

## Connecticut Medicaid compared to other states – What the evidence says

June 4, 2024

Governor Lamont is [reportedly considering](#) a plan to have private insurance managed care plans (MCOs) run Connecticut's Medicaid program. From 1996 through 2011, Connecticut Medicaid was run by MCOs, and it was [deeply troubled](#). The program ended under pressure from advocates, providers, and legislators. Since the MCOs left Connecticut Medicaid, access and quality of care have improved, and the state has [saved billions of taxpayer dollars](#).

### Findings: How Connecticut Medicaid compares with other states now

Since removing MCOs, Connecticut's Medicaid program leads the nation, including comparable states, in cost control and is **among the best performing states on quality and access to care**.

**Connecticut spends far less of our state budget on Medicaid than other states, freeing up \$4 billion for other priorities.** Connecticut taxpayers benefit by paying one third the administrative costs of other states, most of which use MCOs to run their programs.

While keeping costs down and during a significant expansion in enrollment due to the Affordable Care Act (ACA), Connecticut Medicaid has not sacrificed the quality of care or members' access to needed care. In a comparison with New Jersey, a sociodemographic match and an MCO state, researchers found that **since removing MCOs, Connecticut Medicaid's rate of early cancer detection rose 4% and survival rose 8%**. New Jersey's rate did not change over the same years.

Federal quality of care data across dozens of core measures finds that **Connecticut is in the top quarter of state Medicaid programs for the majority of both child and adult quality measures**. Connecticut Medicaid members are less likely to miss care due to cost and more likely to have a personal doctor than members in other states.

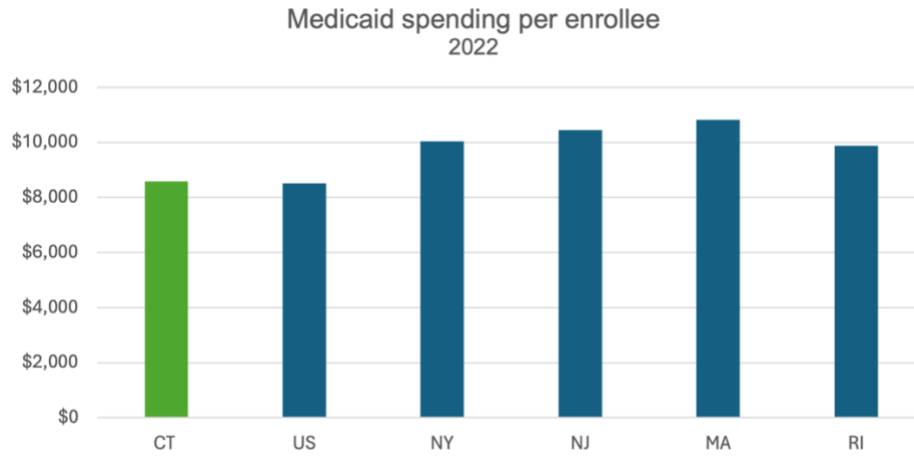
### Sources on costs of care:

In a [study](#) published in Health Affairs, **Connecticut Medicaid cost control was the best in nation**. Between 2010 and 2014, the average annual change in Connecticut's Medicaid per person costs **fell by 5.7%**, while the US average **rose by 1.2%**. Over the same years, Connecticut's private health insurance costs and Medicare were up 2.5% and 1.6% respectively.

According to [DSS's latest report](#) to Connecticut's Medicaid oversight council (MAPOC), **in 2021 Connecticut Medicaid spent only 2.75% on administration, compared to 8.5% national**

**average.** Other states' administrative spending is higher due to additional MCO administrative costs.

According to MACPAC, the federal Medicaid oversight agency, Connecticut's 2022 per person total spending (state and federal share) at \$8,585 was less than one percent above the national average (\$8,506). **Our per person spending was lower than comparable states by 15% to 26%.<sup>1</sup>**

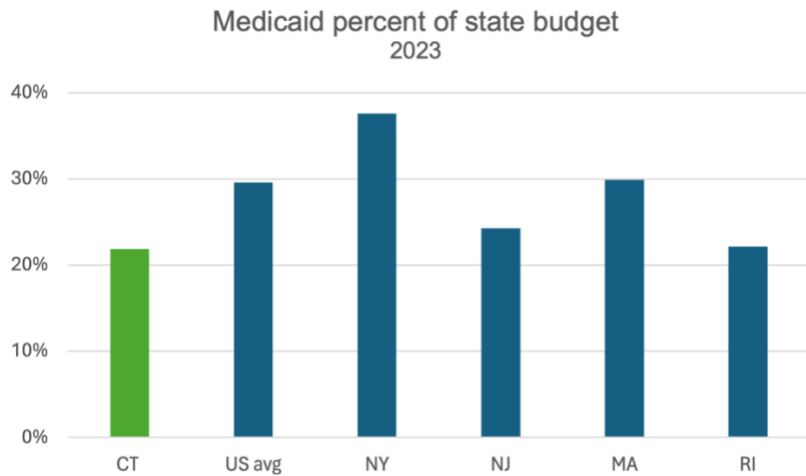


Source: MACStats, accessed 5/28/24, <https://www.macpac.gov/wp-content/uploads/2023/12/EXHIBIT-23.-Medicaid-Benefit-Spending-per-FYE-Enrollee-for-Newly-Eligible-Adult-and-All-Enrollees-by-State-FY-2022.pdf><sup>2</sup>

According to the National Association of State Budget Officers (NASBO), Connecticut spends less of our state budget on Medicaid than comparable states and the US average. Last year Connecticut spent only 21.9% of our state budget on Medicaid, well below the US average of 29.6% and below our comparable states. **Our lower Medicaid spending frees up \$3.96 billion in our budget compared to the US average for other priorities.**

<sup>1</sup> Information on spending by eligibility category and Long Term Services and Supports across states will be addressed in a forthcoming larger analysis by advocates.

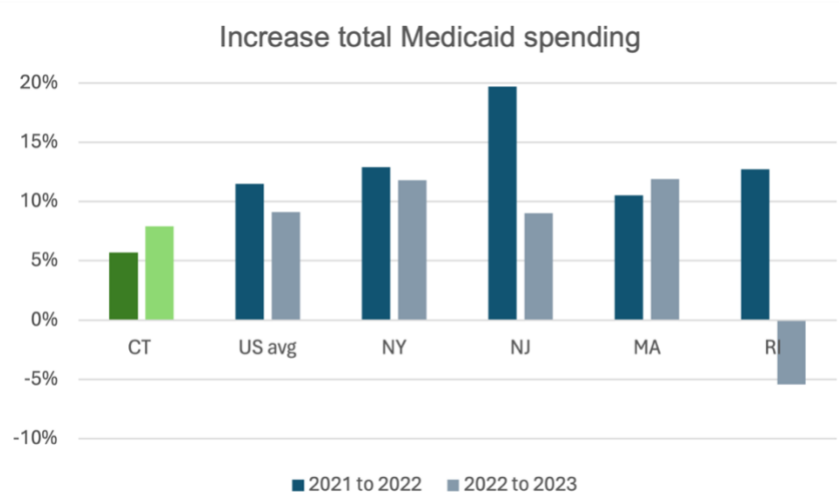
<sup>2</sup> For comparison purposes, Connecticut's measure is green in all charts.



Source: State Expenditure Report, NASBO, <https://www.nasbo.org/reports-data/state-expenditure-report>

It's important to note that Connecticut, like nine other states, is [reimbursed by the federal government](#) for 50% of our spending on the majority of Medicaid costs. Forty other states are reimbursed at higher levels, as high as 77%. New York, New Jersey and Massachusetts are also matched at 50%, but Rhode Island's matching rate will be 56.3% next year. (The variation in federal matching rates is based on state per capita income levels.) This variation increases Connecticut's state Medicaid spending burden compared to the US average and Rhode Island's.

Also according to NASBO, **Connecticut's trend in total spending (state + federal funds) is better than the US average or our comparable states.**



Source: State Expenditure Report, NASBO, <https://www.nasbo.org/reports-data/state-expenditure-report>

## Sources on quality and access to care:

P Sunkara, et al, Association of Medicaid Privatization With Patient Cancer Outcomes, *JCO Oncology Practice* (2024) 31:OP2300297

Researchers compared Connecticut and New Jersey Medicaid programs for rates of early-stage cancer diagnosis and survival for ten common solid cancers with documented disparities.

Connecticut Medicaid ended MCOs in 2012, while New Jersey continued MCOs into the present. The two states have similar sociodemographic profiles and similar cancer profiles before 2012.

**Since 2012, early-stage cancer diagnosis in Connecticut Medicaid increased 4% and survival increased by 8%. There was no change in New Jersey's Medicaid program.**

<https://pubmed.ncbi.nlm.nih.gov/38295328/>

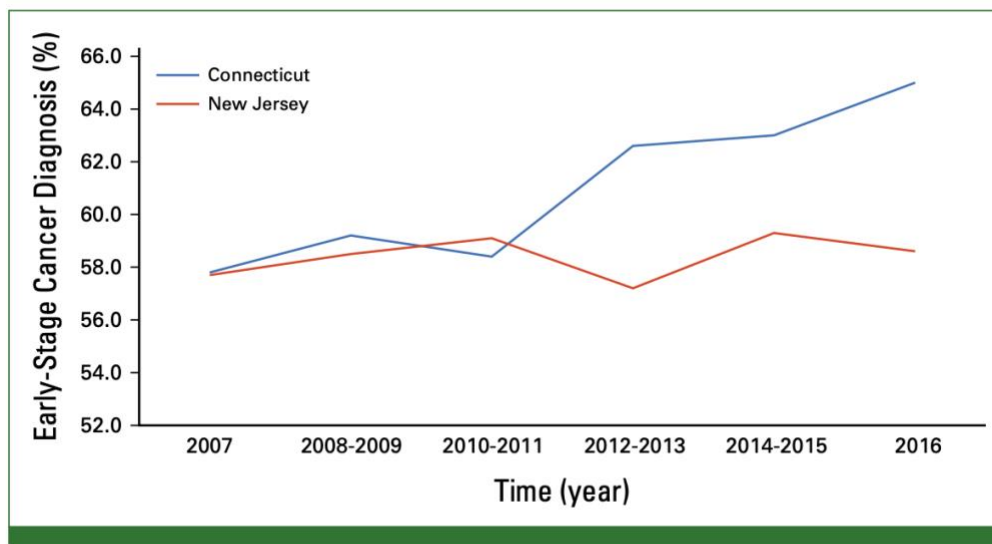


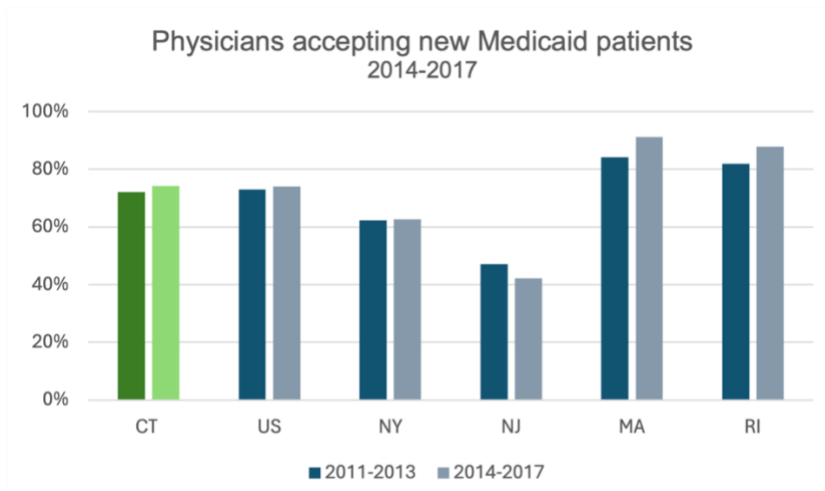
FIG 1. Early-stage change diagnoses over time.

(Shared with permission from the author)

According to [Medicaid.gov](https://www.ct.gov/medicaid) in 2022: (accessed 5/2/2024)

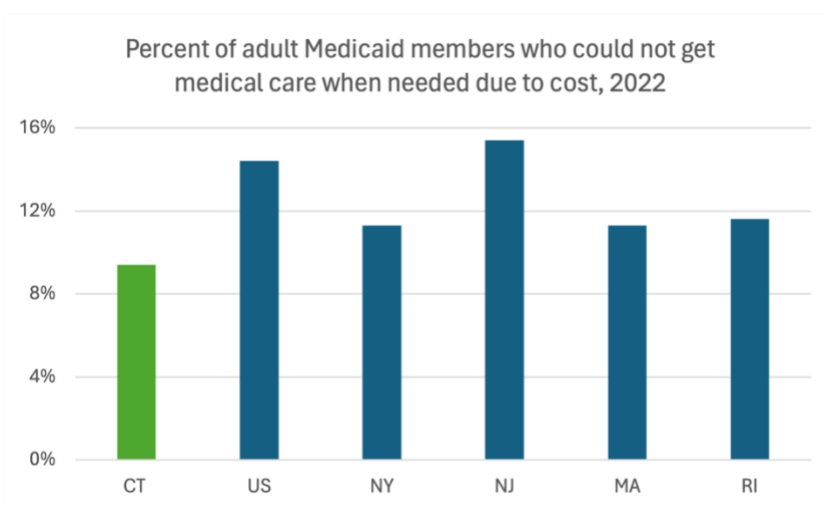
- 73.3% of Connecticut children and adolescents had a checkup, compared to 54.2% national average
- **Child health** -- Connecticut scored better than the national average in 16 of 22 priority child quality measures, Connecticut was in the top quarter of states for 13 of those measures
- **Adult health** -- Connecticut scored better than the national average in 20 of 28 priority adult quality measures, Connecticut was in the top quarter of states for 17 of those measures.

According to MACPAC, the percentage of physicians accepting new Medicaid patients is similar to the US average and comparable states. As most states and all our comparable states use MCOs, it is unlikely that adopting them would impact physician participation.



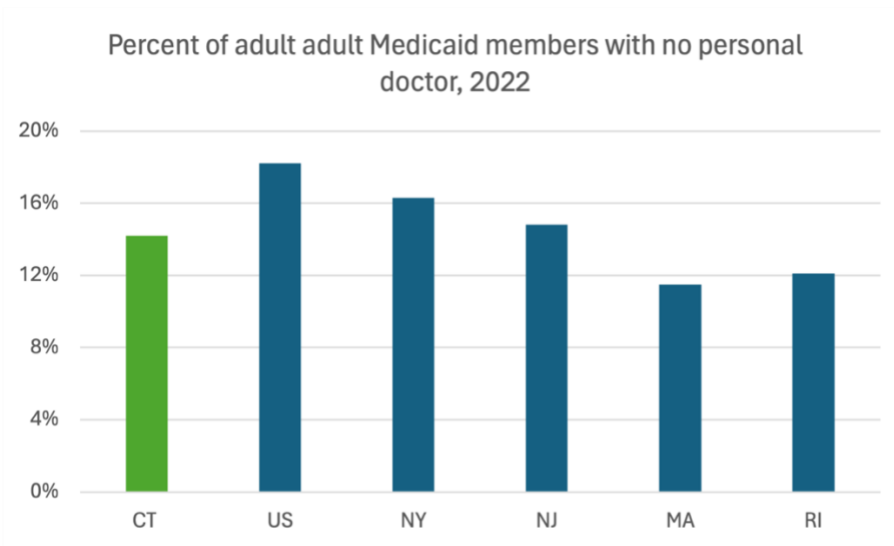
Source: Physician Acceptance of New Medicaid Patients: Findings from the National Electronic Health Records Survey, MACPAC, June 2021, <https://www.macpac.gov/wp-content/uploads/2021/06/Physician-Acceptance-of-New-Medicaid-Patients-Findings-from-the-National-Electronic-Health-Records-Survey.pdf>

According to the State Health Access Data Assistance Center (SHADAC) at the University of Minnesota, adult Connecticut Medicaid members are less likely to report an inability to access care due to cost than the US Medicaid average or members in comparable states.



Source: SHADAC State Health Compare, accessed 5/28/24, <https://statehealthcompare.shadac.org/landing/178/percent-of-adults-who-could-not-get-medical-care-when-needed-due-to-cost-by-total-2011-to-2022>

Also according to SHADAC, Connecticut adult Medicaid members are less likely than most US Medicaid members to report not having a personal doctor. We are similar to comparable states on this metric.



Source: SHADAC State Health Compare, accessed 5/28/24, <https://statehealthcompare.shadac.org/landing/310/percent-of-adults-with-no-personal-doctor-by-total-20212022>