

Understanding the Impact of Health Reform on the States: Expansion of Coverage through Medicaid and Exchanges

Lilliard E. Richardson¹
Tansel Yilmazer²

This study examines the impact of the Medicaid expansion and state health insurance exchange provisions of the Affordable Care Act (ACA) at the state level. Using data from the March 2010 Current Population Survey, we accomplish this goal in two steps. First, we provide a picture of health care coverage at the state level at the time the ACA became law. Second, we predict the percent of state residents that will be eligible for expanded Medicaid coverage and the subsidized health care exchanges. Our results show that there is significant variation across the states in current health care coverage of different demographic groups, such as children under age 6, children age 6 up to 19, and adults with and without children. We project this variation will continue in terms of the percentage of these demographic groups to be added on to Medicaid or included in subsidized health care exchanges, even after we remove foreign-born noncitizens from the sample. Our results suggest that the variation in projected health care coverage across states is a function of current state Medicaid eligibility rules, the number of firms offering health coverage, poverty levels and the percent of residents not speaking English at home.

¹ Truman School of Public Affairs, 105 Middlebush Hall, University of Missouri, Columbia, MO 65211; 573-882-1947; richardsonle@missouri.edu.

² Department of Personal Financial Planning, 239 Stanley Hall, University of Missouri, Columbia, MO 65211; 573-884-9188; yilmazert@missouri.edu