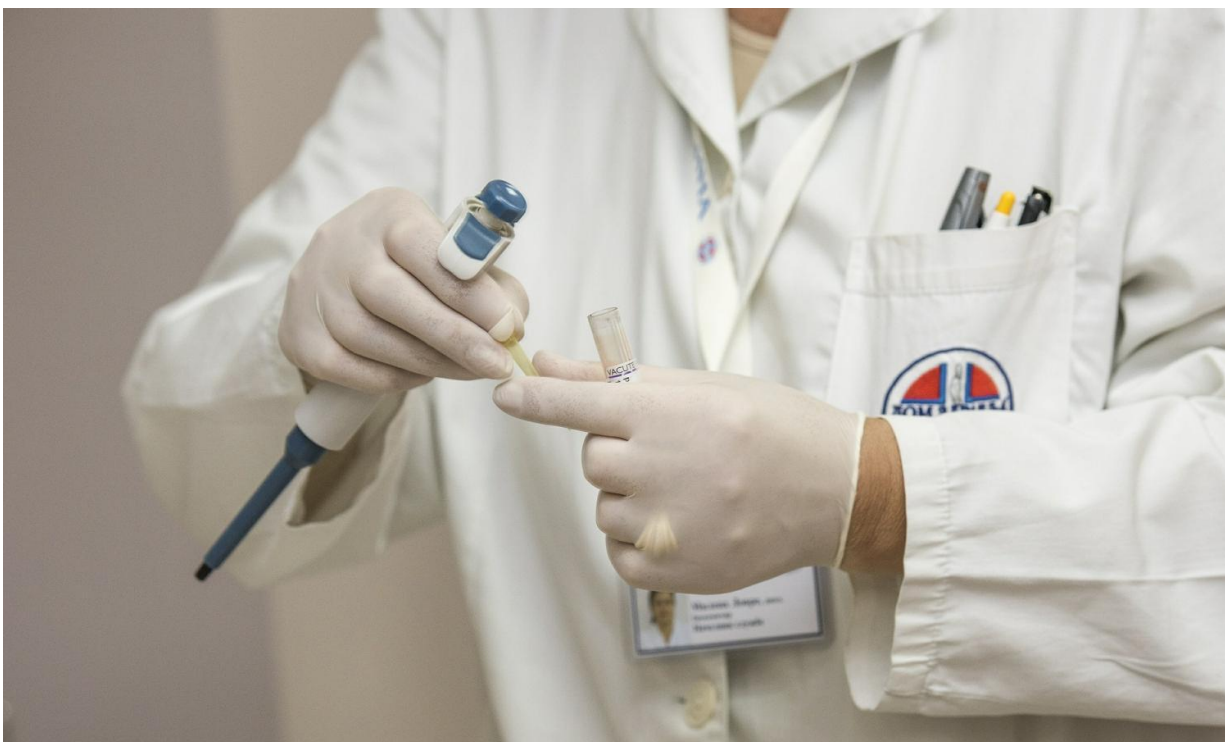# Medicaid improves access to care, but effects vary by race

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Credit: CC0 Public Domain

Medicaid is an important tool to reduce insurance-related health disparities among Americans, according to Penn State researchers.

Among a national sample of previously uninsured Americans, enrollment in Medicaid was found to lead to a substantial reduction in out-of-pocket

costs, increased prescription drug utilization, and improved access to [health care services](#) as compared to individuals who remained uninsured. In addition, Medicaid enrollees, relative to people who remained uninsured, were less likely to have serious psychological distress—those gaining Medicaid reported a 4.3 percentage point decrease in severe psychological distress.

However, researchers found important racial/[ethnic disparities](#) in the improvements associated with Medicaid enrollment. Changes in costs, access, and prescription drug fills differed substantially across racial/ethnic groups. For example, prescription drug fills increased across each racial/ethnic group, but the magnitude of the gains was largest among White, non-Hispanic individuals who gained Medicaid.

And, though usual source of [care](#)—for example, general care such as doctor's appointments—was found to be increased among all racial/ethnic groups of Medicaid gainers, the gains were smallest for Black, non-Hispanic individuals.

These findings may be explained by costs, inability to get necessary prescriptions, and disparate access to care after Medicaid enrollment.

The results of the study are published in a [health](#) equity special issue of the journal *Health Services Research*.

According to author Joel Segel, assistant professor of health policy and administration at Penn State and member of the Penn State Cancer Institute, the findings suggest that Medicaid can improve access to care and reduce patient financial burden. This study provides important data for policymakers, particularly as more states expand their Medicaid programs.

Twenty-eight million Americans remain uninsured in the United States,

but this number could decline as states continue to expand Medicaid, including three (Idaho, Utah and Nebraska) that voted to expand in the latest midterm election, according to Segel.

A total of 10,747 individuals were included in the study, including 963 who gained Medicaid, and 9,784 who remained uninsured. Researchers used 2008-14 data from the Medical Expenditure Panel Survey, a nationally representative survey that compiles detailed health and health insurance information from participants. Each participant provided information over a two-year period.

"Our study suggests Medicaid is a powerful tool for improving access to care and affordability across racial and ethnic groups, and has important effects on mental health," Segel said.

Additional interventions, beyond Medicaid, are likely needed to reduce racial/ethnic disparities in access to care and health outcomes, he added.

  More information: Dahai Yue et al. Racial/Ethnic Differential Effects of Medicaid Expansion on Health Care Access, *Health Services Research* (2018). DOI: 10.1111/1475-6773.12834

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