



Low-Income Residents in Three States View Medicaid as Equal to or Better Than Private Coverage, Support Expansion

Synopsis

Researchers surveyed low-income adults in three states—Arkansas, Kentucky, and Texas—that are taking varying approaches to expanding Medicaid eligibility. Nearly 80 percent of respondents favored Medicaid expansion, and most felt Medicaid was equal to or better than private coverage in overall quality. Approximately two-thirds of uninsured adults said they planned to apply for either Medicaid or subsidized private coverage in 2014. However, overall knowledge about states' plans under the Affordable Care Act was low.

The Issue

The Affordable Care Act called for a dramatic expansion of Medicaid, with coverage for an additional 16 million low-income Americans initially anticipated. However, the Supreme Court ruled in June 2012 that this expansion was optional for states. Currently, 27 states and the District of Columbia have chosen to expand Medicaid. Most of the other states have rejected expansion, while several are still deliberating, including a few that are considering using federal money to let people with low incomes purchase private insurance. Politicians, researchers, and academics have weighed in on this issue, but little is known about the views of those individuals who would stand to benefit from broader Medicaid eligibility. Commonwealth Fund-supported researchers surveyed low-income adults, ages 19 to 64, in three states that are taking varying approaches to the issue: Kentucky, which has expanded Medicaid; Arkansas, which is using Medicaid dollars to purchase private health insurance; and Texas, which has rejected any kind of expansion.

Key Findings

- According to the survey, roughly 80 percent of low-income individuals across all three states favored Medicaid expansion.
- Respondents' knowledge about their state's decision was low. About one-third of respondents in all three states said they had heard or read that their state would be expanding Medicaid in 2014, despite the wide differences in the three states' approaches.

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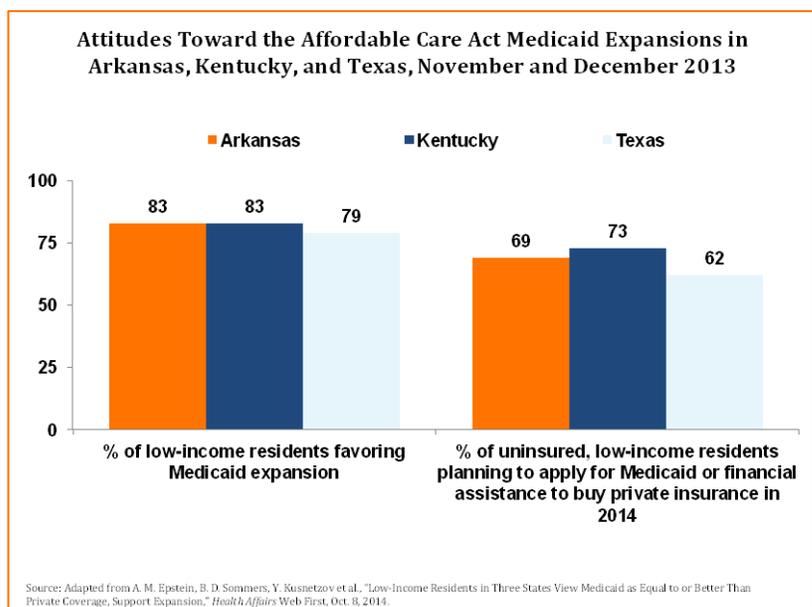
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- Approximately two-third of respondents who were uninsured said they planned to apply for Medicaid or for financial assistance to buy private insurance in 2014. Those not planning to apply for coverage explained they did not think they would qualify, did not want government help, or expected to have some other kind of coverage by then.
- Across all three states, most respondents rated quality of care in Medicaid as similar to or better than that available in a private insurance plan. Private coverage was seen as offering better access to, and more respect from, doctors while Medicaid was seen as more affordable.

The Big Picture

The study collected information on survey respondents' health status, which suggests that low-income populations may gain substantially from access to medical services. Thirty-two percent to 40 percent of respondents said they were in fair or poor health, and 52 percent to 71 percent reported having at least one of nine chronic conditions. "Thus," the researchers conclude, "the Medicaid expansion adopted under the ACA appears to be well targeted."

"While the debate over Medicaid expansion continues, support for expansion is strong among low-income adults, and the perceived quality of Medicaid coverage is high."

About the Study

The survey included U.S. citizens ages 19 to 64 living in Arkansas, Kentucky, or Texas and having a household income below 138 percent of the federal poverty level. Interviews were conducted in November and December 2013. The final sample included nearly 3,000 people.

The Bottom Line

Nearly 80 percent of low-income adults in Arkansas, Kentucky, and Texas favored Medicaid expansion, with about two-thirds of uninsured adults planning to apply for either Medicaid or subsidized private coverage in 2014. Many respondents had health conditions or poor health status, suggesting that the population may benefit greatly from enhanced access to health care. The perceived quality of Medicaid coverage was high.

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This summary was prepared by Deborah Lorber.