

Protect Our Care: Medicaid Works For Communities Of Color

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Contact: Joe Zepecki
jz@jzcomms.com
202-445-1517

April is [Medicaid Awareness Month](#), and Medicaid plays a vital role in providing coverage for communities of color. Generations of structural racism have left people of color suffering from deep health inequities. As a result, Medicaid serves as an important source of coverage, especially for Black and Hispanic Americans, who experience poverty at a higher rate than white Americans and remain less likely to have access to quality care. These groups also face higher rates of chronic conditions that make access to affordable health coverage even more essential.

On March 11, President Biden signed the American Rescue Plan into law, historic legislation that includes the most significant health care expansion in a decade. The health care measures in the American Rescue Plan will have profound impacts on racial disparities in health care access and outcomes, particularly as COVID-19 has hit communities of color [much harder](#) than others. Protect Our Care recently released a [report](#) detailing how the American Rescue Plan works to reduce racial disparities in health care.

The American Rescue Plan provides robust financial incentives for the 14 states that have not yet implemented the Affordable Care Act's (ACA) Medicaid expansion. For example, under the American Rescue Plan, Georgia would receive [nearly \\$1.4 billion](#) in federal funding over the next two years if it adopts expansion, more than enough to cover the cost of the program. The American Rescue Plan also works to reduce racial inequities by enabling states to expand Medicaid coverage to new mothers 12 months postpartum.

Republican Efforts To Block Medicaid Expansion Hurt Communities Of Color

Medicaid expansion has already played a vital role in reducing racial disparities in health care access and has served as a critical safety net as millions have lost jobs and their employer-based health insurance during the pandemic. Despite the overwhelming benefits of Medicaid expansion, Republicans have spent years undermining the ACA and its expansion of Medicaid at every turn, blocking millions from coverage.

People of color, and specifically Black Americans, are [more likely](#) to live in the 14 states that have not implemented Medicaid expansion. According to the Center on Budget and Policy Priorities, people of color make up nearly [60 percent](#) of the four million uninsured adults who could gain coverage if the remaining non-expansion states adopted expansion. This translates to roughly 2.4 million people of color who are currently blocked from Medicaid coverage.

By The Numbers: Medicaid Is An Important Source Of Coverage For Black & Hispanic Americans

- **1 In 5 Medicaid Enrollees Is Black.** Black Americans make up [13.4 percent](#) of the U.S. population but [20 percent](#) of Medicaid enrollees.
- **30 Percent Of Medicaid Enrollees Are Hispanic.** Hispanic people make up 18.3% of the U.S. population but [30 percent](#) of Medicaid enrollees.
- **Roughly 2.4 Million People Of Color Could Gain Coverage If Remaining States Adopted Medicaid Expansion.** If Republicans did the right thing and expanded Medicaid in the remaining holdout states, [4 million](#) uninsured adults could gain coverage; people of color make up nearly [60 percent](#) of this group, translating to roughly 2.4 million people.

Medicaid Helps Children Of Color. "Medicaid and CHIP are primary sources of health coverage for all children. These programs play a particularly important role for children of color, who are disproportionately represented among beneficiaries because they are more likely to be economically disadvantaged...Research shows that Medicaid/CHIP coverage for children expands [access](#) to health care and has [long term benefits](#). The rate of children having a well-child checkup and a usual source of care are comparable for children covered by Medicaid/CHIP compared to those who are privately insured, but much lower for children who are uninsured. Medicaid coverage is particularly important for our most disadvantaged children because it leads to longer, healthier lives, a better chance in school, and more prosperous futures." [Georgetown Center for Children and Families, [4/26/17](#)]

Medicaid Provides Coverage Comparable To Employer-Sponsored Insurance, Significantly Improving Access To Care For Patients. "Urban Institute researchers also have found that Medicaid provides beneficiaries with access to health care services that is comparable to — but less costly on an out-of-pocket basis than — what they would receive through employer-sponsored insurance. If these beneficiaries were uninsured, they would be significantly less likely to have a usual source of care and more likely to forgo needed health care services." [Center on Budget and Policy Priorities, [11/22/19](#)]

Medicaid Reduces Poverty. "Medicaid is among the most effective antipoverty programs. Medicaid reduced the health inclusive poverty measure by 3.8 percentage points. This is comparable to the combined effect of all social insurance programs and greater than the effects of non-health means tested benefits and refundable tax credits." [Georgetown Center for Children and Families, [3/8/21](#)]

Research Confirms That The ACA's Medicaid Expansion Improves Health Care Equity:

Medicaid expansion has been [key](#) to improving racial equity in health insurance coverage and access to care. The program has played an important role in increasing coverage rates for communities of color; after the implementation of the ACA, gaps in insurance coverage [narrowed the most](#) in states that adopted Medicaid expansion. Today, a Black person living in an expansion state is [more likely to be insured](#) than a white person residing in a state that rejected Medicaid expansion.

Research confirms that Medicaid expansion increases access to care, improves financial security, and leads to better health outcomes. A growing body of evidence shows that the expansion of Medicaid has [saved lives](#). Expansion has also been tied to improvements in disease-specific diagnosis and treatment, particularly for people of color.

• **Reduced Racial Disparities In Health Insurance Coverage And Access To Care.** The ACA led to historic reductions in racial disparities in access to health care, but racial gaps in insurance coverage [narrowed the most](#) in states that adopted Medicaid expansion. Per the Commonwealth Fund: "Coverage disparities in expansion states narrowed the most over the period...The black-white coverage gap in those states dropped from 8.4 percentage points to 3.7 points, while the difference between Hispanic and white uninsured rates fell from 23.2 points to 12.7 points." Additionally, the ACA significantly reduced racial disparities in the share of people who went without care because of cost.

• **Reduced Disparities In Infant And Maternal Health.** Multiple studies draw the connection between Medicaid expansion and reduced infant and maternal mortality rates. One [study](#) found that reductions in maternal mortality in expansion states were concentrated among Black mothers, "suggesting that expansion could be contributing to decreasing racial disparities in maternal mortality." Expansion has also been tied to [improving](#) health outcomes for black babies, significantly reducing racial disparities in low birth weight and premature birth.

• **Improvements In Disease-Specific Diagnosis And Treatment.** Medicaid expansion [reduced](#) racial disparities in cancer care and resulted in earlier diagnosis and treatment for Black patients. Medicaid expansion also improved access to care for patients of color with kidney disease. According to the Center for American Progress, Black women were [more likely](#) to receive care because of the ACA.

• **Reduced Income Inequality & Improved Financial Security For Families.** Policies to boost financial well-being undoubtedly help people of color, who on average have lower incomes and [median wealth](#) than their white counterparts. A January 2021 [study](#) from Health Affairs found that the ACA helped reduce income inequality across the board, but much more dramatically in Medicaid expansion states. The bottom 10th percentile of earners in Medicaid expansion states saw a [22.4 percent](#) boost in their income, compared to 11.4 percent in non-expansion states. A study in Health Affairs [found](#) that Medicaid expansion also caused a "significant" reduction in poverty. The chance of accruing medical debt is [20 percent](#) lower in states that have expanded Medicaid. Additionally, a 2018 National Bureau of Economic Research analysis found that Medicaid expansion led to a [nearly \\$6 billion decline in unpaid medical bills](#) and to higher credit scores.