

Individuals with disabilities more likely to be employed in states with expanded Medicaid

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Individuals with disabilities are significantly more likely to be employed if they live in a state that has expanded Medicaid under the Affordable Care Act, a new study has found. Researchers at the University of Kansas co-authored a study that found a 6 percentage-point difference in employment rates among working-age adults with disabilities in states that expanded Medicaid and those that chose not to.

The findings show expansion has allowed individuals with [disabilities](#) to increase their employment and not be required to live in total poverty to maintain their Medicaid coverage, the authors said. The study was authored by Jean Hall, director of the Institute for Health and Disability Policy Studies, a collaboration between the Life Span Institute at KU and the Department of Health Policy and Management at the KU Medical Center; Adele Shartzer of the Urban Institute; Noelle Kurth, senior research assistant at the Life Span Institute, and Kathleen Thomas of the University of North Carolina-Chapel Hill. It was published in the *American Journal of Public Health*.

Thirty-one states and the District of Columbia have expanded Medicaid coverage under the Affordable Care Act, while 19 have not. The study examined data from the Urban Institute's Health Reform Monitoring Survey, a nationally representative online survey of approximately 7,400 working-age adults. Researchers analyzed data from the first quarter of 2013 to the third quarter of 2015. Of that sample, 2,740 individuals reported having a disability that "affects your daily activities or that requires use of special equipment or devices, such as a wheelchair, TDD or communications device."

States that had expanded Medicaid showed 38 percent of respondents with disabilities working as a paid employee or self-employed, compared with 31.9 percent in nonexpansion states. In the former states, 39.7 percent were not working because of a disability, while 48.4 percent in the latter reported

not working because of a disability.

"Medicaid expansion is empowering people with disabilities to go to work, and we would hate to see that rolled back because we could lose those gains," Hall said.

According to the authors, expansion not only enables people with disabilities to work more, which research has shown leads to greater quality of life, but contradicts the argument some have made that Medicaid expansion would "kill jobs" or be prohibitively expensive. On the contrary, Medicaid expansion provides a financial gain to states as more individuals are working and paying taxes, while fewer are claiming disability. The data from the study also directly contradicts arguments that Medicaid expansion would encourage reliance on disability benefits or individuals who are able declining to work, Hall and Kurth said.

There are still gaps in coverage, however. The U.S. Supreme Court's decision to make Medicaid expansion optional "created a coverage gap into which some people with disabilities still fall," the authors wrote, which could lead to widening of health disparities in nonexpansion states.

The study and findings are part of the Collaborative on Health Reform and Independent Living, known as CHRIL, a five-year, \$2.5 million grant project to examine the Affordable Care Act and its effects on individuals with disabilities.

CHRIL staff from KU will continue research on how the Affordable Care Act affects the lives of individuals with disabilities while making presentations on findings and helping advocates and individuals better navigate the ACA and related services.

While debate about the Affordable Care Act has been intense and discussions of repealing or replacing it have intensified since the election, the

researchers argue that Medicaid expansion, one component of the act, is allowing more individuals with disabilities to go to work and has the potential to save governments money in the long run.

"Our finding has two major health and policy implications. First, in Medicaid expansion states, working-age adults with disabilities no longer will be required to be impoverished and apply for federal disability benefits to be eligible for public [health insurance coverage](#)," the researchers wrote.

"Second, to the extent that increased earnings and asset accumulation lead to improved health outcomes and decreased dependence on cash assistance, the shift from means-tested Medicaid coverage to expansion coverage could result in long-term cost savings to state and federal governments."

More information: Jean P. Hall et al. Effect of Medicaid Expansion on Workforce Participation for People With Disabilities, *American Journal of Public Health* (2016). [DOI: 10.2105/AJPH.2016.303543](https://doi.org/10.2105/AJPH.2016.303543)

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