

RESEARCH SUMMARY

How the Expansion of Medicaid Affects the Mental Health of Medicaid Beneficiaries

In 2014, states began expanding Medicaid eligibility under the Affordable Care Act to working-age, childless adults with lower incomes, resulting in Medicaid coverage for nearly 20 million more Americans. However, without an expanding supply of doctors, nurses, and mental health professionals, insurance expansions could make it more difficult for Medicaid's original recipients to obtain needed care. In "The Effect of the Affordable Care Act's Medicaid Expansion on the Mental Health of Already-Enrolled Medicaid Beneficiaries," Markus Bjoerkheim, Liam Sigaud, and Kofi Ampaabeng show that this sudden rise in enrollment has led to worse self-reported mental health among original Medicaid recipients.

NEGATIVE SIDE EFFECTS ON THOSE ALREADY COVERED

The Medicaid program provides health insurance to about 28 percent of the US population, which is more people than any private health insurance company. Originally, the program covered groups regarded as particularly vulnerable, such as the elderly, people with disabilities, and low-income parents and their children. Program expansion has improved access to care and health outcomes among the newly covered. However, evidence also shows that it has come at the cost of deteriorating mental health among the original Medicaid beneficiaries.

The authors examined the impact of Medicaid expansion on the self-reported mental health of continuously covered near-elderly beneficiaries. Such beneficiaries make up a particularly vulnerable part of the population, with high health needs, elevated rates of disability, and few viable alternative sources of health insurance. They have also experienced deteriorating levels of mental health as a result of program expansion.

- **Mental health impact:** The expansion of Medicaid has caused a 10.9 percent increase in depression scores among the original recipients.
- **Groups particularly hurt:** The negative effects are especially pronounced among important subgroups, including women and recipients with disabilities.
- **Parts of the country most affected:** The effects are larger in areas of the country that experienced shortages of mental health workers after expansion as well as in nonmetropolitan areas, where access-to-care problems tend to be more prevalent.
- **The tradeoff at play:** Expanding insurance to new groups comes at the expense of the mental health of those already covered, who may find it more difficult to access psychological or psychiatric treatment.

KEY TAKEAWAY

Policymakers must consider potential negative spillover effects when expanding public insurance programs. Such consideration is especially important when it comes to the effects of Medicaid expansion on a large, medically vulnerable group of near-elderly people. Policymakers should take into account the possible tradeoffs between ensuring access to care for the original population and extending coverage to a new group of low-income adults.