



So far, ACA expansion is working

By Frank Irving | June 1, 2016

Medicaid is the source of health insurance for 72 million Americans. That's up a stunning 24 percent since late 2013 – just before the Affordable Care Act allowed states to expand Medicaid eligibility.

Have those new Medicaid patients gotten better care? A new report from the Robert Wood Johnson Foundation and athenahealth suggests that the answer is “yes.”

This wasn't a foregone conclusion. When the ACA's expansion provision took effect, many wondered if the law would actually improve health care access for low-income beneficiaries. After all, Medicaid payment levels are much lower than commercial rates. So “some observers were concerned that physicians would not open their schedules to see more Medicaid patients,” notes Josh Gray, vice president of research at athenahealth.

It turns out, those worries were largely unfounded. The ACAView report analyzed data from 21,900 providers on athenahealth's national network, and studied the effects of the ACA on practices of every size and most specialties across the U.S.

And it shows, Gray says, that the law has largely provided “accessible, more dignified, and more effective health care to the poor.”

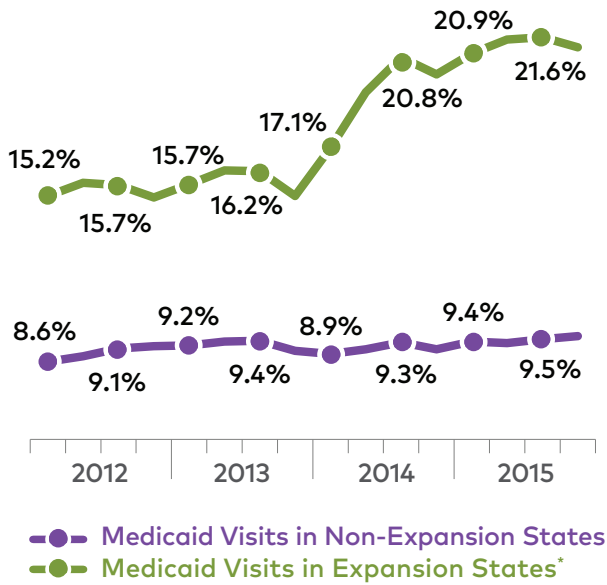
Here are some key takeaways from the report:

1. Physicians have welcomed new Medicaid patients.

The proportion of visits from adult Medicaid patients has grown dramatically for primary care providers: It topped 21 percent in expansion states during 2015, more than twice the rate in non-expansion states. Primary care visits by new Medicaid patients increased by roughly one-third in 2014, compared to 2013.

“Over the life of athenahealth, we have not seen a change in physician payer mix that even approaches this magnitude,” explains Gray. Counting both established and newly covered patients, the total number of Medicaid visits grew by 12 percent.

Proportion of primary care visits from Medicaid adults (18-64)

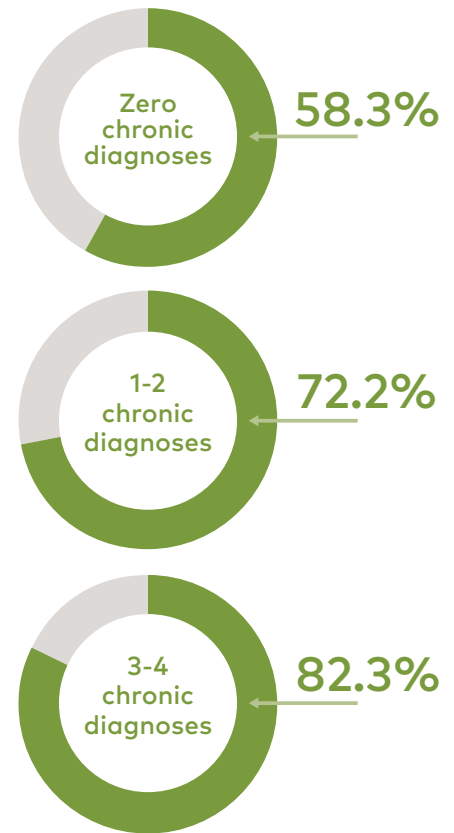


Sample: Over 3.4 million visits to practices active on the athenahealth network since 2011.

* States grouped by 2014 expansion status

Source: athenaResearch

Proportion of new patients on Medicaid who returned for a second visit*



Number of Select Chronic Diagnoses at First 2014 Visit**

- Did not return
- Returned for 2nd visit

Sample: Over 41,000 new patients on Medicaid seen by PCPs at practices active on the athenahealth network.

* First visit must have occurred in first 6 months of 2014; 18 months allowed for return visit.

** Chronic diagnoses include diabetes, hyperlipidemia, hypertension and mental illness.

Source: athenaResearch

2. Physicians across the board absorbed the Medicaid patient influx.

One might assume practices that had previously seen many Medicaid patients would dominate new-patient intake. Not so, according to ACAView. Instead, practices with the largest increases in 2014 had the smallest shares of Medicaid visits the prior year. Even among practices that saw no Medicaid patients in 2013, 13 percent took in new Medicaid patients in 2014.

3. Physicians connected with patients, especially those with chronic care needs.

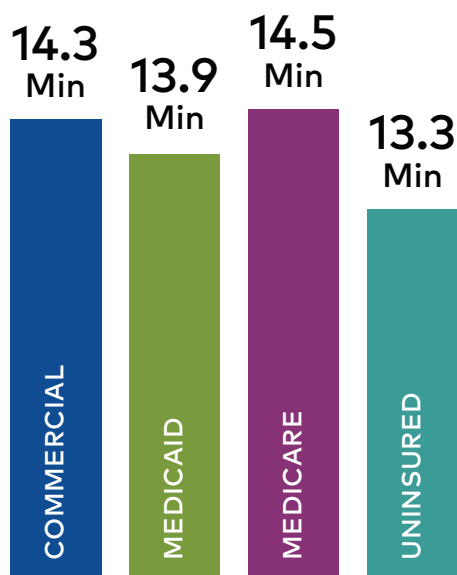
More than two-thirds of first-time Medicaid patients completed a follow-up visit within 18 months of their initial appointments. Those follow-ups were more likely for patients with a greater number of chronic conditions.

“Many of these patients are forming ongoing relationships with providers,” says Kathy Hempstead, who directs coverage issues at the Robert Wood Johnson Foundation.

4. Doctors didn't rush through Medicaid visits.

Medicaid visits were just as long as visits for patients with commercial insurance or Medicare – even though Medicaid payments are lower than commercial rates.

Average encounter time for adult (18+) primary care visits in 2015



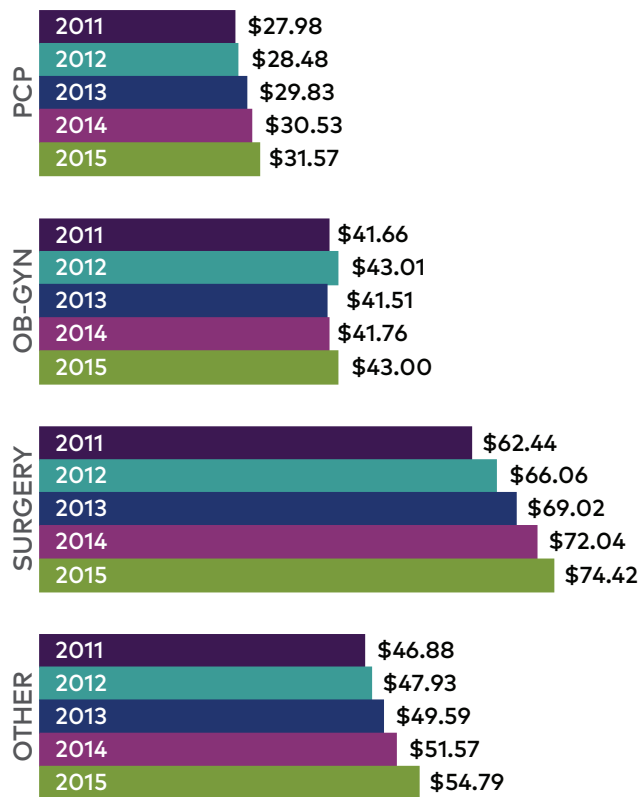
Sample: Over 1M insured visits & ~50K uninsured visits to primary care providers using athenaClinicals software.

Source: athenaResearch

5. Practice financials didn't suffer.

Average patient obligation per visit for commercially insured adults (18-64)

January – August



Sample: ~6 million visits per year to practices active on the athenahealth network since 2011.

Source: athenaResearch

In addition to expanding Medicaid, the ACA authorizes free preventive care visits, which ramped up by 11 percent among patients with private insurance in 2015, compared to 2011.

However, for paid services, those patients dug deeper into their pockets. Patient financial obligations grew from an average of \$27.98 to \$31.57 per primary care visit, while surgical visits increased from \$62.44 to \$74.42 during the 2011-2015 span. Overall, revenue per primary care visit reached \$100 in 2014, up 3.4 percent from the prior year.



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