

Contemporaneous and Long-Term Effects of CHIP Eligibility Expansions on SSI Enrollment

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MATHEMATICA
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STUDYING DISABILITY POLICY

Motivation

- **Current policy debate about generosity of public health insurance eligibility**
- **Important to understand spillover effects to other programs**
- **Recent literature on relationship between health insurance and SSI/SSDI applications**
 - **E.g., Burns and Dague (2017), Chatterji and Li (2016), Schimmel Hyde et al (2017)**

Research Question

- **How do changes in Medicaid eligibility affect participation in children's SSI?**
- **Focus on CHIP-era expansions in Medicaid**
- **Expect that increases in Medicaid reduce SSI applications**
 - **Makes a new SSI award less valuable**
 - **May make filing application not worth the effort (Deshpande and Li 2017)**

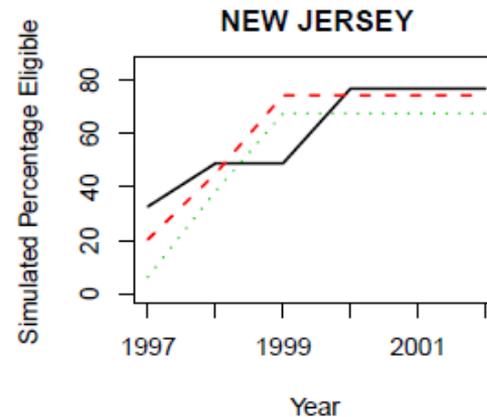
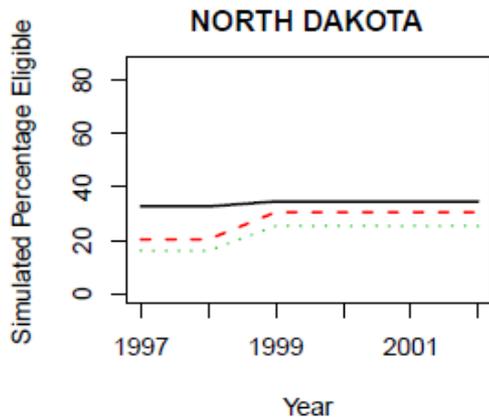
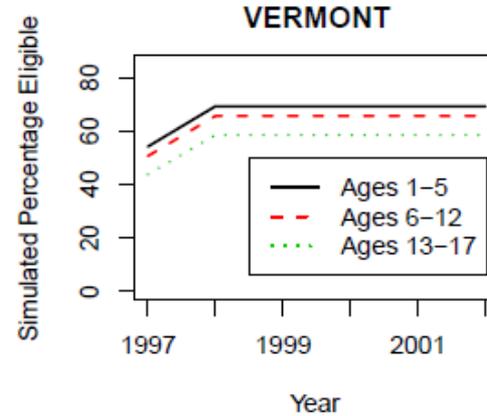
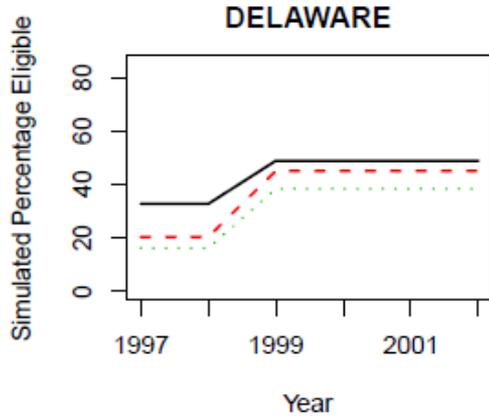
Preview of Results

- **Small, negative relationship between Medicaid eligibility and SSI applications**
- **Most pronounced in states where SSI receipt does not automatically lead to Medicaid**

CHIP-Era Expansions

- **CHIP program established to expand public health insurance coverage to poor children**
- **Expansions between 1997 and 2002**
- **Concurrent expansions to Medicaid program**
- **Effects of expansion varied by child age**
 - **Prior to CHIP, income eligibility limits were higher for younger children than older children**

Estimated Medicaid Eligibility



Source: Author's calculations using CPS data. FPL thresholds come from Brown et al. (2015). Simulates the percent of the 1996 national CPS sample that would be eligible for Medicaid coverage by age in each state/year.

Empirical Strategy

- **Want to estimate impact of increased Medicaid eligibility on child SSI applications**
- **Variation in state policy creates natural experiment for expansions of Medicaid**
 - **Similar to Currie and Gruber (1996), others**
 - **Differences due to state specific generosity**
 - **Being born at a given time in a given state therefore randomly influences Medicaid eligibility**
- **Controls for cross-state/cross-year variation and general age trend in applications**

Impact Estimates on SSI Applications

- **10 percentage point (~20%) increase in Medicaid eligibility reduces SSI applications by $\frac{1}{1000}$ of a percentage point**
 - Rule out increases or decreases of more than 3%
- **Estimates are similar regardless of model specification**

SSI Awards and Medicaid Receipt

- In most states, if awarded SSI will automatically receive Medicaid coverage
- Other states have additional criteria to get Medicaid
 - Some require separate application
 - Some have stricter income standards
 - Includes AK, CT, IN, IL, NE, OH, OR, UT, others

Heterogeneity by State

	States that automatically award Medicaid with SSI qualification	States with additional criteria to receive Medicaid after SSI qualification
Simulated eligibility	.00080 (.00085)	-.00446*** (.00133)
Mean SSI apps	0.61 percentage points	0.37 percentage points
Change in SSI apps per 20% increase in Medicaid eligibility	1.3 percent	-12.0 percent
Number of states	34	17
Observations	11,424	

Estimates Are Robust

- **Conduct specification checks, isolating the variation in different ways**
- **Vary the base year used to calculate simulated eligibility**
- **Use old age applications as placebo test**

Conclusion

- **Increased Medicaid eligibility has little overall effect on child SSI applications**
- **Reduces applications in states where SSI award did not automatically lead to Medicaid**
- **Indicates some substitution between Medicaid and children's SSI, though only in particular states**

Where We Go from Here

- **Contemporaneous analysis**
 - Analyze additional outcomes (awards, technical denials; soon total SSI beneficiaries)
- **Long-term analysis**
 - Explore effect of total childhood Medicaid eligibility on young adult SSI participation
 - Preliminary analysis suggests small, positive impact on applications
 - Results are murky, indistinguishable from zero

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