Changes to Medicaid administration will significantly impact people of color

Oklahomans of color are disproportionately uninsured, represented in the Medicaid population, and eligible for coverage under expansion. This isn’t because of personal choices or genetic differences. Rather, it’s the result of systemic factors, like the fact that people of color are more likely to work in industries that don’t offer health insurance. Any negative changes to the Medicaid program are going to disproportionately harm these communities.

The OHCA has stated that part of the rationale for privatization is to decrease Oklahoma’s racial health disparities. However, the evidence in support of that claim is mixed: some studies have linked privatization to increased hospitalizations and emergency room usage, greater barriers to primary and specialty care, and issues accessing prescriptions.¹

How will privatization impact people of color?

In short, transparency will decrease and burdensome administrative requirements will increase:

- Transparency is absolutely necessary in the fight to end racial health disparities, but it will decrease in a privatized managed care system. There aren’t comprehensive data requirements for MCOs, and important data, like the name of contractors and MCOs’ access to care outcomes, don’t have to be public.² Keeping certain data private will weaken advocates’ abilities to push for comprehensive and equitable care.

- Administrative requirements disproportionately harm marginalized communities,³ and simple things like filing an appeal will be harder under managed care. Appeals are currently made directly to OHCA, but in a privatized system, an internal determination is typically required before an individual can appeal to the agency. This could keep people from accessing necessary care in a timely manner.

¹ MACPAC, “Managed care’s effect on outcomes”
² Georgetown University Health Policy Institute, “How Can We Tell Whether Medicaid MCOs are Doing a Good Job for Kids?” (2018)
³ Health Affairs, “How Administrative Burdens Can Harm Health” (2020)