

MassHealth's Role Promoting Health Care Coverage and Access



THE ISSUE

MassHealth, the name for Massachusetts' Medicaid program and the Children's Health Insurance Program (CHIP), is the cornerstone of health care coverage and access in the state. MassHealth provides health insurance coverage and care for more than a quarter of Massachusetts residents. MassHealth members are people of varying ages and life circumstances—including families with children who have complex health needs, aging adults, low-income workers without employer-sponsored health insurance, and people with disabilities. MassHealth enables people to access the care they need to get and stay healthy and work, and to avoid devastating debt related to health care costs.

The remainder of this brief describes MassHealth's role in:

- Massachusetts' near-universal rate of health insurance coverage
- Health equity, particularly for communities of color
- Access to preventive care for individuals and families
- Better health outcomes for the state's most vulnerable people
- Financial stability for low-income individuals and families

In short, MassHealth touches and helps—directly or indirectly—millions of people and families across Massachusetts.

KEY TAKEAWAYS: THE ROLE OF MASSHEALTH

The critical role that MassHealth plays in Massachusetts' communities, and the lives of residents, is significant and far-reaching.

MassHealth Advances the State's Health Coverage Goals

Near-universal coverage. MassHealth is the second largest insurer in Massachusetts and serves as the safety net for individuals who are low-income and who do not have access to, or cannot afford, other forms of health insurance. MassHealth

has helped Massachusetts achieve the highest insurance rate (97.1 percent) of any state in the nation. Indeed, MassHealth was the anchor for the state-based health care reform effort in 2006 to provide near-universal access to affordable health coverage to all residents. This transformative reform solidified Massachusetts as a national leader in terms of coverage, served as the blueprint for the Affordable Care Act (ACA), and cut the uninsurance rate in Massachusetts by more than half.^{1,2} MassHealth has consistently supported Massachusetts residents in times of economic upheaval. During the Great Recession of 2007–2009, unemployment among working-age adults in Massachusetts rose from 4.4 percent in December 2006 to 9.1 percent in December 2009. As newly unemployed workers lost employer-sponsored health insurance, demand for public health insurance coverage programs grew, and MassHealth responded—increasing enrollment by 4.6 percent between 2008 and 2009. MassHealth has also played a similar role for the individuals and families affected by the economic downturn caused by the COVID-19 pandemic, providing stable health coverage to Massachusetts residents when they need it most. Enrollment in MassHealth grew by over 13 percent between March 2020 (when Governor Baker declared a state of emergency due to COVID-19) and January 2021.³

Today, MassHealth covers more than 2 million individuals, many of whom would not have had any other source of health coverage,⁴ including:

- 720,000 children (43 percent of all children in Massachusetts), including 37,000 children with disabilities
- 810,000 low-income adults, including parents and others who would otherwise be uninsured or underinsured
- 255,000 adults with disabilities
- 190,000 seniors living in the community or in nursing facilities

Health equity. MassHealth not only increases coverage rates in Massachusetts, it also serves an important role in advancing health equity in the Commonwealth.

MassHealth Improves the Lives of the People it Serves

There is widespread evidence nationally of significant and pervasive inequities in access to health care and health outcomes—particularly for communities of color.⁵ While access to health coverage alone will not solve these entrenched health inequities, it is an essential step toward equitable health care access, service delivery, and trust in the health care system—an especially critical step for those who have been historically marginalized. For example, women of color are significantly more likely to experience complications during childbirth that result in maternal and/or infant mortality. Nationally, Medicaid expansion is associated with reductions in infant mortality by 50 percent and lowering maternal mortality by 1.6 women per 100,000.⁶ Medicaid expansion is also associated with lowering rates of maternal depression for women of color.⁷ In fact, Medicaid pays for more than half of all births in the United States.⁸ Compared with mothers without insurance, mothers on Medicaid are less likely to experience adverse outcomes such as low birth weight.⁹ Some studies suggest that Medicaid coverage decreases infant and maternal mortality—especially among Black mothers and infants.¹⁰

In Massachusetts, MassHealth is a key source of health coverage for populations that face these significant health inequities. While the majority of members are white, there is significant racial diversity. Four in 10 self-report a race/ethnicity other than white, and Hispanic and Black members make up 30 percent of the total MassHealth population.¹¹ Furthermore, since the expansion of MassHealth and other coverage in 2006, there have been some improvements in previously stark racial health disparities. For example, among Black members, MassHealth and other coverage expansions are associated with a 7 percent reduction in opioid-related deaths, a 4.4 percent reduction in heavy drinking, and a 10 percent reduction in smoking.¹²

Despite improvements to date, dramatic health inequities along racial and ethnic lines still exist in Massachusetts. Increasingly, MassHealth is shifting its programmatic focus to find ways to reduce health inequities among the individuals and families it serves. For example, MassHealth is trying to improve its collection of data on the race and ethnicity of its members in order to accurately measure and identify inequities. MassHealth is also using its innovative Flexible Services Program to improve access to services and programs addressing social determinants of health that are a major contributor to health outcomes—such as having access to stable housing and healthy food.¹³ As a program that serves large numbers of people of color across the Commonwealth, MassHealth must be at the center of conversations about advancing health equity for historically marginalized populations.

Having health insurance through MassHealth brings a broad spectrum of benefits to individuals and families in terms of their overall well-being. It advances access to preventive care, improves overall health, and enhances economic security.

Increasing access to preventive care. Individuals enrolled in MassHealth are more likely than those who are uninsured to have a reliable source of care. A recent study of the impact of the 2006 health care reform in Massachusetts on current utilization patterns found that between 2006 and 2018, the share of adults in Massachusetts reporting an emergency department visit over the past year fell from 46.6 percent to 36.7 percent among lower-income adults, indicating that most individuals covered by MassHealth and related coverage expansions had identified a reliable and consistent source of care.¹⁴ A national study found that adults and children covered by Medicaid had significantly better access to care and preventive services than those without health coverage. This trend is especially visible in Massachusetts. After the 2006 health care reform, Massachusetts residents experienced increases in rates of cervical cancer screening (2.3 percent), cholesterol testing (1.4 percent), and colonoscopies (5.5 percent).¹⁵

Improving health outcomes. Enrollment in MassHealth improves the health outcomes of individuals it serves. A study of a select number of states found that the expansion of Medicaid coverage was associated with a reduction in all-cause mortality for adults.¹⁶ Another study found that Medicaid expansion was associated with lower rates of physical and behavioral health declines among adults.¹⁷ Massachusetts has also seen the positive effect that expanding MassHealth coverage has on health outcomes. For example, expansion of MassHealth and other coverage in the 2006 health care reform in Massachusetts was associated with improvements in body mass index and an increase in the proportion of individuals reporting “excellent” or “very good” health. These gains were most significant among racial and ethnic minorities, women, and the elderly—populations that have historically not had equitable access to stable health coverage.¹⁸ Massachusetts children also experienced improvements as a result of the MassHealth expansion and other reforms in 2006. In fact, it reduced the probability that a child had an emergency room visit by more than 8 percent and increased the probability that a child’s health was described as “excellent” by nearly 6 percent.¹⁹

Reducing financial instability. MassHealth coverage increases household financial stability for those it serves, compared with those without health insurance, and it helps to provide families with financial protection from the high cost of medical bills. For

example, people with incomes above the MassHealth income cutoff are far more likely to report that their current health insurance coverage offers only “poor” or “fair” protection against high medical bills, compared with people with incomes below the MassHealth income cutoff.²⁰ Nationally, we know that low-income households with Medicaid spend a smaller portion of their annual budget on health care than do non-Medicaid households (1 percent vs. 6 percent, respectively).²¹ Similarly, on a national scale, low-income households without Medicaid spend a smaller share of their budget on food (19 percent vs. 24 percent) and housing (37 percent vs. 44 percent) than do Medicaid households, suggesting that in low-income non-Medicaid households, health care spending may crowd out spending on other necessities.²² Expansion of Medicaid coverage has been associated nationwide with increased financial stability—especially related to debt reduction and improved credit. This shift is particularly apparent in Massachusetts. A recent study found that expanding access to MassHealth and other coverage in 2006 improved credit scores and reduced credit debt for individuals with past-due balances.²³

LOOKING AHEAD

Today, MassHealth is adapting and responding to the COVID-19 public health and economic crisis, filling an essential role as a safety-net insurer for all residents of the state—the same role it played during the 2007–2009 economic crisis and countless economic downturns before that. As businesses shuttered and unemployment rose during the COVID-19 pandemic, enrollment in MassHealth expanded. MassHealth is there to ensure that individuals and families can obtain the health care they need, including testing, treatment, and vaccines for COVID-19.

Looking ahead past the current crisis, MassHealth will continue to provide a stable source of health insurance coverage to a significant portion of Massachusetts residents, keeping coverage rates in the state high. And as an insurer that covers large numbers of people of color in Massachusetts, MassHealth will be an important policy lever for policymakers and administrators as they seek ways to improve health equity for communities of color and other historically marginalized populations. Most critically, MassHealth will continue to improve the health, livelihood, and overall well-being of its members, and promote health equity.

ENDNOTES

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- 2 Medicaid expansion in Massachusetts was coupled with other policies as part of a sweeping health reform initiative. The reform helped to provide insurance at no or low premiums for residents earning less than 150% and 300%, respectively, of the federal poverty level and mandated that employers with more than 10 full-time employees provide health insurance.
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- 4 MassHealth, “MassHealth Enrollment Snapshot Summary as of February 2021 Caseload”
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- 13 MassHealth was authorized by the Centers for Medicare & Medicaid Services to pay for health-related nutrition and housing supports for certain members enrolled in an Accountable Care Organization (ACO) through the Flexible Services Program. Beginning January 2020, ACOs started to provide health-related nutrition and housing supports to members directly or by connecting members to qualified community-based organizations. Additional information on MassHealth's Flexible Services Program is available at <http://www.mass.gov/doc/flexible-services-program-summary/download>.
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