Fact Sheet

The Hilltop Health Care Reform Simulation Model

The Hilltop Health Care Reform Simulation Model is a dynamic simulation model that can be updated. Hence, its projections are revised as new data become available, conditions and factors change over time, and decisions are made by policymakers, employers, and consumers. It projects population insurance coverage through Medicare, Medicaid, commercial insurance, the insurance exchange, and the remaining number of uninsured individuals following implementation of the Affordable Care Act (ACA) in the state. The model also projects the impact on the state's budget, the increases in health care expenditures, and the economic impact of implementing the ACA through 2020.

In 2010, the Maryland Health Care Reform Coordinating Council (HCRCC) contracted with The Hilltop Institute to provide analysis and technical assistance for the HCRCC’s work. As part of this work, Hilltop researchers, led by Hilltop Director of Economic Analysis S. Hamid Fakhraei, PhD, developed a population-based modeling tool to project Maryland’s costs and
savings associated with implementing the provisions of the ACA. The HCRCC used the findings to help determine their recommendations to the Governor regarding Maryland’s implementation of the ACA.

In 2011, the state of New Mexico asked Hilltop to revise and adapt the model based on the state’s demographics and economic data. Hilltop expanded the model to simulate employers’ offers and employees’ take-up of insurance coverage. The study’s findings are now helping inform the decisions of New Mexico policymakers as they implement health care reform.

Hilltop continues to provide research and technical assistance to the state of Maryland as it implements the ACA. In 2012, the Maryland Health Benefit Exchange contracted with Hilltop to revise and expand the Hilltop Health Care Reform Simulation Model. This simulation model projects the flow of new funds through the state economy resulting from the provision of health care coverage to newly insured individuals. It also uses an economic model to forecast additional economic activity that will be generated from implementing the ACA.

In 2013, Hilltop used the model to isolate the effects of Medicaid expansion on Maryland’s economy and found that with Medicaid expansion, by 2015 Medicaid coverage would be provided to more than 100,000 additional individuals, health care expenditures would increase by over half a billion dollars, and there would be more than 5,000 additional new jobs in the state economy.

The Hilltop Health Care Reform Simulation Model is adaptable to all states. States can access the model and engage Hilltop to provide consultation and guidance on how to use it.

States interested in learning more about the model should contact Dr. Fakhraei at hfakhraei@hilltop.umbc.edu.

The Hilltop Institute at UMBC is a non-partisan health research organization—with an expertise in Medicaid and in improving publicly financed health care systems—dedicated to improving the health and wellbeing of vulnerable populations. Hilltop conducts research, analysis, and evaluations on behalf of government agencies, foundations, and nonprofit organizations at the national, state, and local levels. Hilltop is committed to addressing complex issues through informed, objective, and innovative research and analysis.