

Update on ACA Health Insurance Marketplaces and Medicaid Enrollment, and Impact on Uninsured

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Outline

- Marketplace experiences
 - Overview
 - RUPRI Analysis
 - Data and Methods
 - Premiums, 2014-2016
 - Enrollment
- Impacts on health system?
 - Uninsured
 - Medicaid and Rural
- Other issues? Discussion
 - Narrow networks
 - Other measures of affordability (e.g. deductibles)
 - Uncompensated care
- Conclusions, Policy Implications, Future Work

Key Questions

- What is the variation in marketplaces, especially in rural areas?
 - In particular, how do premiums, plan choices, and other aspects of marketplace plans vary across the U.S.? And how has this changed over time: 2014, 2015, 2016?
- What is the impact of the ACA on insurance coverage, the uninsured, including Medicaid growth?
- What does this look like in Missouri?

Marketplaces

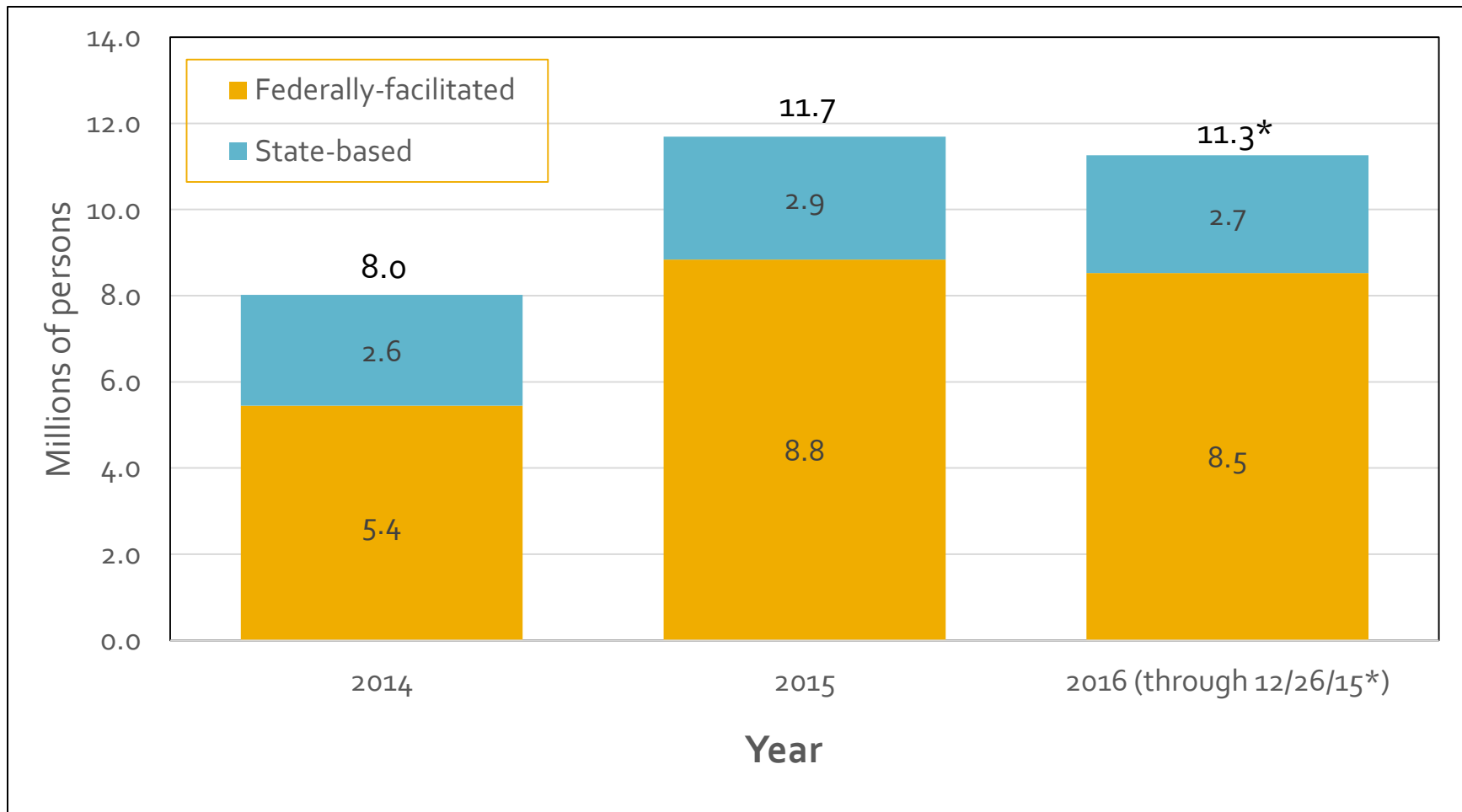


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Enrollment in Marketplaces, 2014-16



SOURCE: ASPE and CMS reports on Marketplaces.

Enrollment in Marketplaces, Missouri

Marketplace Enrollment, 2015 and 2016 (preliminary, through Dec. 2015)

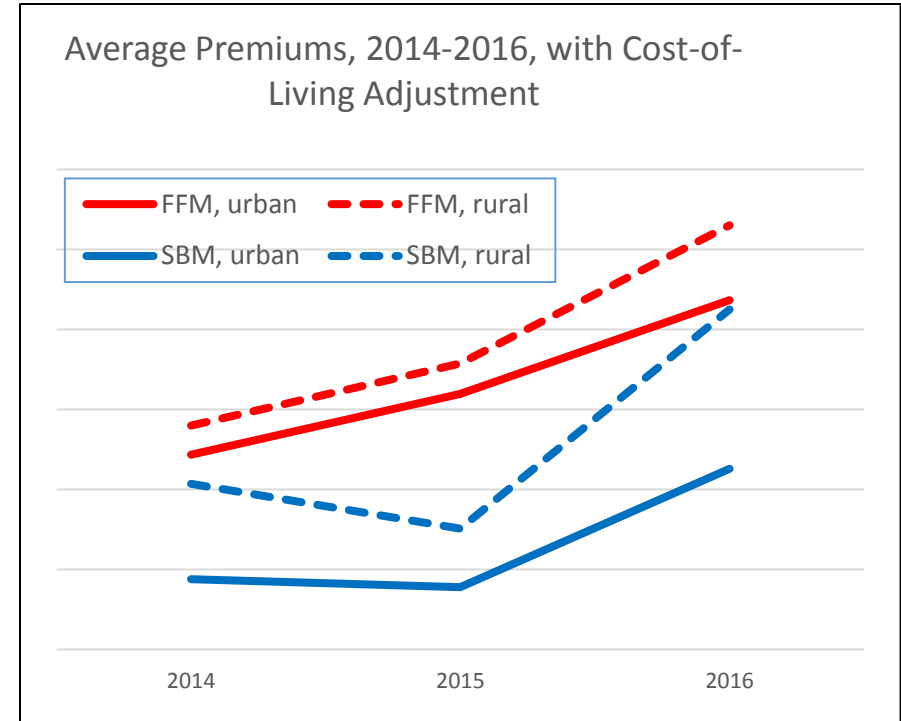
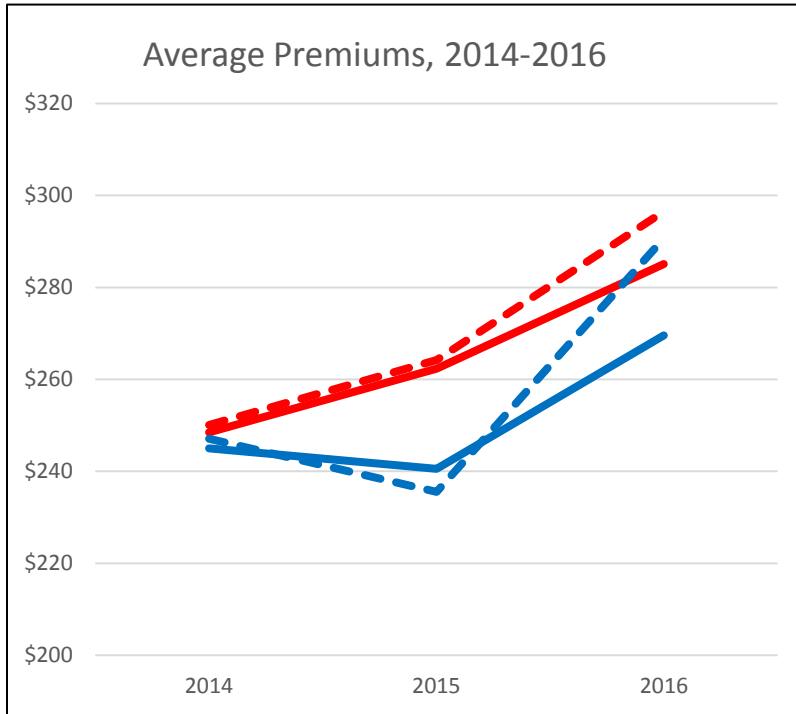
	2015	2016	Growth
MISSOURI	253,430	257,228	1.5%
Federal-facilitated marketplaces (FFMs)	8,838,291	8,524,935	-3.5%
State-based marketplaces (SBMs)	2,849,783	2,733,248	-4.1%
TOTAL	11,688,074	11,258,183	-3.7%

SOURCE: ASPE Enrollment Reports, 2015 and 2016.

Data

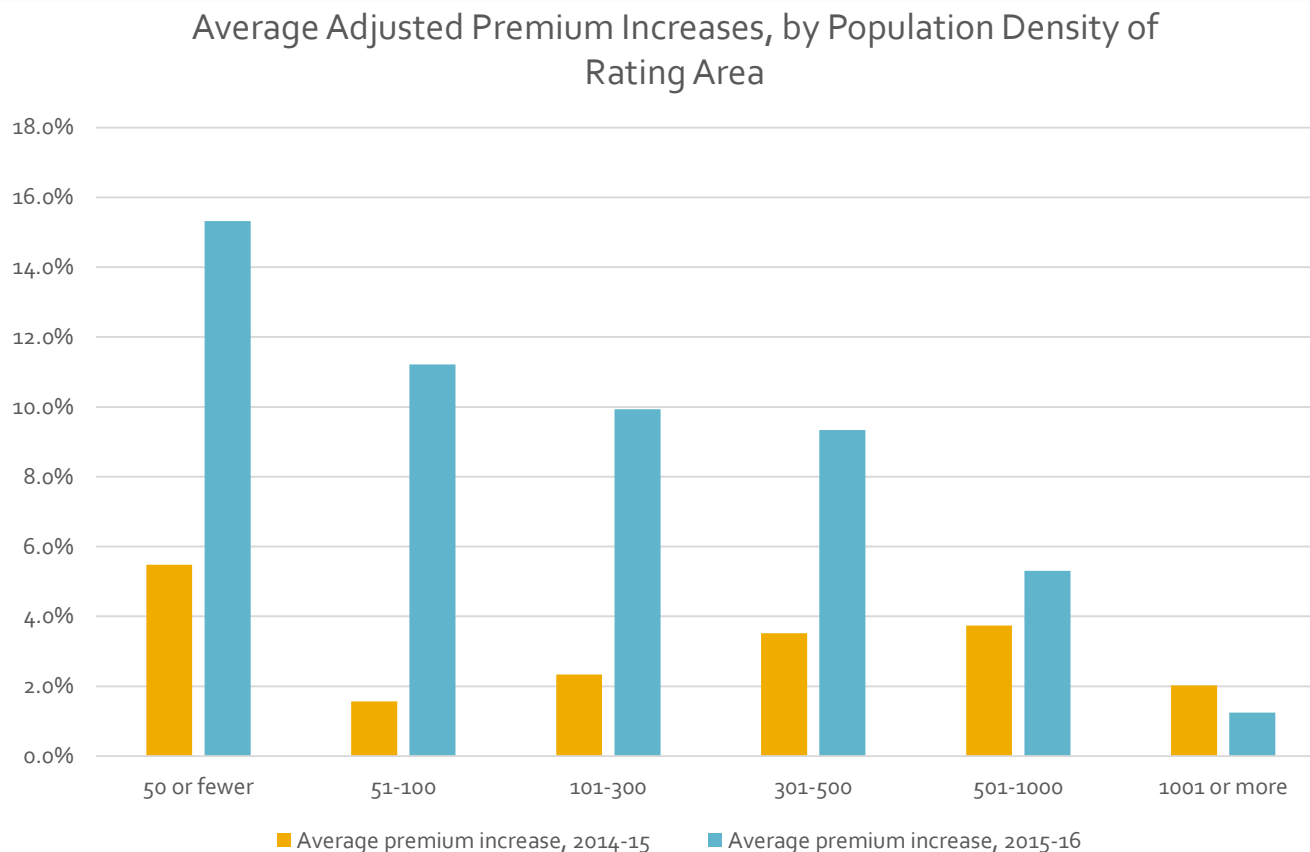
- RUPRI has compiled a large database on Marketplaces
 - Nearly all rating areas in the U.S. (n=500)
 - both Federally-facilitated Marketplaces (FFMs) and State-Based Marketplaces (SBMs)
 - Data for all plans, all metal types and for **2014, 2015, 2016**
 - Linked to other data at the geographic level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

Marketplace Plan premiums, 2014-16



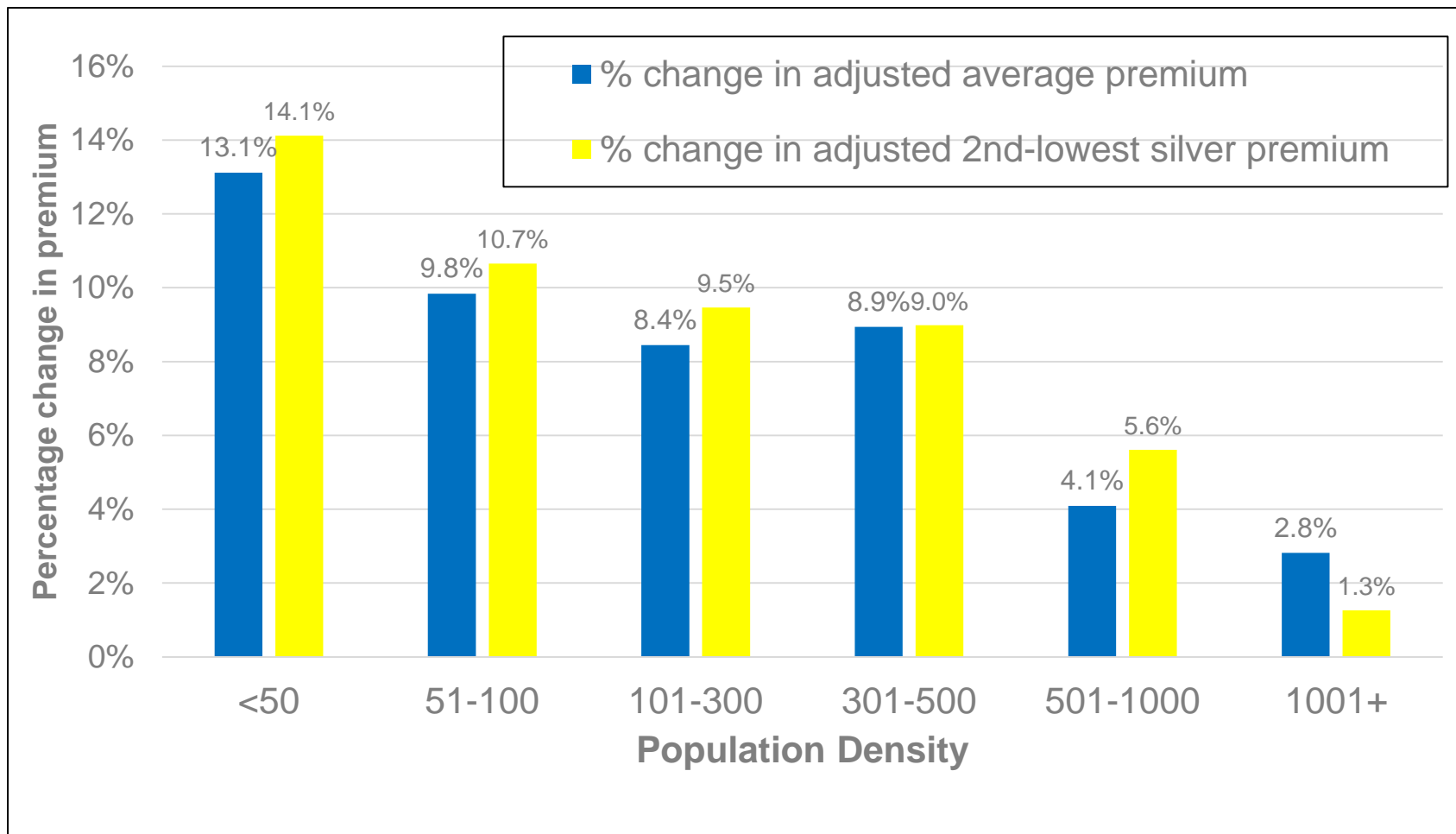
- Displayed are adjusted average premiums for ALL plans in FFM and SBMs, also adjusted for cost of living (on right)
 - After adjusting for COL, premiums in FFM are higher than SBMs in both urban and rural
 - Premiums higher in rural after adjusting for COL in all areas
 - Hard to discern pattern of growth in 2014&2015; but in 2016 clearly rural premiums growing more rapidly

Premium Changes by Population Density, 2014-16

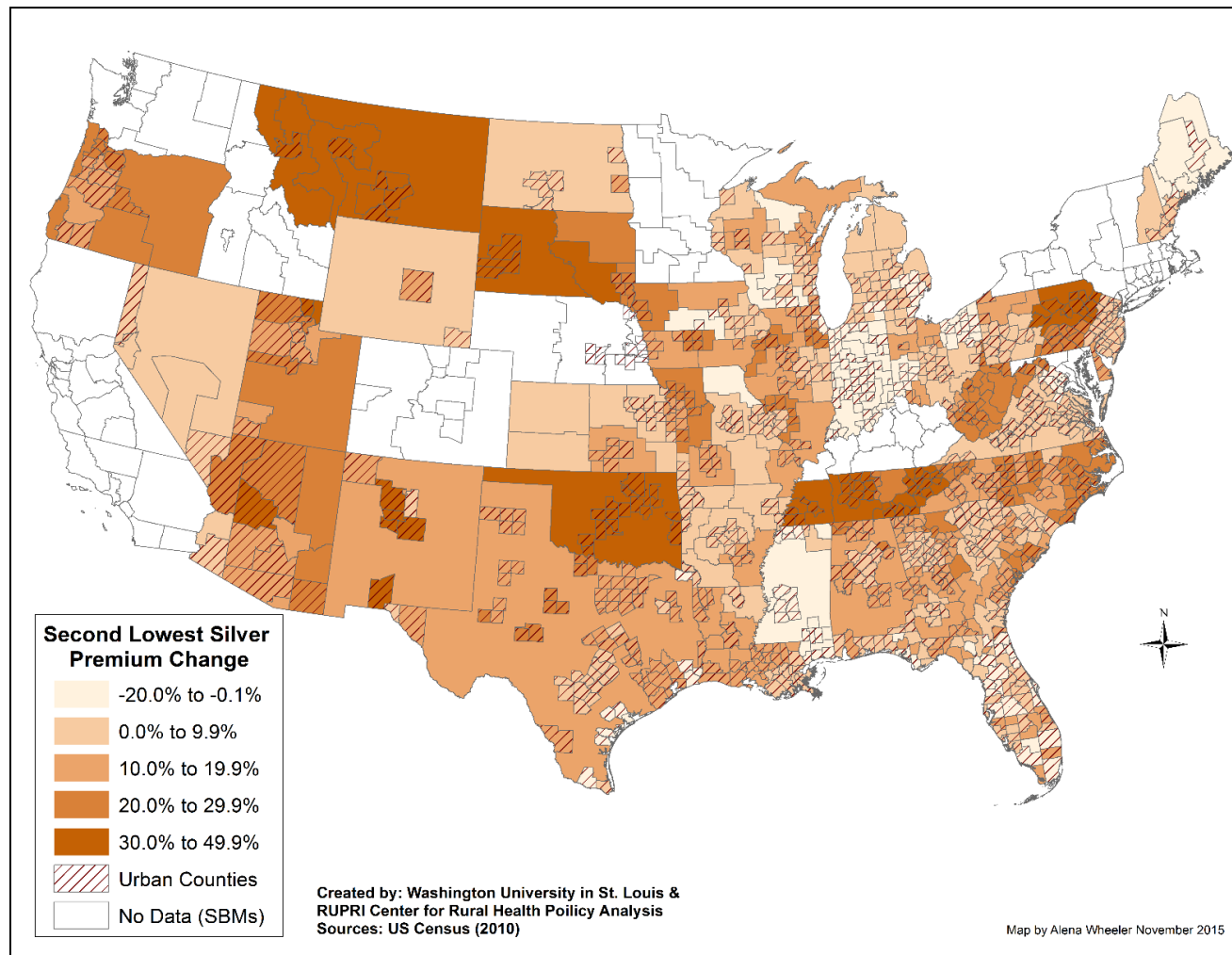


- Premium increases have taken off in 2016, relative to 2015.
 - A distinct pattern, where highest increases in areas with lowest population density.

Change in premiums, by population density, 2015-16



Change in 2nd lowest silver premium, by geographic rating area, FFMs, 2015-16



Premiums by geographic area and association with Medicaid expansion status, 2016

	URBAN	RURAL
Medicaid Expansion States	N=319	N=590
Average adjusted premium, 2016	\$277.45	\$295.03
Average % increase, 2015-16	7.2%	10.8%
2nd-lowest silver adjusted premium, 2016	\$237.77	\$263.06
Average % increase, 2015-16	8.6%	11.9%
Non-Expansion States	N=614	N=1079
Average adjusted premium, 2016	\$294.15	\$308.91
Average % increase, 2015-16	11.3%	14.1%
2nd-lowest silver adjusted premium, 2016	\$260.43	\$279.31
Average % increase, 2015-16	12.9%	16.4%

- Premiums tend to be higher in rural, also in non-expansion states, and growth higher in non-expansion states.
- Analysis based only on FFM states so far (our work is in progress).

Other Findings

- Premium fluctuations, variations
 - Premium increases larger in states that have not expanded Medicaid, compared to states that have expanded Medicaid
 - Premium increases associated with number of firms operating in the rating area
 - Where there is more firm competition, premium increases are lower (or even negative)
 - Premium increases vary significantly by region and location
 - Higher premiums and premium increases in South and Midwest
 - Higher premiums in rural areas (lower population density)
 - After adjusting for cost of living differences
 - Lowest premiums in Northeast
 - Lower premiums, and slower increase in premiums, in states operating a State-Based Marketplace (SBM), compared to states using the FFMs

Marketplace Enrollment

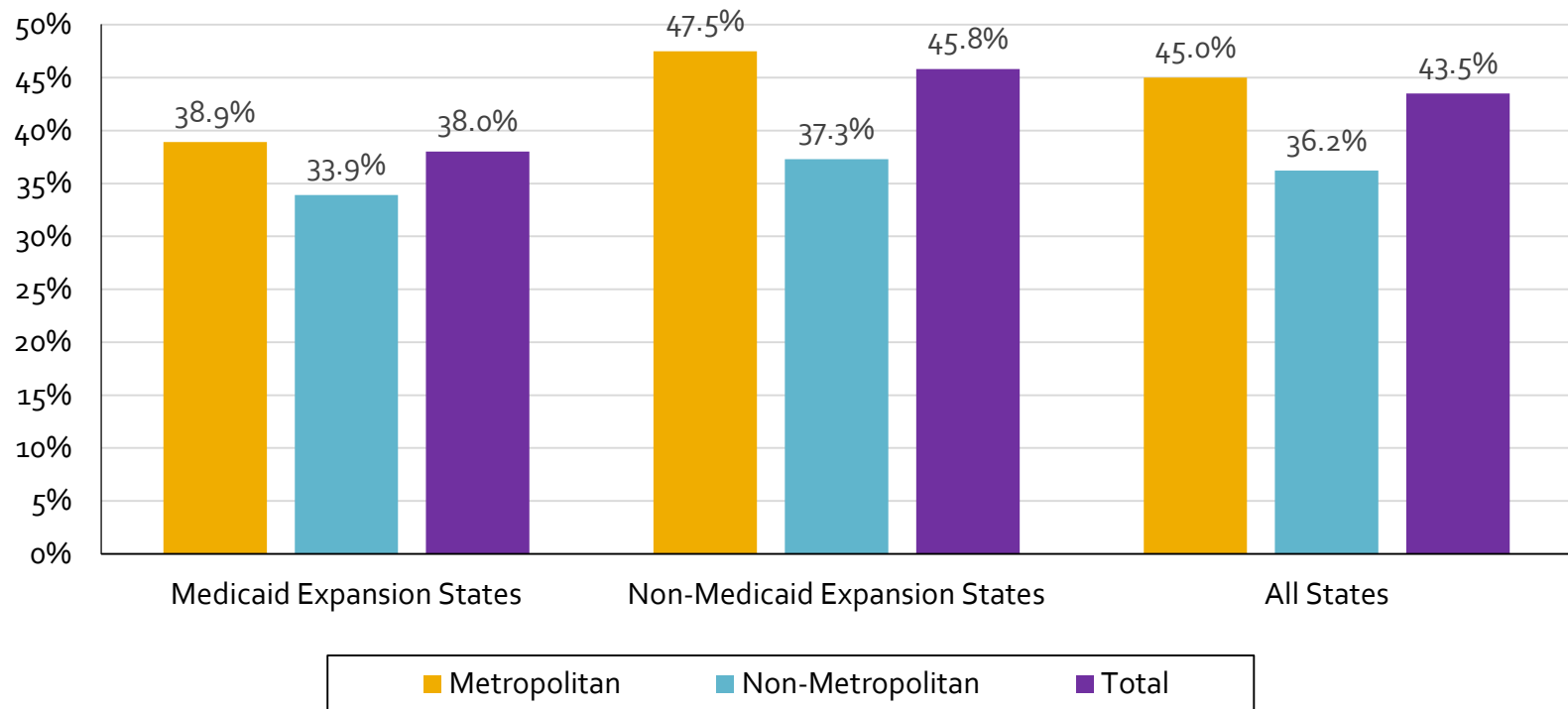


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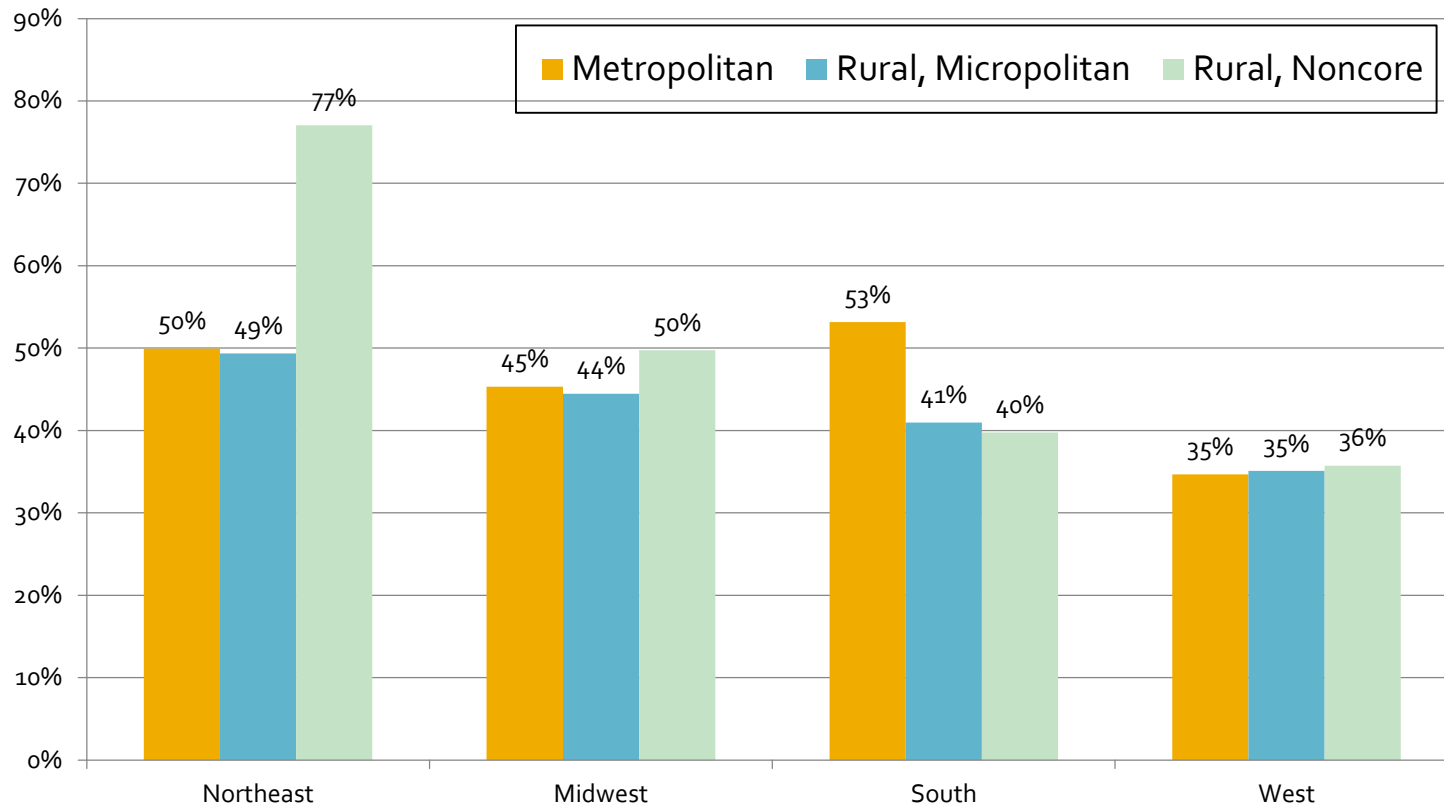
Enrollment in Marketplaces, 2015



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

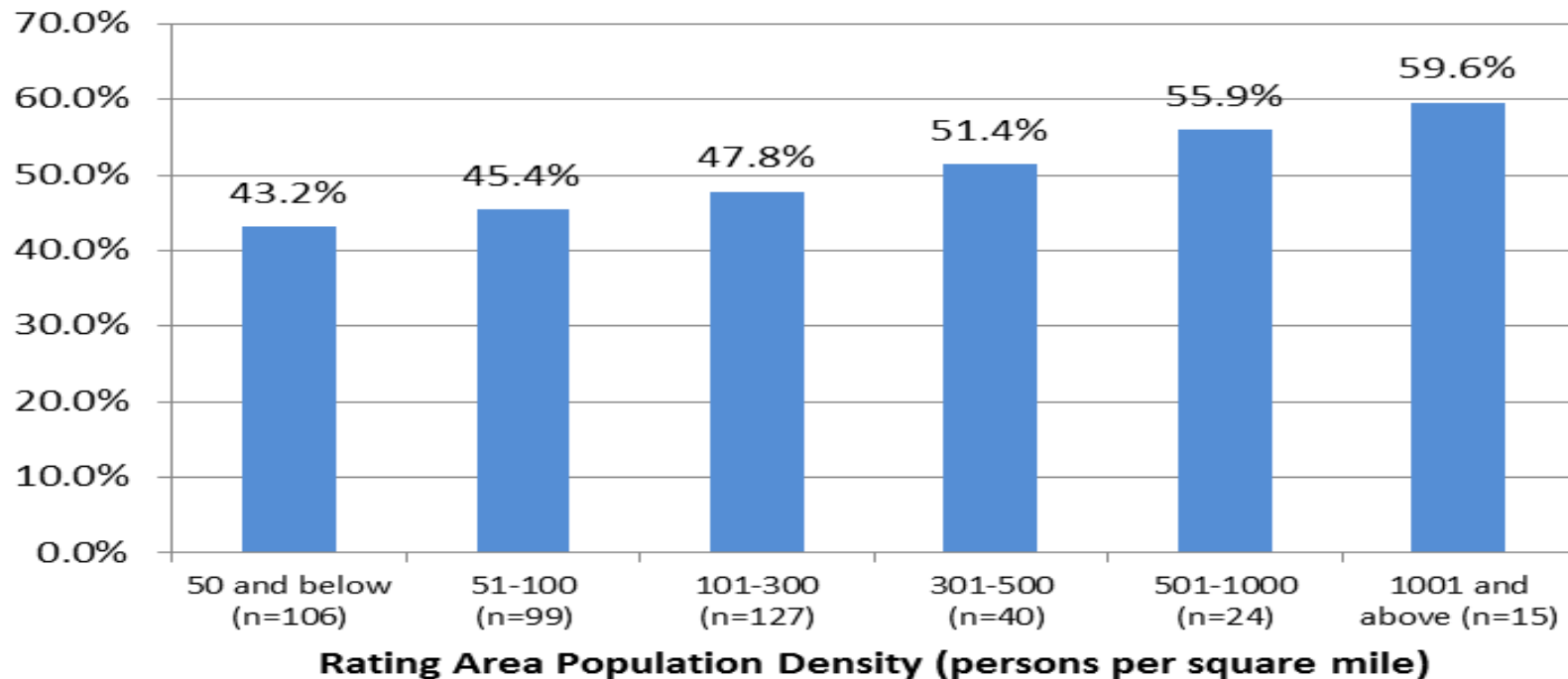
Enrollment in Marketplaces, 2015



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

Enrollment in Marketplaces, 2015

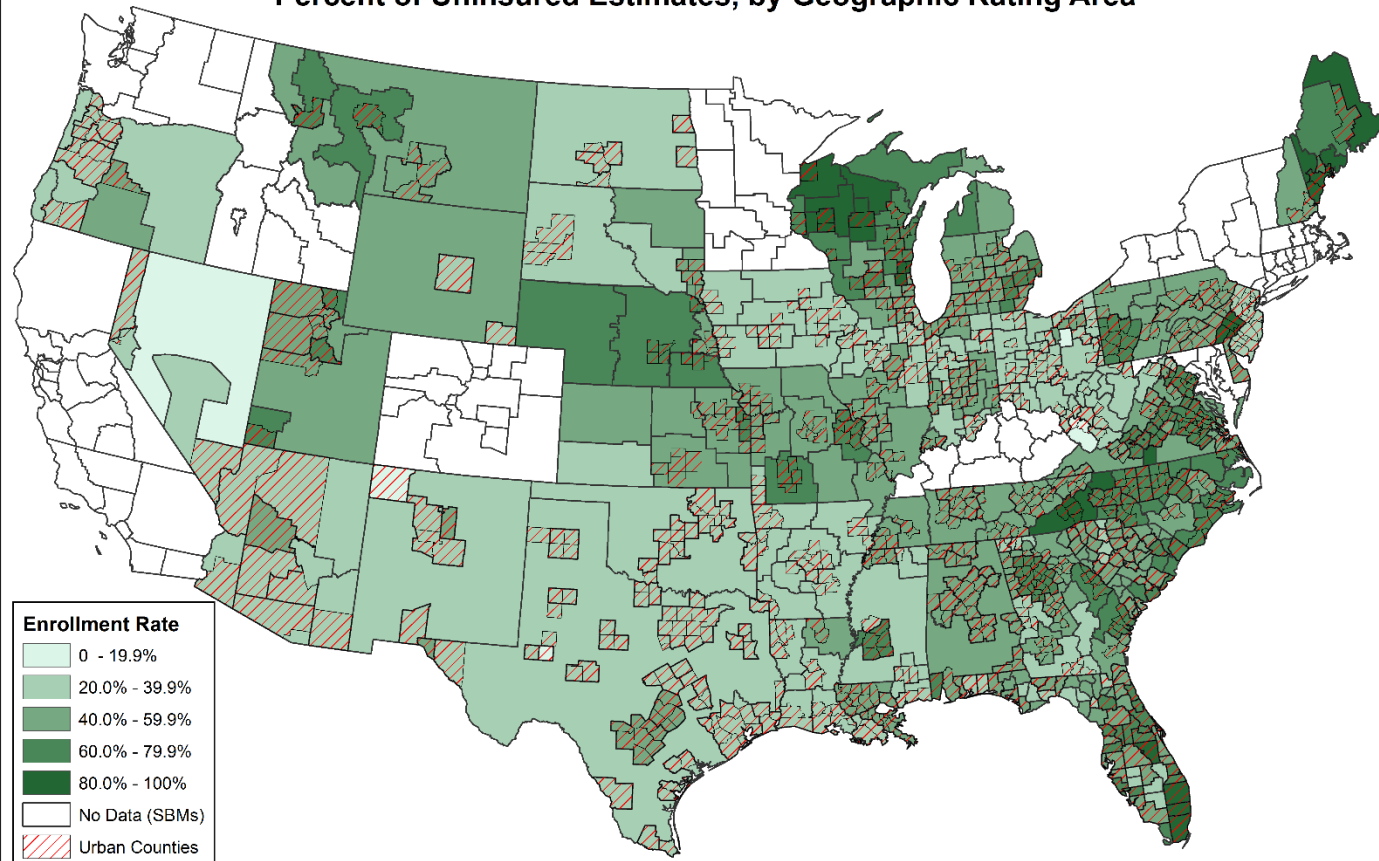
Figure 3. Estimated Enrollment Rates by Rating Area Population Density



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

Enrollment in FFM Marketplaces, 2015

Figure 4. 2015 Health Insurance Marketplace Enrollment as a Percent of Uninsured Estimates, by Geographic Rating Area



Created by: Washington University in St. Louis & RUPRI
 Center for Rural Health Policy Analysis, University of Iowa
 Sources: US Census (2010), Small Area Health Insurance
 Estimates (2013), RUPRI analysis of internal HHS estimates
 of 2015 marketplace enrollment.

Map by: Timothy Walter, April 2015

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?

Uninsured rate



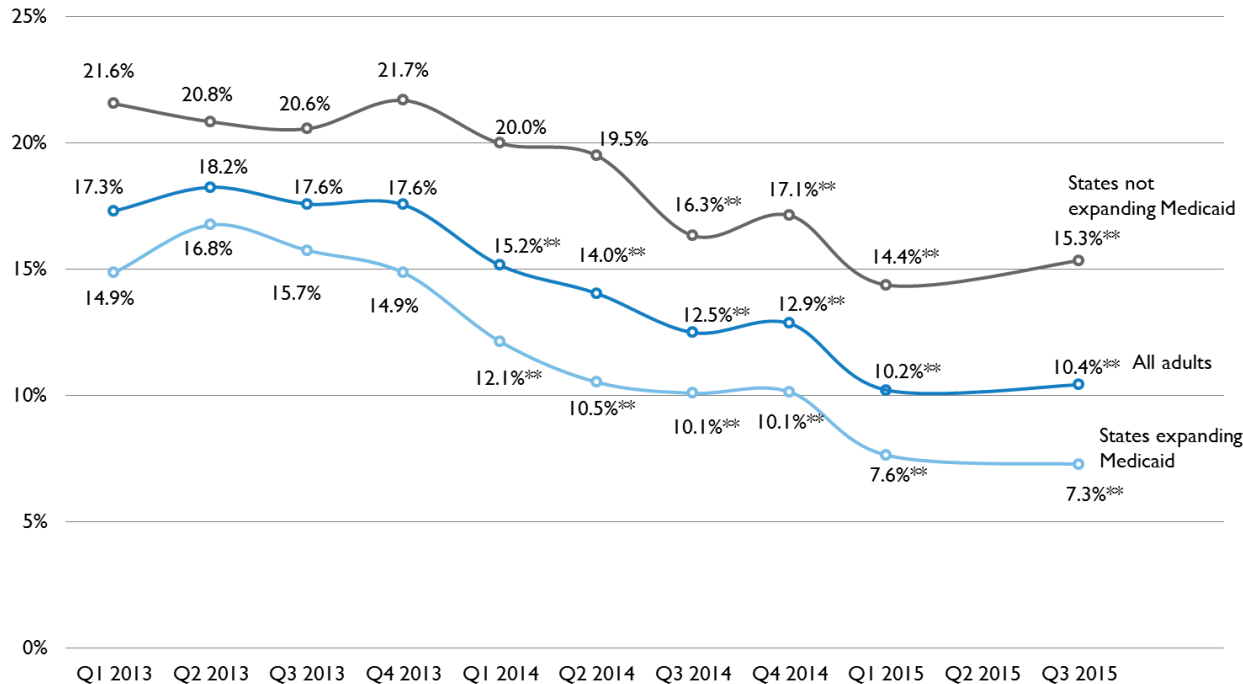
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Effect of ACA on Uninsurance in the U.S

Figure 1. Trends in Uninsurance for Adults Ages 18 to 64 from Quarter 1 2013 to Quarter 3 2015



Source: Health Reform Monitoring Survey, quarter 1 2013 through quarter 3 2015.

Notes: Estimates are regression adjusted. States expanding Medicaid before September 2015 are AZ, AR, CA, CO, CT, DE, DC, HI, IL, IN, IA, KY, MD, MA, MI, MN, NH, NV, NJ, NM, NY, ND, OH, OR, PA, RI, VT, WA, and WV. Estimates are not available for quarter 2 2015 because the Health Reform Monitoring Survey shifted from a quarterly fielding schedule to a semiannual schedule in March 2015.

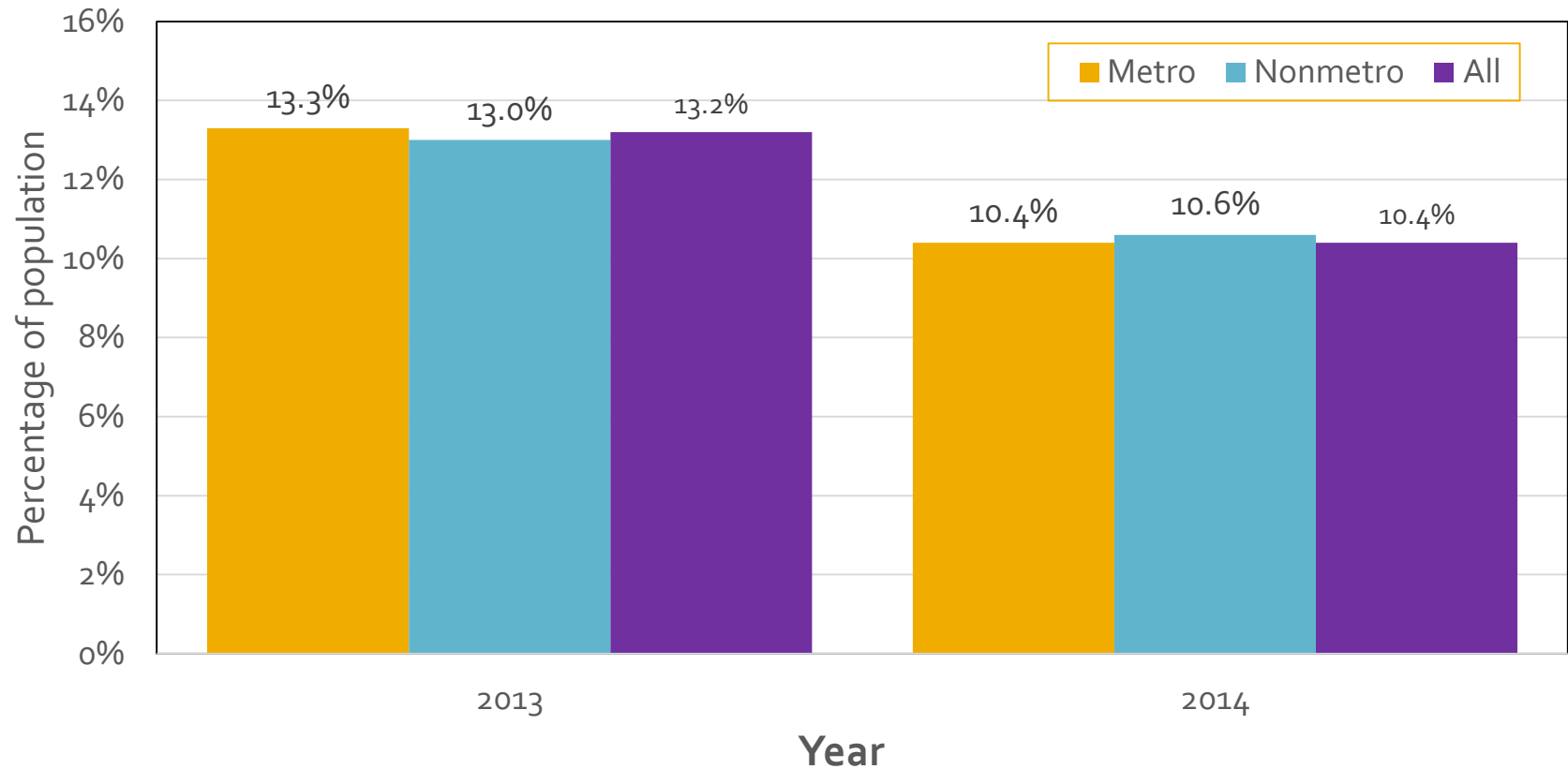
** Estimate differs significantly from quarter 3 2013 at the .05/.01 levels, using two-tailed tests. Statistical significance is only reported for estimates after quarter 3 2013.

- Huge drop in uninsurance rates since 3rd quarter 2013...
- from 17.6% to 10.4% (7.2 percentage points)
- 40% drop in uninsured in just two quarters.
- Larger drop in states that expanded Medicaid (51%) as compared to states not expanding Medicaid (30% drop)

Source: Urban Institute, Health Reform Monitoring Survey.

Uninsured rate changes: 2013 to 2014

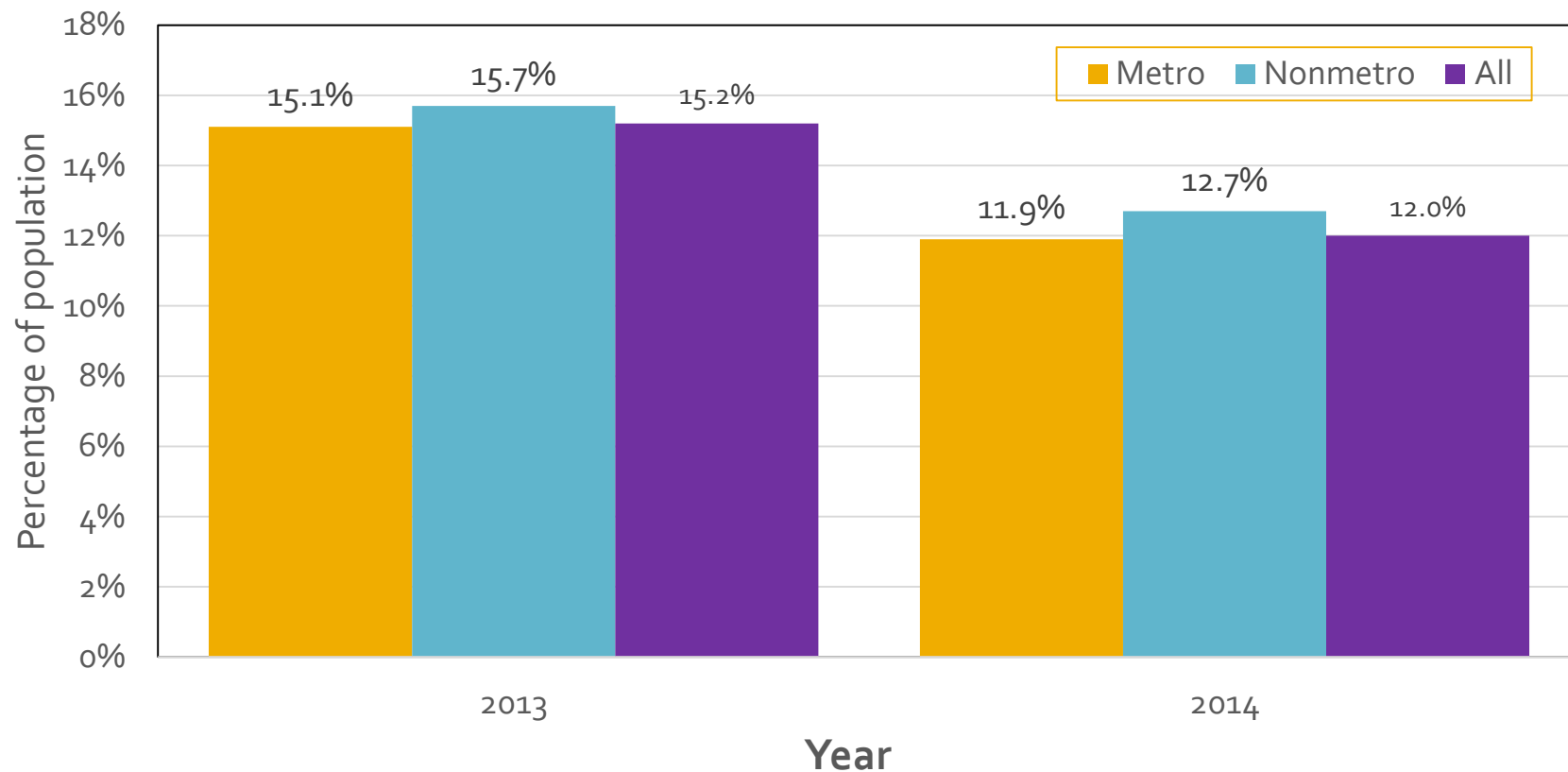
All Ages, Metro and Nonmetro, 2013 and 2014



- SOURCE: 2014 and 2015 Current Population Survey (CPS), analysis by RUPRI.
- Nonmetro uninsured rate lower in 2013, but higher in 2014.

Uninsured rate changes: 2013 to 2014

Nonelderly only, Metro and Nonmetro, 2013 and 2014

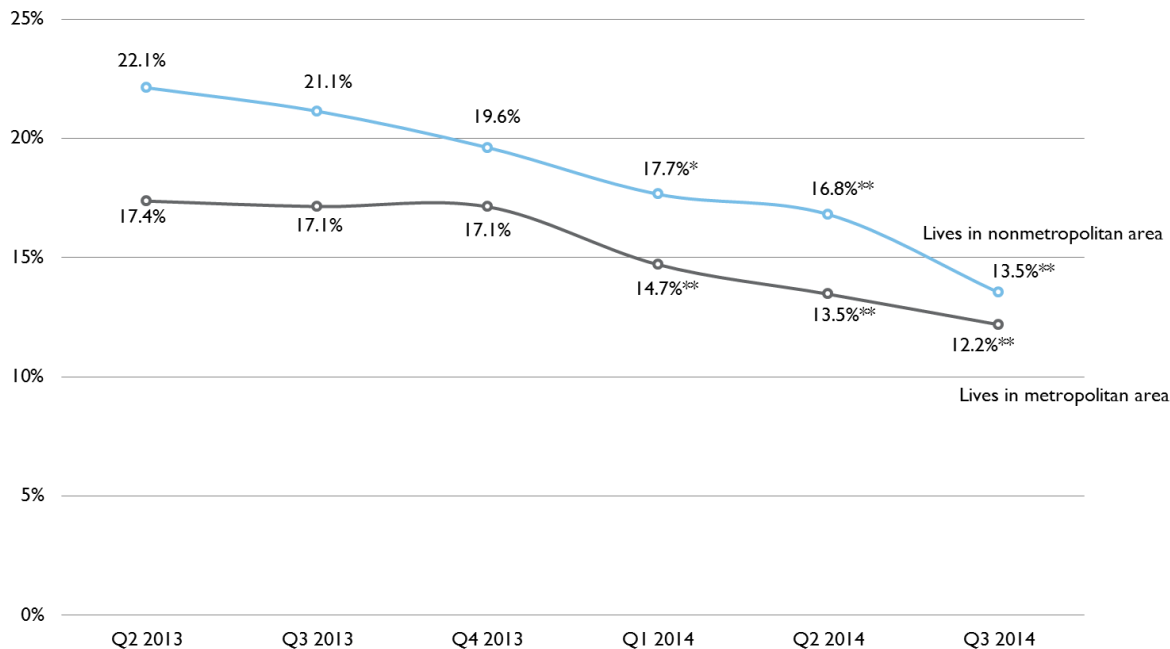


- SOURCE: 2014 and 2015 Current Population Survey (CPS), analysis by RUPRI.
- Change in uninsured larger in metro (-3.3%) than in nonmetro (-3%)

Effect of ACA on Uninsurance in Metro, Nonmetro (alternative source)

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Figure 1. Trends in Uninsurance for Adults Ages 18 to 64, by Residence in a Metropolitan Area, from Quarter 2 2013 to Quarter 3 2014



Source: Health Reform Monitoring Survey, quarter 2 2013 through quarter 3 2014.

Note: Estimates are regression adjusted.

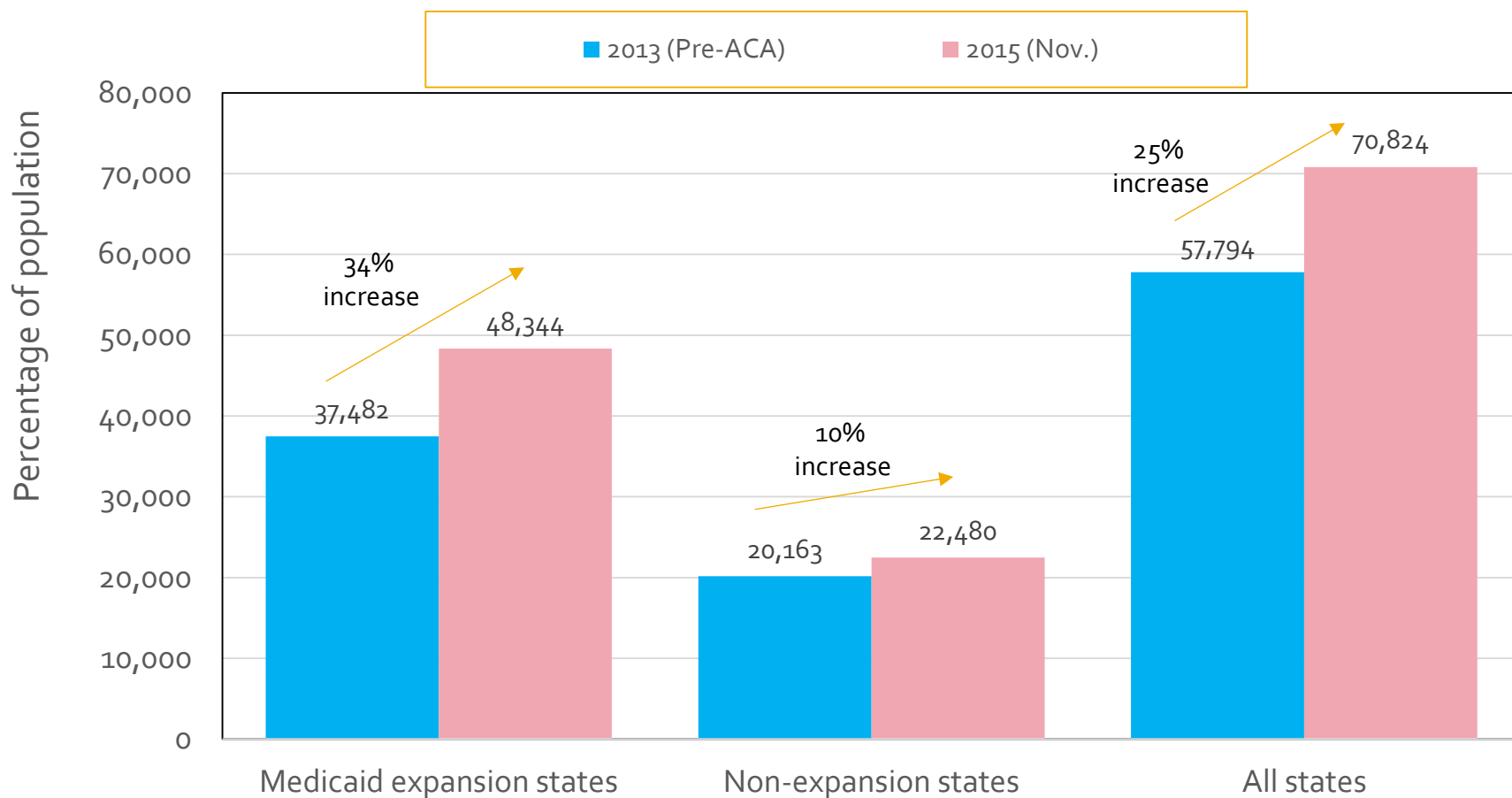
*p*** Estimate differs significantly from quarter 3 2013 at the 0.05/0.01 levels, using two-tailed tests.

- An alternative source... the Urban Institute's survey also show similar drops in uninsured rates in metro and nonmetro areas from 2013 to end of 2014
- This is for age 18-64 age group
- from 21.1% to 13.5% in nonmetro; 17.1 to 12.2% in metro
- CPS numbers:
 - Nonmetro 18.3% → 15%;
 - Metro: 18.3% → 14.1%

Source: Urban Institute, Health Reform Monitoring Survey.

Increase in Medicaid enrollment, 2013-15

By Medicaid Expansion Status



Enrollment in Medicaid, Missouri

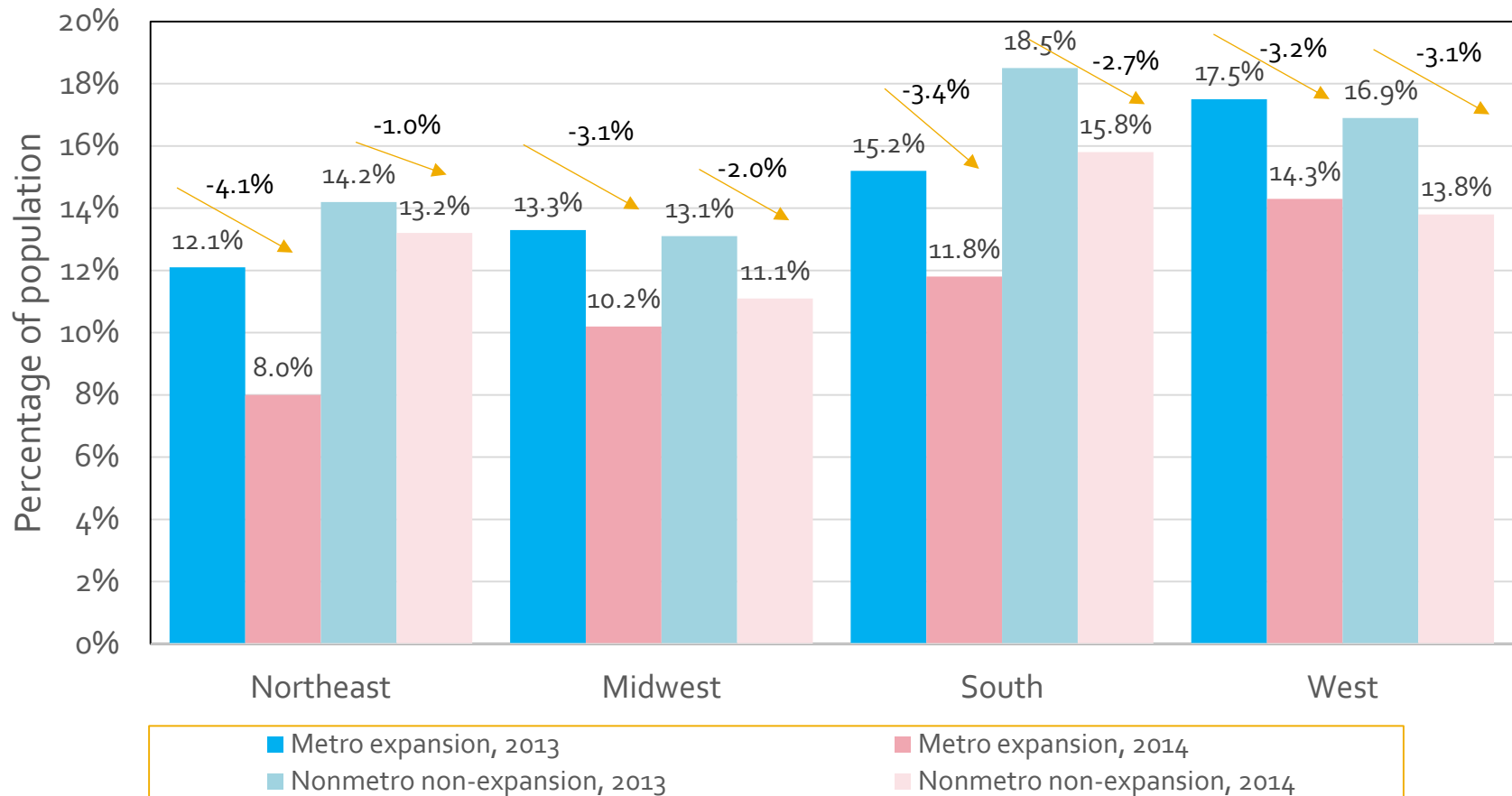
Estimated Medicaid and CHIP Enrollment, Pre-ACA compared to November 2015

	Pre-ACA (July-Sept. 2013)	Nov. 2015	Growth
MISSOURI	846,084	924,503	9.3%
Non Medicaid- Expansion States	20,163,153	22,479,766	10.1%
Medicaid-Expansion States	36,111,216	48,343,915	33.9%
TOTAL	56,274,369	70,823,681	25.3%

SOURCE: CMS November 2015 Monthly Applications, Eligibility, Determinations and Enrollment Report.

Uninsured rate changes: 2013 to 2014

By Medicaid Expansion Status and Region, for Nonmetro Areas



- Declines larger in Medicaid expansion states across U.S., and uninsured rates higher before & after ACA (except in West)
- South & Midwest important for rural: 73% of nonmetro population resides in South & Midwest

Other Issues?

- Rising issues:
 - Plans setting “Narrow Networks”
 - Evidence there are “narrow” networks in plans offered in the Marketplaces
 - From anecdotal and other evidence that plan organizations have adjusted or varied the “networks” of their plans
 - Is there a rural/urban differential here? Unclear
 - Who are the remaining uninsured, and what are their characteristics?
 - Affordability of health care in marketplaces
 - Many silver, bronze plans have high deductibles
 - Vast majority of people are choosing silver and bronze plans
 - What is the impact of all this on the health care system?
 - Access, Utilization, Uncompensated care?
 - Variations in this?

Preliminary Analysis of Deductibles in FFM Marketplace Plans, 2016

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	Metal type							
	Bronze		Silver		Gold		Platinum	
Deductible amount	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural
\$0-\$3,000	0.3%	0.0%	44.4%	45.8%	96.4%	97.5%	100%	100%
\$3000-\$3,999	4.5%	5.1%	30.4%	33.5%	3.6%	2.5%	0%	0%
\$4000-\$4,999	15.1%	14.2%	11.8%	11.8%	0%	0%	0%	0%
\$5000-\$6,850	80.1%	80.7%	13.5%	8.9%	0%	0%	0%	0%
	100%	100%	100%	100%	100%	100%	100%	100%

Conclusion

- The marketplaces has been a bit of wild ride
 - First few years a path to 'equilibrium'
 - Are we there yet?
 - First year: turmoil; second year, entry; third year, adjustment
- The rural story
 - First two years; uneven: much good news on enrollment and premiums; but pockets of concern
 - 2016: rising premiums in rural years
- Moving forward
 - Concerns: affordability, Co-Ops, exit of some plans, narrow networks

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Premiums growth by region and geographic status, 2015-2016

Census Region	URBAN	RURAL
Northeast		
Average adjusted premium, 2016	\$252.08	\$250.40
Average % increase, 2015-16	5.6%	6.4%
2nd-lowest silver adjusted premium, 2016	\$211.33	\$217.19
Average % increase, 2015-16	11.7%	12.4%
Midwest		
Average adjusted premium, 2016	\$288.07	\$304.37
Average % increase, 2015-16	7.0%	11.9%
2nd-lowest silver adjusted premium, 2016	\$246.53	\$269.32
Average % increase, 2015-16	6.6%	12.1%
South		
Average adjusted premium, 2016	\$295.02	\$303.79
Average % increase, 2015-16	11.2%	12.7%
2nd-lowest silver adjusted premium, 2016	\$262.03	\$276.02
Average % increase, 2015-16	12.8%	14.7%
West		
Average adjusted premium, 2016	\$269.16	\$317.20
Average % increase, 2015-16	16.6%	19.3%
2nd-lowest silver adjusted premium, 2016	\$241.40	\$293.97
Average % increase, 2015-16	21.8%	25.8%

- Premiums tend to be higher in rural and growth rates higher
- Premium growth rates highest in West, South
- Analysis based only on FFM states so far (our work is in progress).

Relationship between Number of Firms per County and Percent Change in Average Premium Price, 2015-2016, Federally Facilitated Marketplaces Only

2015 number of firms	Change in number of firms, 2015-2016			Total
	Gain of firms	No change	Loss of firms	
1 or 2 firms				
Average percent change in average adjusted premium	13.0%	16.2%	2.7%	716
Average percent change in 2nd-lowest silver adjusted premium	11.1%	19.5%	13.8%	
Number of counties (%)	239 (34%)	384 (54%)	89 (12%)	
3 or 4 firms				
Average percent change in average adjusted premium	11.3%	12.5%	16.5%	1176
Average percent change in 2nd-lowest silver adjusted premium	8.9%	11.1%	20.6%	
Number of counties (%)	178 (15%)	519 (44%)	479 (41%)	
5+ firms				
Average percent change in average adjusted premium	3.7%	5.9%	8.1%	710
Average percent change in 2nd-lowest silver adjusted premium	1.9%	7.7%	12.7%	
Number of counties (%)	128 (18%)	196 (28%)	386 (54%)	
Total Numbers of Counties	549	1099	954	2602

- Premiums growth tends to be higher where counties experienced a loss of firms, and where the number of firms is lower or was to begin with, as well)
- Analysis based only on FFM states so far (our work is in progress).