

EFFECTS OF MEDICAID EXPANSION ON VA DUAL-ENROLLMENT AND EMERGENCY DEPARTMENT USE

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Category: Access to Health Care/Health Insurance

Background

The-Affordable Care Act's Medicaid expansion may affect dual enrollment patterns of Veterans and their use of emergency department (ED) care in the Veterans Health Administration (VA) and non-VA care funded by Medicaid.

Objectives

We examine historical changes in VA use associated with Medicaid expansion to understand potential future changes.

Methods

We studied three states that expanded Medicaid to subsets of childless adults in 2001 or 2002 and paired them with four demographically similar states that did not expand to isolate changes in dual enrollment and emergency department (ED) visits arising from Medicaid expansions.

Of 1,609,421 enrolled Veterans between the ages of 18-65 who lived in one of the seven states for at least one of the years 1999-2006, we identified 126,752 enrolled in Medicaid one month or more.

We use a difference-in-difference approach to account for within-- and across-state changes to minimize confounding factors. Because we counted a person as enrolled in Medicaid for the year if they were enrolled for at least one month, we calculated the difference-in-difference between each state combination using the years before the expansion as the pre-period and the expansion year and subsequent years as the post-period .

We estimated the probability of dual enrollment in a given patient-year using logistic regression. We used fractional logit and Ordinary Least Squares regression to calculate the effect of expansion on both the proportion of ED visits at VA facilities and the total number of ED visits at VA and non-VA facilities.. We controlled for income, age, gender and disease burden. Data sources were the VA Corporate Data Warehouse and the Medicaid Analytic Extract (MAX) files.

Results

For high-income, Medicaid expansion was associated with an increase in dual-enrollment of 1.03 percentage points (99 percent CI: 0.84-1.22), a decrease of 5.25 points in the proportion of VA ED visits (3.75 – 6.76), and an increase of .024 total ED visits (.001-.046).

For the low-income Veterans, Medicaid expansion was associated with an increase in dual-enrollment of 3.10 percentage points (99 percent CI: 2.55-3.64), a decrease of 10.18 points in the proportion of VA ED visits (7.68. – 12.67), and an increase of .024 in total ED visits (.001-.046).

Discussion

Medicaid expansion is associated with dual use of VA and Medicaid-funded services, particularly for low-income Veterans, which has significant budgetary and care-coordination implications for VA planners. Notably, this dual use is consistent with substitution of services, rather than induced demand given negligible increases in total ED utilization.