

The ACA's Impact on Rural Areas

September 2015

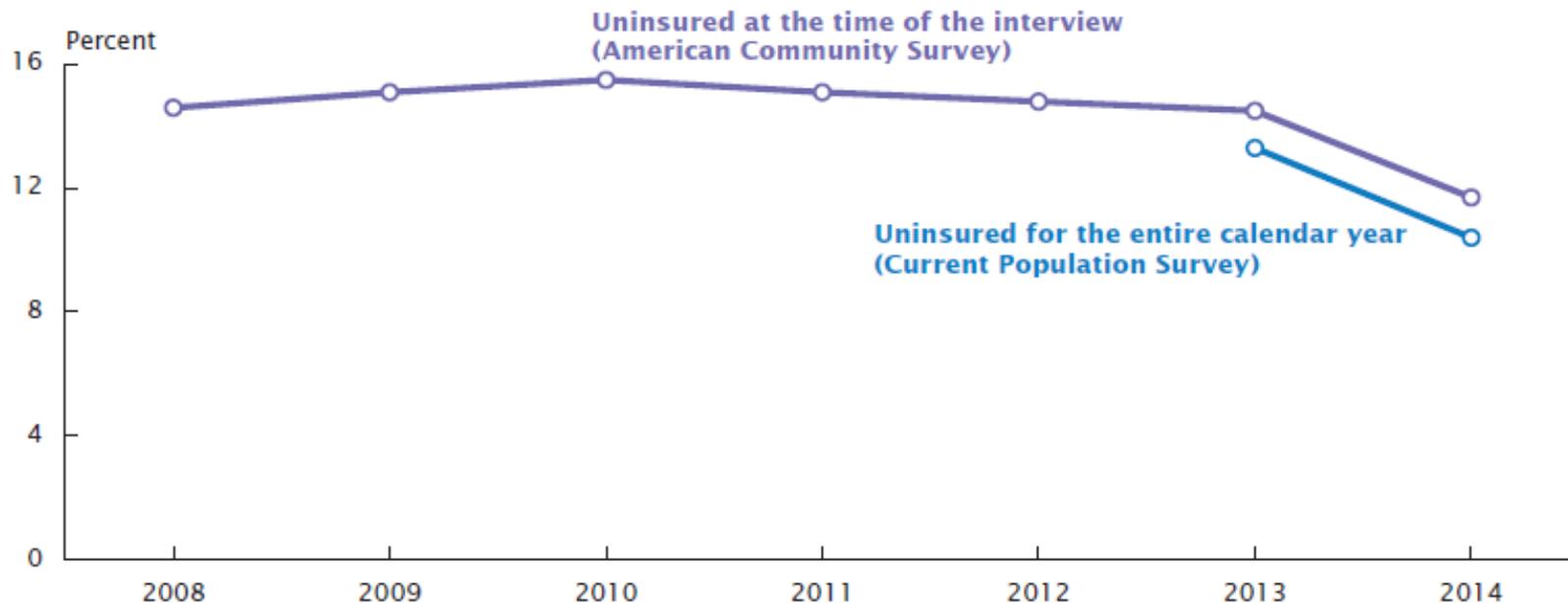
Timothy D. McBride, PhD
Washington University in St. Louis
Brown School

Outline

- Background
 - Overall Impact of ACA
- Impact of ACA in Rural Areas
 - Marketplaces
- Discussion/Implications

Change in Uninsured Rate, pre/post ACA

Figure 1.
Uninsured Rate: 2008 to 2014



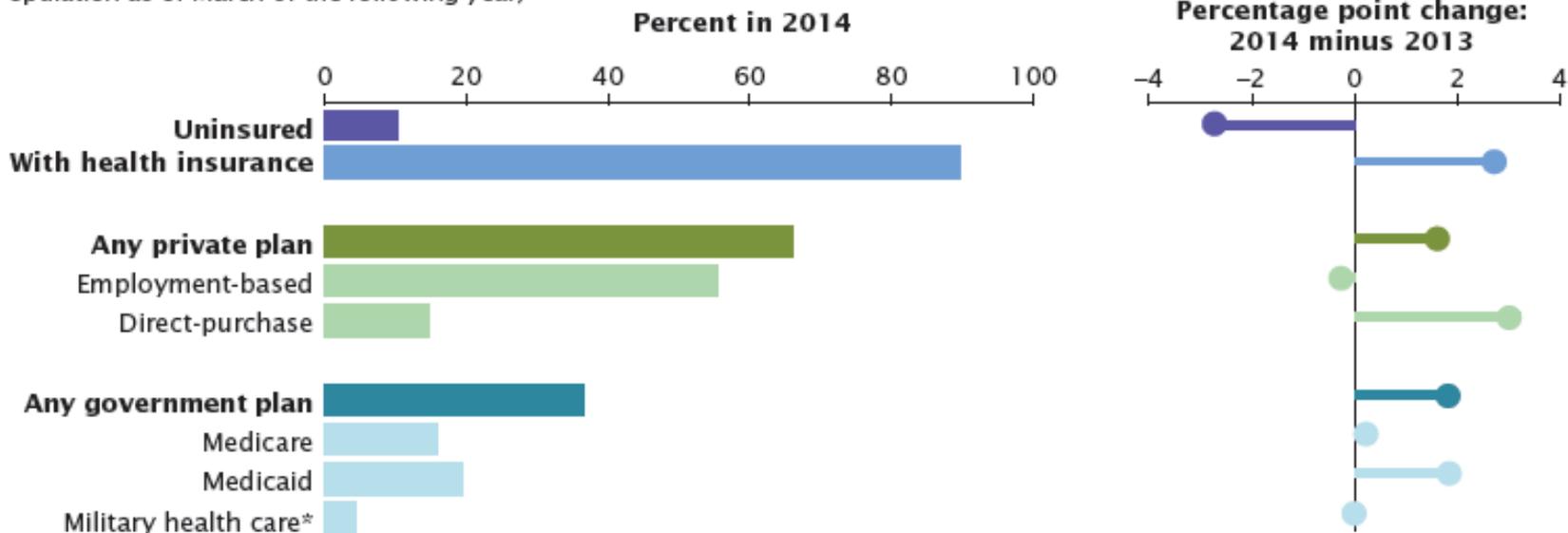
Note: For the American Community Survey, estimates are for the civilian noninstitutionalized population. For the Current Population Survey, estimates reflect the population as of March of the following year. For information on confidentiality protection, sampling error, nonsampling error, and definitions in the Current Population Survey, see <www2.census.gov/programs-surveys/cps/techdocs/cpsmar15.pdf>. For information on confidentiality protection, sampling error, nonsampling error, and definitions in the American Community Survey, see <www2.census.gov/programs-surveys/acs/tech_docs/accuracy/ACS_Accuracy_of_Data_2014.pdf>.

Source: U.S. Census Bureau, 2014 and 2015 Current Population Survey Annual Social and Economic Supplements and 2008 to 2014 1-Year American Community Surveys.

Change in Uninsured Rate, pre/post ACA

Figure 2.
Percentage of People by Type of Health Insurance Coverage and Change From Last Year: 2014

(Population as of March of the following year)



Note: Between 2013 and 2014, there was not a statistically significant change in the percentage of people covered by employment-based health insurance or military health care.

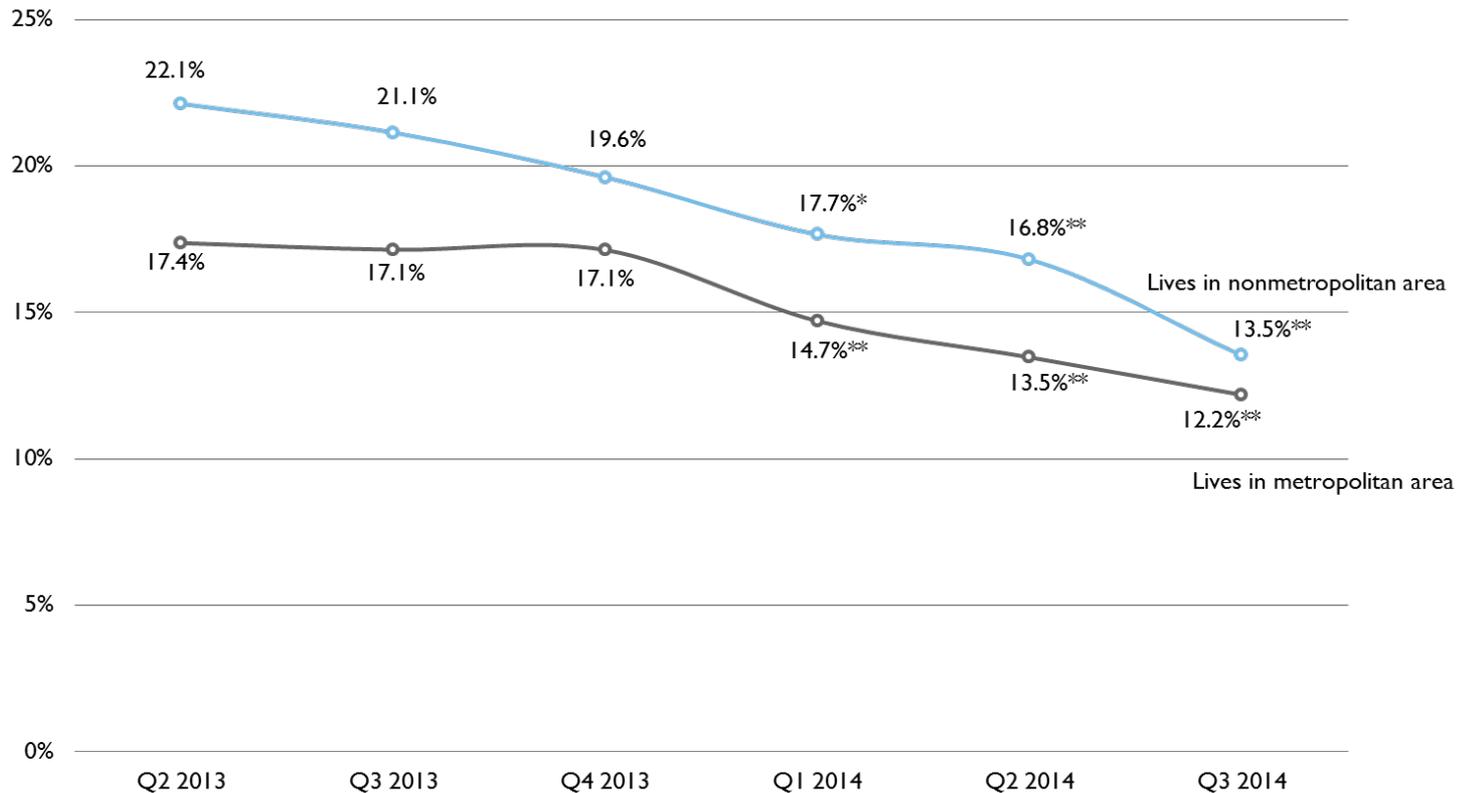
*Military health care includes TRICARE and CHAMPVA (Civilian Health and Medical Program of the Department of Veterans Affairs), as well as care provided by the Department of Veterans Affairs and the military.

For information on confidentiality protection, sampling error, nonsampling error, and definitions in the Current Population Survey, see <www2.census.gov/programs-surveys/cps/techdocs/cpsmar15.pdf>.

Source: U.S. Census Bureau, Current Population Survey, 2014 and 2015 Annual Social and Economic Supplements.

Change in Uninsured Rate, pre/post ACA, by urban/rural

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



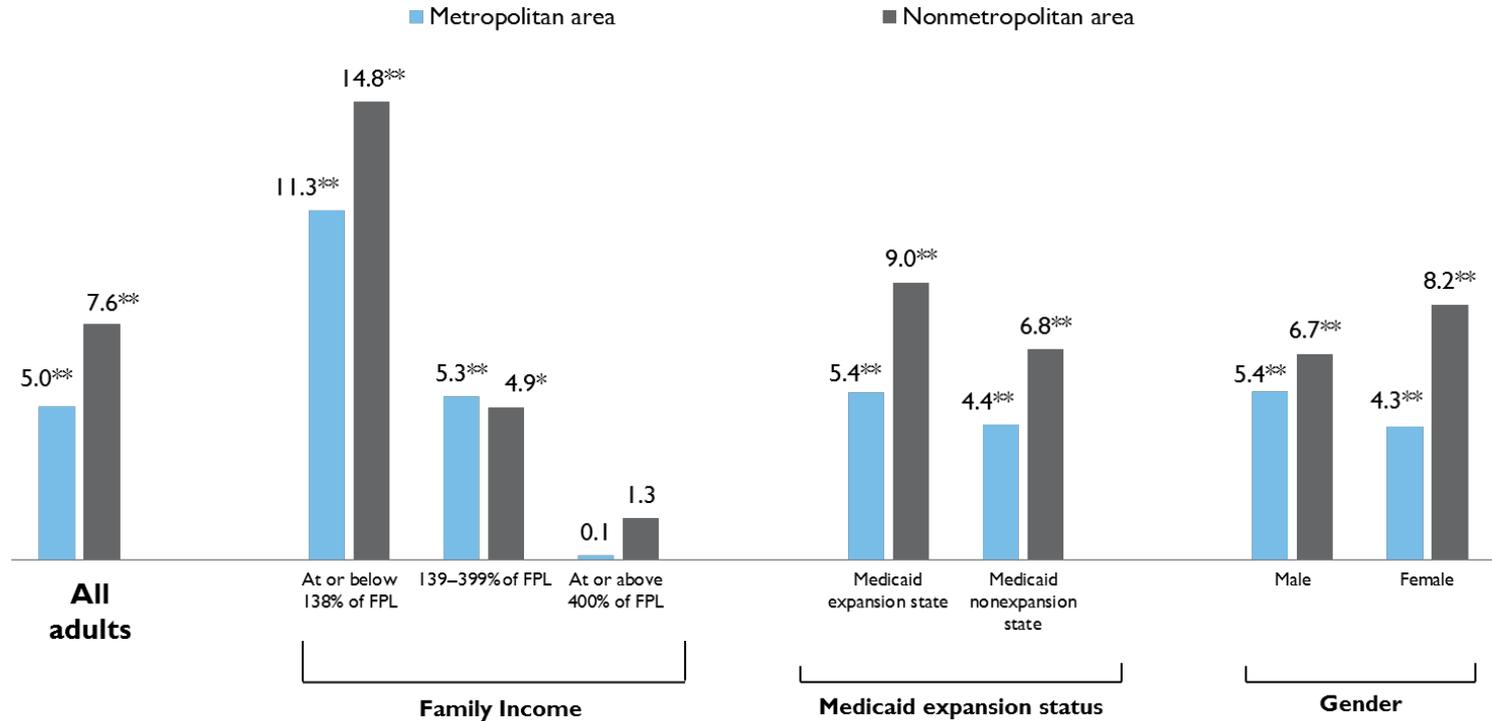
Source: Health Reform Monitoring Survey, quarter 2 2013 through quarter 3 2014.

Note: Estimates are regression adjusted.

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

Increase in coverage due to ACA, metro vs. nonmetro

Figure 2. Percentage-Point Increase in Insurance Coverage for Adults Ages 18 to 64 in Metropolitan and Nonmetropolitan Areas between Quarter 3 2013 and Quarter 3 2014



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

Notes: FPL is federal poverty level. Medicaid expansion status is as of September 2014.

/: Estimate differs significantly from zero at the 0.05/0.01 levels, using two-tailed tests.

Change in Uninsured due to ACA?

| | Baseline Uninsured Rate | Q1 2014 | Q3 2014 | Q1 2015 |
|----------------------|-------------------------|---|---------|---------|
| | | Change in Percentage Points from Baseline Trend | | |
| Non-expansion | 23.4 | -2.5 | -4.5 | -6.9 |
| <138% of FPL | 61.8 | 2.7 | -0.9 | -7 |
| 139-400% of FPL | 22.2 | -4.7 | -7.3 | -10.1 |
| >400% of FPL | 1.9 | 0.4 | -0.6 | -1.1 |
| Expansion | 18.2 | -2.8 | -6.2 | -7.4 |
| <138% of FPL | 55.0 | -2.7 | -5.5 | -13 |
| 139-400% of FPL | 18.1 | -4.1 | -8.3 | -9.5 |
| >400% of FPL | 1.8 | -0.4 | -1.3 | -1.3 |

Expansion states

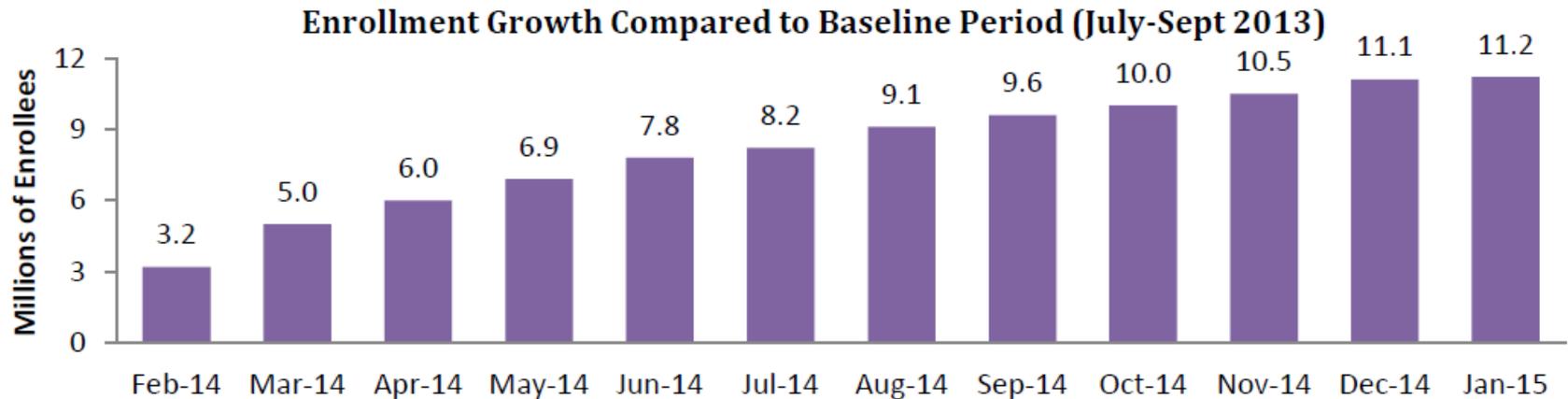
- 40% drop (from 18.4% a drop of 7.4 percentage points)

Non-expansion states

- 29% drop (from 23.4%, drop of 6.9 percentage points)

Source: ASPE, [Uninsured Change Report](#), March 2015

Medicaid Enrollment Growth



SOURCE: CMCS Monthly Enrollment Reports. All data are based on updated enrollment reports except for January, which are preliminary data. Monthly data are

Medicaid and CHIP enrollment growth (Sept. 2013-Jan. 2015)

- 26% growth in Medicaid Expansion States
- 8% growth in non-expansion states

Source: ASPE, [Uninsured Change Report](#), March 2015

Marketplaces enrollment

- Analysis by Rural Policy Research Institute (RUPRI) Health Policy Center
 - Based on data from range of sources:
 - HHS/Assistant Secretary of Planning and Evaluation (ASPE)
 - Including enrollment data for federally-facilitated marketplaces (FFMs)
 - State level data compiled by RUPRI
 - Medicaid & CHIP enrollment from CMS
 - Estimates of uninsured from Census Bureau
 - Supplemented by data from Kaiser Family Foundation

Estimated Enrollment Rates in Marketplaces, by Rating Area Population Density

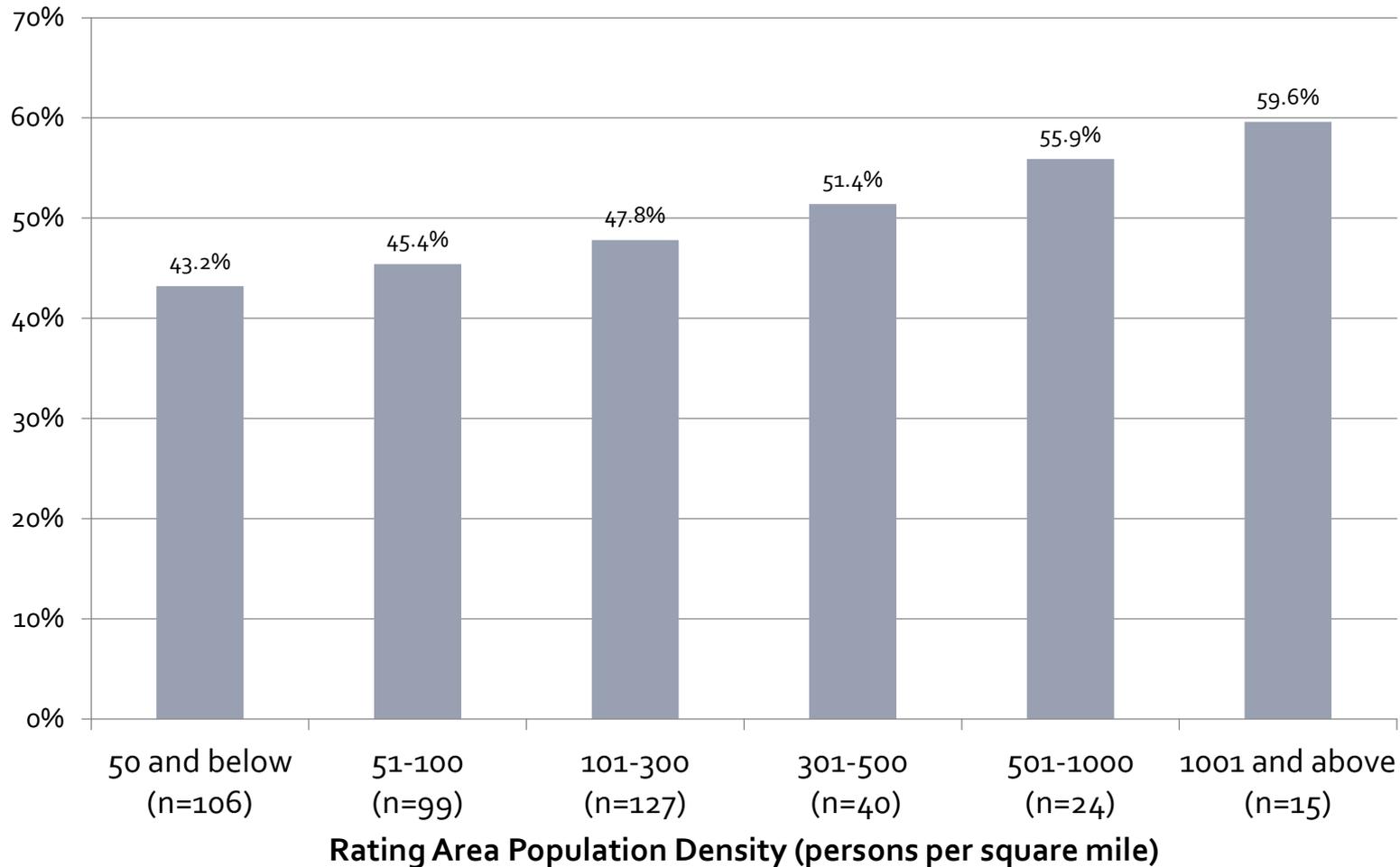
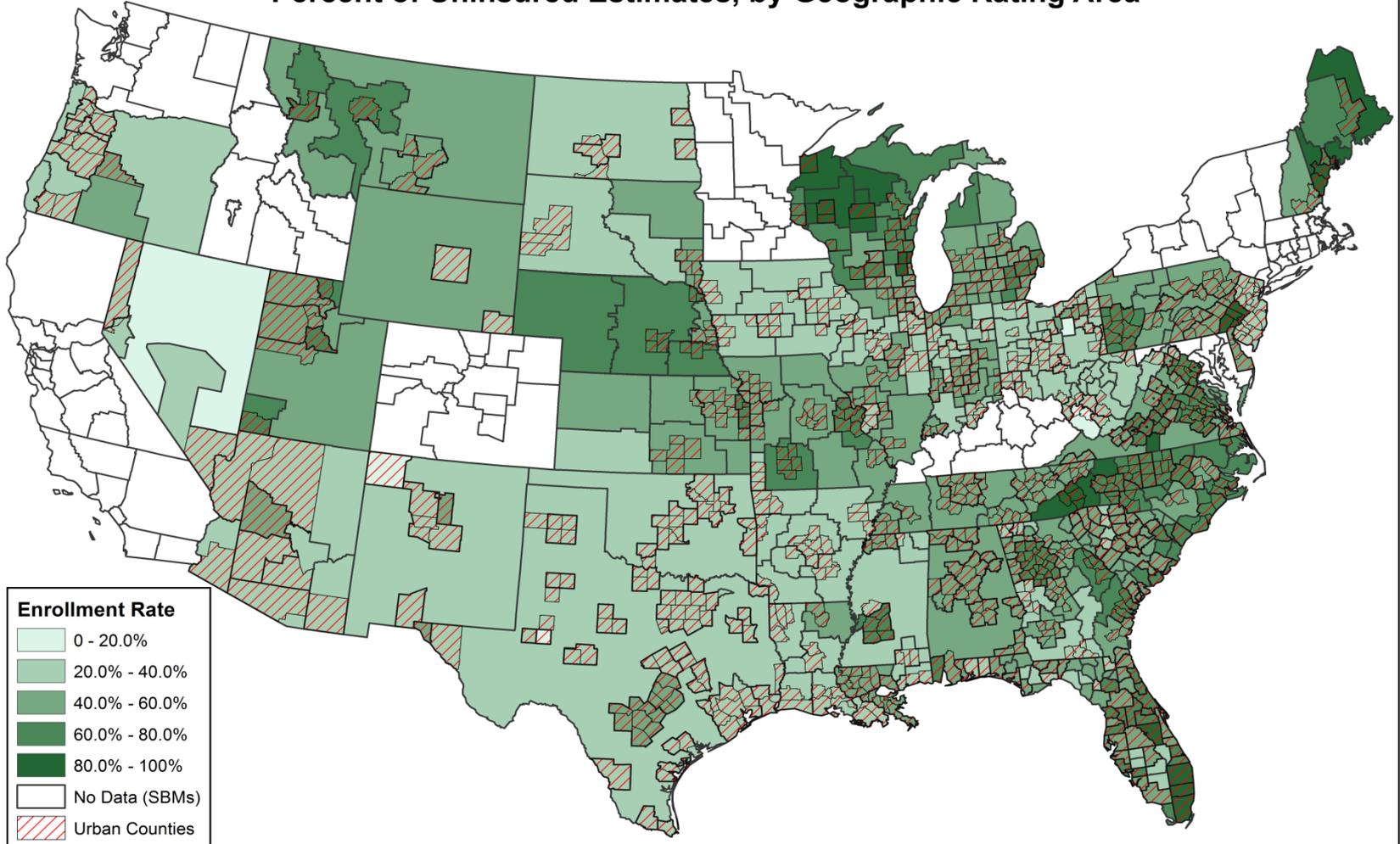


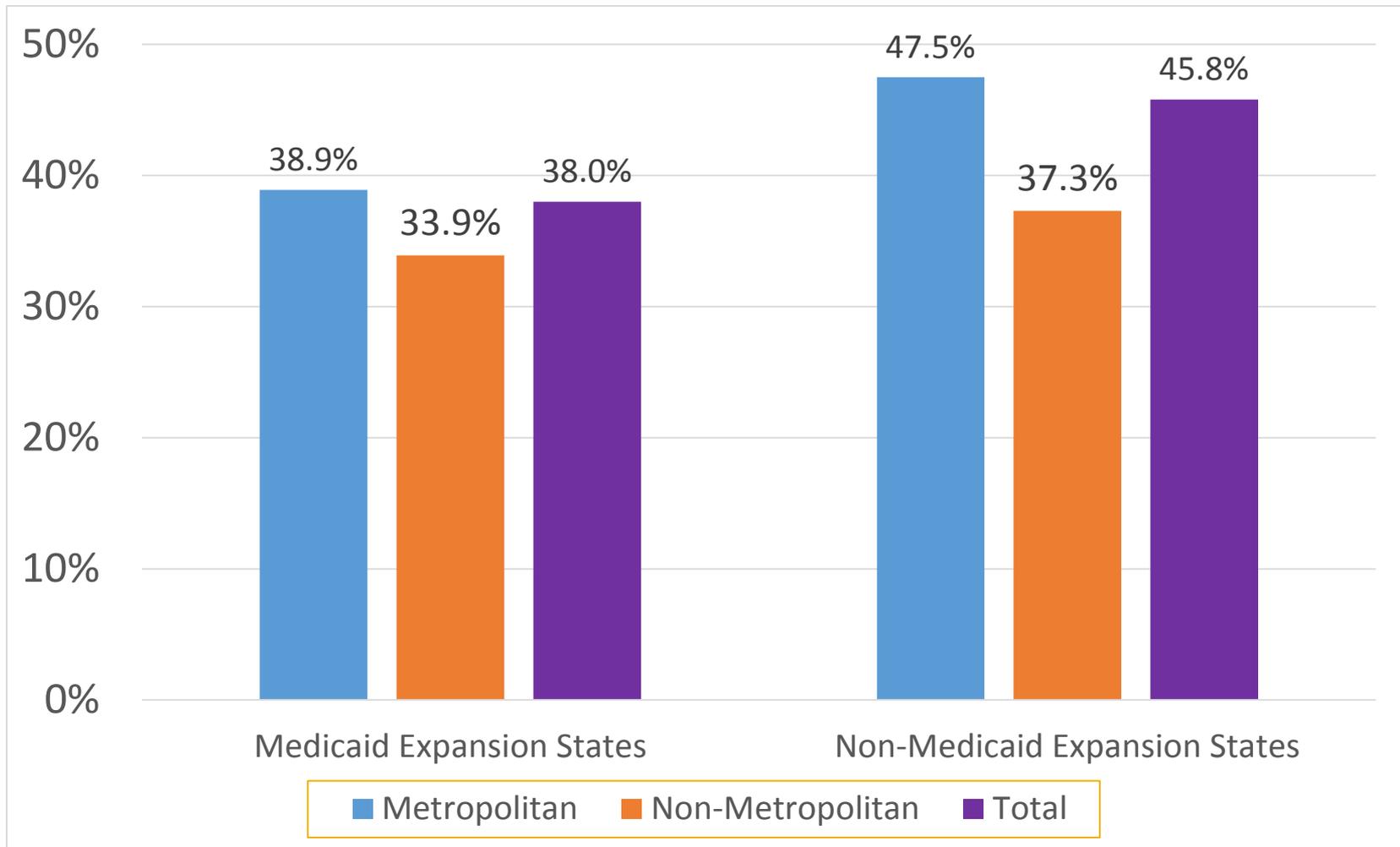
Figure 3. 2015 Health Insurance Marketplace Enrollment as a Percent of Uninsured Estimates, by Geographic Rating Area



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

Estimated Enrollment Rates in Marketplaces, by Metropolitan Status



Entry into Marketplaces

Distribution of Rating Areas by Change in Number of Firms, 2014-2015

| Change in Number of Firms | Number of rating areas | Percent of rating areas |
|---------------------------|------------------------|-------------------------|
| -2 | 1 | 0.2% |
| -1 | 32 | 6.4% |
| +0 | 95 | 19.0% |
| +1 | 198 | 39.6% |
| +2 | 98 | 19.6% |
| +3 | 41 | 8.2% |
| +4 | 25 | 5.0% |
| +5 | 8 | 1.6% |
| +6 | 1 | 0.2% |
| TOTAL | 500 | 100.0% |

Data for 500 rating areas of 2014 shown. Colorado collapsed 4 of its 2014 RAs to 2 in 2015; data were unavailable for Hawaii.

In 2015, good news on plan choice

- number of firms decreased in only 33 rating areas (about 6% of all rating areas)
- vast majority of rating areas (74%) gained at least one firm.

Marketplace Structure

- Premium changes relatively modest from 2014 to 2015
 - Increase of 6.7% in Federally-Facilitated Marketplaces (FFMs)
 - Compared to just 1.4% in State-Based Marketplaces (SBMs).
 - In cost-of-living adjusted premiums
- Smaller changes in 2nd lowest silver plan
- Premium increases negatively correlated with firms entering the market between 2014 and 2015.

| Premium Changes by Marketplace Type | | |
|--|---------------------------------|--|
| | Average adjusted premium change | Average 2 nd -lowest silver plan premium change |
| Federally-facilitated Marketplaces (FFMs) | +6.7% | +4.2% |
| State based marketplaces (SBMs) | +1.4% | -0.9% |

Results: Population Density

| Measure | States Above Median Population Density | States Below Median Population Density |
|--|--|--|
| | N=25 | N=25 |
| Average number of firms | 5.9 | 5.0 |
| Average second-lowest silver premium | \$210.76 | \$208.00 |
| Average second-lowest silver premium increase | 1.1% | 2.1% |
| Estimated change in uninsured rate, HIM eligible with possible subsidy | -59.1% | -46.7% |
| Estimated change in uninsured rate, HIM eligible without subsidy | -6.4% | -5.4% |
| Enrollment rate as a percent of the "potential market" | 42.6% | 33.9% |

Results: State marketplaces vs. Federal marketplaces

| Robustness Measure | States Operating SBMs | States Operating FFM/PMs |
|--|-----------------------|--------------------------|
| | N=13 | N=37 |
| Average number of firms | 6.0 | 5.5 |
| Average second-lowest silver premium | \$198.76 | \$215.23 |
| Average second-lowest silver premium increase | -1.1% | 2.5% |
| Estimated change in uninsured rate, HIM eligible with possible subsidy | -59.9% | -50.7% |
| Estimated change in uninsured rate, HIM eligible without subsidy | -11.4% | -4.0% |
| Enrollment rate as a percent of the "potential market" | 39.2% | 37.9% |

Discussion/Implications

- Overall the ACA has contributed to an historic drop in the uninsured rate so far
- There appears to be some differences in effects of ACA by urban and rural
 - Overall, people living in metropolitan areas are more likely to enroll in HIMs than are people in non-metropolitan areas
 - There is considerable variation in the estimated rates of enrollment across the U.S.
- Additional outreach efforts should be tailored to rural residents in specific states based upon these state-level enrollment data.