



The American College of
Obstetricians and Gynecologists
WOMEN'S HEALTH CARE PHYSICIANS

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Committee on Health Care for Underserved Women

This information should not be construed as dictating an exclusive course of treatment or procedure to be followed.

Benefits to Women of Medicaid Expansion Through the Affordable Care Act

ABSTRACT: Many U.S. women are uninsured and face avoidable adverse obstetric and gynecologic health outcomes. The Affordable Care Act requires an expansion of Medicaid that would increase the percentage of U.S. women with health insurance, with the anticipated benefit of improved health. The 2012 Supreme Court decision allows states to opt out of Medicaid expansion. The American College of Obstetricians and Gynecologists supports appropriate reimbursement to health care providers and the expansion of Medicaid as key strategies to improve women's health.

Nineteen million U.S. women, aged 18–64 years, are uninsured (1) and face adverse health outcomes associated with lack of insurance. Compared with insured women, uninsured women receive less preventive care and disease treatment, are more likely to have diagnoses of advanced stage disease, and have higher mortality rates from certain diseases (2):

- Uninsured pregnant women receive fewer prenatal care services than insured women and are more likely to experience adverse maternal outcomes such as pregnancy-related hypertension and placental abruption. Adverse outcomes, such as low birth weight and infant mortality, also are more common among uninsured women. Improved maternal and fetal outcomes occur with access to high-risk pregnancy care, counseling, and other enabling services (3). Inadequately addressing pregnancy complications may have disastrous long-term emotional and economic effects on families. Society may face unintended increased costs to provide medical services to care for children born to uninsured women who have pregnancy complications.
- Uninsured women are less likely than insured women to use prescription contraceptives, partly accounting for adverse reproductive health outcomes, including elevated rates of unintended pregnancy and abortion in poor women (4).

- Uninsured women with breast cancer are 30–50% more likely to die from cancer or cancer complications than insured women with breast cancer (3).
- Uninsured women are 60% more likely than insured women to receive a diagnosis of late-stage cervical cancer (5).

Medicaid, the state–federal health insurance program for low-income individuals, serves as a safety net for low-income mothers, pregnant women, individuals with disabilities, and individuals in nursing homes. It is the largest payer of pregnancy services, financing between an estimated 40% and 50% of all births in the United States (6), and family planning services, accounting for 75% of all public expenditures (7). Currently, 12% of women receive Medicaid coverage under one of the eligibility categories: pregnancy, parent of a dependent child, older than 65 years of age, or disability (8). The Affordable Care Act (ACA) requires states that want federal Medicaid matching funds, to go beyond categorical requirements and base eligibility solely on income. This expands Medicaid eligibility to all individuals younger than 65 years with incomes up to 138% of the federal poverty level (\$31,809 for a family of four in 2012). Specifically, the ACA extends Medicaid coverage to all individuals with incomes up to 133% of the federal poverty level but also includes a provision to disregard the first 5% of income, effectively extending Medicaid to all



individuals with incomes up to 138% of the federal poverty level. By basing eligibility solely on income, low-income pregnant women, who in the past would have lost their Medicaid coverage after delivery, will retain Medicaid insurance coverage. In 2010, more than one half of uninsured women (55%) had incomes below 138% of the federal poverty level, and many would likely qualify for Medicaid if all states participated in the Medicaid expansion (8). The ACA legislation provides federal funds to cover 100% of the costs of Medicaid expansion from 2014 to 2016. After 2016, the federal share gradually decreases; by 2020, the federal share covers 90% of the costs while states cover the remaining 10%.

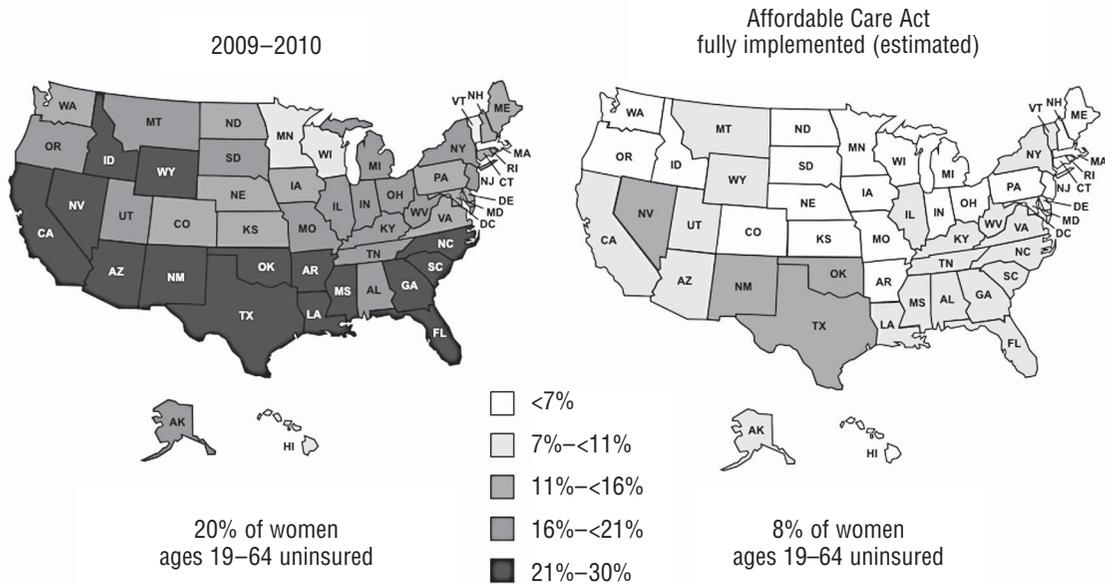
As a result of the Supreme Court's decision in 2012, states now have the choice of expanding their Medicaid programs by basing eligibility solely on income or not expanding Medicaid coverage. States that choose not to participate in the expansion cannot be penalized with federal withdrawal of Medicaid funds, but also will not receive additional federal funds for Medicaid. The expansion of Medicaid is associated with improved access to

health care, less delay in obtaining health care, better self-reported health, and reductions in mortality (9). The percentage of uninsured women aged 19–64 years could decrease from 20% to 8% if all states implement the Medicaid expansion (Fig. 1), with enormous anticipated health benefits to women.

The American College of Obstetricians and Gynecologists (the College) fully supports the expansion of Medicaid as proposed in the ACA. States that proceed with expansion of their Medicaid programs will realize improvements in women's health and the health of their communities.

In addition, to fully realize the promise of Medicaid expansion, low Medicaid reimbursement rates for physician services must be increased. For most services, they are substantially below Medicare and private-payer rates and constitute a deterrent to physician participation in the program (10). Additionally, the ACA does not include obstetrics and gynecology as a specialty eligible to receive increased reimbursement for primary care services provided to Medicaid beneficiaries, despite the fact that obstetrician–gynecologists are often the only physicians

Percent of Women Ages 19 to 64 Uninsured by State, 2009–2010 and Under Affordable Care Act When Fully Implemented



Sources: Analysis of the March 2011 and 2010 Current Population Surveys by N. Tilipman and B. Sampat of Columbia University for The Commonwealth Fund; uninsured rates are two-year averages. Estimates for the Affordable Care Act when fully implemented by Jonathan Gruber and Ian Perry of MIT using the Gruber Microsimulation Model for The Commonwealth Fund.

Fig. 1. Percent of women ages 19 to 64 uninsured by state, 2009–2010 and under the Affordable Care Act when fully implemented. (Reprinted from R. Robertson, D. Squires, T. Garber, S. R. Collins, and M. M. Doty, *Oceans Apart: The Higher Health Costs of Women in the U.S. Compared to Other Nations, and How Reform Is Helping*, The Commonwealth Fund, July 2012.)



women see for their primary care and other health needs. Increasing low Medicaid reimbursement rates would allow the Medicaid expansion to improve access to poor and low-income women to the fullest extent. The College supports state governments and the federal government in providing appropriate reimbursement. College Fellows are encouraged to lobby their individual states to expand their Medicaid programs as well as to improve Medicaid reimbursement rates.

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