

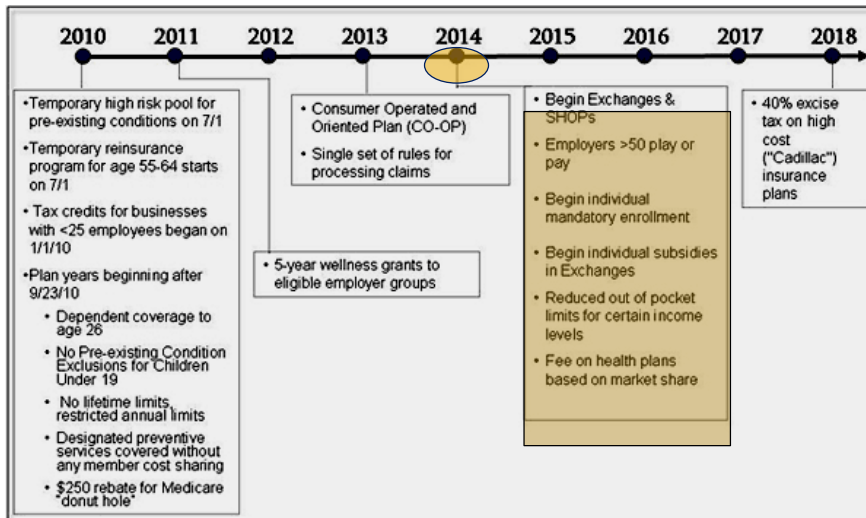
Health Insurance Coverage in a Post-Election Landscape



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Health Reform Implementation Timeline



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The Affordable Care Act



- Title I: Quality, Affordable Health Care for All Americans
- Title II: The Role of Public Programs
- Title III: Improving the Quality and Efficiency of Health Care
- Title IV: Prevention of Chronic Disease and Improving Public Health
- Title V: Health Care Workforce
- Title VI: Transparency and Program Integrity
- Title VII: Improving Access to Innovative Medical Therapies
- Title VIII: Community Living Assistance Services and Supports Act (CLASS Act)
- Title IX: Revenue Provisions
- Title X: Reauthorization of the Indian Health Care Improvement Act



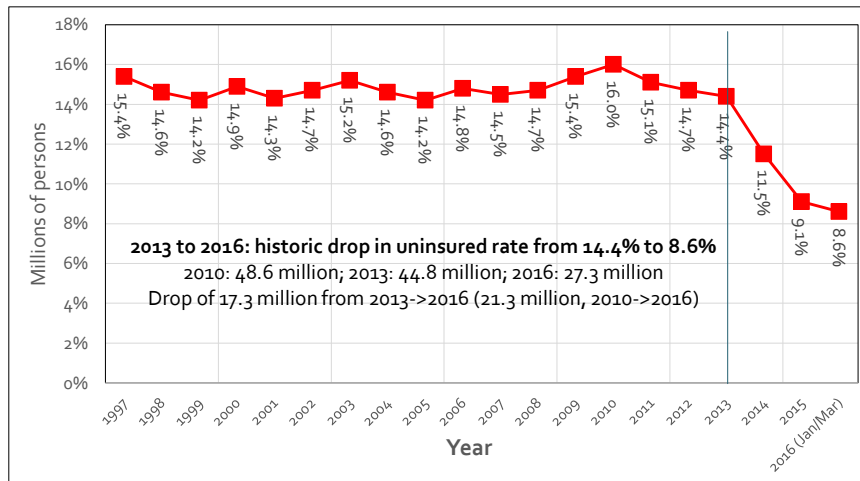
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Change in Uninsured Rate

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All ages, United States, 1997-2016



SOURCE: CDC, National Center for Health Statistics, 2016..

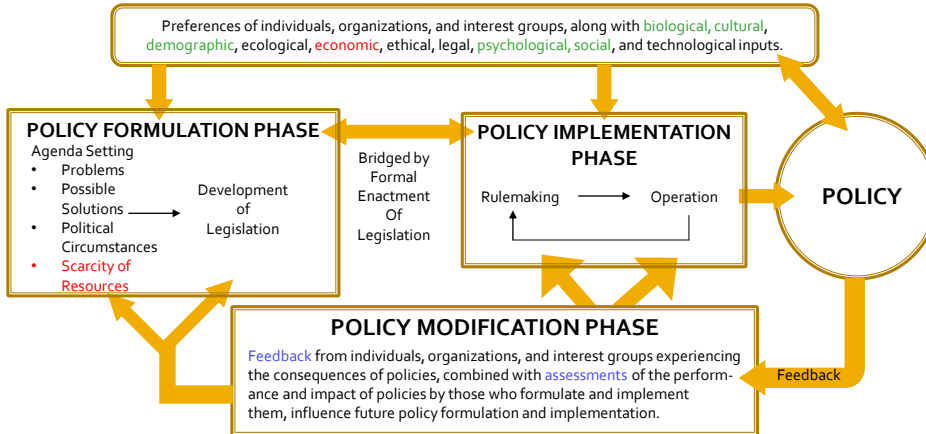


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Health Policymaking in the U.S. 5

A Model of the Public Policymaking Process in the United States



Source: Adapted from *Health Policymaking in the United States*, third edition, Beaufort B. Longest, Jr., Health Administration Press Admission of the Foundation of the American College of Healthcare Executives, 2002.



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Building Blocks: Expanding Insurance Coverage

- **Health Insurance Exchange:**
 - Access to affordable coverage for uninsured and small businesses
 - Exchange offers access to Private insurance plans
 - Modeled on Federal Employee Health Benefits Plan (FEHBP)
- **Insurance Reforms:**
 - Eliminate pre-existing conditions, exclusions, rescissions, denials of coverage
- **Public Program Expansions:**
 - Strengthen and Expand Medicaid (up to 133% of poverty line)
- **Subsidies:**
 - Provide assistance to make insurance affordable (up to 400% of poverty line)
- **Mandates:**
 - Individual and Employer Responsibility



Key points: no public option, expansions of coverage through PRIVATE plans



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Post-election: Some big ACA policy questions (on coverage)

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How to analyze policy changes

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- In order to move from research that contributes facts but may not have a policy impact, the investigator needs to consider at what point in the policy process he or she is hoping to interject.
 - Policy Formulation phase
 - Gather evidence to bring about a new policy
 - Policy Implementation phase
 - Figure out policy details, measure success
 - Policy Modification phase
 - Propose policy revisions, i.e. reformulations

Marketplaces

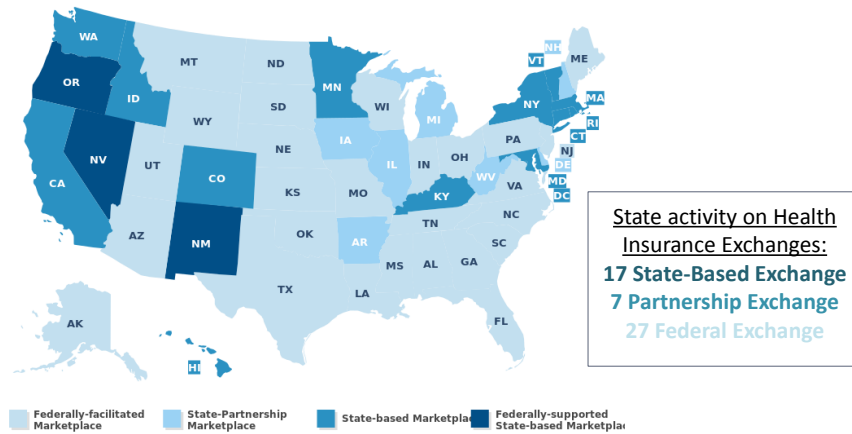


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Whither Health Reform?

Establishment of State Health Exchanges, 2015



State activity on Health Insurance Exchanges:
17 State-Based Exchange
7 Partnership Exchange
27 Federal Exchange

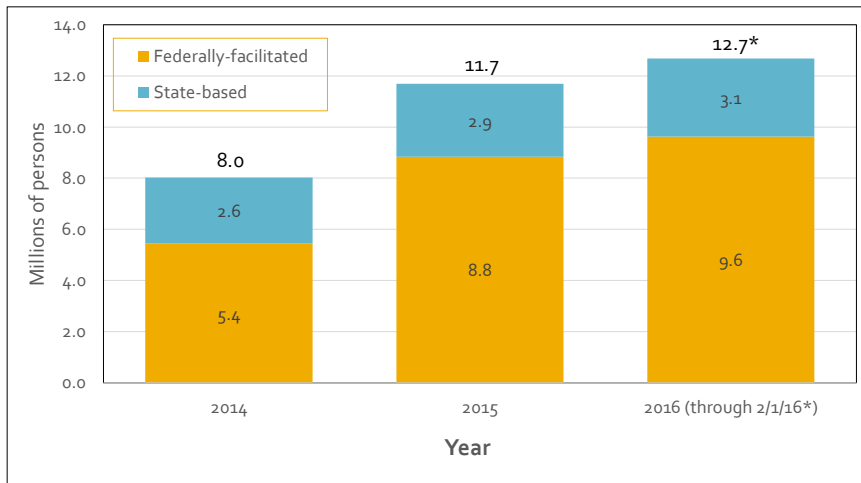
SOURCE: Kaiser Family Foundation.
<http://www.statehealthfacts.org/comparable.jsp?ind=962&cat=17&sub=205&yr=1&typ=5>



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Enrollment in Marketplaces, 2014-16 13



SOURCE: ASPE and CMS reports on Marketplaces.



Key Questions 14

- What is the variation in marketplaces across geographic areas?
- What changes have we seen in the marketplaces in 2016 relative to 2015?
- Note: Marketplaces designed so ONLY variation allowed by age, tobacco use, and **geographic Rating Area**.
 - But this assumes market forces are working. Is there enough competition? How does competition vary across geographic areas?



Data (RUPRI)

- RUPRI has compiled a large database on Marketplaces
 - Nearly all rating areas in the U.S. (n=500)
 - both Federally-facilitated Marketplaces (FFMs) and State-Based Marketplaces (SBMs)
 - Data for all plans, all metal types and for **2014, 2015, 2016**
 - Linked to other data at the geographic level
 - Data available on ALL types of marketplace plans, and adjusted for type of plan and cost of living (COL).

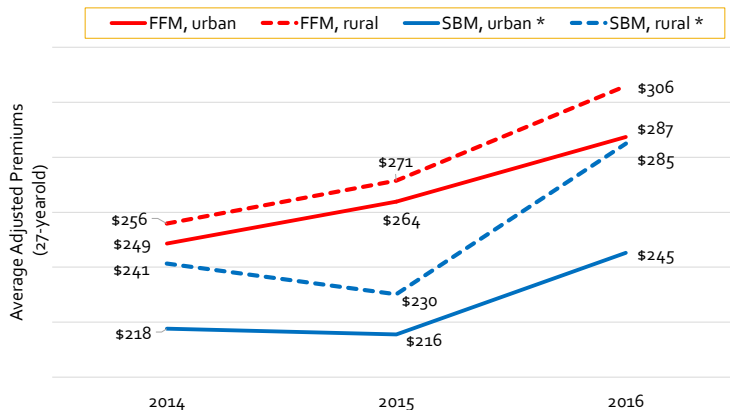
- Received access to a county-level, uncensored 2015 enrollment data for all FFM and partnership marketplaces



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Marketplace Premiums, 2014-16 16



* NY and VT are excluded since their premiums do not vary by age.

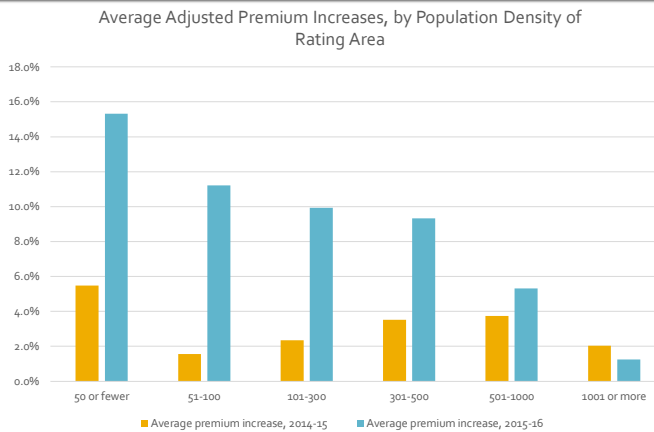
- Bigger increases in 2016, relative to 2015; FFMs higher than SBMs; Rural higher than urban (after COLA)



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Premium Changes by Population Density, 2014-16



- Premium increases have taken off in 2016, relative to 2015.
 - A distinct pattern, where highest increases in areas with lowest population density.

Post-election: Some big ACA policy questions (on coverage)

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Marketplace Entry/Exit, 2015-16

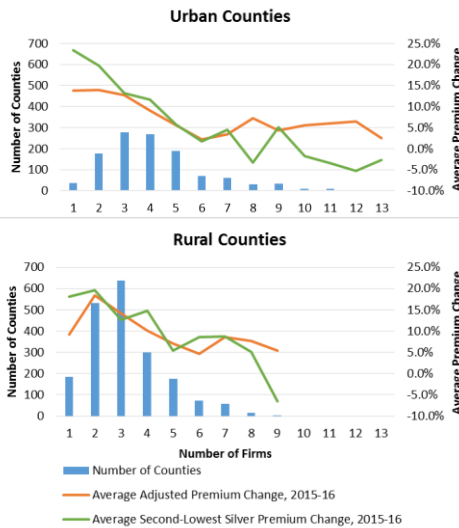
Distribution of Counties by Change in Number of Firms, 2014-2016

Change in Number of Firms	2014->2015	2015->2016	Net change: 2014 to 2016
-4 or more	0.0%	1.7%	0.4%
-3	0.1%	0.4%	1.2%
-2	0.8%	8.1%	2.0%
-1	8.9%	25.1%	17.4%
+0	32.9%	44.6%	26.7%
+1	33.8%	15.9%	34.4%
+2	13.9%	3.9%	9.1%
+3	6.4%	0.3%	4.2%
+4 or more	3.3%	0.03%	4.7%
TOTAL	100.0%	100.0%	100.0%

- Percent of counties with exits: 2014-15 (9.8%); 2015-16 (35.3%); Net 2014-16 (21%)



Numbers of Firms Participating

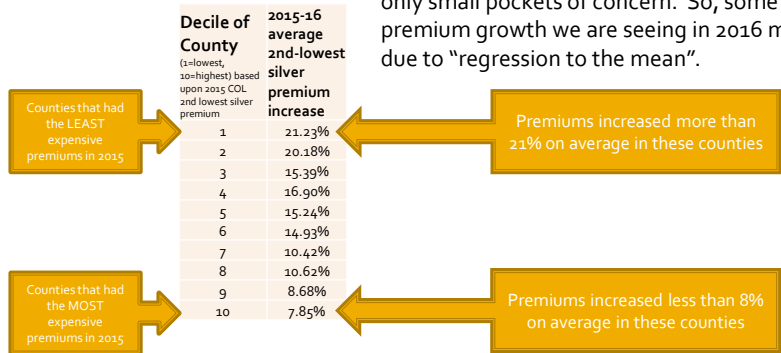


- There is a clear relationship emerging between numbers of firms participating and premium growth, even looking just at rural counties
 - The underlying reason may still relate to population density, since firm participation is correlated with population density



Regression to the Mean

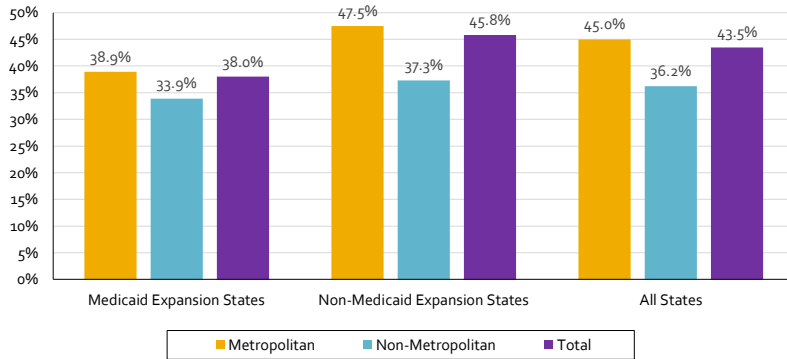
This is relevant for rural because many rural counties had fairly low premiums in 2015, with only small pockets of concern. So, some of the premium growth we are seeing in 2016 may be due to "regression to the mean".



Marketplace Enrollment



Enrollment in Marketplaces, 2015

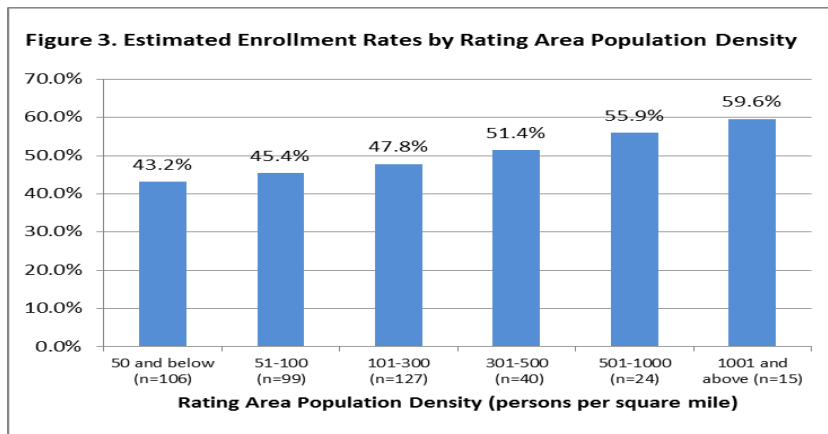


Sources: Numerators come from ASPE's report on 2015 plan selections by county. Denominators are based upon Kaiser potential HIM market estimates, June 2015, assigned in proportion to 2012 SAHIE the county-level uninsured estimates and aggregated according to metro/non-metro status of county.

- By Metropolitan and Non-Metropolitan Status
- Federally-Facilitated Marketplaces Only
- As a Percentage of Potential Eligible Uninsured Persons in the area



Enrollment in Marketplaces, 2015



- By Metropolitan and Non-Metropolitan Status, and by Region
- Federally-Facilitated Marketplaces Only
- As a Percentage of Potential Eligible Uninsured Persons in the area



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Enrollment in FFM Marketplaces, 2015

Table 1. Estimated Enrollment Rates by Number of Firms

Number of Firms Participating, 2015	Number (%) of FFM Rating Areas	Average Enrollment Rate
1	15 (4%)	34.4%
2	39 (9%)	43.8%
3	83 (20%)	46.4%
4	90 (22%)	49.8%
5	62 (15%)	49.8%
6	40 (10%)	49.1%
7	31 (8%)	47.1%
8+	51 (12%)	46.4%
TOTAL	411 (100%)	47.3%

- Fewer than four firms and enrollment seems to fall?

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Post-election: Some big ACA policy questions (on coverage)

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Key Characteristics of Marketplace Enrollees

		2014	2015	2016
By Enrollment Status	New Enrollees	100%	53%	39%
	Re-enrollees	--	47%	61%
By Age of Enrollee:	Age<35	34%	36%	36%
	Age 35+	66%	64%	64%
By Subsidy Status:	With subsidies	85%	86%	83%
	Without subsidies	15%	14%	17%
By Household Income (as Percent of Federal Poverty Line)	<150% FPL	na	43%	41%
	150-200%FPL	na	25%	25%
	>200%FPL	na	32%	34%
By Plan Metal Level:	Bronze plans	20%	22%	23%
	Silver plans	65%	67%	68%
	Gold, Platinum plans	15%	11%	9%

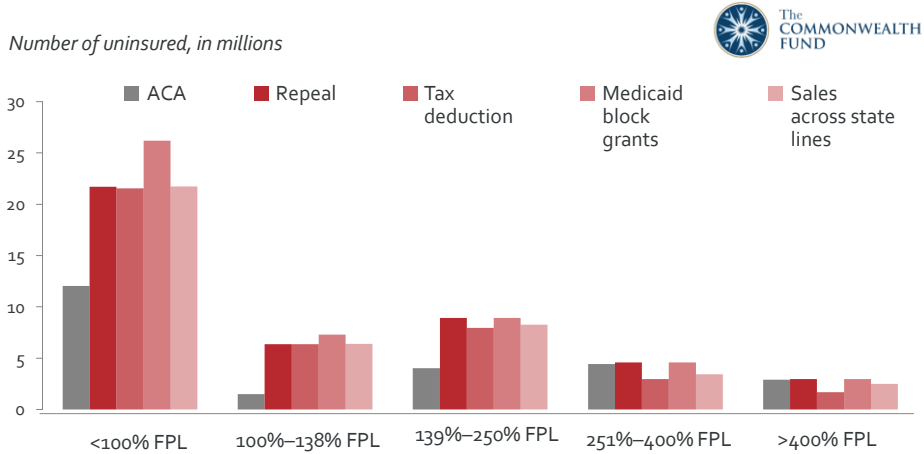
SOURCE: ASPE, "Health Insurance Marketplaces 2016 Open Enrollment Period, Final Report," March 2016.



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Potential Impact of Repealing the ACA (Trump's Proposal) on Income Distribution of the Uninsured, 2018



Notes: FPL = federal poverty level. Specific numbers are available in Appendix Table A.3. Data: RAND COMPARE microsimulation model. Source: E. Saltzman and C. Eibner, *Donald Trump's Health Care Reform Proposals: Anticipated Effects on Insurance Coverage, Out-of-Pocket Costs, and the Federal Deficit*, The Commonwealth Fund, September 2016.

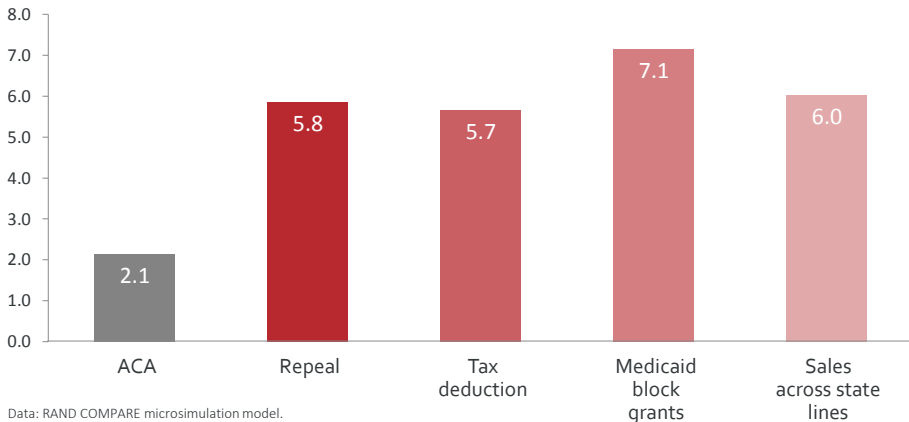


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Impact of ACA Repeal (Trump's Proposal) on the Number of Uninsured Individuals in Fair or Poor Health, 2018

Number of uninsured in fair or poor health, in millions



Data: RAND COMPARE microsimulation model.

Source: E. Saltzman and C. Eibner, *Donald Trump's Health Care Reform Proposals: Anticipated Effects on Insurance Coverage, Out-of-Pocket Costs, and the Federal Deficit*, The Commonwealth Fund, September 2016.



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Medicaid



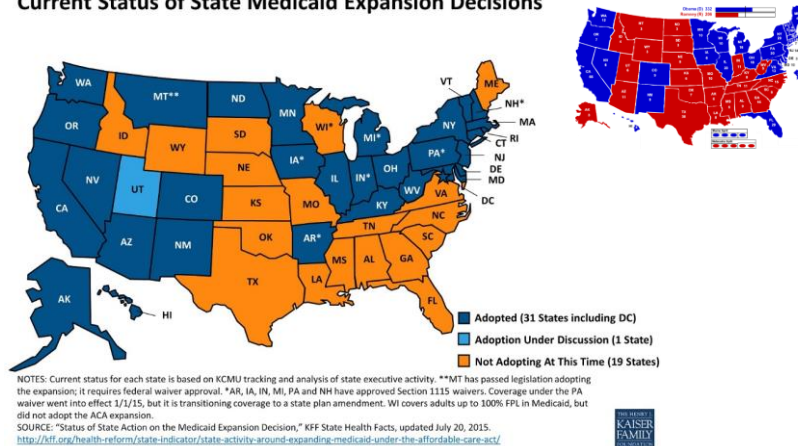
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Whither Health Reform?

Status of Medicaid Expansion Decisions, 2015

Current Status of State Medicaid Expansion Decisions



SOURCE: Kaiser Family Foundation, <http://kaiserfamilyfoundation.files.wordpress.com/2014/01/current-status-of-the-medicaid-expansion-decisions-healthreform.pdf>



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Post-election: Some big ACA policy questions (on coverage)

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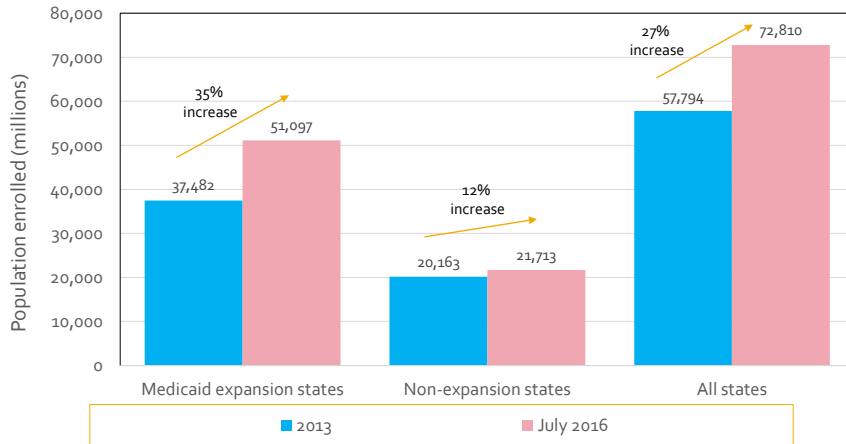


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Increase in Medicaid enrollment, 2013-16

By Medicaid Expansion Status



DD Analysis of the ACA

Changes In Coverage, Access To Care, And Health After The First Year Of Medicaid Expansion In Arkansas And Kentucky (Expansion States) Versus Texas (Nonexpansion State), 2013 And 2014

Outcome	Baseline mean in expansion states (2013)	Net change after expansion*	p value
COVERAGE			
Uninsured	41.0%	-14.0	<.01
Medicaid	25.0	9.4	<.01
Private insurance	20.7	7.6	0.02
ACCESS TO AND AFFORDABILITY OF CARE			
Had personal doctor	56.9%	7.9	0.07
Had usual source of care ^b	80.8	3.8	0.31
Had cost-related delay in care	39.5	-4.3	0.20
Skipped prescribed medication because of cost	39.2	-9.9	<.01
Had trouble obtaining primary care appointment	15.7	3.6	0.24
Had trouble obtaining specialist appointment	14.0	2.6	0.37
ED was usual location of care ^b	9.6	-5.1	0.06
Had ED visit because office visit was unavailable	12.9	4.9	0.05
Had trouble paying medical bills	42.9	-8.9	<.01
Annual out-of-pocket medical spending	\$434	-0.24 ^c	0.06
UTILIZATION			
Office visits in past year (number)	2.8	0.5	0.22
Any office visits in past year	55.5%	2.2	0.46
ED visits in past year (number)	1.2	-0.1	0.47
Any ED visits in past year	21.0%	-1.7	0.55
Any hospitalization in past year	16.9%	-1.7	0.54

Source: Benjamin D. Sommers, Robert J. Blendon and E. John Orav. "Both The 'Private Option' And Traditional Medicaid Expansions Improved Access To Care For Low-Income Adults" *Health Affairs* 35, no.1 (2016):96-105



Before/After ACA - Access to Care 35

EXHIBIT 4

Health care use by adults ages 26-64, by type of insurance

	No insurance		Medicaid		Individual private	
	2013	2014	2013	2014	2013	2014
PERCENT OF ADULTS WHO:						
Saw a generalist	39.0%	36.6%	74.7%	73.6%	60.4%	73.9%**
Saw a specialist	9.2	6.9	30.8	30.0	30.3	22.8
Saw any health professional ^a	7.0	5.9	25.7	25.7	16.8	16.6
Got care more than 10 times	4.4	4.6	24.9	19.4**	9.6	11.9
Had an ED visit	18.0	14.7*	38.8	33.0	13.4	17.3
Had an overnight hospital stay	5.2	4.4	16.4	15.2	6.3	7.3
AVERAGE NUMBER OF TIMES:						
Saw a health professional, if seen at least once ^a	1.6	1.3**	1.5	1.6	1.4	1.4

SOURCE Authors' analysis of data for the fourth quarter of 2013 and 2014 from the National Health Interview Survey (see Note 1 in text). **NOTES** Insurance is at the time of the survey. Respondents who were surveyed in the first three quarters of either year are excluded. All measures refer to within the past twelve months except where noted. Significance refers to difference from 2013. All results shown as significant are also different from the trend in the period 2008-14 ($p < 0.10$) except for the number of times the uninsured saw a health professional. ED is emergency department. *In the past two weeks. ** $p < 0.10$ ** $p < 0.05$

Jacobs et al., "Changes In Health Status And Care Use After ACA Expansions Among The Insured And Uninsured," Health Affairs 2015.



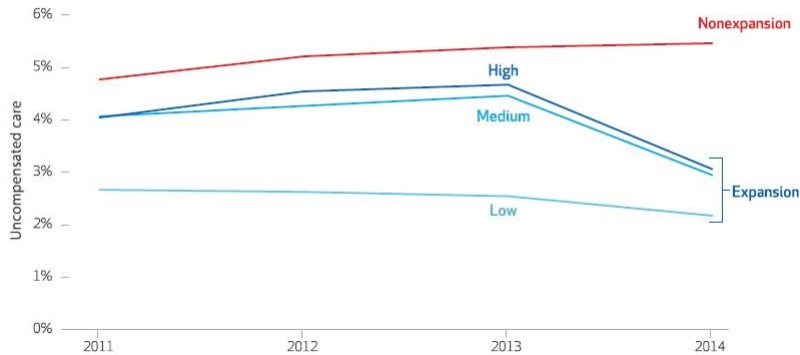
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Before/After ACA - Uncompensated care 36

EXHIBIT 3

Changes in hospitals' uncompensated care costs by patients' predicted level of Medicaid eligibility change in expansion and nonexpansion states after the Affordable Care Act Medicaid expansion



SOURCE: "Uncompensated Care Decreased At Hospitals In Medicaid Expansion States But Not At Hospitals In Nonexpansion States"
*David Dranove, Craig Garthwaite, and Christopher Ody
Health Aff August 2016 35:81471-1479; doi:10.1377/hlthaff.2015.1344



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Conclusion

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- The ACA: bit of wild ride
 - First few years a path to 'equilibrium'
 - First year: turmoil; Years 2-3, adjustment; Year 4: ???
 - Are we there yet?
- Moving forward
 - Concerns: affordability, Co-Ops, exit of some plans, narrow networks
- We need a legislative fix for the ACA!



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