the U.S. Health Resources and Services Administration, which administers community health center grant funding.

Peter Shin, an associate professor of health policy and management at George Washington University's Milken Institute School of Public Health, in Washington, D.C., said the results are "relatively consistent with other studies."

The Affordable Care Act, or Obamacare, broadened access to health coverage through Medicaid and private health insurance subsidies. Just 26 states and the District of Columbia expanded Medicaid in 2014, after the U.S. Supreme Court allowed states to opt out of that requirement.

Shin said it's not surprising the initial decrease in uninsured visits is larger in Medicaid expansion states, since patients in those states have the option to access Medicaid or subsidized coverage through an insurance exchange.

"However, in the non-expansion states, the uninsured don't have the Medicaid option," he observed.

Researchers included 156 health centers in nine states—five that expanded Medicaid and four that did not—and nearly 334,000 adult patients. Of the five Medicaid expansion states in the study, one state, Oregon, accounted for a majority of the clinics and patient visits.

Because the sample was limited, the findings may not reflect what's



occurring in all states or at all health centers, the researchers acknowledged in the report.

"They did the best job they could with a very early set of data that is striking and notable," said Dan Hawkins, senior vice president for policy and research at the National Association of Community Health Centers (NACHC) in Washington, D.C. But it's "too early to make any judgments" about a decline in uninsured patient rates, he added.

To illustrate the point, Hawkins cited Massachusetts' health-reform experience. While the percentage of uninsured patients has declined, "the raw number of people being served by health centers in Massachusetts today is greater than it was before because they [health centers] become magnets" for the uninsured, he explained.

The study shows patient visits to expansion-state clinics rose 5 percent in the post-expansion period, and while visits to non-<u>expansion</u>-state clinics remained unchanged, the authors noted that up to 42 percent of uninsured individuals in those states will continue to be uninsured.

"Certainly, those folks will absolutely need the <u>community health</u> centers," said study co-author Dr. Jennifer DeVoe, an associate professor of <u>family medicine</u> at OHSU.

Health centers rely on a mix of federal grants, state and local funding, private philanthropy and health insurance reimbursements to sustain operations. Federal funding accounts for roughly 18 percent of health centers' operating budgets, Hawkins said.

Health centers face a potential funding crisis this fall, when \$3.6 billion in Affordable Care Act funding is set to expire unless Congress renews that funding stream, according to NACHC.



"If you look at health insurance claims, uninsured visits and uninsured patients are completely invisible. They don't show up anywhere," said DeVoe, who also serves as OCHIN's chief research officer. OCHIN (Oregon Community Health Information Network) is a nonprofit collaboration of public and private health systems in Oregon.

"This allows them to become visible and gives us a more complete picture of the entire patient population, both during periods of uninsurance and periods of insurance," DeVoe added.

More information: The U.S. Health Resources and Services Administration has more on <u>health centers and the Affordable Care Act</u>.

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