



NEWS RELEASE

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Health Care Opinion Leaders: Medicaid Should Be Improved and Expanded to Cover More Low-Income Americans

Wide Majorities Favor Federal Funding to Expand Coverage, Simplifying Rules to Improve Continuity of Coverage

New York City, October 6, 2005—As states struggle with mounting Medicaid budgets and greater than ever need among their populations, the overwhelming majority of respondents to the latest [Commonwealth Fund Health Care Opinion Leaders survey](#) say that Medicaid is important to achieving many goals of the U.S. health care system, particularly in improving access to health care for those with low incomes. A majority who participated in the online survey of U.S. health care experts support policies to build on this important safety-net program to improve the nation's patchwork system of health insurance coverage.

Nearly all—95 percent—of respondents favor policies to simplify eligibility and reenrollment rules to improve continuity of coverage. A wide majority—85 percent—favor federal funding to expand coverage to all uninsured below 150 percent of the poverty level.

Majorities of respondents also endorse proposals to improve and expand coverage under the program, such as pay-for-performance to improve quality of care, requiring employers who don't offer health insurance to support Medicaid or the Children's Health Insurance Program (CHIP), and allowing anyone to buy in to these programs for a sliding scale premium.

Survey participants agree that "Medicaid needs to evolve in the near future in order to meet its goals," notes Commonwealth Fund President Karen Davis in a commentary, "[Medicaid: The Next 40 Years](#)," posted on the Fund's website. Davis says that "States have led the way in stretching limited health care dollars to strengthen their Medicaid programs and improve care for beneficiaries" through efforts such as care management strategies for beneficiaries with chronic conditions, drug purchasing pools to bargain for lower costs, and quality incentives to providers. She concludes that "With federal leadership and support, Medicaid, Medicare, and private employer-based coverage can make a seamless and affordable health care system for all Americans."

In a commentary on the survey findings, "[Medicaid: Health Care on the Front Lines](#)," Diane Rowland, executive director of the Kaiser Commission on Medicaid and the Uninsured, notes that "If the nation had universal health insurance coverage and provided long-term care coverage as part of Medicare's assistance to the elderly and disabled, Medicaid's future

sustainability would not be in question. But, in the absence of these broader solutions, we need to find ways to maintain and shore up, not dismantle or fray, Medicaid's safety net."

In another commentary, "[Medicaid: Modest Steps on the Road to Reform](#)," Raymond C. Scheppach, executive director of the National Governors Association, notes that some argue that Medicaid will benefit by improving the efficiency of the entire health care system, through reforms such as "setting quality standards, creating price transparency, investing in technology, and developing additional policy solutions for the uninsured and long-term care population." Scheppach details incremental reforms that would "create a fairer and somewhat more cost-effective system that would buy time in the hope that more comprehensive health reform could follow."

In a third commentary, "[Close-Up on California: A Look at the Medi-Cal Program](#)," Sandra Shewry, director of California's State Department of Health Services, notes that her state faces challenges in meeting the needs of the more than 6.8 million residents who rely on its Medicaid program, pointing to "widespread use of electronic health records and other changes in provider payment practices that will improve our ability to track health outcomes and service patterns and address health disparities."

Majorities of the 252 survey respondents said Medicaid has accomplished several specific goals:

- An overwhelming majority (92%) said Medicaid has been important in improving access to health care for the low-income population (44% extremely important; 32% very important; 16% important).
- A wide majority (91%) said Medicaid has been important in improving accessibility to nursing home and home care for the elderly and disabled (45% extremely important; 30% very important; 16% important).
- A wide majority (90%) also said Medicaid has been important in insuring high risk populations such as those with HIV/AIDS, special needs children, or disabled adults for whom private insurance is unavailable or missing key benefits (44% extremely important; 30% very important; 16% important).
- Over three-fourths (77%) said Medicaid is important to increasing financial stability of health care providers serving the poor and uninsured (23% extremely important; 27% very important; 27% important).
- Two-thirds (66%) said Medicaid has been important in helping to finance high-cost community hospital resources such as trauma, burn care, and emergency care (12% extremely important; 19% very important; 35% important).

By large majorities, respondents endorsed several policy proposals for Medicaid:

- Nearly all (95%) favor simplifying eligibility and reenrollment rules to improve continuity of coverage (67% strongly favor; 27% favor).
- A large majority (85%) favor federal funding to expand coverage to all uninsured below 150% of the poverty level (49% strongly favor; 35% favor).
- More than three-quarters (77%) favor having the federal government assume responsibility for paying Medicare premiums and cost sharing for low-income

elderly and disabled with incomes below 135% of poverty level who qualify for Medicaid (35% strongly favor; 42% favor).

- More than three-quarters (77%) also favor moving Medicare and CHIP toward pay-for-performance payment incentives—rewarding providers and plans for delivering appropriate, high-quality care (31% strongly favor; 46% favor).
- Nearly three-quarters (73%) favor requiring employers that do not offer health benefits to pay into a pool to help support Medicaid/CHIP expansion to low-income workers and assist in enrolling low-wage workers (33% strongly favor; 40% favor).
- Seventy percent favor letting anyone buy coverage through Medicaid or CHIP by paying a sliding scale premium, e.g., up to 5% of income below twice the federal poverty level, and up to 10% of income above that (20% strongly favor; 50% favor).
- Three-fifths (61%) favor permitting benefit designs for beneficiaries with incomes above 100% of poverty level that include some premium or cost-sharing not to exceed 5% of income (19% strongly favor; 42% favor).

Two-thirds (66%) of respondents oppose a proposal to cap total federal funds per covered beneficiary and allow states greater flexibility regarding benefit design (30% oppose; 37% strongly oppose).

The online survey of experts, representing a range of health care sectors and diverse perspectives, is the fifth in a bimonthly series conducted by Harris Interactive® for the Commonwealth Fund, designed to highlight leaders' perspectives on the most important and timely health policy issues facing the nation. This survey focused on the rating the success of Medicaid as well as specific aspects of the program.

Methodology: The online survey was conducted by Harris Interactive® between August 8, 2005 and August 29, 2005. The survey was delivered via e-mail to a panel of 1281 opinion leaders in health policy and innovators in health care delivery and finance; 252 responded. The sample was developed jointly by The Commonwealth Fund and Harris Interactive by identifying experts across different health care industries and professional sectors with a range of perspectives, and then asking them to nominate others within and outside their own fields whom they would consider to be leaders and innovators in the health care industry. The data were not weighted and are representative of the opinion leaders and innovators surveyed. The overall results have a sampling error of plus or minus 6 percentage points at the 95 percent confidence level. This online sample is not a probability sample.

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