

Affordable Care Act & Medicaid Reform in Wisconsin Enrollment and Coverage Trends

Chartpack

November 2016

Trends in insurance coverage, pre- and post-ACA

Premiums and Plans, 2017

Purpose:

To allow Wisconsin residents to track the progress of both the federal health reform law and Wisconsin's entitlement reforms. The chartpack culls through different reports from the federal and state governments to provide an accessible format.



**University of Wisconsin
Population Health Institute**
SCHOOL OF MEDICINE AND PUBLIC HEALTH

Governor's Health Insurance Coverage Goal

“Through Governor Walker’s Entitlement Reform Plan, all Wisconsinites have access to affordable health care coverage. People living in poverty have coverage through Medicaid while individuals and families above the poverty level have access to affordable private health care coverage through the federal Health Insurance Marketplace. Approved as part of the 2013-15 state budget, this plan is projected to reduce the number of uninsured in our state by 224,580, or roughly half, while strengthening the state’s safety net for Wisconsin's neediest residents.”

Governor Walker’s Entitlement Reform Plan
Wisconsin Department of Health Services

<https://www.dhs.wisconsin.gov/initiatives/entitlement-reform.htm>

Last Revised: September 9, 2016

Wisconsin's Medicaid Reforms and the ACA: What We Know

Insurance Coverage

- About 5.7% of Wisconsin residents were uninsured in 2015, down from 9.1% in 2013.
- Uninsured decreased by about 195,000 from 2013 to 2015, a reduction of about 38% across the total population.
- Persons <138% FPL most likely to be uninsured: 11.1% compared to 3.5% for persons >200% FPL.
- But those above 200% FPL account for 44% of all uninsured persons in Wisconsin.
- Most of the gains in insurance coverage occurred through the ACA Marketplace and increases in employer-sponsored insurance.
- The State has not yet met the Governor's goal of reducing the uninsured by 224,580 by 2015.

FPL=Federal Poverty Level

Medicaid and BadgerCare Trends

- Parent and caretaker BadgerCare enrollment has declined by 32% since September 2013. Most of this reflects the entitlement reforms that took effect in April 2014 that removed eligibility for adults over 100% FPL.
- Enrollment of adults without dependent children ("childless adults") has increased 758%, although it has been declining from a high of 159,711 in March 2015 to 143,979 in September 2016.
- Most children enrolled in Medicaid are below 100% FPL. That coverage group experienced a 4.7% decline in enrollment from September 2013 to September 2015.

ACA Marketplace Summary Data

- In 2016, 224,208 people effectuated their enrollment in ACA "Obamacare" health plans (by paying their first month's premium).
- This is 94% of the 239,031 people who had selected an ACA Marketplace plan, which is higher than the national effectuated coverage rate of 87%. This suggests that Wisconsin does quite well in collecting premiums from new and re-enrolling insureds.
- 84% of Wisconsin consumers enrolling in plans through the Marketplace receive federal financial assistance/Advance Premium Tax Credit (APTC), while 54% receive federal Cost-Sharing Reductions that reduce premiums, deductibles, and co-payments.
- In 2016, 39% of re-enrolling Marketplace-enrolled consumers switched to a different health plan, and this group attained an average premium savings of \$59/month, or \$708/year.
- Consumers ages 18-34 make up 26% of those who selected a 2016 Marketplace plan.

Insurance Plans and Premiums

- Wisconsin Marketplace plan premiums, before application of the federal tax credit for consumers, show an increase of about 16% from 2016-2017, compared to about 25% nationally.
- Average net premium (after federal subsidy via tax credit) in 2017 is \$138/month for those selecting the lowest cost plan in their metal tier.
- Wisconsin has 15 Insurance carriers offering health plans through the ACA Marketplace.
- 56 out of Wisconsin's 72 counties have three or more insurance carriers offering plans.
- 51,000 Wisconsin residents, out of an estimated 111,000 who bought "off-exchange" coverage, are estimated potentially eligible for federal tax credit subsidies that would allow them to pay less for coverage if they purchased through the Marketplace.

Medicaid/BadgerCare and HealthCare.Gov MarketPlace Coverage, Wisconsin September 2016

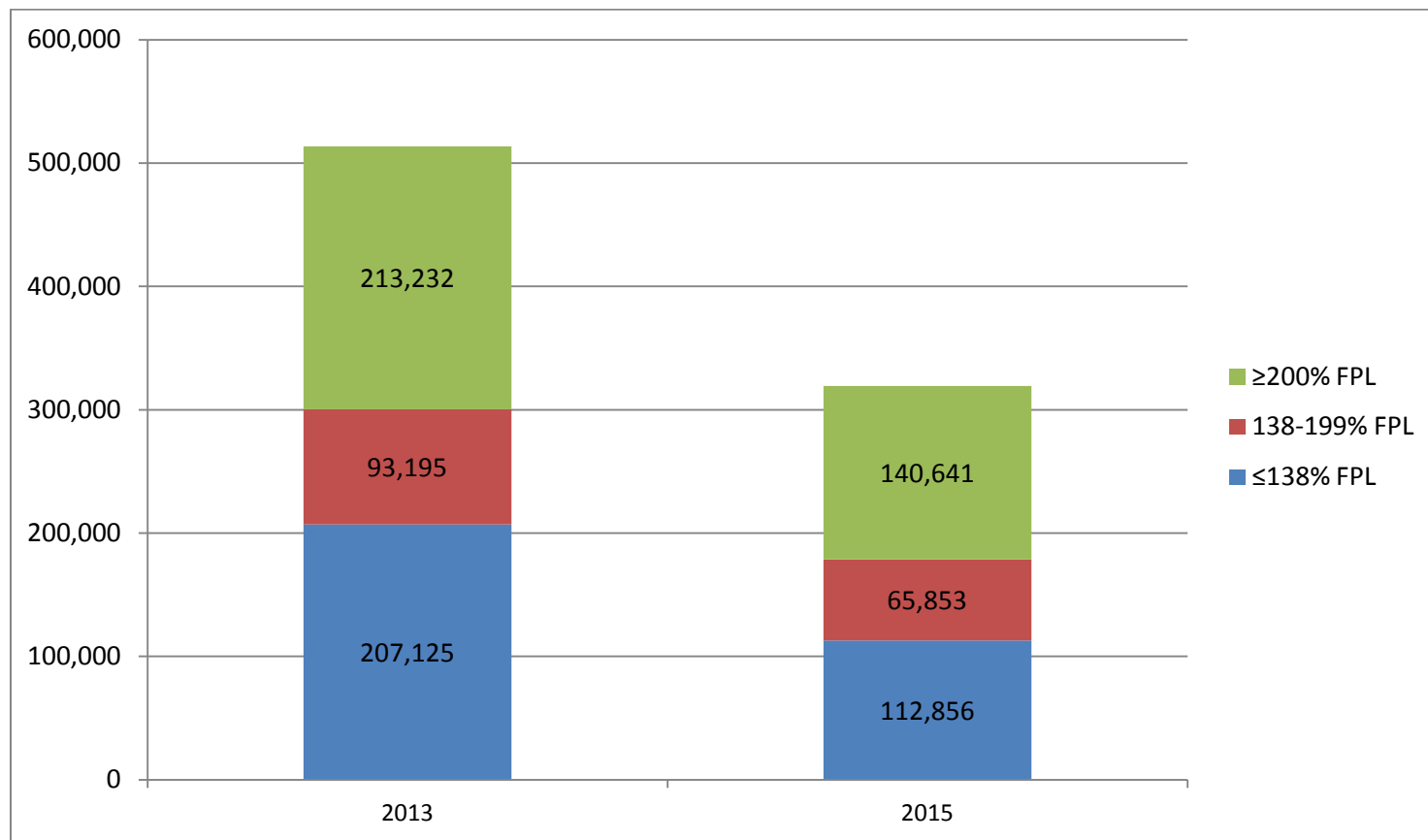
Coverage Program	Number, Statewide	% of Statewide Population
BadgerCare Children	415,260	32% of children
BadgerCare Adults (parents, caretaker, childless adults)	293,241	8% of adults
Other BadgerCare - Pregnant Women, Youths Existing Foster Care, Income Extensions, Express Enroll	87,904	
Total BadgerCare	796,405	14% of total population
Elderly/Blind/Disabled	222,406	
Other Coverage	172,785	
Total Medicaid	1,189,596	21% of total population
Total Effectuated Coverage in HealthCare.Gov Marketplace Qualified Health Plans	224,208	5% of population <age 65

Data Sources: 1, 3, 10, 14

How Many People Were Uninsured in 2013 and then in 2015 – Before and After the ACA Took Effect?

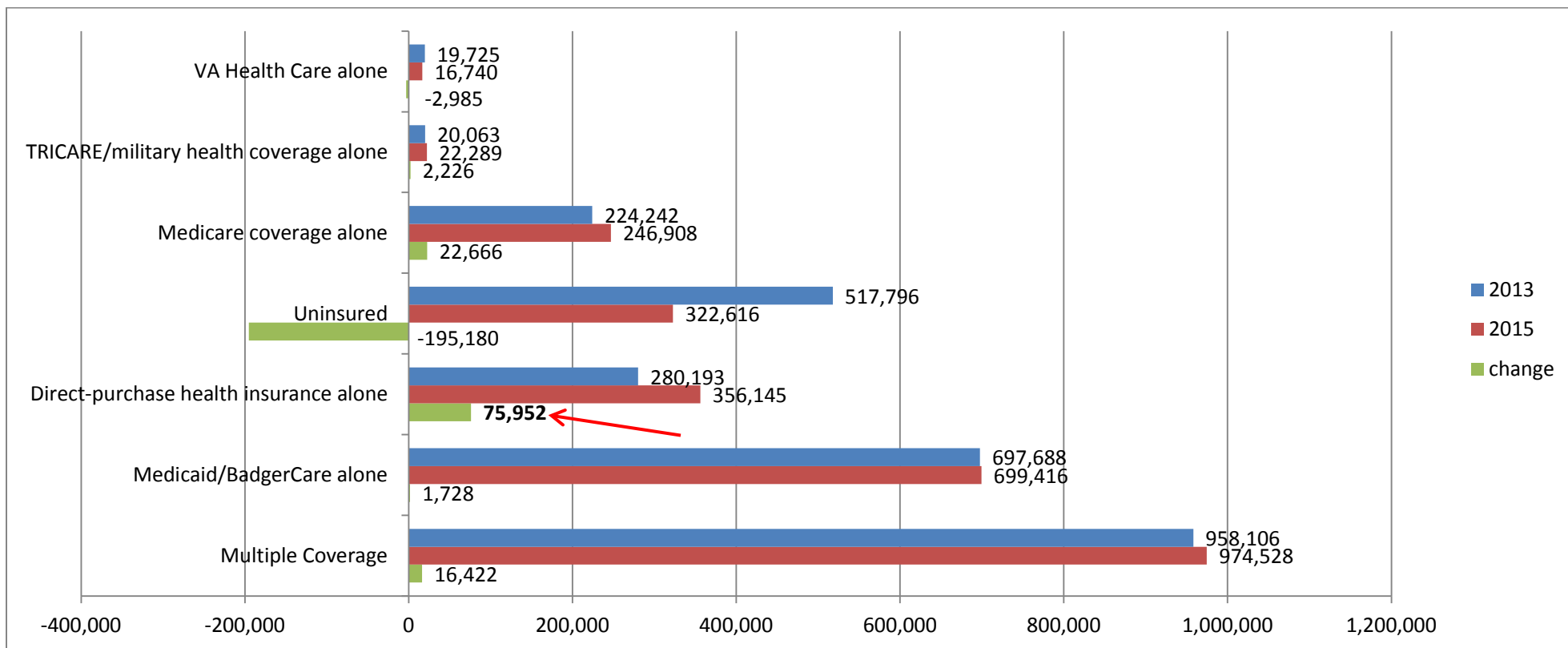
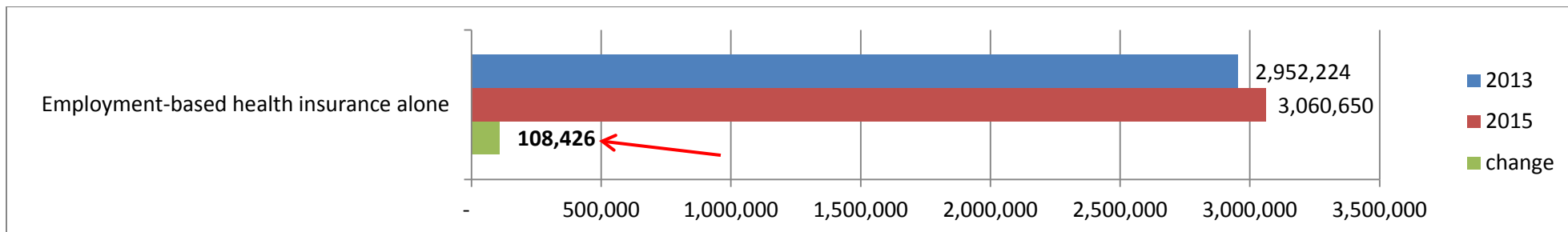
- Wisconsin reports about 5.7% of residents uninsured in 2015, down from 9.1% in 2013.
- Uninsured decreased by about 195,000 people from 2013 to 2015, a reduction of about 38% across the total population.
- Decreases in uninsured occurred across all income levels.

Uninsured Wisconsin Residents for Whom Poverty Status is Determined



Data Source: 1

How Did the Uninsured Decrease? Overall Changes in Source of Health Insurance Coverage, 2013-2015

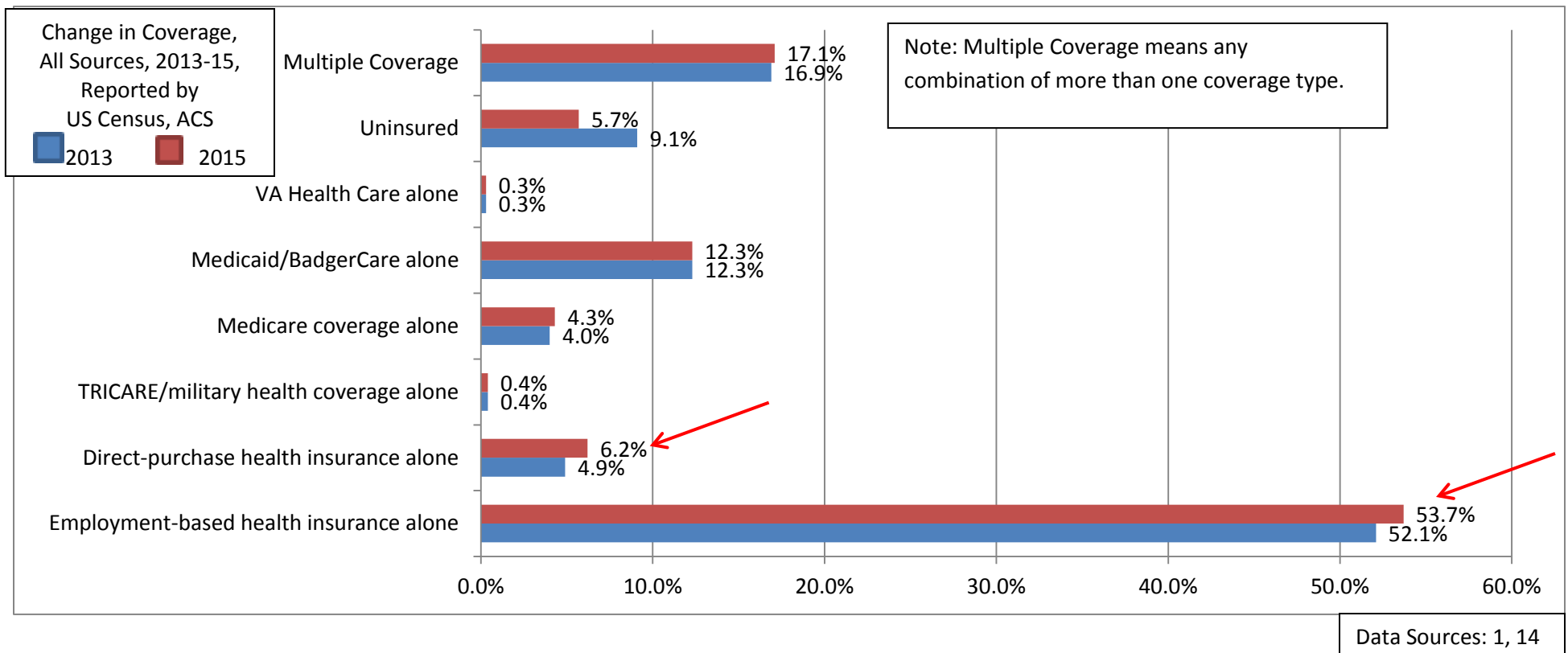
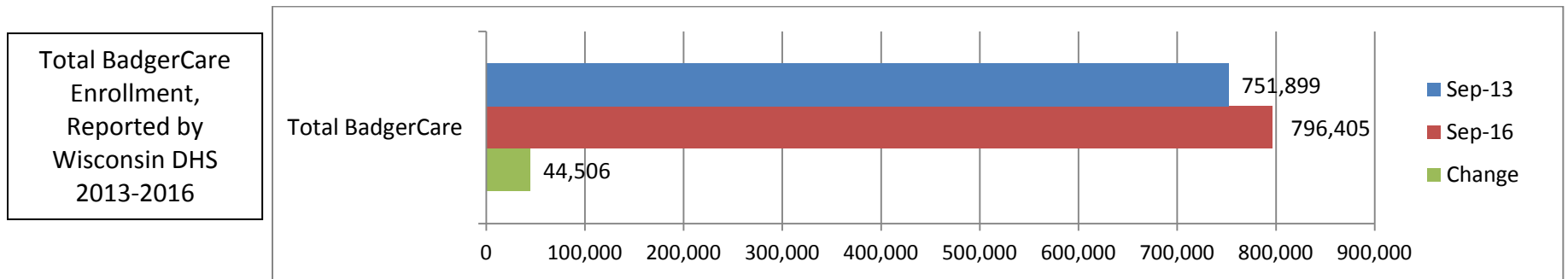


- More Wisconsin residents gained employment-based health insurance as the economy improved, with an overall increase of 108,426.
- The increase of 75,952 in direct-purchase of individual health insurance, most through the Marketplace.
- Some people may come to these coverages from other sources of coverage, but the net increase in both employer-sponsored and direct-purchase individual coverage accounts for most of the reduction in the overall number of uninsured.

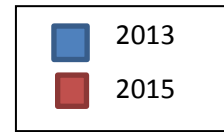
Data Source: 1

How Did the Uninsured Decrease? Source of Health Insurance Coverage, continued

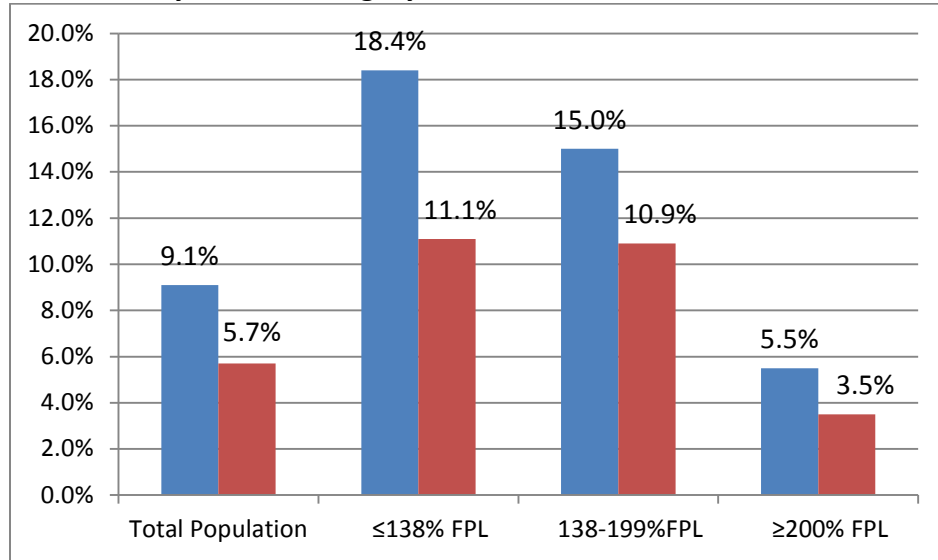
- In Wisconsin, total BadgerCare enrollment increased by 44,506 persons from 2013-2016, due to the increased eligibility for childless adults. This represents about 23% of the total gains in insurance coverage in Wisconsin, while most of the coverage gains are accounted for increases in ACA Marketplace and employer-sponsored insurance.



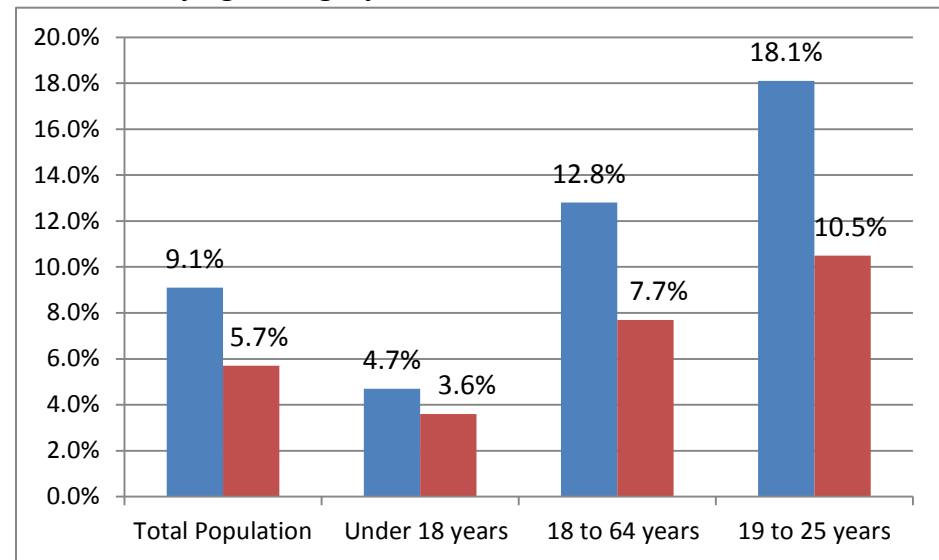
Uninsured Trends Wisconsin, 2013-2015



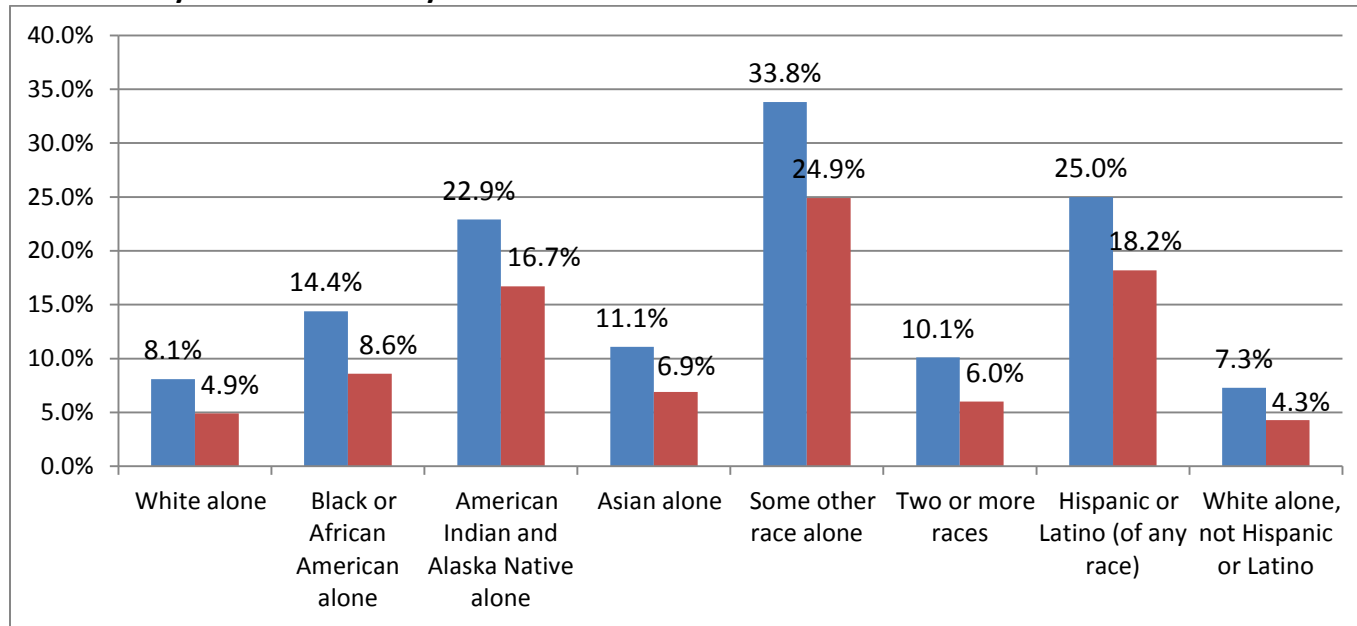
Uninsured by Income Category



Uninsured by Age Category



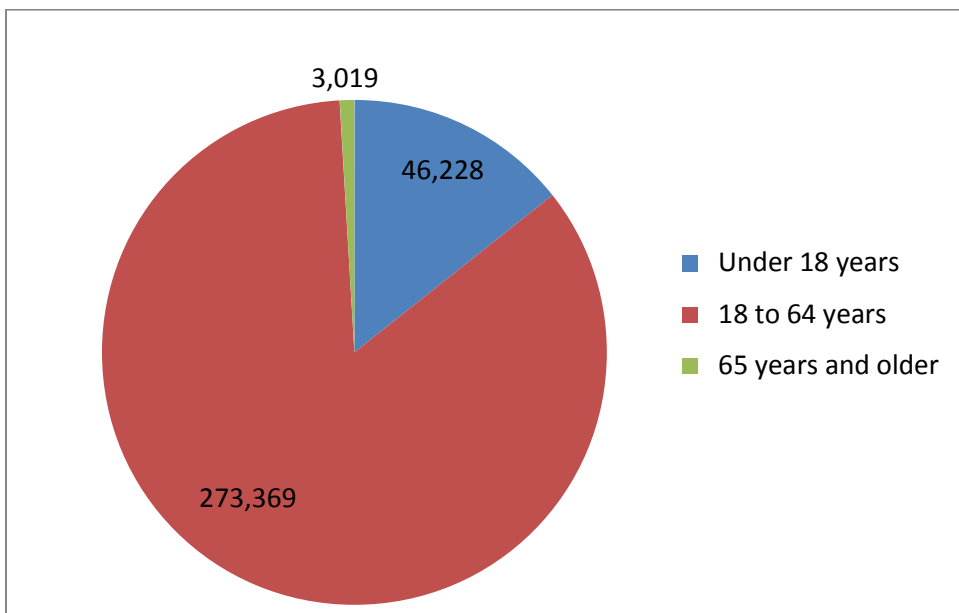
Uninsured by Race and Ethnicity



- Substantial declines in uninsured occurred across the population.
- Largest declines in rates of uninsured occurred among persons in the lowest income groups, persons ages 19-25 years old, and among racial and ethnic minorities.

Data Source: 1

Who is Still Uninsured?: Income Status of Wisconsin Residents who Remained Uninsured, ACS 2015



- Children under the age of 18 make up about 14% of the remaining uninsured, with an estimated 46,228 uninsured children remaining uninsured in Wisconsin as of 2015.

Uninsured Wisconsin Residents for Whom Poverty Status is Determined

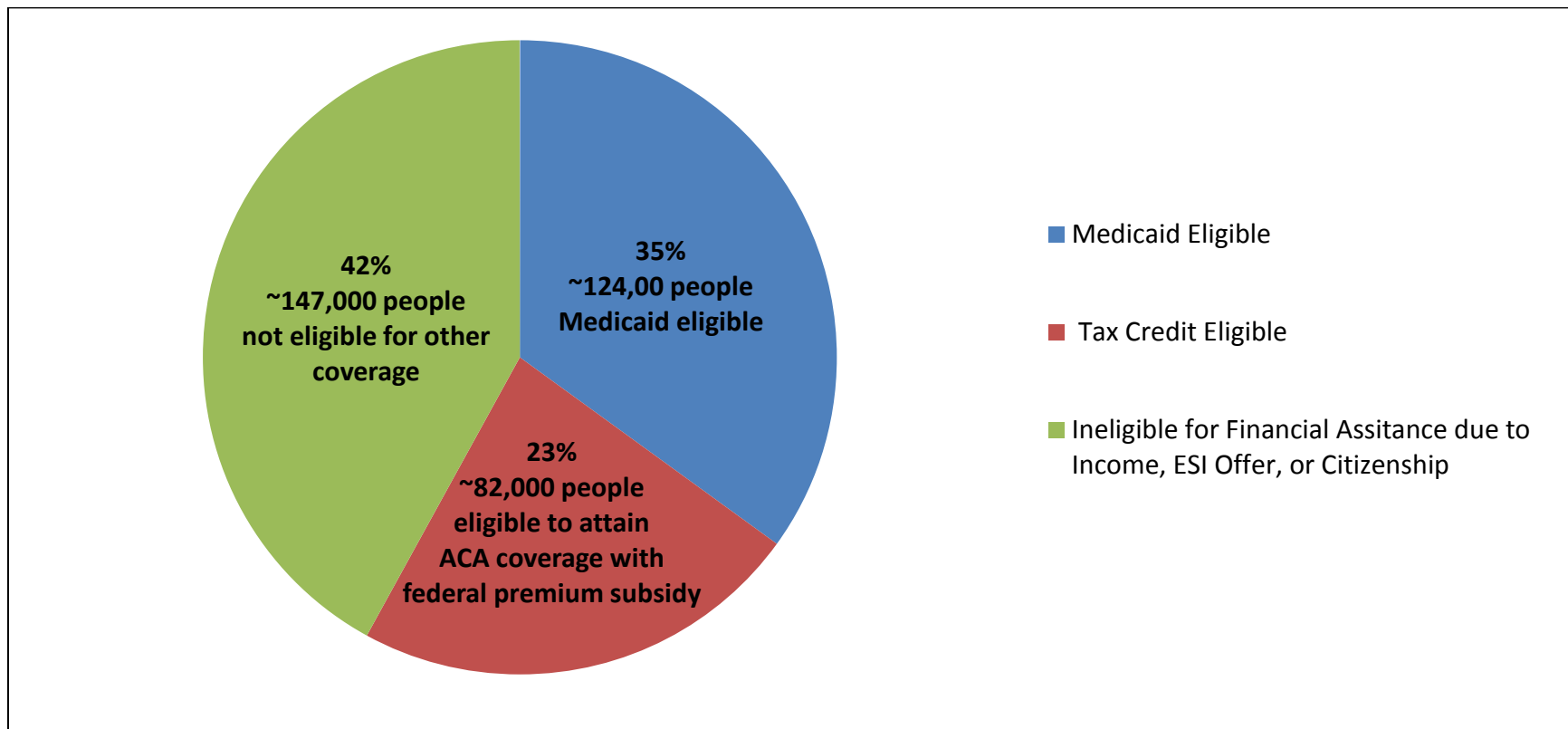
Detail 2015 Uninsured	Percent Uninsured in Each Income Category	Number of Uninsured	Percent of all Uninsured
<138% FPL	11.1%	112,856	35%
138-199% FPL	10.9%	65,853	21%
>200% FPL	3.5%	140,641	44%
Total Population	5.7%	319,350	100%

- Persons <138% FPL most likely to be uninsured: 11.1% compared to 3.5% for persons >200% FPL.
- But persons above 200% FPL account for 44% of all uninsured persons in Wisconsin.

Data Source: 1

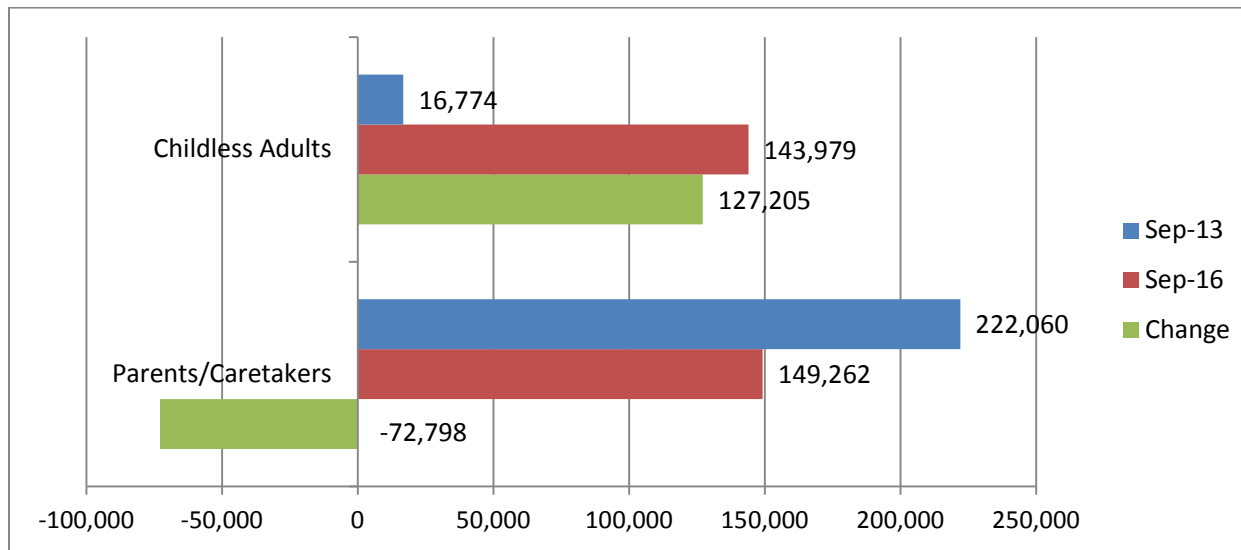
Who is Still Uninsured: Number of Nonelderly Wisconsin Residents Eligible for Insurance Coverage Among Remaining Uninsured 2016

- Out of Wisconsin's estimated 353,000 remaining uninsured in 2016, an estimated 124,000 currently uninsured residents are eligible for Medicaid/BadgerCare, while about 82,000 uninsured Wisconsin residents are eligible for federal premium subsidies to health insurance through the Affordable Care Act Marketplace.
- This would leave about 147,000 Wisconsin residents uninsured because they remain ineligible because their income is too high to qualify for Medicaid, BadgerCare or Marketplace financial subsidies, they have an offer of insurance through an employer, or because of their citizenship/immigration status.



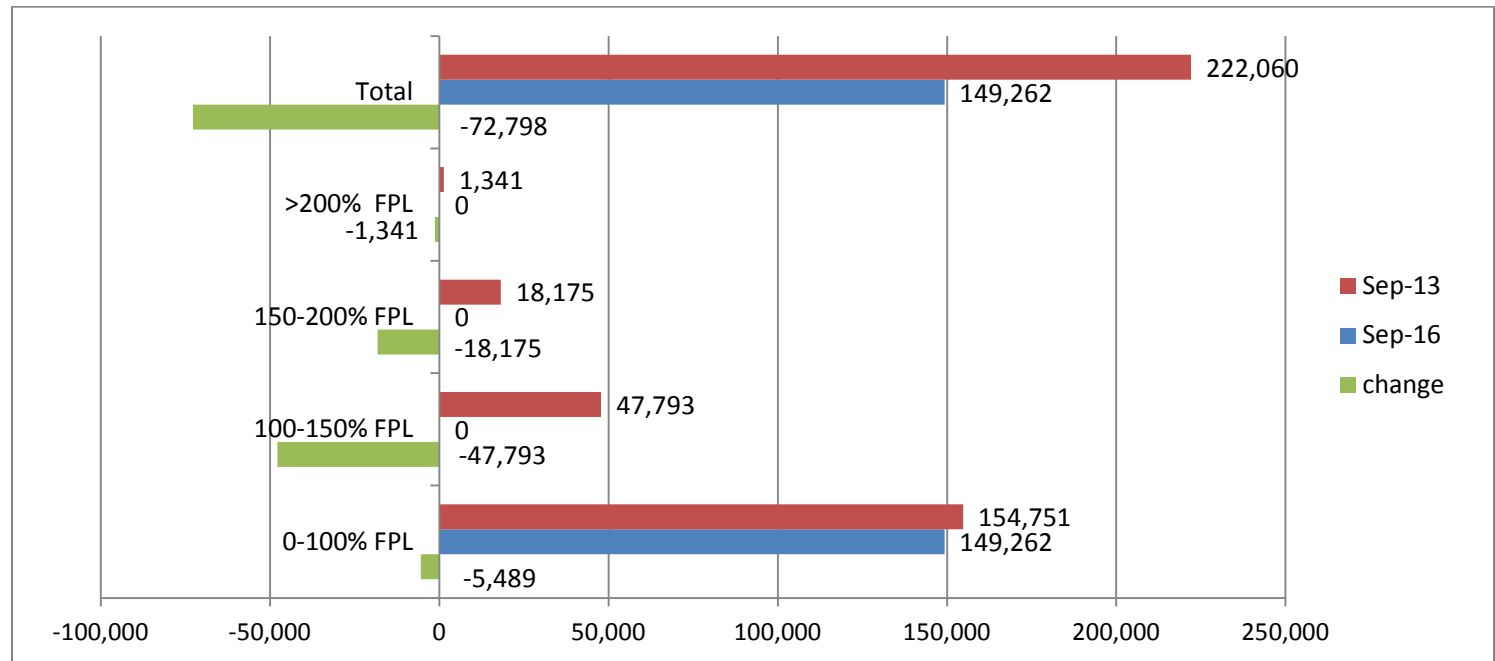
Data Source: 13

Adult Pre- and Post-ACA Medicaid/BadgerCare Enrollment



Enrollment of adults without dependent children (“childless adults”) has increased 758%, although it has been steadily declining from a high of 159,711 in March 2015 to the 143,979 in September 2016.

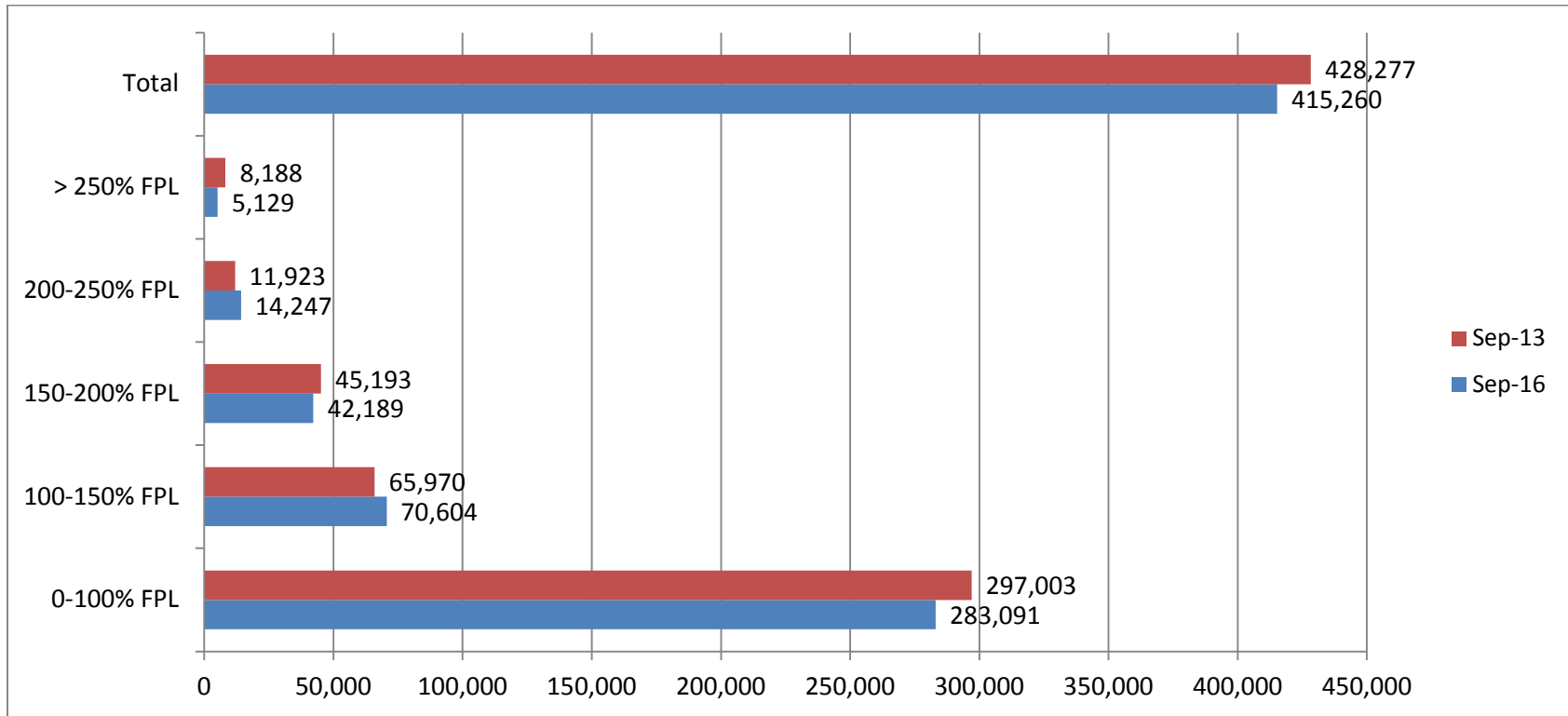
Parent and caretaker BadgerCare enrollment has declined by 32% since September 2013. Most of this reflects the changes that took effect in April 2014 that removed eligibility for adults over 100% FPL.



Note: This does not include changes in coverage extensions under “Transitional Medical Assistance” (TMA)

Data Source: 14

Children's Pre- and Post-ACA Medicaid/BadgerCare Enrollment



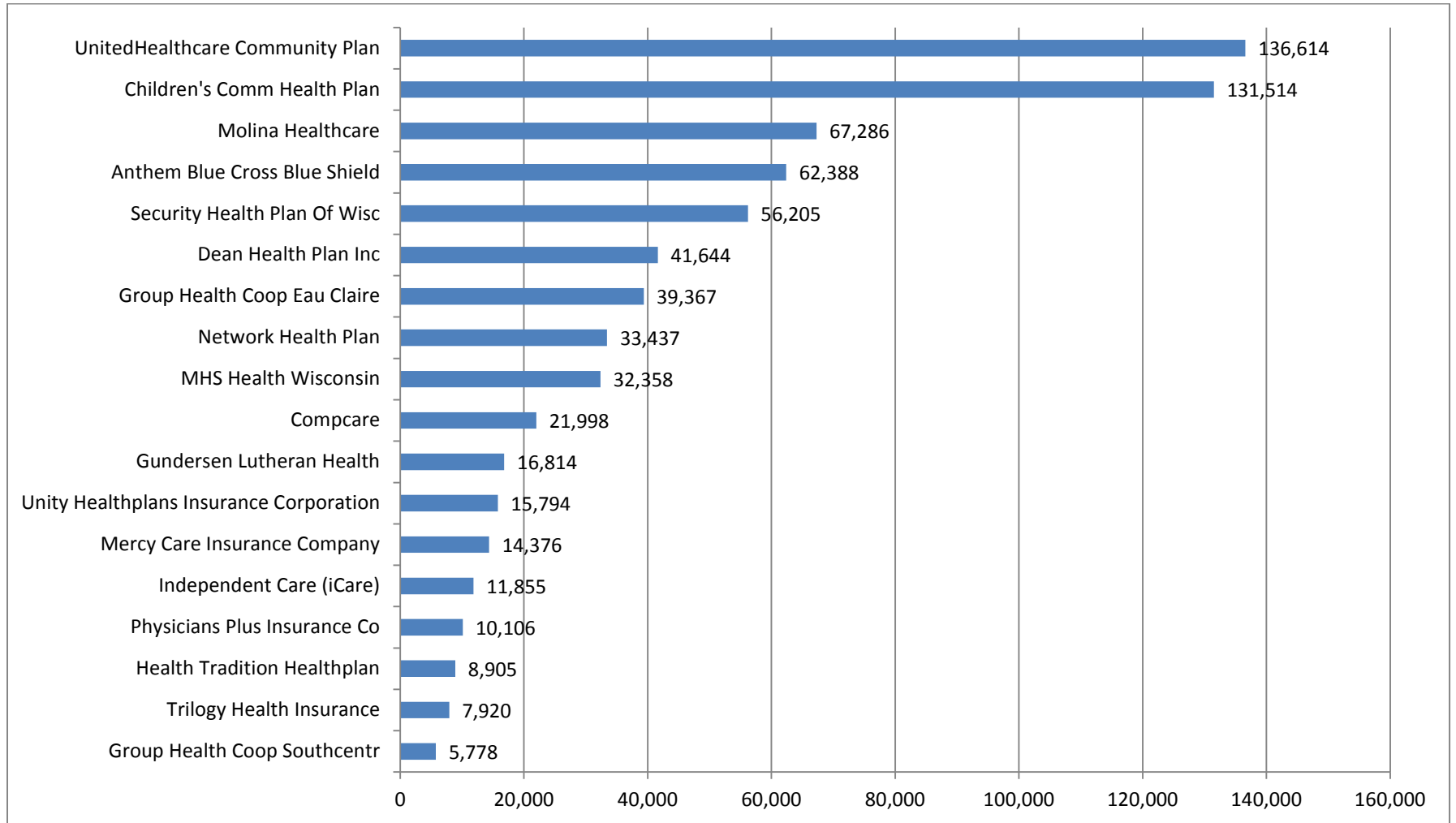
Note: This does not include changes in coverage extensions under “Transitional Medical Assistance” (TMA)

- Children’s enrollment overall has declined 3%.
- Most children enrolled in Medicaid are below 100% FPL. That coverage group experienced a 4.7% decline in enrollment.

Data Source: 14

HMO Managed Care Enrollment, BadgerCare Members, April-September 2016

- As of September 2016, there were 714,359 BadgerCare Members enrolled in 18 Managed Care Organizations statewide.
- UnitedHealthcare and Children’s Community Health Plans each enroll about 20% of BadgerCare members.



Data Source: 15

Marketplace Plan Selections and Effectuated* Enrollment 2014-2016

*Effectuated: paid the first month's premium

	May-14	Mar-15	change 2014-15	March 2016	Change 2015-16
QHPs Selected	NR	207,340	NA	239,031	15.3%
Effectuated Enrollment	139,815	183,155	31.0%	224,208	22.4%



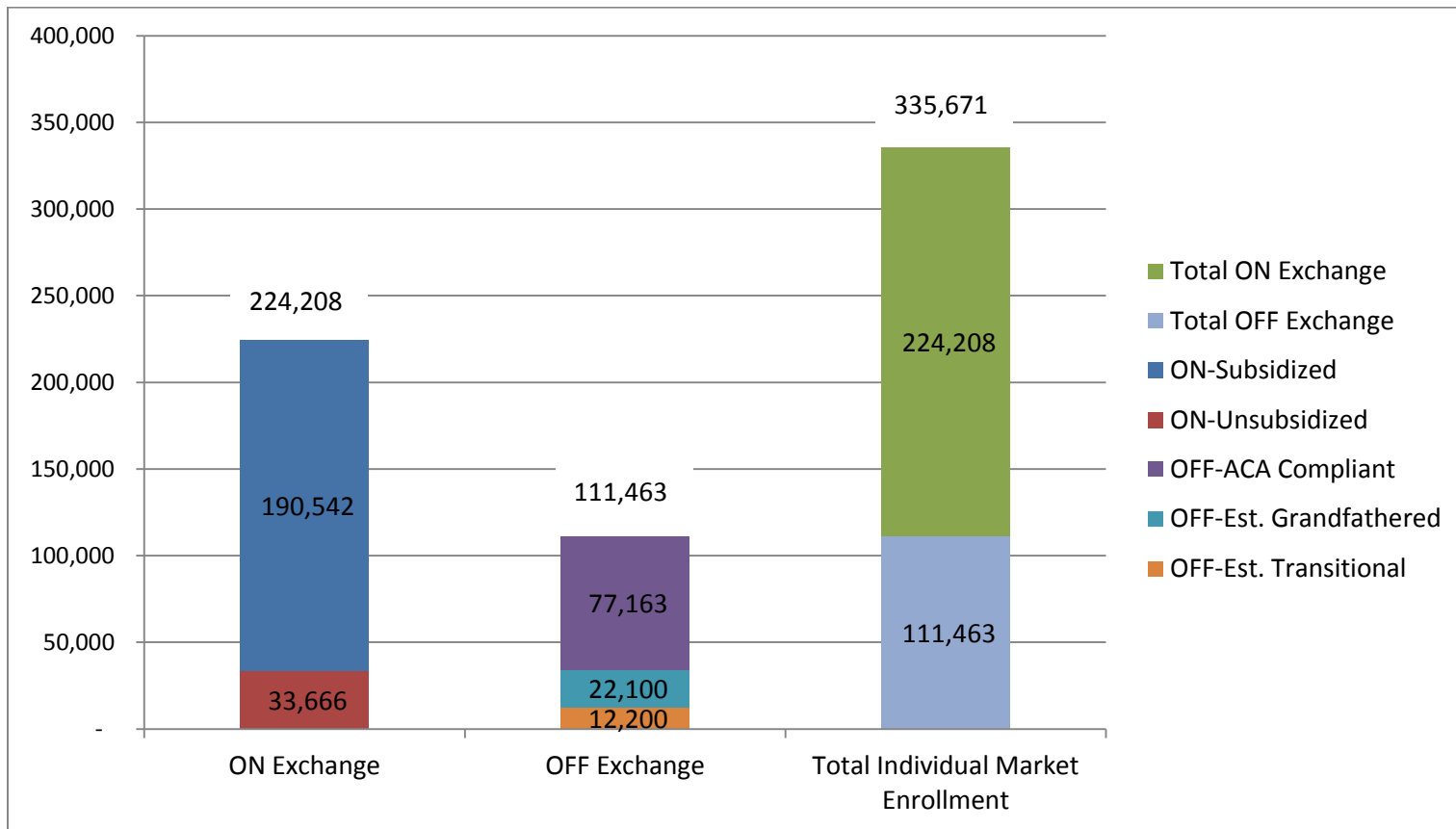
2016 Effectuated Coverage	Wisconsin	National
Effectuated coverage out of those who selected ACA health plans	94%	87%

- In 2016, 224,208 people effectuated their enrollment (by paying their first month's premium).
- This is 94% of the 239,031 people who had selected an ACA Marketplace plan, which is higher than the national effectuated coverage rate of 87%.
- Wisconsin does well in collecting premiums from new and re-enrolling insureds.

Data Sources: 2, 3, 11, 12

Wisconsin Individual Market Health Insurance Enrollment: How Much is Through the ACA Marketplace?

- About 67% (224,208 out 335,671) of all individual insurance plans are purchased “on-exchange” through the ACA Marketplace, while 33% (111,463) are purchased “off-exchange.”
- 84% of the those purchasing “on-exchange” plans receive federal financial subsidies that reduce consumer premiums.
- An estimated 51,000 Wisconsin residents who bought “off-exchange” coverage are estimated potentially eligible for federal tax credit subsidies that would allow them to pay less for coverage if they purchased through the Marketplace.



Data Sources: 7, 10

Marketplace Plan Premiums: Federal Financial Assistance, Shopping, and Switching

- Total number of Plan Selections: 239,034
- Percent receiving Federal Financial Assistance/Advance Premium Tax Credit (APTC): 84%
- Percent receiving federal Cost-Sharing Reductions: 54%

Average Monthly Premiums for Marketplace Plans Selected by Wisconsin Consumers, 2016, Before and After Federal Financial Assistance (APTC)

Average Monthly Premiums before APTC	\$455
Average Monthly APTC	-\$330
Average Monthly Premium after APTC	\$125
Average Reduction in Premium after APTC	73%

- In 2016, 39% of Marketplace-enrolled consumers switched to a different health plan, and this group attained an average premium savings of \$59/month, or \$708/year.
- Within the Marketplace: 82% of Wisconsin Marketplace enrollees could save on premium costs by switching to the lowest cost plan within their metal level.
- The average net premium (after APTC) in 2017 for those selecting the lowest cost plan within their metal tier: \$138/month.

Data Sources: 4, 5, 6, 7

Marketplace Plans: 2017 Premium Increases, Federal Financial Assistance, and Consumer Cost

- Wisconsin Benchmark plan premiums increased 16%, on average, compared to an average increase of about 25% for all the states participating in the federal Healthcare.gov Marketplace.

Average State Premium Increase for Benchmark – Second Lowest Cost Silver – Plan			
	2014-15	2015-16	2016-17
Wisconsin	2%	5%	16%
All Healthcare.gov States	2%	7%	25%

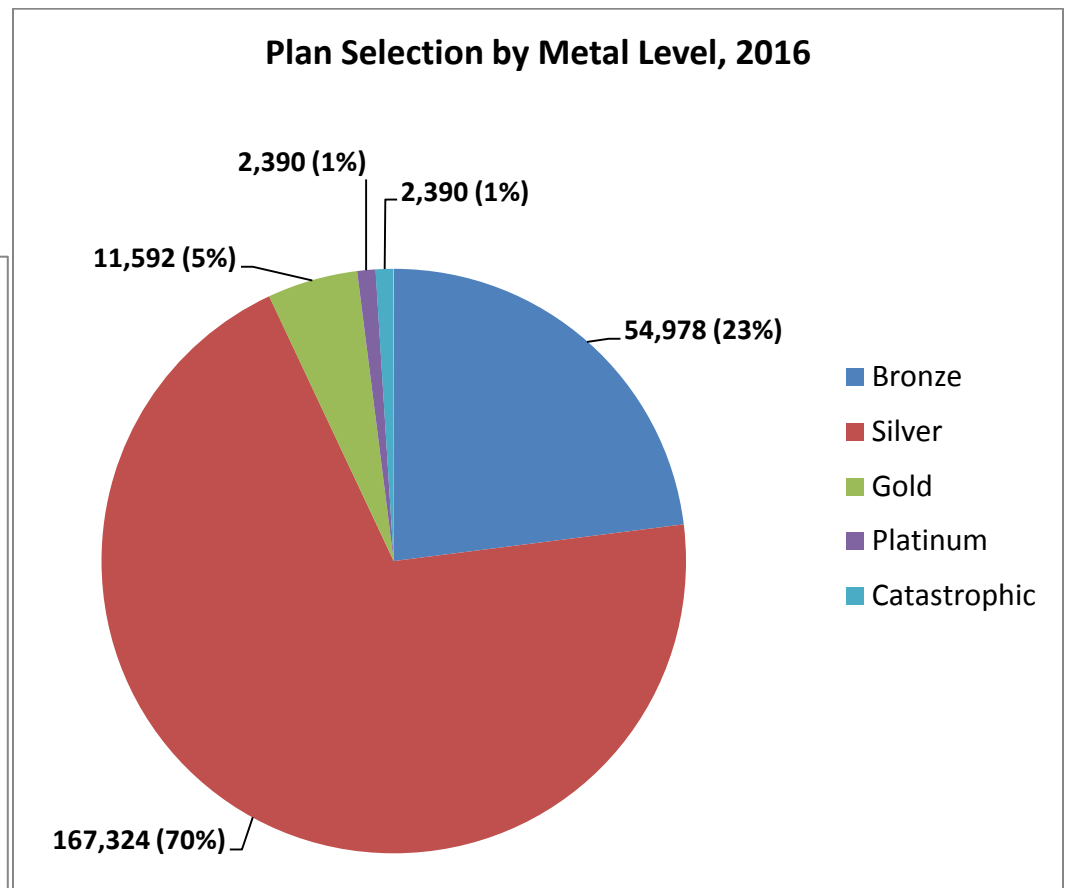
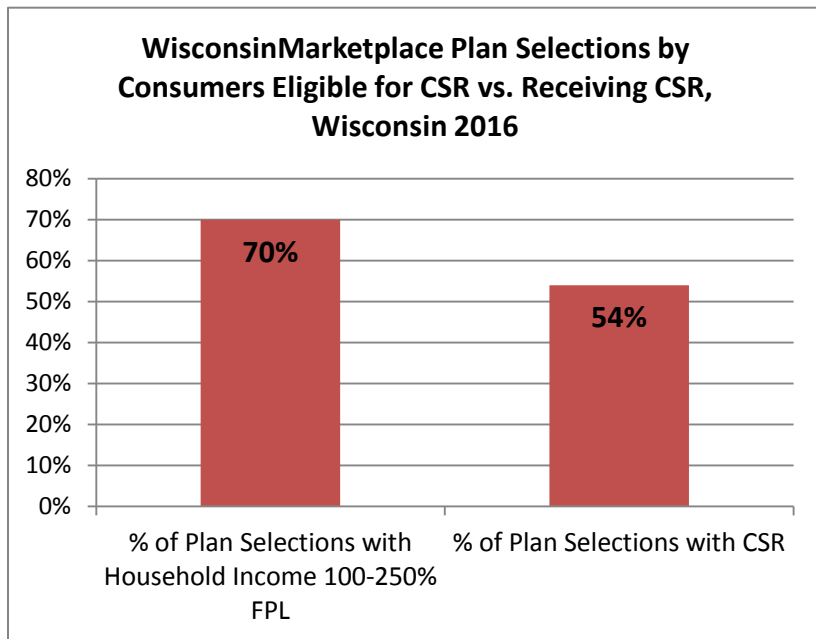
- Advance Premium Tax Credits (APTC), federal assistance available to consumers who have household incomes less than 400% FPL, offset the increase in premium prices.
- About 70% of current Wisconsin Marketplace consumers could obtain coverage for \$100/month or less, and about 60% of them could obtain coverage for \$50/month or less.

2017 Average Monthly Marketplace Premiums	Wisconsin	All HealthCare.gov States
27-year-old with household income of \$25,000		
Second lowest silver Plan <i>before</i> APTC	\$304	\$302
Second lowest silver Plan <i>after</i> APTC	\$142	\$142
APTC Amount	\$162	\$160
% increase in APTC over 2016	36%	62%
Family of four with household income of \$60,000		
Second lowest silver Plan <i>before</i> APTC	\$1,099	\$1,090
Second lowest silver Plan <i>after</i> APTC	\$405	\$405
APTC Amount	\$694	\$685
% increase in APTC over 2016	28%	47%

Data Sources: 4, 8, 9

Marketplace Plans: Metal Level and Cost-Sharing Reductions (CSR)

- Consumers with household incomes less than 250% FPL qualify for federal Cost-Sharing Reductions (CSR) to assist with deductibles and co-payments. A consumer must enroll in a plan in the Silver category to get the extra savings.
- Last year, 70% of Wisconsin Marketplace consumers had incomes less than 250% FPL, but only 54% received CSRs.
- Considering premiums along with deductibles and co-payments, consumers could end up paying less out-of-pocket if they select a silver plan, even if the bronze plan premium seems less expensive.

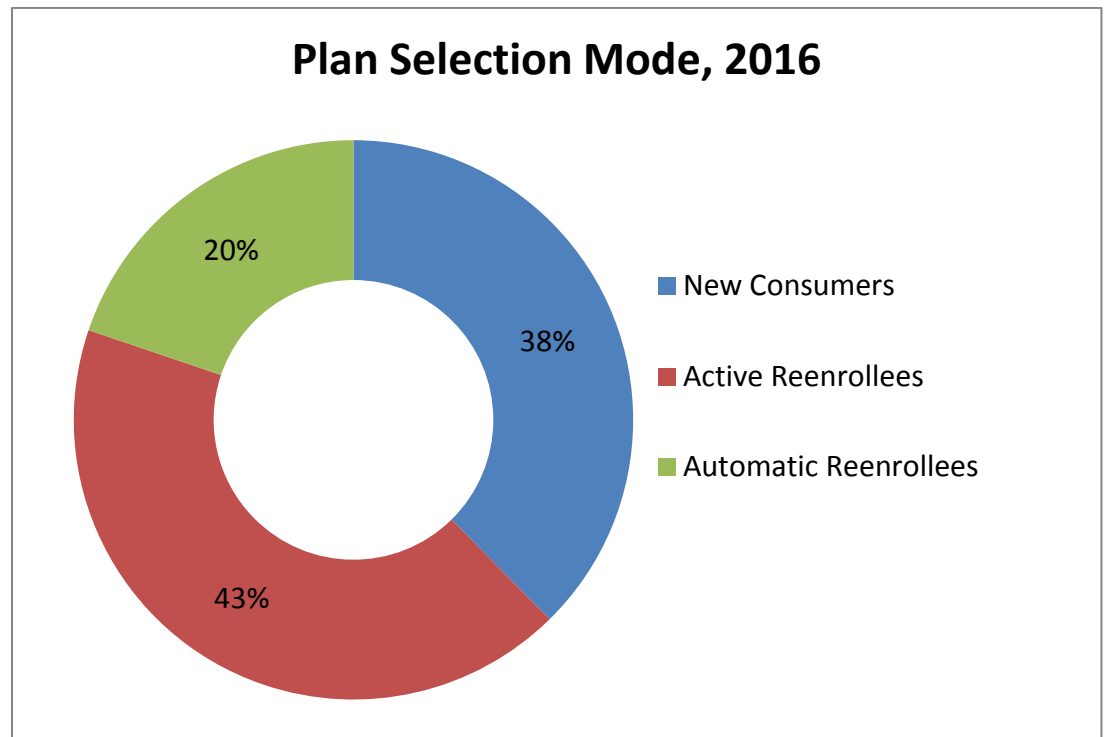


Data Sources: 4, 6

Retention of Coverage

- Plan Selections as of the end of 2016 open enrollment period: 239,034
- Number who Effectuated Coverage: 224,208 (94%)
- Of those, 38% were new consumers, newly attaining coverage through the Marketplace.
- 62% of these 2016 selections were re-enrollments from existing Marketplace coverage
 - 43% Actively re-enrolled, while 20% underwent automatic re-enrollment in their existing health plan.
 - A total 148,615 persons reenrolled, out of about 183,000 effectuated enrollments from the 2015 open enrollment period.
 - 39% of those who re-enrolled switched to a different plan within the Marketplace.
- **Rate of Retained ACA Health Plan Coverage: ~81% reenrolled from 2015 Marketplace coverage**

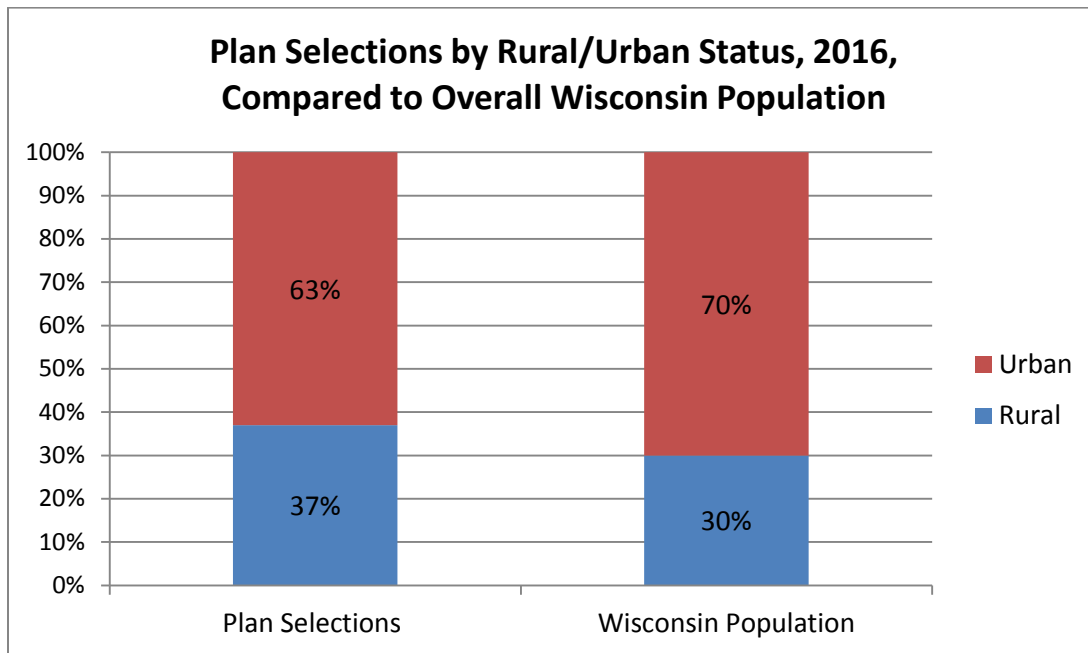
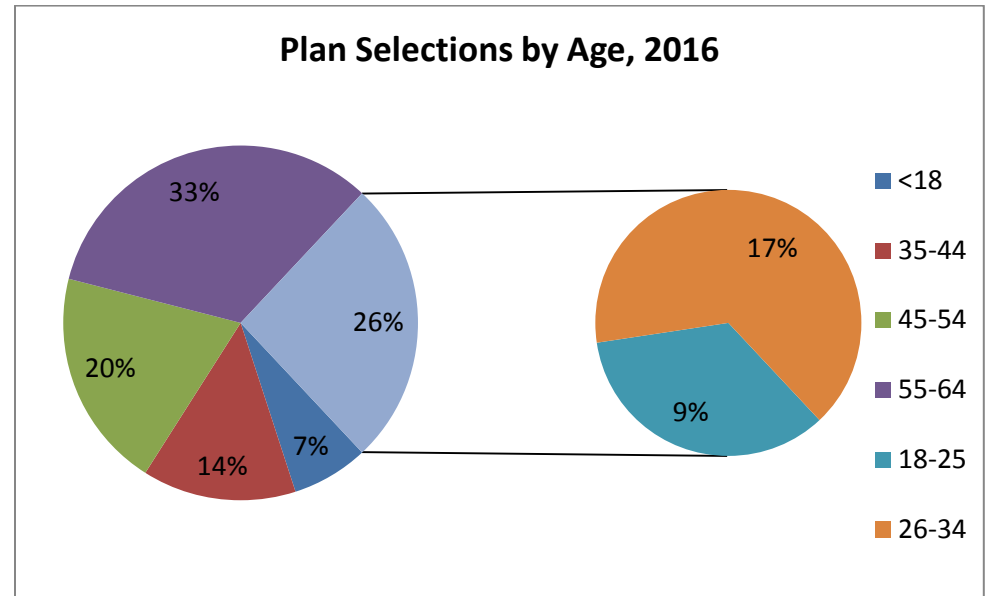
- 62% of consumers selecting plans in 2016 were re-enrolling from existing Marketplace plans.
 - 43% actively re-enrolled, while 20% were automatically re-enrolled in their existing plan.
- 38% of consumers selecting plans in 2016 were newly entering Marketplace plans.



Data Source: 5

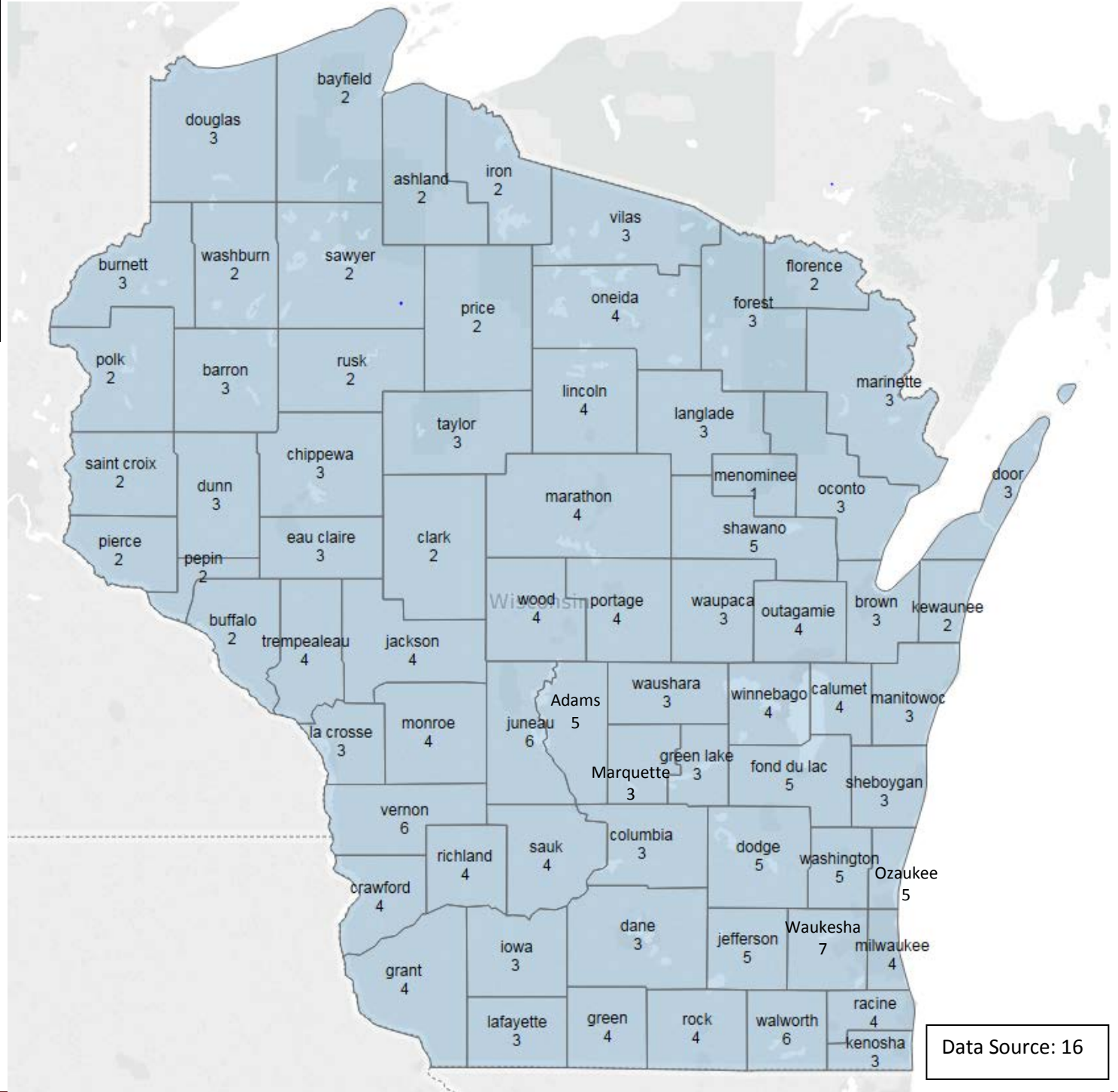
Age and Rural/Urban Status of 2016 Qualified Health Plan (QHP) Selections

- Consumers ages 18-34 make up 26% of those who selected a 2016 Marketplace plan.
- Rural consumers make up 37% of those who selected a Marketplace plan, while rural residents account for 30% of Wisconsin's population.



Data Source: 6

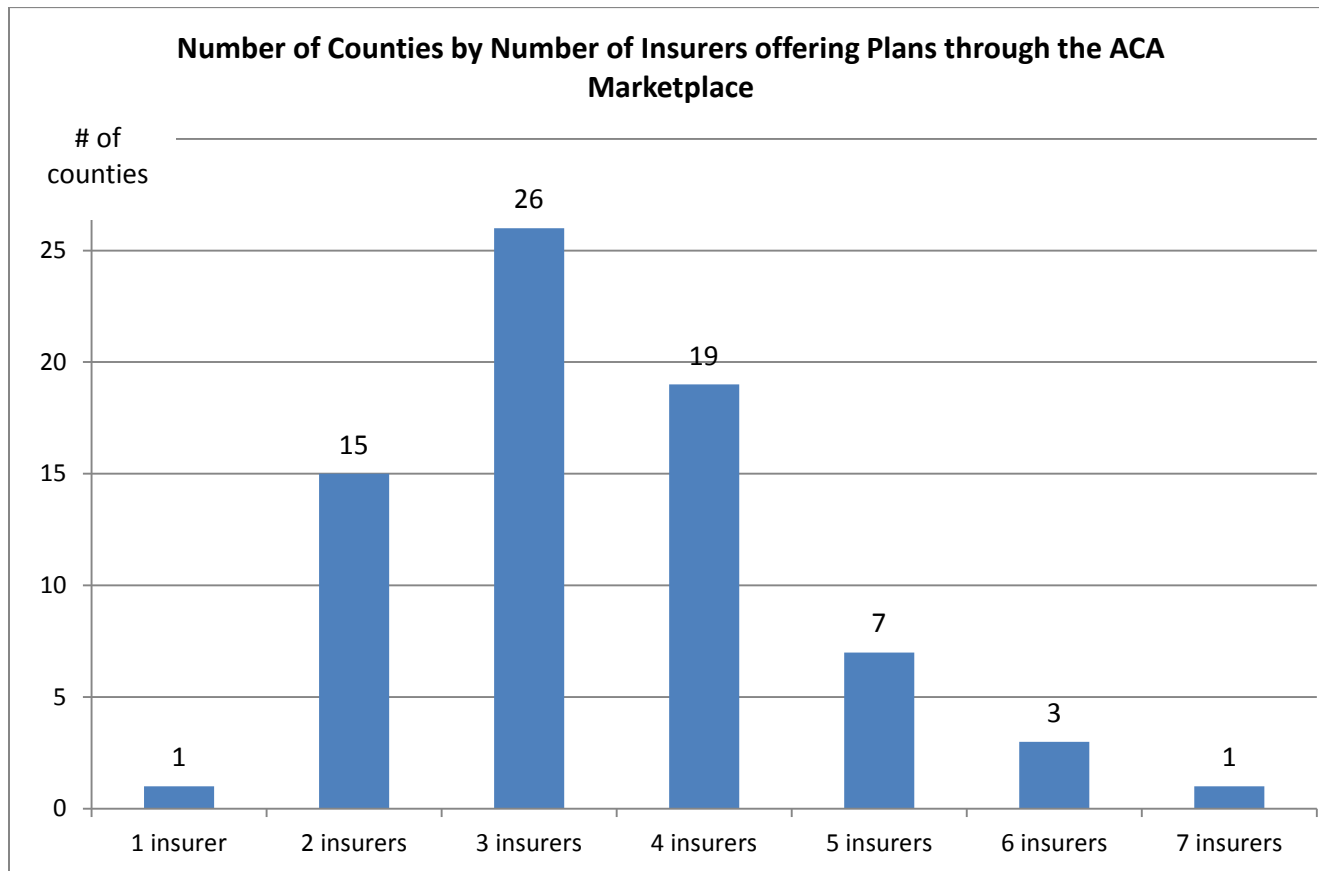
Number of insurance carriers offering plans in Wisconsin, by county, for 2017 through the Healthcare.gov Marketplace



Data Source: 16

Wisconsin ACA Marketplace: Number of Participating Insurance Carriers in Each County

- Anthem BCBS
- Aspirus Arise
- Children’s Community Health
- Common Ground
- Dean Health Plan
- Group Health Coop
- Gundersen
- Health Partners
- Health Tradition
- Medica
- Mercy Alliance
- Molina
- Network Health
- Security Health
- Unity Health Plans



- Wisconsin has 15 Insurance Carriers offering health plans through the ACA Marketplace.
- 56 of Wisconsin’s 72 counties have three or more insurance carriers offering plans.

Data Source: 16

DATA SOURCES

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<http://kff.org/uninsured/issue-brief/estimates-of-eligibility-for-aca-coverage-among-the-uninsured-in-2016/>
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