

# Should Expanding Coverage Drag Working Families Down, or Lift Them Up?

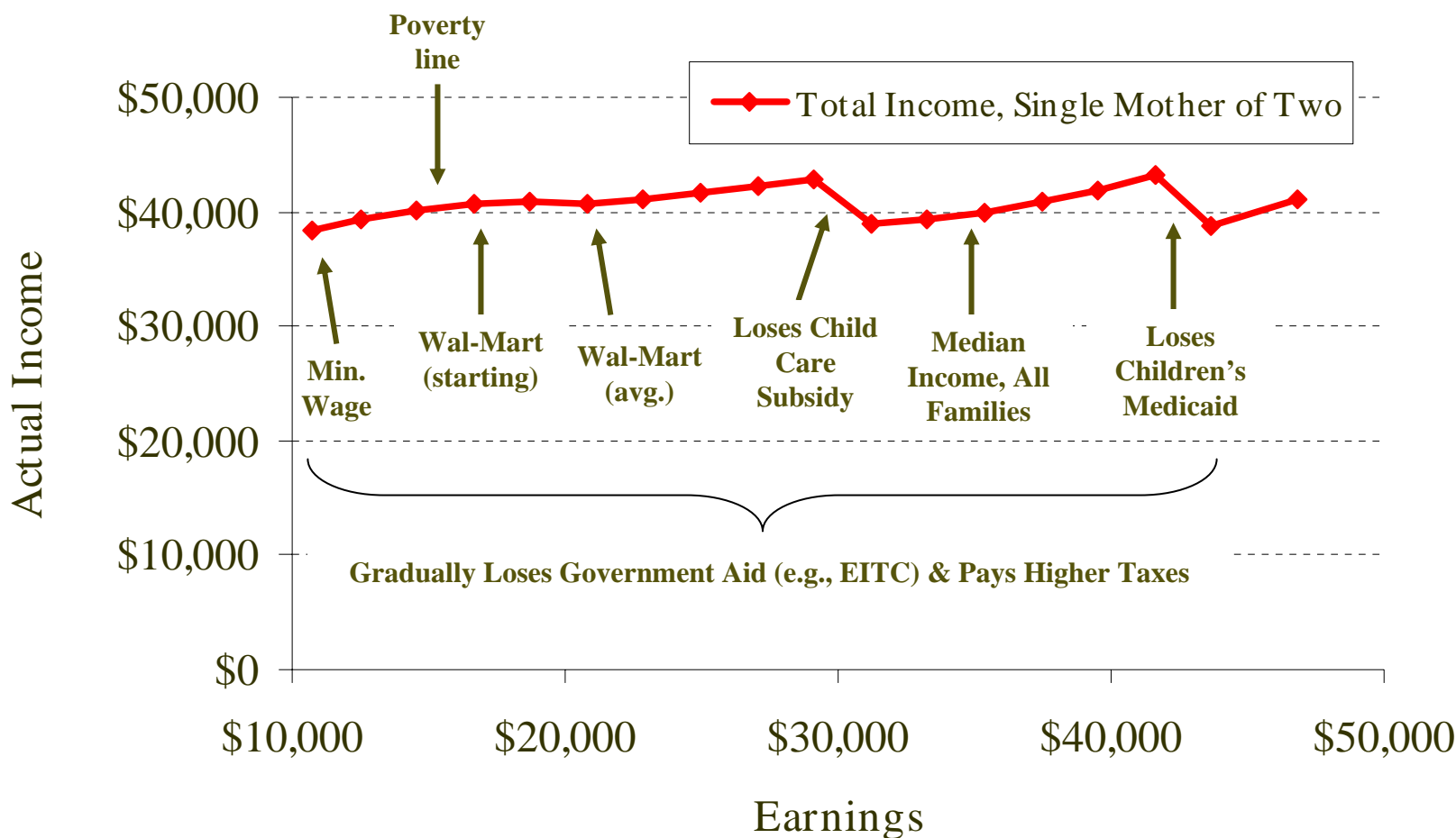
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Albuquerque, New Mexico  
December 8, 2006

# Expanding Medicaid

- Exacerbates “Low-Wage Trap”
- Makes private coverage & care less accessible
- Purchases little health for the money

# New Mexico's Low-Wage Trap



# *Crescit Eundo, Indeed*



# Medicaid Reduces Pvt. Options

- Expanding Medicaid “crowds out” private coverage
  - Employers less likely to offer/contribute
  - Employees less likely to enroll
  - Insurers less able to pool risk
- Increases prices for private purchasers
  - Cost-shifting? Or price discrimination?
  - Rx prices 13 percent higher

# Mandatory in New Mexico

## Covered Services

Alcoholism  
 Birthing Centers/Midwives  
 Bone Mass Measurement  
 Breast Reconstruction  
 Cervical Cancer/HPV Screening  
 Clinical Trials  
 Contraceptives  
 Diabetic Supplies  
 Drug Abuse Treatment  
 Emergency Services  
 Home Health Care  
 In Vitro Fertilization  
 Mammogram

Mastectomy  
 Mastectomy (Hospital) Stay  
 Maternity  
 Maternity (Hospital) Stay  
 Mental Health Parity  
 Newborn Hearing Screening  
 Off-label Drug Use  
 Other Infertility Services  
 PKU/Formula  
 Prostate Screening  
 TMJ Disorders  
 Well-Child Care

## Covered Providers

Acupuncturists  
 Chiropractors  
 Dentists  
 Lay Midwives  
 Nurse Anesthetists  
 Nurse Midwives  
 Nurse Practitioners  
 Optometrists  
 Osteopaths  
 Physical Therapists  
 Podiatrists  
 Psychologists

## Covered Persons

Adopted Children  
 Continuation/Dependents  
 Continuation/Employees  
 Conversion to Non-Group  
 Dependent Students  
 Handicapped Dependents  
 Newborns  
 Non-Custodial Children

# Health Insurance Regulations

- Mandated Benefits
  - New Mexico: 45
  - National average: 37
- Price controls
  - NM: modified “community rating”
  - Reduces coverage

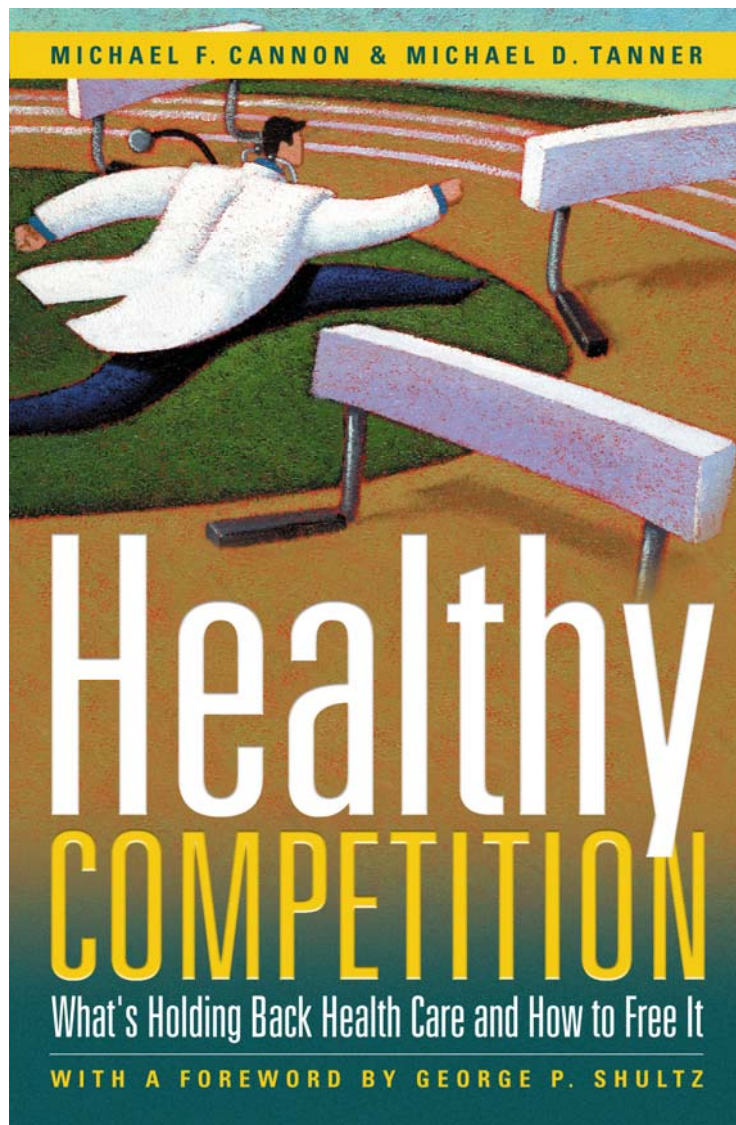
## Is Medicaid the Best Way?

It is clear that expanding health insurance is not the only way to improve health...Policies could also be aimed at factors that may fundamentally contribute to poor health, such as poverty and low levels of education. *There is no evidence at this time that money aimed at improving health would be better spent on expanding insurance coverage than on any of these other possibilities.*

Helen Levy and David Meltzer, Urban Institute, 2004

# Reforms Waiting for a Prince

- Health insurance free-trade zone
  - Affordability
    - 39 states have fewer mandates than NM
    - States w/fewer mandates and no price controls include Arizona, Colorado, Kansas
  - No low-wage trap
- Medicaid reform
- EMTALA reform



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