

# Medicaid Expansion in Michigan

## Findings from the First Five Years of the Healthy Michigan Plan

### Background

The Healthy Michigan Plan (HMP), Michigan's Medicaid expansion program, began providing coverage to adults with incomes up to 133% of the Federal Poverty Level (FPL) on April 1, 2014. The number of individuals enrolled in HMP fluctuates on a monthly basis; more than 1 million Michigan residents have enrolled in the program since its inception.

HMP enrollees are encouraged to complete an annual Health Risk Assessment (HRA) to discuss health risks and goals with their primary care provider (PCP) and earn financial incentives for completing an HRA or engaging in healthy behaviors. Enrollees with incomes above 100% of the FPL pay a contribution of 2% of their household income. Some services have copays. Enrollees receive MI Health Account statements which include information about their health care utilization and cost-sharing.

The University of Michigan Institute for Healthcare Policy & Innovation (IHPI) has been conducting an independent evaluation of HMP for the Michigan Department of Health and Human Services and the Centers for Medicare and Medicaid Services. This effort is led by IHPI director John Z. Ayanian, M.D., M.P.P., along with an interdisciplinary team of researchers across multiple departments at the University of Michigan. This brief highlights findings on the impact of HMP in its first 5 years.

### The evaluation examined the effect of HMP on:

- Uninsurance
- Uncompensated care
- Access to care
- Preventive services
- Health behaviors
- Health outcomes
- Financial well-being

The evaluation also assessed the unique features of HMP including HRAs, cost-sharing, and MI Health Accounts.

### DATA SOURCES



Longitudinal surveys  
of enrollees



Survey of primary  
care providers



Administrative  
data



CMS hospital  
cost report data



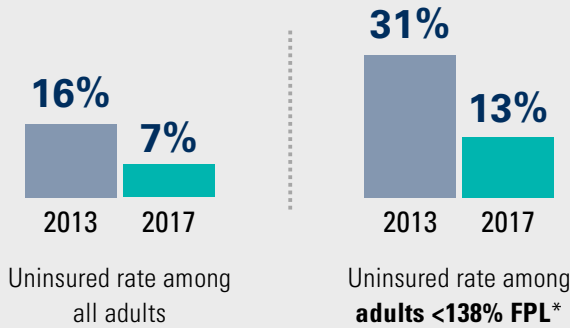
American  
Community Survey

For more information about the Healthy Michigan Plan Evaluation, **visit [ihpi.umich.edu](http://ihpi.umich.edu)**  
or contact the evaluation team at [IHPImedicaid@umich.edu](mailto:IHPImedicaid@umich.edu)

## Uninsurance

The percentage of adults in Michigan who were uninsured decreased.

Increases in coverage were largest among **lower income** Michiganders, many of whom were eligible for HMP.



Source: Report on Reduction in the Number of Uninsured  
\*Includes 5% income disregard

## Uncompensated care

HMP coverage resulted in a decrease in uncompensated care for Michigan hospitals.



**90%** of MI hospitals experienced a decline in uncompensated care

**\$7.8M**  
FY 2013



**\$3.8M**  
FY 2016

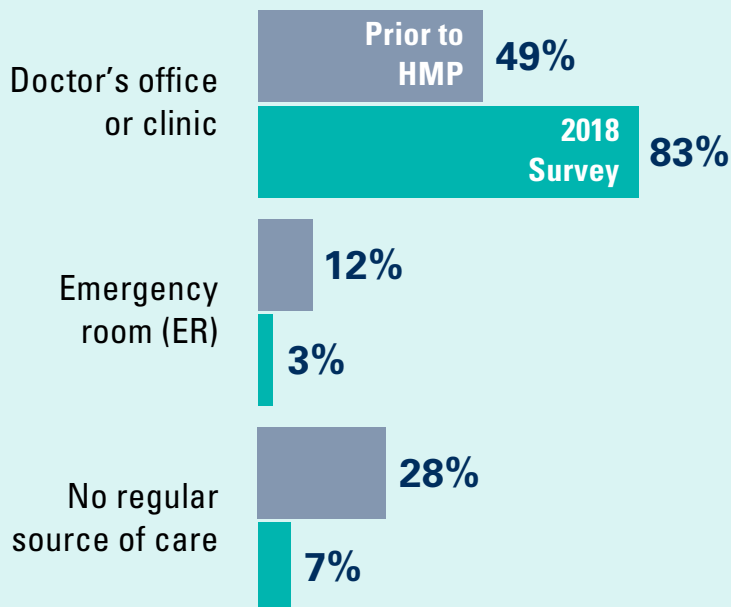
per hospital, on average

Source: Report on Hospital Uncompensated Care

## Access to care

Access to care improved with enrollment in HMP.

Enrollees were more likely to have a regular source of care that was a doctor's office or clinic after enrolling in HMP.



**85%** reported a PCP visit in the previous year



**48%** had a dental visit in 2018

"[Those] that weren't otherwise qualified for [Medicaid] before... get help now, and we're able to find the conditions that they have never been able to get tested for before and treat them for it."  
- PCP in small private practice



**30%** had a chronic condition newly diagnosed after enrolling in HMP

Fewer enrollees reported an ER visit in the previous year

**38%** → **33%**  
2016 → 2018

Source: Primary Care Practitioners' Views of the Impact of the Healthy Michigan Plan; 2018 Healthy Michigan Voices Cohort II Survey Report; 2018 Healthy Michigan Voices Second Follow-Up Survey Report

# Preventive services & health behaviors

**Most enrollees received at least one preventive service and many reported positive changes in their health behaviors over time.**

- 84%** received a preventive service over the 2 year study period
- 67%** increased or maintained healthy exercise frequency from 2016 to 2018
- 73%** increased or maintained healthy fruit and vegetable consumption from 2016 to 2018

"I've really been trying to get myself together, keep my body in shape, keep myself healthy... Before I got on the Healthy Michigan Plan... I was 240 pounds. Right now, I'm 175 pounds."  
*– HMP enrollee*

**Most PCPs reported HMP had a positive impact on their previously uninsured patients.**



Source: Report on Health Behaviors, Utilization, and Health Outcomes in the Healthy Michigan Plan; Primary Care Practitioners' Views of the Impact of the Healthy Michigan Plan; 2018 Healthy Michigan Voices Second Follow-Up Survey Report

## Health outcomes

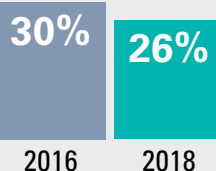
**Enrollees' health improved after HMP enrollment and over time.**

Since enrolling in HMP...

- 48%** reported improved physical health
- 38%** reported improved mental health
- 40%** reported improved dental health

"I have personally gotten better since being able to seek help for my mental issues... I'm happier. I'm more able to work. I can function."  
*– HMP enrollee*

Fewer enrollees reported **fair or poor health** in 2018 compared to 2016.



## Financial well-being

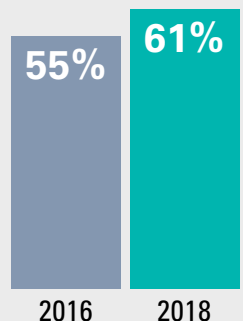
**Enrollees' employment and financial well-being improved after HMP enrollment and over time.**



**36%** had problems paying medical bills in the 12 months prior to enrollment

**85%** of those said they had fewer problems paying medical bills since enrolling

A greater proportion of enrollees were **employed and/or a student** in 2018 compared to 2016.



Source: Report on the 2016 Healthy Michigan Voices Enrollee Survey; 2018 Healthy Michigan Voices Second Follow-Up Survey Report

Source: 2018 Healthy Michigan Voices Cohort II Survey Report; 2018 Healthy Michigan Voices Second Follow-Up Survey Report

## Health risk assessment



**43%** said they completed an HRA



**88%** of those chose to work on a health behavior

### Among enrollees who reported completing an HRA:

**91%** said it motivated them to be more responsible for their health

**88%** said it helped their PCP better understand their health needs

**63%** said it taught them something they didn't know about their health

### HRA completion was associated with:

- ↑ Use of preventive services
- ↑ Use of copay-exempt medications to control a chronic condition
- ↓ Lower rate of ER visits
- ↓ Lower medical-surgical inpatient rate among those with chronic conditions



**30%** of all enrollees knew they could get a cost reduction if they completed an HRA

Most PCPs found HRAs useful for identifying and discussing health risks, encouraging patients to address their most important health risks, and documenting behavior change goals.

Source: Report on Health Behaviors, Utilization, and Health Outcomes in the Healthy Michigan Plan; Primary Care Practitioners' Views of the Impact of the Healthy Michigan Plan; 2017 Healthy Michigan Voices Follow-Up Survey Report; 2018 Healthy Michigan Voices Cohort II Survey Report; Report on the Impact of Cost Sharing in the Healthy Michigan Plan

## Cost-sharing & MI Health Account

**88%** agreed that the amount they pay overall for HMP **seems fair**

**89%** agreed that the amount they pay for HMP **is affordable**

"I've never paid any more than \$23/month to have [HMP]... I consider that pretty cheap to have health insurance... I can't complain at all... what I pay a month in premiums is well worth knowing that I have insurance." – HMP enrollee

**51%** were billed for contributions or copays

**\$16.85** average quarterly amount for those who were billed



**76%** knew that some visits, tests, and medicines have no copays

**40%** with income >100% FPL knew that contributions are charged monthly regardless of health care use

**14%** knew that they could not be disenrolled from HMP for failure to pay their bill

**\$ 88%**

of enrollees who reported receiving a MI Health Account statement agreed that it **helped them be more aware of the cost of health care**

Source: Report on the 2016 Healthy Michigan Voices Enrollee Survey; Report on the Impact of Cost Sharing in the Healthy Michigan Plan