New Georgetown University/UNC Report Finds State Decisions on Medicaid Expansion are Especially Important for Rural Residents

Small towns and rural areas saw more than three times as large a decline in low-income adult uninsured rates in Medicaid expansion states as compared to states that have not expanded Medicaid.

State decisions to expand Medicaid have paid off for residents of small towns and rural areas, according to a new report by Georgetown University’s Center for Children and Families and University of North Carolina’s NC Rural Health Project. States that expanded Medicaid saw more than three times as large a decline in the uninsured rates for low-income citizen adults living in rural areas and small towns than non-expansion states experienced for the period between 2008/09 and 2015/16. The uninsured rate for this population dropped sharply from 35 percent to 16 percent in rural areas and small towns in states that expanded Medicaid compared to a much smaller decline from 38 percent to 32 percent for states that have not expanded.

“Expanding Medicaid has had a very positive impact on small towns and rural communities,” Joan Alker, executive director of the Georgetown University Center for Children and Families and a Research Professor at the McCourt School of Public Policy. “Improved coverage rates typically translate to a more stable health care system and help rural areas and small towns maintain availability of health care providers in areas where shortages are all too common. Access to rural health providers is especially important to women of child-bearing age and those with chronic conditions such as asthma.”

Rural areas tend to have higher rates of uninsured people. As the report shows, in many Medicaid expansion states, there are little to no gaps between non-metro and metro areas in the uninsured rate for low-income adults. States with the sharpest declines in the number of uninsured adults in rural areas and small towns as a result of Medicaid expansion are Colorado, Nevada, Kentucky, Oregon, New Mexico, Arkansas, Connecticut, Hawaii, Michigan, and West Virginia.

In many states that have not yet expanded Medicaid, residents of their small towns and rural areas will disproportionately benefit if the state decides to expand. States with the highest rate of uninsured adults in rural areas are South Dakota, Georgia,
Oklahoma, Florida, Texas, Alabama, Missouri, and Mississippi. Rural areas in these states would benefit the most from a decision to expand Medicaid.

“Overall, the experience of Medicaid expansion states demonstrates the great opportunity for states that have not yet expanded Medicaid,” said Jack Hoadley, lead author of the report. “Not only do they have the chance to reduce the number of uninsured adults overall, but they have a significant opportunity to bring down the uninsured rate in small towns and rural areas and narrow the gap in many states between metro and rural areas.”

Many states that have not yet expanded Medicaid have sizable rural populations including Idaho, Mississippi, Nebraska, Oklahoma, South Dakota and Wyoming.

The full report is available at: ccf.georgetown.edu along with interactive maps and county-level data.

The Georgetown University Center for Children and Families is an independent, nonpartisan policy and research center founded in 2005 with a mission to expand and improve high-quality, affordable health coverage for America’s children and families. CCF is part of the Health Policy Institute at the McCourt School of Public Policy.