

Spillover Effects of Community Uninsurance on Working-Age Adults and Seniors

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Executive Summary

It is estimated that the Patient Protection and Affordable Care Act (ACA) will result in about three-fourths of the 48 million Americans who are currently uninsured gaining coverage by 2014. In addition, through changes in provider payments, policies that reward quality of care, and investments in disease prevention and health promotion, for example, the ACA will directly affect the health care that Americans who are currently insured receive. But, less well recognized is the potential *indirect* effect, on health care among the insured population, of the dramatic shift in health insurance coverage among the nation's uninsured.

With funding from the Robert Wood Johnson Foundation (RWJF), researchers José J. Escarce (UCLA and RAND) and Carole Roan Gresenz (RAND) conducted analyses of data from the Medical Expenditure Panel Survey (MEPS) to estimate the "spillover" effects of community uninsurance on the health care received by insured individuals. Previous studies have suggested such a relationship, but those studies did not account for unmeasured dimensions of health status or preferences for care that could be related both to how much care people in a community use, and their demand for health insurance coverage. The new work uses analytic techniques to ensure the validity of the findings, and examines the generalizability of the findings by exploring the effects of community uninsurance on both working-age adults with private insurance and Medicare enrollees.

The UCLA-RAND team found widespread evidence of adverse effects of a higher community uninsurance rate on access to, and satisfaction with, health care among insured persons. Key findings include the following:

- Privately insured, working-age persons who resided in areas with a high rate of uninsurance were less likely than their peers in areas with a low uninsurance rate to have a usual source of care, an office-based visit, and any medical care expenditures.
- Privately insured persons in areas with a high uninsurance rate were also more likely to report having difficulty getting needed care, and were less satisfied with their care.
- Seniors with Medicare coverage who resided in areas with a high rate of uninsurance were more likely than their counterparts in areas with a low uninsurance rate to report difficulty getting needed care, as well as unmet need for prescription drugs.
- Seniors in high uninsurance rate areas also reported lower satisfaction with their care and rated their care less favorably.

The results of this study suggest that the problem of the uninsured affects not only the health care of those in the U.S. who lack coverage, but the health care of all Americans, regardless of the status of their insurance coverage. By extension, ACA provisions to reduce the number of uninsured Americans are likely to result in improved health care among both the uninsured and the insured.