

<http://www.will-law.org/wp-content/uploads/2019/02/medicaidstudyfinal.pdf>

The study attempts to prove a correlation between the cost of private healthcare and the adoption of Medicaid expansion. Secondly, to support its healthcare cost conclusion, it also attempts to correlate the number of ER visits to the adoption of Medicaid expansion.

The report concludes the per capita annual cost of private healthcare will rise \$196 more in states that adopt Medicaid expansion and there will be 9 more ER visits per 1000 per year in states that adopt Medicaid expansion.

Economists and policy analysts quickly criticized the study for what they contend is a lengthy list of flaws, with one describing it as “baloney” and another describing it as “garbage work.”

Basic flaws with the analysis

- To determine the healthcare cost correlation, data from 2002 until 2014 was used. In 2014 there were only 4 states including D.C. that ‘expanded’ Medicaid prior to the official start. Other states that joined in January 2014 were just beginning. A good analysis would factor in data from the multitude of other states that have adopted Medicaid Expansion since 2014
- Medicaid expansion is implemented differently in each state so all programs cannot be lumped together in a single variable. A good analysis would include additional variables that represent those differences. Even the report says, “a deeper analysis is needed to control for other factors.”
- Costs cannot be necessarily attributed to the year Medicaid expansion was first adopted. The negotiated costs associated with insurance policies are typically renewed every 3 to 5 years.
- To determine the ER visit correlation, data from 2002 until 2016 was used. The model makes no attempt to distinguish between those visits resulting in uncompensated care and those covered by private or public insurance. If the implication is that the increase in ER visits was due to new Medicaid patients, it doesn’t attempt to identify if the care received was justified or unjustified (alternative access to care was available and more appropriate) or whether the state provided adequate education regarding preventative health and how and when to receive medical help.

This study contradicts other studies

- Studies have shown that insurance rates in states that have expanded Medicaid have 7% to 11% lower insurance rates.
<https://collections.nlm.nih.gov/catalog/nlm:nlmuid-101704401-pdf>
<https://onlinelibrary.wiley.com/doi/abs/10.1002/hec.3809>
- Two recent single-state studies in Maryland and Illinois found declines in uninsured ER visits and increases in Medicaid-covered ER visits following expansion implementation.
[http://www.annemergmed.com/article/S0196-0644\(17\)30784-9/pdf](http://www.annemergmed.com/article/S0196-0644(17)30784-9/pdf)
<https://link.springer.com/article/10.1007/s10900-016-0293-4>
- A recent MJS article about the study
<https://www.jsonline.com/story/money/business/health-care/2019/03/15/would-expanding-medicaid-wisconsin-really-cost-1-1-billion/3052844002/>