CENTER *for* PUBLIC POLICY PRIORITIES

Status of the ACA and Next Steps

National Conference of Insurance Legislators

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DECEMBER 13, 2019

Originally founded by the Benedictine Sisters of Boerne, Texas in 1985, CPPP has pursued the vision of a more equitable Texas for over three decades.
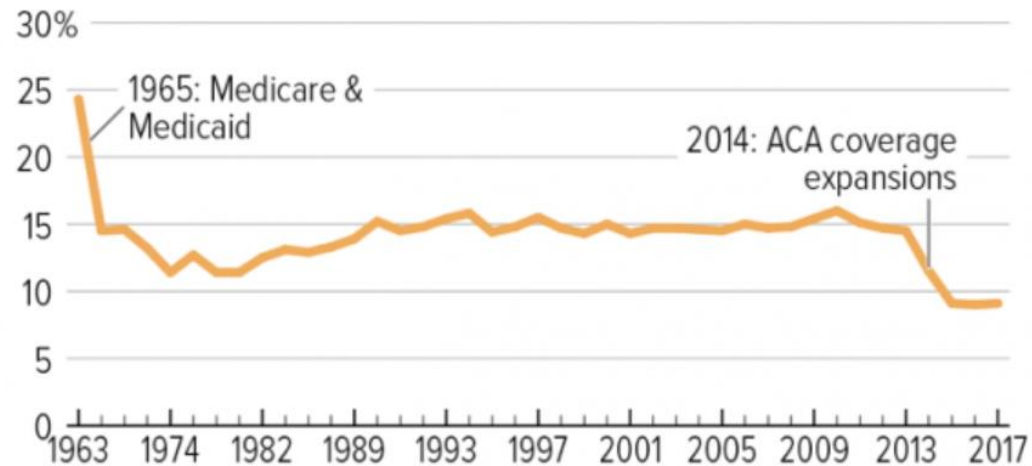
CENTER *for* PUBLIC POLICY PRIORITIES

CPPP staff with the Sisters in Boerne in 2016

ACA brings a historic drop in uninsured, yet work remains

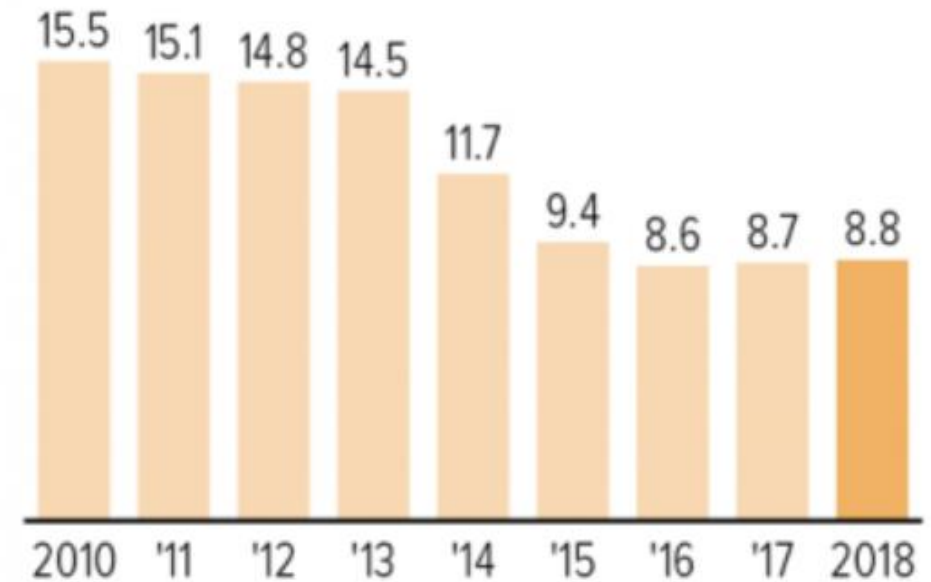**Affordable Care Act Coverage Gains Driving Uninsured Rate to Historic Low**

Share of population without health insurance

1965: Medicare & Medicaid

2014: ACA coverage expansions

Note: For 1989 and later, data are annual. For prior years, data are generally biannual. Data for 2018 cover the first half of the year.
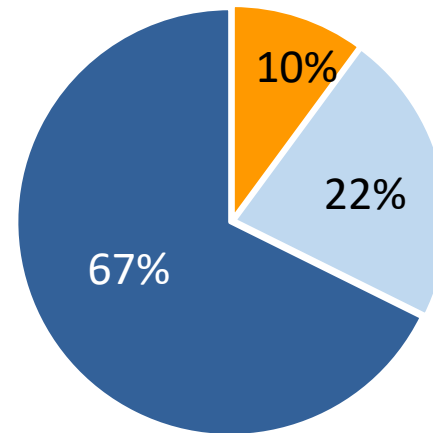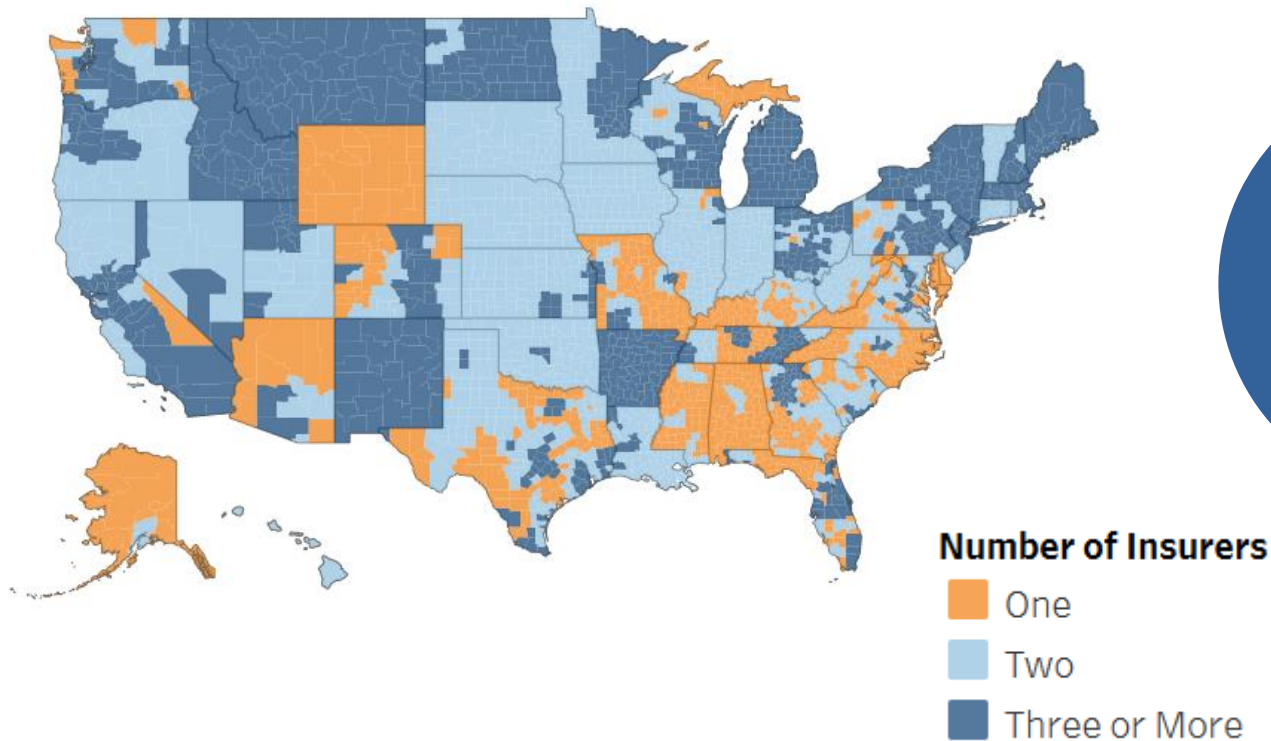
Source: Council of Economic Advisers analysis of National Health Interview Survey (NHIS) and supplemental sources, updated by CBPP from NHIS data

CENTER ON BUDGET AND POLICY PRIORITIES I CBPP.ORG

Uninsured rate, percent

2010	'11	'12	'13	'14	'15	'16	'17	2018
15.5	15.1	14.8	14.5	11.7	9.4	8.6	8.7	8.8

Source: Census Bureau, American Community Survey

2020 National Marketplace Options

Number of Insurers
- One
- Two
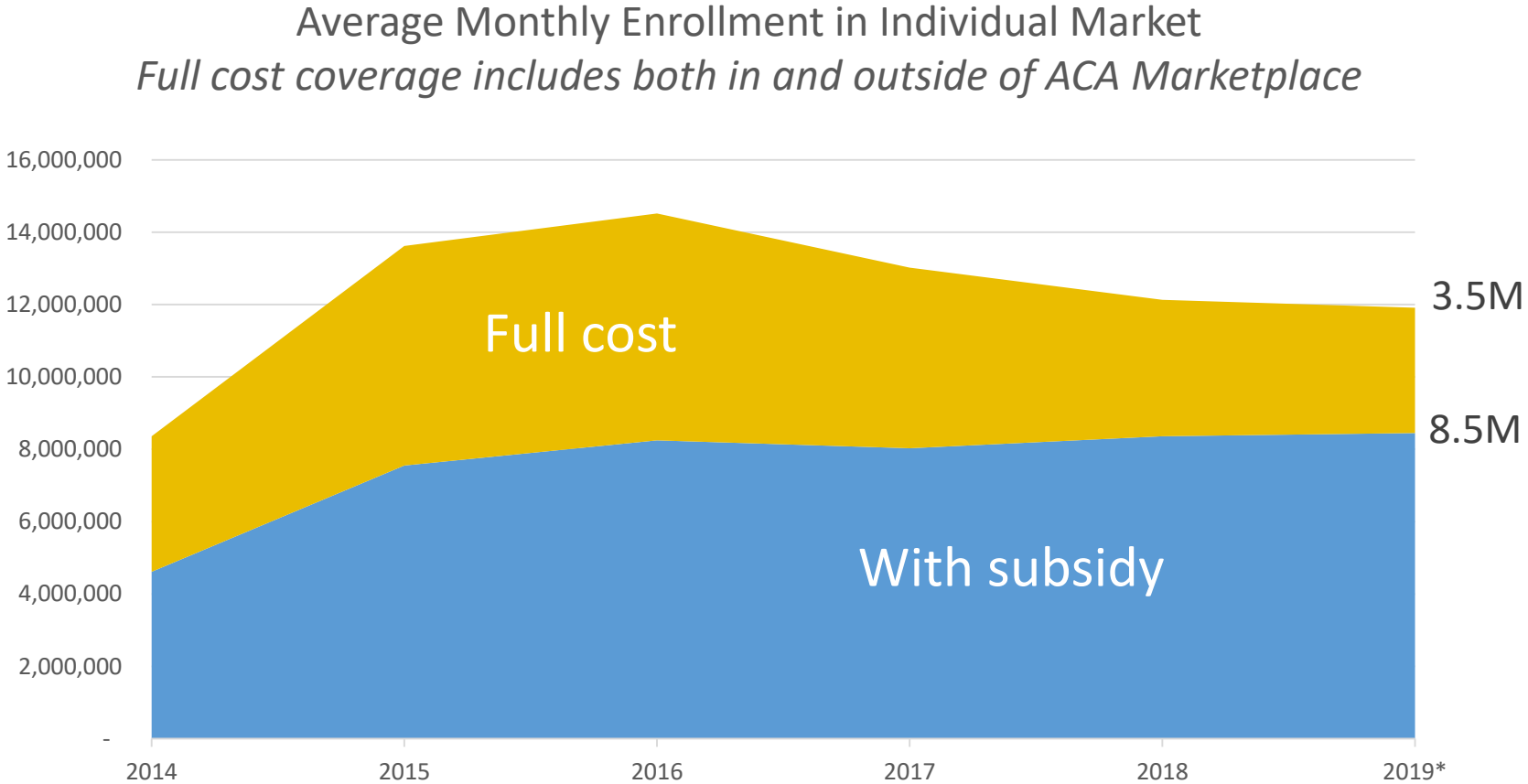- Three or More

Pie chart: 10%, 22%, 67%

- 67% of enrollees can choose among 3 or more insurers

- 10% of enrollees have just one insurer

- Premiums fell, -3.5% on average, for benchmark Silver plan

- Insurers expanded service areas for 2020.

Subsidies Keep Coverage Affordable and Stable

Coverage losses in the individual market are among people who do not get subsidies

Average Monthly Enrollment in Individual Market
Full cost coverage includes both in and outside of ACA Marketplace

3.5M

8.5M

Full cost

With subsidy

7 in 10 people with individual market coverage get a premium subsidy

16,000,000
14,000,000
12,000,000
10,000,000
8,000,000
6,000,000
4,000,000
2,000,000
-

2014   2015   2016   2017   2018   2019*

4.4 Million Uninsured Adults Could Get Coverage through Medicaid Expansion

14 States Have Not Adopted Expansion

Graphic: Kaiser Family Foundation
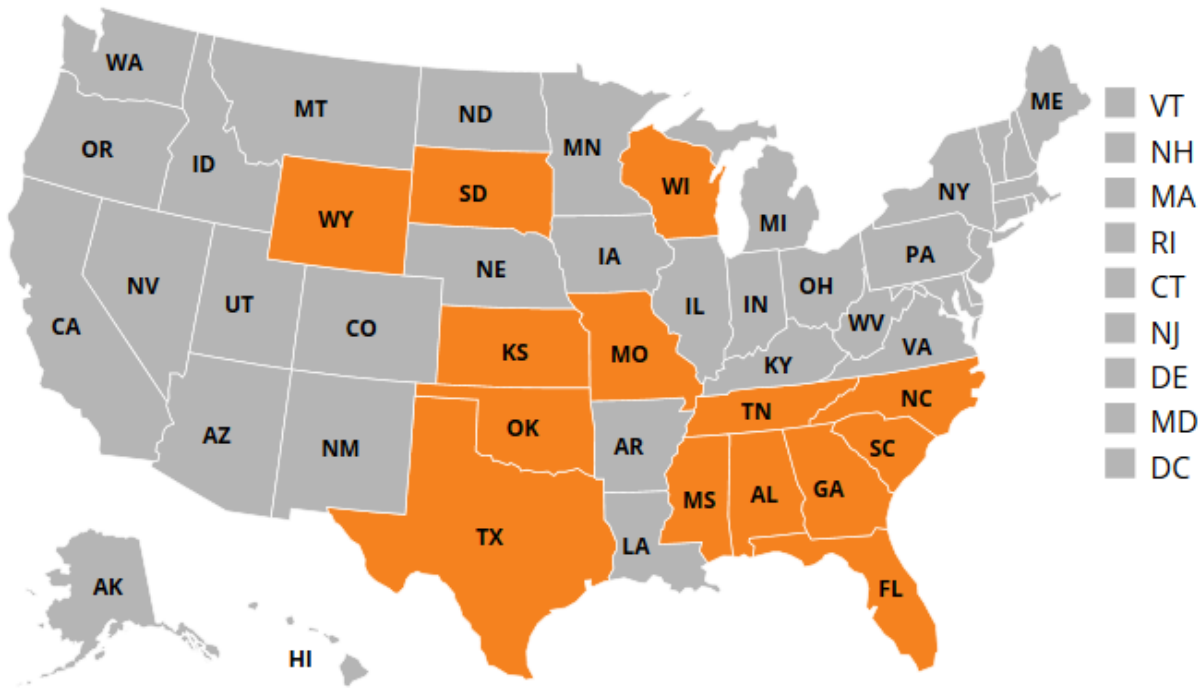
Studies find Medicaid expansion leads to

Increases in:

People getting regular check-ups

Prescriptions filled for heart disease and diabetes

Early-stage cancer diagnoses

People getting surgical care consistent with clinical guidelines

Decreases in:

People skipping medications due to cost

One-year mortality among patients diagnosed with end-stage renal disease
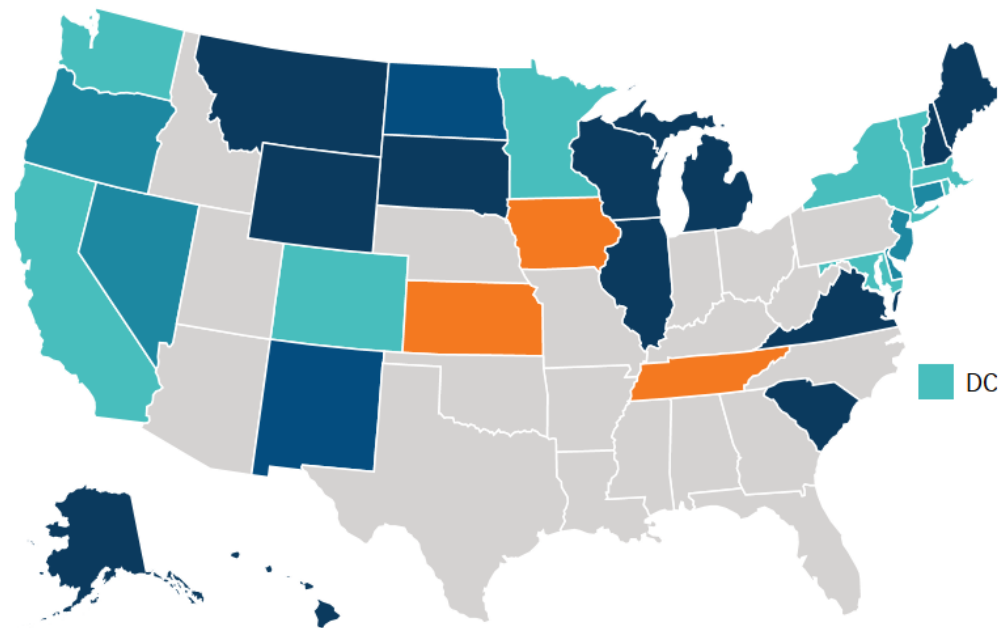
People screening positive for depression

People without a personal physician or usual source of care

Source: Ghosh et al. 2019, Loehrer et al. 2018, Miller et al. 2019, Sommers et al. 2016, Soni et al. 2017, Swaminathan et al. 2018

Many States Have Taken Action to Lower Cost of Individual Market Premiums; Not Texas

Examples:

- 23 states and DC have place term-restrictions on or prohibited short-term plans that do not comply with the ACA

- State-level individual mandate, 5 states + DC

- State-funded enhanced subsidies, 3 states

- Longer open enrollment period, 7 states

- 1332 Reinsurance Waiver, 12 states

Legend:

- State has taken no action
- State has taken 1 action to promote access
- State has taken 2 actions to promote access
- State has taken 3 actions to promote access
- State has taken 4 or more actions to promote access
- State has taken 1 action likely to decrease access

DC

Short-term plans pose serious risks for consumers

HOUSTON ★ CHRONICLE

BUSINESS

Risky Business: Buying health insurance in the new age of deregulation

Jenny Deam | Nov. 27, 2019 | Updated: Dec. 3, 2019 10:44 a.m.

BUSINESS

A doctor's scribbled note leads to patient losing health insurance

Jenny Deam | Nov. 27, 2019 | Updated: Dec. 3, 2019 10:42 a.m.

Photo: Melissa Phillip, Houston Chronicle / Staff photographer

San Antonio Express-News

OPINION // EDITORIALS

Editorial: Limited health plans prey on vulnerable consumers

Express-News Editorial Board | Dec. 9, 2019

8

1332 Reinsurance Waivers

- Trump administration has approved reinsurance waivers for 12 states: Alaska, Colorado, Delaware, Maine, Maryland, Minnesota, Montana, New Jersey, North Dakota, Oregon, Rhode Island & Wisconsin

- Premium savings in individual market 20% on average (Avalere, March 2019, looked at first 7 reinsurance waivers)

- Several bad ideas floated, not yet approved
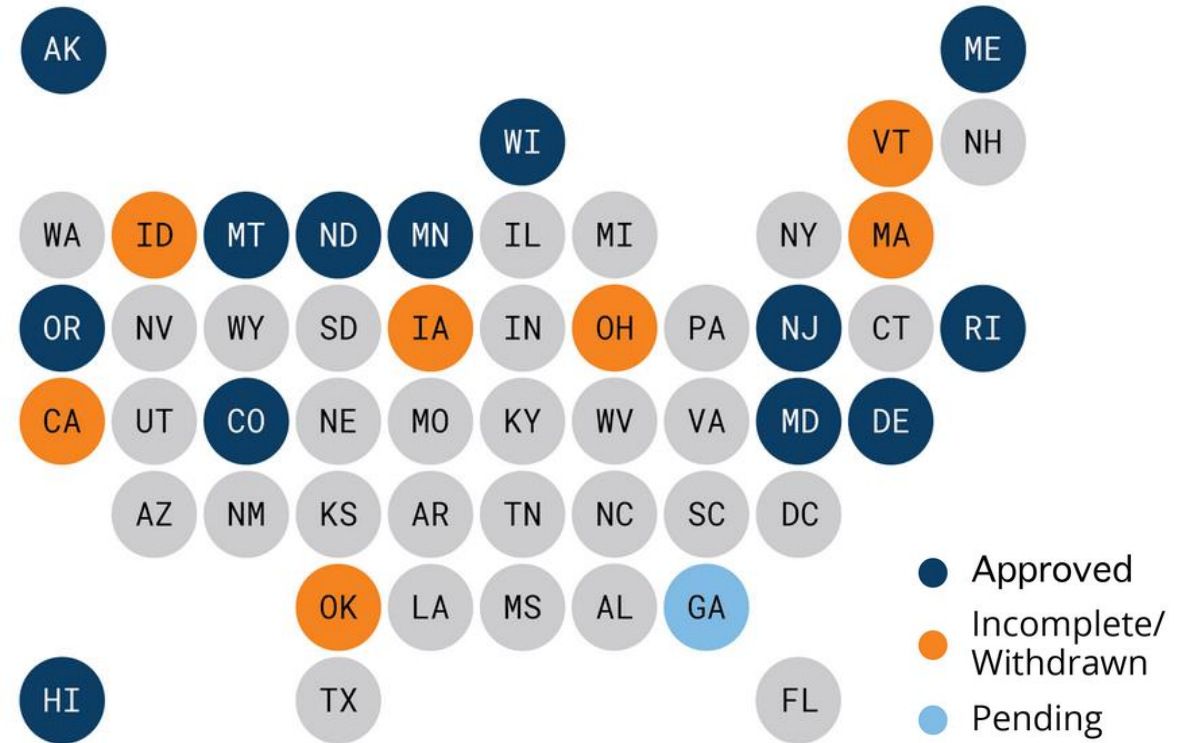
What's at Stake: Texas v U.S. Lawsuit
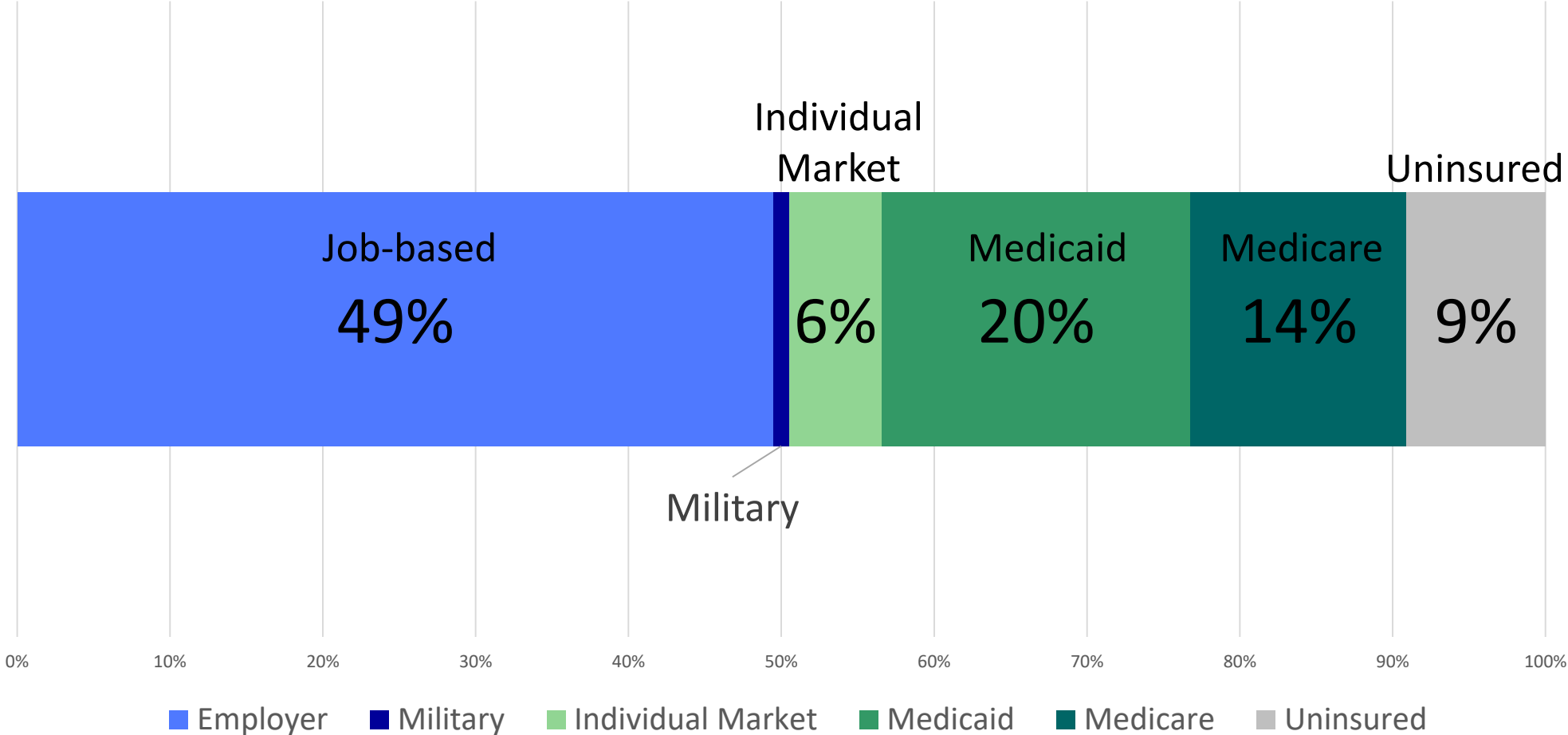
Harms if Texas "wins"

- 1.7 million Texans and 20 million Americans would **lose their health care coverage**.

- People with a **pre-existing conditions** will lose ACA protections

- Insurers do not have to cover "**Essential Health Benefits**" like mental health, Rx and maternity and can impose **lifetime limits**

- Texans lose a **$5.2 billion/year investment of federal Marketplace subsidies** that connect nearly 1 million low- and moderate-income Texans to coverage ($57B/year nationally)

Stark contrast with what Texans want:

- 88% of Texans support requirements to cover pre-existing conditions

- 85% of Texans think increasing access to health insurance should be a "top priority" or "important" for the Texas Legislature

Data sources linked at http://bettertexasblog.org/2019/07/state-leaders-try-again-to-take-health-care-away-from-texans/

Looking ahead

Health Insurance Coverage in America, 2018

Kaiser Family Foundation estimates based on the Census Bureau's American Community Survey, 2008-2018.

ACA's Coverage of Pre-existing Conditions

1. You can't be denied coverage

2. You can't be charged more

3. Policies can't exclude coverage for pre-existing conditions

4. No lifetime or annual limits

5. Policies have comprehensive coverage. *Having an insurance card in your wallet only helps if it covers the care you will need.*

Pre-existing Conditions are Common

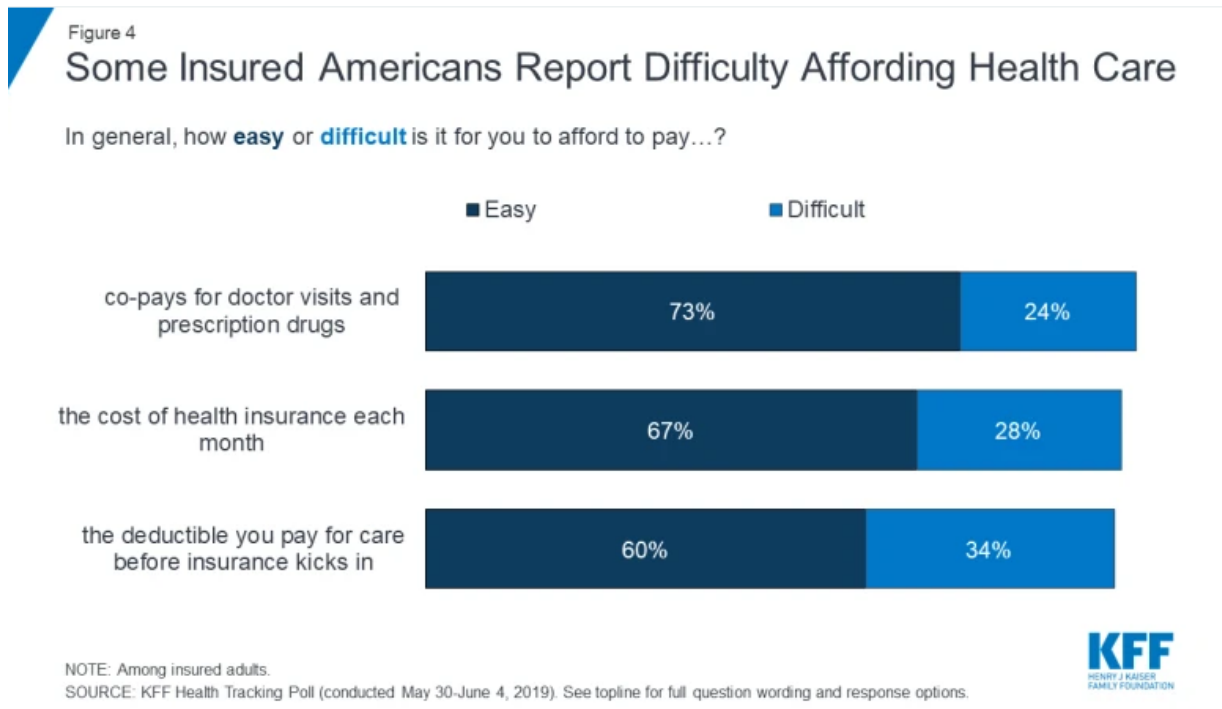**27%** of all non-elderly adults nationwide have a declinable pre-existing condition

45% of families have at least one non-elderly adult with such a condition

Graphics: Kaiser Family Foundation

$57 Billion/year federal subsidies help keep premiums stable/mitigate adverse selection. States would struggle to replace this funding

Americans struggle to afford coverage and out-of-pocket costs

Figure 4
Some Insured Americans Report Difficulty Affording Health Care

In general, how **easy** or **difficult** is it for you to afford to pay…?

■ Easy   ■ Difficult

	Easy	Difficult
co-pays for doctor visits and prescription drugs	73%	24%
the cost of health insurance each month	67%	28%
the deductible you pay for care before insurance kicks in	60%	34%

NOTE: Among insured adults.
SOURCE: KFF Health Tracking Poll (conducted May 30-June 4, 2019). See topline for full question wording and response options.

KFF HENRY J KAISER FAMILY FOUNDATION

https://www.kff.org/health-costs/issue-brief/data-note-americans-challenges-health-care-costs/

48% of voters are worried about affording needed health care

KFF Health Tracking Poll, 2017 https://www.kff.org/health-costs/poll-finding/kaiser-health-tracking-poll-health-care-priorities-for-2017/

$135B Federal ACA spending to support coverage and affordability

Urban Institute , 2019,
https://www.urban.org/sites/default/files/publication/100000/repeal_of_the_aca_by_state_0.pdf