Spillover Effects of the Affordable Care Act on Medicare Beneficiaries

Carmen Lehnigk SC-BI Fellowship 25 July 2018



My Question

What, if any, spillover effects did elderly Medicare beneficiaries experience as a result of the Affordable Care Act insuring more nonelderly through the marketplaces?

Motivation

Multi-payer systems can create spillover



My Contribution

First Virginia county-level study examining spillover to Medicare beneficiaries from the ACA

Focusing on hospitalization outcomes

Exploiting county-level variation in uninsurance rates to show the intensity of the ACA's effect & create a natural experiment

Methods

- Fixed county level effects in multivariate regressions
- Panel data

 Key explanatory variable: uninsXpost uninsXpost = unins2013 * POST

"Virginia Health Information (VHI) has provided non-confidential patient level information used in this study which it has compiled in accordance with Virginia law but which it has no authority to independently verify. By using this study, the user agrees to assume all risks that may be associated with or arise from the use of inaccurate data. VHI cannot and does not represent that the use of VHI's data was appropriate for this study or endorse or support any conclusions or inferences that may be drawn from the use of VHI's data."

Results

| Variable | uninsXpost (County/Year/Quarter) | uninsXpost (County/Year) | uninsXpost (Discharge) |
|---|-------------------------------------|-----------------------------|---------------------------|
| Rate of elderly Medicare hospitalizations | 0.00013 | 0.00251* | n/a |
| Rate of non-elective elderly Medicare hospitalizations | 0.00008 | 0.00118 | n/a |
| Rate of elective elderly Medicare hospitalizations | 0.00005 | 0.00081 | n/a |
| Rate of emergency department visits among elderly Medicare patients | n/a | -0.00270 | n/a |
| Log of Medicare total charges | 0.0108*** | 0.00665* | 0.00277 |
| Log of non-elective Medicare charges | 0.0134*** | 0.00685 | 0.00340 |
| Log of elective Medicare charges | 0.00914 | 0.00103 | -0.00133 |

Statistical significance: *** p<0.01, ** p<0.05, * p<0.1

Discussion & Conclusion

Overall increases in Medicare hospitalization volume & charges

No negative spillover

Thank you!

Questions?

clehnigk@email.wm.edu

