

National Report: States Expanding Medicaid Continue to Outpace Their Non-expansion Neighbors in Medicaid Patient Volume and ED Visits

Colorado hospitals seeing more, and sicker, Medicaid patients than last year

GREENWOOD VILLAGE, COLO. (Sept. 8, 2014) — Hospitals in states that chose to expand Medicaid under the Affordable Care Act (ACA) reported sustained growth in Medicaid patient volumes during-second quarter 2014—and three times the increase of emergency department (ED) visits than hospitals in non-expansion states in second-quarter 2014 compared to the same time last year, according to a new study from the Colorado Hospital Association (CHA).

The national study includes several observations:

- **The average number of ED visits to hospitals in expansion states increased 5.6 percent from second-quarter 2013 to second-quarter 2014.** This change was greater than expected from the variation over the last two years. In comparison, hospitals in non-expansion states reported a 1.8 percent increase in ED visits between the second quarters of 2013 and 2014.
- **Hospitals continued to see a surge of new enrollees seeking care.** The increase in the proportion of Medicaid volume at hospitals in expansion states continued to increase in the second quarter of 2014 at a rate of almost 9 percent, but at a slower rate than the first-quarter rate of almost 24 percent.
- **Data from second-quarter 2014 shows growth in the proportion of Medicaid charges and a decline in the self-pay proportion seen in hospitals in non-expansion states.** This unexpected Medicaid growth in hospitals in non-expansion states did not appear in first-quarter 2014 and is likely due to the “woodwork effect,” where previously unenrolled but eligible individuals discover they are eligible for Medicaid.

In addition to the national study, CHA conducted a Colorado-specific analysis and identified several emerging trends. Among them, Medicaid patients now arriving at Colorado hospitals have more complex conditions than the average Medicaid patient seen previously and EDs are seeing more Medicaid patients than before. Case mix index, which measures complexity and resource needs, increased 10 percent for Medicaid patients in the first quarter of 2014 as compared to first-quarter 2013; additionally, the number of Medicaid-covered ED visits increased 38 percent in first-quarter 2014 as compared to the previous year.

“Hospitals located in expansion states are serving greater numbers of Medicaid patients, many needing care for advanced chronic health conditions that were previously left untreated,” said Steven J. Summer, CHA president and CEO. “These findings confirm that individuals who previously had no insurance coverage are now seeking and receiving health care services—and their needs are great.”

The Medicaid volume increases at hospitals demonstrate a considerable existing—and previously unmet—demand for health care services in communities. Additionally, volume and ED trends identified in expansion and non-expansion states respectively, aren’t simply national averages, but rather, are consistent throughout each state, respectively. This affirms that the choice between expansion and non-expansion has consistent and predictable outcomes.

“Many states have chosen to create a healthier population and stronger health care provider safety net through expansion,” said Chris Tholen, CHA vice president of financial policy. “The true measure of success is finally knowing whether the people who need health care are actually receiving it. An insured community is a healthier community.”

In July 2014, CHA released a preliminary analysis of first-quarter 2014 data regarding the impact of the ACA Medicaid expansion. The report released today is an updated analysis that examines how the trends shown in the previous study progressed into the second quarter of the year, as well as additional information about the Medicaid population. It presents a national review; a regional comparison of Montana, Washington and Oregon; and a local, in-depth examination of Colorado trends using additional datasets. The national analysis is based on data from 450 hospitals across 25 states, 13 of which expanded and 12 of which did not.

The reports were conducted by CHA’s Center for Health Information and Data Analytics using data from the CHA Discharge Data Program database and CHA’s DATABANK program, which has been working with hospitals throughout the country since 1985. The full report, [*Impact of Medicaid Expansion on Hospitals: Updated for Second-Quarter 2014*](#), can be found at cha.com.

About the Colorado Hospital Association

The Colorado Hospital Association (CHA) represents 100 member hospitals and health systems throughout Colorado. CHA partners with its members to work towards health reform, clinical excellence and performance improvement, and provides advocacy and representation at the state and federal level. Colorado hospitals and health systems are committed to providing coverage and access to safe, high-quality and affordable health care. In addition, Colorado hospitals have a tremendous impact on the state’s economic stability and growth, contributing to nearly every community across the state with 72,000 employees statewide. For more information, visit www.cha.com.

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