

Long-standing AMA policy advocates for access to adequate health care coverage for all. The AMA advocates that any reforms to the Medicaid program ensure that it is a viable and effective program to provide health insurance coverage to low-income individuals, seniors and the disabled. Changes in the financing of Medicaid should not undermine the overall coverage gains that have occurred under the ACA, particularly for individuals with the lowest income.

Strengthening Medicaid

Background

Prior to enactment of the Affordable Care Act (ACA), Medicaid eligibility was not determined by financial need alone, but was also contingent upon an individual being classified in one of five categorical groups. Medicaid eligibility was limited for most non-elderly, low-income adults who accounted for about half of the uninsured population, but did not qualify for one of the eligible categories.

A key element of the strategy to expand health insurance coverage through the ACA was to expand coverage to most low-income adults under the age of 65 with incomes up to 138 percent of the federal poverty level. The ACA called for the federal government to finance state Medicaid expansion programs at 100 percent through 2016, phasing down to 90 percent federally financed by 2020.

The American Medical Association (AMA) encourages the development of coverage options, including through state waivers, for adults who do not qualify for either Medicaid or exchange subsidies. The AMA advocates that the Centers for Medicare and Medicaid Services (CMS) review Medicaid expansion waiver requests in a timely manner and exercise broad authority in approving such waivers.

Access to Care

Obtaining health insurance does not necessarily ensure better access to health care. However, low income individuals living in states that expanded Medicaid eligibility under the

ACA are experiencing greater access to care compared to low income individuals living in states that did not expand Medicaid eligibility.

To encourage states to take responsibility for ensuring access to quality care to their Medicaid populations, the AMA advocates that states should be required to develop a transparent process for monitoring and evaluating the effects of their Medicaid expansion plans on health insurance coverage levels and access to care, and to report the results on state Medicaid websites annually.

Subsequently, CMS has mandated that states develop a Medicaid access monitoring review plan that is updated annually. The AMA encourages state medical associations to participate in the development of their state's review plan and provide ongoing feedback regarding barriers to access. The AMA advocates that review plans should be required for services provided by Medicaid managed care organizations, state waiver programs and state fee-for-service models.

Key barriers to accessing care for Medicaid beneficiaries are inadequate payment and administrative burdens. The AMA advocates that Medicaid primary care payments should be equal to Medicare rates and that CMS should ensure mechanisms are in place to provide robust access to specialty care for all Medicaid beneficiaries. Strategies physician practices can implement to increase access to care include implementing telemedicine to allow for consultations between primary care physicians and specialists, training primary care physicians to manage certain specialty needs and enhancing coordination among primary care providers and specialists.

Quality of Care

Research conclusions on the quality of health care services provided through Medicaid expansion programs are mixed. Longitudinal and risk-adjusted research is needed to ensure comprehensive and objective analysis of the impact of state Medicaid expansion programs on quality of care. Assessing the quality of health care should take into consideration the following factors:

- Severity and length of illnesses
- Complexity of coexisting illnesses
- Stage at diagnoses
- Consistency in obtaining health care
- Degree of access to high-quality care
- Level of health literacy
- Availability of social supports

Physician Payment

Adequate physician payment and access to care are intrinsically linked. To ensure there is a sufficient supply of Medicaid providers to meet patients' needs and encourage appropriate payment to physicians, the AMA supports the following:

- Physicians should have an opportunity to challenge payment rates directly to CMS.
- Adequate physician payment rates should be an explicit objective of state Medicaid expansion programs.
- Physician payment rates should be increased in any redistribution of funds in Medicaid expansion states experiencing budget savings.
- CMS should provide strict oversight to ensure states are setting and maintaining Medicaid rate structures at levels to ensure sufficient physician participation.

Financial Impact on States

National and state level studies have found that Medicaid expansion states are experiencing budget savings, revenue gains and economic growth. Findings show that expansion states are experiencing:

- Reduced state spending on programs for the uninsured
- Higher federal matching rates for beneficiaries who, without expansion, would have been covered through pre-ACA eligibility categories
- Additional revenue from existing insurers or provider taxes

Financing Medicaid Expansion

For states that have not yet expanded Medicaid, the AMA advocates that the federal government provide three years of 100 percent funding for state Medicaid expansion programs that are implemented after 2016. The AMA supports maintenance of federal funding for Medicaid expansion populations at 90 percent beyond 2020 as long as the Affordable Care Act's Medicaid expansion exists.

The Future of Medicaid Expansion

The AMA has long advocated for health insurance coverage for all and universal access to care. Key AMA health system reform objectives include ensuring that Medicaid is adequately funded, assuring that individuals currently covered do not become uninsured and taking steps toward achieving coverage and access for all.

To learn more about this topic, view the AMA Council on Medical Service Report "[Affordable Care Act Medicaid Expansion](#)."