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.

CPPP staff with the Sisters in Boerne in 2016
ACA brings a historic drop in uninsured, yet work remains
2020 National Marketplace Options

- 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.

Source: Kaiser Family Foundation analysis data from HealthCare.gov and state rate filings.
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*


7 in 10 people with individual market coverage get a premium subsidy
4.4 Million Uninsured Adults Could Get Coverage through Medicaid Expansion

14 States Have Not Adopted Expansion

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


Graphic: Kaiser Family Foundation

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

Examples:
- 23 states and DC have placed 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

Short-term plans pose serious risks for consumers

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

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

Editorial: Limited health plans prey on vulnerable consumers
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

- Job-based: 49%
- Medicaid: 6%
- Medicare: 20%
- Uninsured: 9%
- Individual Market: 14%
- Military

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

$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

48% of voters are worried about affording needed health care


$135B Federal ACA spending to support coverage and affordability
