FACTS

CRITICAL COVERAGE FOR HEART HEALTH:

Medicaid and Cardiovascular Disease

BACKGROUND

Medicaid is the nation's health insurance program for low-income Americans and is a vitally important part of the U.S. health care system. It covers many of the nation's poorest and sickest patients and provides a critical financing mechanism for the health care services these individuals receive – including care related to cardiovascular disease (CVD). In fact, 28% of adults with Medicaid coverage have a history of CVD.[1]

In response to tight budgets, federal and state governments are considering a variety of approaches to reduce the growth of Federal and State Medicaid spending and give states more flexibility in how the program operates. The American Heart Association (AHA) opposes policies that reduce access to, or significantly increase the cost of, necessary care for individuals with CVD. The AHA also encourages states to accept federal funding to cover low-income adults with incomes up to 138% of the federal poverty level as a way of ensuring that these individuals will have affordable access to the health care services they need.

LANDSCAPE

Medicaid Eligibility

Medicaid covers approximately 68.6 million low-income Americans. This includes more than 31.8 million children, 19.9 million adults, 10.2 million individuals with disabilities, and 6.6 million seniors.[2] Approximately 10.6 million of these seniors and people with disabilities have Medicaid coverage as a supplement to Medicare.[2] Individuals with Medicaid coverage are also among the sickest and neediest individuals in our health system. As they age, low-income individuals with chronic conditions – such as heart disease and stroke – are more likely to use acute care services, and are more likely to need nursing home or other long-term care.[3]

Under the Affordable Care Act ("the health reform law"), expansion of Medicaid to cover low-income adults up to 138% of the poverty level (approximately $16,394 in 2016) resulted in 9.6 million individuals gaining coverage from 2013 to 2015, accounting for more than half of coverage gains during that period.[4] By 2026, Medicaid is expected to cover an additional 10 million individuals.[5] However, since states have the option not to expand Medicaid, millions of poor adults could go without coverage. Nationally, 14.6 million adults at-risk for CVD are uninsured and live in states that have not yet decided to expand Medicaid.[6]

Medicaid Coverage

Medicaid is a shared responsibility between the federal government and the states. While states operate the program and make significant choices about coverage and who is eligible, the federal government establishes program parameters and matches state spending on health and long-term care services.

Medicaid covers comprehensive care for children, and a wide range of acute and long-term care services for other enrollees. States are required to cover certain benefits, such as physician services, inpatient and outpatient hospital care, nursing home care, and may also choose to cover other categories of services, such as prescription drugs, dental care and rehabilitation. While states must cover long-term care services provided in a nursing facility, they may also cover long-term care services provided to a patient who continues to live at home.[7] Seven out of 10 people living in nursing homes are insured by Medicaid.[8]

Medicaid Expansion

States that expanded Medicaid have markedly less uninsured adults at-risk for CVD as well as less uninsured adults with a history of heart disease or stroke as compared to states that did not expand Medicaid.[6] When comparing coverage (i.e. Medicaid vs. uninsured), having no insurance is associated with lower utilization of healthcare services and higher out-of-pocket expenditures.[9] The majority of uninsured adults with CVD risk or a history of heart disease or stroke reside in states that have not expanded Medicaid,[6] thus increasing the likelihood that they will remain uninsured. States that do not expand Medicaid risk negatively affecting these individuals' health and increasing their financial burden.

Medicaid provides an important safety net for Americans with CVD. Given that 28% of adult Medicaid beneficiaries have CVD,[1] further Medicaid expansion

would have positive effects for individuals with CVD and CVD risk factors. For example:

- If all currently undecided states opt into Medicaid expansion, the treatment rate among adults with hypertension is expected to increase by 12.1%.[10]
- If every state expands their Medicaid programs, there would be a reduction of 485,000 cases of coronary heart disease, 266,000 cases of stroke, and 513,000 CVD-related deaths.[10]
- Medicaid expansion in all states would result in an additional 53 million adults with prehypertension benefitting from early interventions, which would further reduce the number of CVD cases.[10]

Individuals with Medicaid coverage are more likely to have cardiovascular conditions than those who have other types of health insurance coverage. For example, low-income adults over age 65 with Medicaid coverage are more likely to have a history of high blood pressure, angina, heart attack, stroke, and coronary or other heart disease than seniors with only Medicare coverage. Similar comparisons exist in individuals ages 18 to 64 with Medicaid coverage as compared to those with private health insurance.[11]

These findings are consistent with the overall trend that individuals with Medicaid are generally sicker and have poorer health status than other Americans, highlighting how critical this coverage is for low-income Americans with CVD.[12]

Medicaid provides important financial protection to low-income individuals with CVD, covering critical health services and ensuring that these services remain affordable. Although comparisons show that Medcaid recipeients' use of health care services would be nearly the same whether they were covered by Medicaid or employer-sponsored insurance (ESI), average out-of-pocket spending would be three times higher with ESI than with Medcaid.[9] Additionally, those who gained Medicaid coverage benefited from a $205 reduction in out-of-pocket spending compared to when they were uninsured. Gaining Medicaid coverage is especially important for those with chronic conditions—they saw greater reductions in out-of-pocket costs than those without chronic conditions ($279 and $152 respectively).[13]

Medicaid and the Federal Budget

The Congressional Budget Office (CBO) currently projects that federal Medicaid spending will increase by $292 billion in the next decade, an increase of approximately 69% from 2016 to 2026.[14] This drastic increase in federal support for health care services for lower-income Americans is driven by increases in health care spending, growing demand for long-term care as the Baby Boomers age, and eligibility changes made by the health care reform law, among other factors.[15]

THE ASSOCIATION ADVOCATES

Proposals that shift much of the risk for increases in Medicaid spending to the states could lead to changes in eligibility, covered benfits, or both. In addition, the cost to states of implementing the Medicaid expansion is small relative to their total state Medicaid spending—a 0.3% increase over what states would spend without the expansion.[16] After factoring in state and local savings resulting from less uncompensated care, states as a whole are likely to see net savings from the expansion.[16]

The AHA understands the significant budget challenges faced by both federal and state governments. However, the AHA supports efforts to expand Medicaid to low-income adults and opposes proposals that would reduce access to meaningful, affordable health care coverage for individuals with CVD. These include policies that cause states to scale back eligibility, cut benefits, or significantly increase cost sharing for Medicaid beneficiaries.

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