

The Effect of Medicaid on Care and Outcomes for Chronic Conditions: Evidence From the Oregon Health Insurance Experiment

Based on BFI Working Paper 2021-123, “[The Effect of Medicaid on Care and Outcomes for Chronic Conditions: Evidence from the Oregon Health Insurance Experiment](#),” by Heidi Allen, Columbia; and Katherine Baicker, UChicago’s Harris School of Public Policy

While Medicaid is an important determinant of access to care overall, it does not appear that Medicaid alone has detectable effects on the management of several chronic physical health conditions, including diabetes and asthma.

This paper uses the Oregon Health Insurance Experiment (OHIE) and the data the authors collected through in-person interviews, physical exams, and administrative data to estimate the effects of expanding Medicaid availability to a population of low-income adults on a wide range of outcomes, including health care utilization and health. The OHIE assesses the effects of Medicaid coverage by drawing on the 2008 lottery that Oregon used to allocate a limited number of spots in its Medicaid program.

The authors’ previous analyses found that Medicaid increased health care use across settings, improved financial security, and reduced depression, but has no

detectable effects on several physical health outcomes. For example, they found that while Medicaid did not significantly change blood sugar control, it did increase the likelihood of enrollees receiving a diagnosis of diabetes by a health professional and the likelihood that they had a medication to address their diabetes. However, it did not affect the prevalence, diagnosis, or treatment of hypertension or high cholesterol.¹

¹ Baicker, K., S. L. Taubman, H. L. Allen, M. Bernstein, J. H. Gruber, J. P. Newhouse, E. C. Schneider, B. J. Wright, A. M. Zaslavsky, A. N. Finkelstein, G. Oregon Health Study, M. Carlson, T. Edlund, C. Gallia & J. Smith (2013) The Oregon experiment — effects of Medicaid on clinical outcomes. *N Engl J Med*, 368, 1713-22.

Figure 1 • How Does Medicaid Stack Up Against the Management of Chronic Conditions?



These results, coupled with the high burden of chronic disease in low-income populations, raised questions about how Medicaid does or does not affect the management of chronic physical health conditions. This new research explores the care and outcomes for such conditions, focusing on the more than 40 percent of the sample with chronic physical health conditions like high blood pressure, diabetes, high cholesterol, or asthma. The authors both assessed new physical health outcomes and investigated in more detail the management of chronic conditions.

The authors examined biomarkers like pulse, markers of inflammation, and Body Mass Index across the entire study population; assessed care and outcomes for asthma and diabetes; and gauged the effect of Medicaid on health care utilization for individuals with vs. without preexisting diagnoses of chronic conditions. The authors find the following:

- Medicaid did not significantly increase the likelihood of diabetic patients receiving recommended care such as eye exams and regular blood sugar monitoring, nor did it improve the management of patients with asthma.
- There was no effect on measures of physical health including pulse, obesity, or blood markers of chronic inflammation.
- Effects of Medicaid on health care utilization appeared similar for those with and without pre-lottery diagnoses of chronic physical health conditions.

These findings led the authors to conclude that while Medicaid was an important determinant of access to care overall, Medicaid alone did not have significant effects on the management of several chronic physical health conditions, at least over the first two years, though further research is needed to assess the program's effects in key vulnerable populations.

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