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## Medicaid Expansion Has Helped Narrow Racial Disparities in Health Coverage and Access to Care

By Jesse Cross-Call

The Affordable Care Act's (ACA) Medicaid expansion has helped narrow longstanding disparities in health coverage and access to care for people of color, and preliminary evidence suggests it is also improving their health outcomes. The 36 states (plus the District of Columbia) that have implemented expansion have made the greatest progress in increasing health coverage since the ACA's major coverage provisions took effect in 2014, and these states have narrowed the gaps in uninsured rates between Black and Hispanic people and white people far more than states that haven't expanded.

Expansion — which provides coverage to non-elderly adults with incomes below 138 percent of the poverty line (about \$17,600 for a single adult) — has given Medicaid coverage to over 12 million people. With people of color experiencing especially large coverage gains, expansion states are also in a better position to respond to the higher COVID-19 infection and mortality rates that Black and Hispanic people and American Indians and Alaska Natives are facing in many places.

If the remaining states implemented expansion, at least 4 million additional uninsured adults would become eligible for Medicaid coverage, likely more due to the recession. Of these, nearly 60 percent are people of color.

But progress achieved through expansion to date and the potential for further gains are in jeopardy. The Trump Administration and 18 state attorneys general are asking the Supreme Court to strike down the entire ACA, including the Medicaid expansion. That would cause more than 21 million people to lose their health coverage, with particularly large losses in expansion states, where the number of uninsured people would more than double. The burden would fall disproportionately on people of color: more than 1 in 10 American Indians and Alaska Natives and nearly 1 in 10 Black people and 1 in 10 Hispanic people would lose coverage, compared to about 1 in 14 white people, according to Urban Institute projections.<sup>1</sup>

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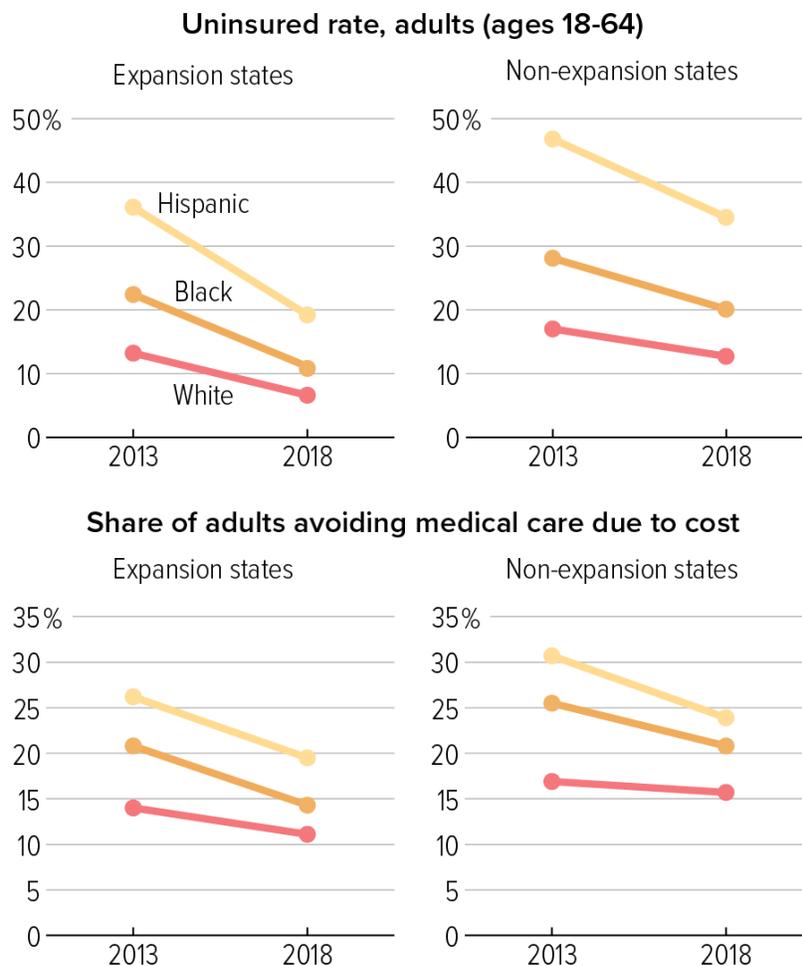
<sup>1</sup> Linda J. Blumberg *et al.*, "The Potential Effects of a Supreme Court Decision to Overturn the Affordable Care Act: Updated Estimates," Urban Institute, October 15, 2020, <https://www.urban.org/research/publication/potential-effects-supreme-court-decision-overturn-affordable-care-act-updated-estimates>.

## Expansion Reduced Racial Disparities in Health Coverage, Access, and Outcomes

Racism, economic and health system inequities, limitations on immigrants' eligibility for Medicaid and other public health coverage, and numerous other factors have resulted in longstanding, harmful racial disparities in coverage, access to care, and health outcomes. Those disparities, while still significant, have narrowed since the ACA's major coverage provisions took effect in 2014. (See Figure 1.)

FIGURE 1

### Medicaid Expansion Reduced Racial and Ethnic Disparities in Both Coverage and Access to Care



Note: ACA = Affordable Care Act. Black and white racial categories exclude those identifying as Hispanic; Hispanic can include any race.  
 Source: Census' 2013 and 2018 American Community Surveys (uninsured rate), and Commonwealth Fund (share avoiding care)

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The gap in uninsured rates between white and Black adults shrunk by 51 percent in expansion states (versus 33 percent in non-expansion states), while the gap between white and Hispanic adults

shrunk by 45 percent in expansion states (27 percent in non-expansion states).<sup>2</sup> Medicaid expansion has also helped lower uninsured rates among American Indians and Alaska Natives. Their non-elderly adult uninsured rate fell from 31 percent in 2013 to 20 percent in 2017 in expansion states, while declining only slightly in non-expansion states.<sup>3</sup>

Of the uninsured people who could gain coverage through expansion in the remaining non-expansion states, nearly 60 percent are people of color. Hispanic people account for 29 percent of those who stand to gain and Black people 23 percent, according to Kaiser Family Foundation estimates.<sup>4</sup> In the non-expansion states of Texas, Mississippi, Georgia, Florida, and South Dakota, more than half of those who could gain coverage are people of color. (See Figure 2 for estimates by state.)

The ACA, and particularly Medicaid expansion, has also helped narrow racial and ethnic disparities in access to care. For example, the gap between white and Black adults having trouble accessing care due to cost fell from 8.1 percentage points in 2013 to 4.7 points in 2018 and the gap between white and Hispanic adults fell from 12.7 percentage points to 8.3 points.<sup>5</sup> Among patients with cancer in expansion states, Black and Hispanic people experienced a larger drop in their uninsured rate than did other racial and ethnic groups.<sup>6</sup>

Research shows that Medicaid expansion is also improving health outcomes, including by reducing premature deaths.<sup>7</sup> While much of this research does not examine outcomes by race or ethnicity, the fact that expansion has helped narrow racial disparities in coverage, combined with evidence that gaining coverage through expansion improved health outcomes, suggests expansion can narrow disparities in health outcomes as well. Indeed, some preliminary evidence suggests expansion is improving health outcomes for people of color in particular. For example, a 2018 *JAMA* study found reductions in mortality from end-stage renal disease in expansion compared to non-expansion states, with particularly large improvements for Black people (who are at higher risk for kidney failure).<sup>8</sup> Another study found that, among all women, Medicaid expansion was associated

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<sup>2</sup> Jesse C. Baumgartner *et al.*, “How the Affordable Care Act Has Narrowed Racial and Ethnic Disparities in Access to Health Care,” Commonwealth Fund, January 16, 2020, <https://www.commonwealthfund.org/publications/2020/jan/how-ACA-narrowed-racial-ethnic-disparities-access>.

<sup>3</sup> Kaiser Family Foundation, “Health and Health Care for American Indians and Alaska Natives (AIANS) in the United States,” May 10, 2019, <https://www.kff.org/infographic/health-and-health-care-for-american-indians-and-alaska-natives-aians/>.

<sup>4</sup> Kaiser Family Foundation, “Who Could Medicaid Expansion Reach in All States?” January 23, 2020, <http://files.kff.org/attachment/fact-sheet-medicaid-expansion-US>.

<sup>5</sup> Baumgartner *et al.*, *op. cit.*

<sup>6</sup> Madeline Guth, Samantha Artiga, and Olivia Pham, “Effects of the ACA Medicaid Expansion on Racial Disparities in Health and Health Care,” Kaiser Family Foundation, September 30, 2020, <https://www.kff.org/report-section/effects-of-the-aca-medicaid-expansion-on-racial-disparities-in-health-and-health-care-issue-brief/>.

<sup>7</sup> Sarah Miller *et al.*, “Medicaid and Mortality: New Evidence from Linked Survey and Administrative Data,” National Bureau of Economic Research Working Paper 26081, August 2019, <https://www.nber.org/papers/w26081>.

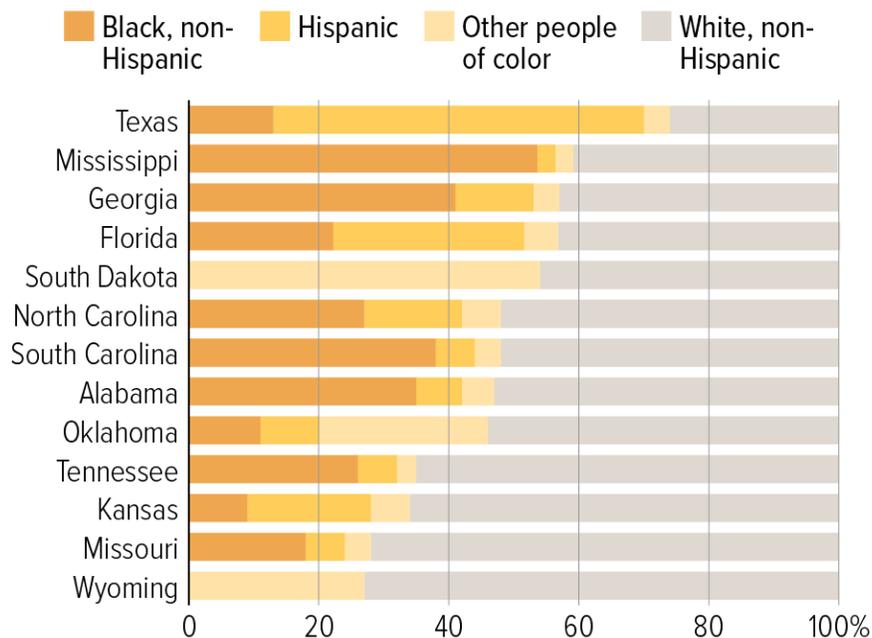
<sup>8</sup> Shailender Swaminathan, Benjamin D. Sommers, and Rebecca Thorsness, “Association of Medicaid Expansion With 1-Year Mortality Among Patients With End-Stage Renal Disease,” *JAMA Network*, December 4, 2018, <https://jamanetwork.com/journals/jama/fullarticle/2710505>.

with 7 fewer maternal deaths per 100,000 live births than in non-expansion states. Black women experienced 16 fewer deaths per 100,000 live births in expansion states than in non-expansion states, compared to 6 fewer among Hispanic women and 4 fewer among white women.<sup>9</sup> And in a survey of enrollees in Michigan’s Medicaid expansion, Black people reported the largest drop in the number of days of poor physical health of any racial or ethnic group.<sup>10</sup>

FIGURE 2

## Many Black, Hispanic People Would Benefit From Further State Medicaid Expansions

Share of uninsured adults who would become eligible for Medicaid, by race and ethnicity



Note: Estimates by subgroup are not available for South Dakota and Wyoming, so the “other people of color” category represents all people of color, including Black and Hispanic people.

Source: Kaiser Family Foundation based on 2018 Census Bureau data

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<sup>9</sup> Erica L. Eliason, “Adoption of Medicaid Expansion Is Associated with Lower Maternal Mortality,” *Women’s Health Issues*, February 25, 2020, [https://www.whjournal.com/article/S1049-3867\(20\)30005-0/fulltext](https://www.whjournal.com/article/S1049-3867(20)30005-0/fulltext).

<sup>10</sup> Minal R. Patel, Renuka Tipirneni, and Edith C. Kieffer, “Examination of Changes in Health Status Among Michigan Medicaid Expansion Enrollees From 2016 to 2017,” *JAMA Network*, July 10, 2020, <https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2768102>.

## Expansion States Can Better Address COVID-19 Crises' Disproportionate Impact on People of Color

These improvements in coverage and access to care are all the more crucial during the COVID-19 pandemic and economic crisis.

Infection rates and deaths in most states are higher among Black and Hispanic people and American Indians and Alaska Natives, available data show. Black people make up a disproportionate share of known COVID-19 cases in 44 out of 50 states (including D.C.) reporting such data; Hispanic people make up a disproportionate share in 45 of 46 states reporting the relevant data; and American Indians and Alaska Natives make up a disproportionate share in 17 of 37 states.<sup>11</sup> Overall the share of Black people in the United States who have died from COVID-19 is more than twice the share of white people and Asian people, and death rates for Indigenous people, Pacific Islanders, and Latino people are also particularly high.<sup>12</sup>

Medicaid expansion provides health insurance coverage for many people with underlying health conditions or demographic characteristics that make them more likely to get seriously ill if they contract COVID-19. For example, among non-elderly adults with incomes below \$25,000 a year, over 34 percent of American Indians and Alaska Natives and 27 percent of Black people have an underlying health condition like heart disease, asthma, or diabetes that makes them more likely to get seriously ill, compared to 21 percent of all such adults.<sup>13</sup> Expansion is also a particularly important source of coverage for workers whose jobs put them at elevated risk of contracting COVID-19: 37 percent of low-income essential and front-line workers in expansion states have Medicaid coverage, compared to 15 percent in non-expansion states.<sup>14</sup>

In addition to the pandemic itself, the COVID-19 recession has hit people with low incomes and people of color especially hard. Nearly half of adults in lower-income households say they or someone in their household has lost a job or taken a pay cut due to COVID-19, according to an August Pew Research Center survey.<sup>15</sup> This includes 43 percent of Black, 47 percent of Asian, and 53 percent of Hispanic adults.

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<sup>11</sup> Kaiser Family Foundation, "COVID-19 Cases by Race/Ethnicity," accessed October 20, 2020, <https://www.kff.org/other/state-indicator/covid-19-cases-by-race-ethnicity/>.

<sup>12</sup> APM Research Lab, "The Color of Coronavirus: COVID-19 Deaths by Race and Ethnicity in the United States," accessed October 12, 2020, <https://www.apmresearchlab.org/covid/deaths-by-race>.

<sup>13</sup> Wyatt Koma *et al.*, "Low-Income and Communities of Color at Higher Risk of Serious Illness if Infected with Coronavirus," Kaiser Family Foundation, May 7, 2020, <https://www.kff.org/coronavirus-covid-19/issue-brief/low-income-and-communities-of-color-at-higher-risk-of-serious-illness-if-infected-with-coronavirus/>.

<sup>14</sup> We define essential and front-line workers as people with jobs that may require them to show up for work during the pandemic regardless of stay-at-home orders or other restrictions, such as hospital workers, home health aides, food manufacturers, grocery store workers, farm workers, pharmaceutical manufacturers and pharmacy workers, bus drivers and truck drivers, and warehouse workers. For more information, see Matt Broaddus, "5 Million Essential and Front-Line Workers Get Health Coverage Through Medicaid," Center on Budget and Policy Priorities, August 4, 2020, <https://www.cbpp.org/blog/5-million-essential-and-front-line-workers-get-health-coverage-through-medicaid>.

<sup>15</sup> Kim Parker, Rachel Minkin, and Jesse Bennett, "Economic Fallout From COVID-19 Continues To Hit Lower-Income Americans the Hardest," Pew Research Center, September 24,

During the Great Recession, Black people saw an especially sharp rise in uninsured rates, and both Black and Hispanic people saw a disproportionate increase in the share of people unable to access needed care due to cost.<sup>16</sup> In expansion states, this recession is different from the last one in that most newly uninsured adults and others seeing large drops in income are eligible for Medicaid coverage. But non-expansion states will likely see uninsured rate rises more similar to past recessions.

## **Repeal of ACA and Medicaid Expansion Would Worsen Racial Disparities**

Next month, the Trump Administration and 18 state attorneys general will argue before the Supreme Court to strike down the entire ACA. While the legal arguments against the law are extremely weak, the stakes of repeal are enormous: over 21 million people would lose their health coverage, disproportionately harming people of color.<sup>17</sup> Urban Institute researchers project that, among non-elderly people in 2022, ACA repeal would cause more than 1 in 10 American Indians and Alaska Natives and nearly 1 in 10 Black people and nearly 1 in 10 Hispanic people to lose coverage, compared to about 1 in 14 white people.<sup>18</sup> Such coverage losses would bring the number of uninsured to about 1 in 4 American Indians and Alaska Natives, 1 in 5 Black people, and nearly 1 in 3 Hispanic people. (See Figure 3.) And coverage losses could be even larger in 2021, before the economic crisis caused by the pandemic starts to subside.

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2020, <https://www.pewsocialtrends.org/2020/09/24/economic-fallout-from-covid-19-continues-to-hit-lower-income-americans-the-hardest/>.

<sup>16</sup> National Health Interview Survey data show that the uninsured rate for Black people rose by 24 percent between 2007 and 2010, compared to a 9 percent increase for white people. While the uninsured rate for Hispanic people did not rise disproportionately, the share of Hispanic people skipping needed care due to cost rose 23 percent. That share rose 45 percent for Black people and 13 percent for white people.

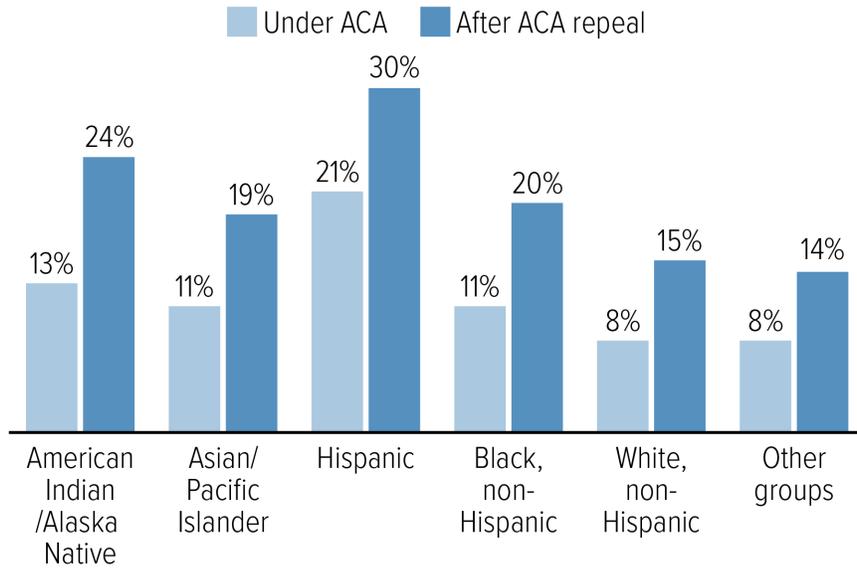
<sup>17</sup> Tara Straw and Aviva Aron-Dine, “Commentary: ACA Repeal Even More Dangerous During Pandemic and Economic Crisis,” Center on Budget and Policy Priorities, October 5, 2020, <https://www.cbpp.org/health/commentary-aca-repeal-even-more-dangerous-during-pandemic-and-economic-crisis>.

<sup>18</sup> Blumberg *et al.*, *op cit*.

FIGURE 3

### ACA Repeal Would Cause Large Coverage Losses and Widen Racial Gaps

Uninsured rate among non-elderly people, projected for 2022



Note: ACA=Affordable Care Act

Source: Urban Institute