Medi-Cal and Access to Skilled Nursing Facilities: A Randomized Audit Study

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Abstract: Prior work across multiple settings finds that providers ration access to care for Medicaid enrollees, yet evidence on post-acute skilled nursing facility (SNF) access is limited. We conducted a randomized audit study of all 968 California SNFs listed in CMS Care Compare as accepting both Medicare and Medicaid to estimate the effect of insurance status on reported SNF bed availability. Between June and August 2025, trained callers inquired about bed availability for a fictitious grandparent soon to be discharged from the hospital after hip fracture surgery. Insurance was randomly assigned at the facility level as dual Medicare-Medicaid ("Medi-Medi," n=483) or Medicaid-only (n=485), with randomization stratified by prior Medicaid resident share. Patient gender was randomized within insurance group. Admissions coordinators were reached and provided information on bed availability at 72% of facilities. Using an intention-to-treat approach that codes nonresponse as no availability, we find that 62.5% of facilities indicated bed availability and encouraged transfer initiation for Medi-Medi patients. Facilities were 24 percentage points less likely to signal availability for Medicaid-only patients. Higher-quality facilities, defined by a five-star short-stay rating or, alternatively, as above-median value-added (Einav, Finkelstein, and Mahoney 2025), were substantially less likely than lower quality facilities to indicate availability for Medicaid-only patients. These findings suggest that reimbursement differentials generate economically meaningful access disparities in post-acute care, with higher-quality facilities exhibiting stronger selection against Medicaid-only patients. Our supply elasticity estimates suggest, however, that the gap in access could be substantially alleviated with even partial reductions in the payment differential.