Can Medicaid Reduce Racial Disparities in the Use of Health Services Through Integrated Case Management?

**Why This Study Is Important**

It is well established that whites have higher use of health services relative to minority individuals, even among Medicaid beneficiaries with similar health insurance coverage. Other research has shown that a Medicaid disease management program targeted to individuals with a specific chronic illness (e.g., diabetes) reduced utilization discrepancies between African American and white beneficiaries. The study described here examined whether a Medicaid integrated case management (ICM) program that applies to patients with multiple chronic conditions and a host of other social, mental health or behavioral issues can also reduce racial disparities in utilization. The Medicaid plan operated two versions of ICM over the study period; the first was largely standardized and automated while the second was much more patient-centered and interactive.

**What This Study Found**

- The integrated case management program diminished or eliminated existing racial disparities in utilization between African American and white individuals.
- Significant initial racial differences in the use of primary care and specialist visits were eliminated using either the standardized ICM model or the patient-centered ICM model.
- The patient-centered model also diminished racial differences in the use of urgent and non-urgent ED visits and eliminated differences in inpatient admission rates.
- The narrowing of disparities was due to larger absolute reductions in use for white ICM participants relative to only small declines for African American beneficiaries.

**What These Findings Mean**

- Integrated case management can help to reduce disparities in health care use by maintaining African American access to outpatient care while reducing higher use—or even potential overuse—among white beneficiaries.
- The more personalized activities in the patient-centered ICM program were especially helpful in reducing disparities.

**More About This Study**

This study examined nonpregnant, nonelderly adults participating in two versions of an integrated case management program in one large Medicaid managed care plan in Virginia. Using claims and ICM program data, the researchers estimated two-part multivariate regression models to predict service use for racial groups before and after ICM, controlling for an array of patient characteristics, the patient’s predicted probability of electing to participate in the voluntary ICM programs, type and intensity of ICM involvement, and fixed effects for individual case managers.


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