

Health Reform in Colorado

What's Working, What Isn't

SEPTEMBER 2015

Analyzing the Impact of the Affordable Care Act

The 2015 CHAS offers the first in-depth data to gauge whether the Affordable Care Act (ACA), the biggest U.S. experiment in health policy in 50 years, is meeting its goals. This is especially important in Colorado, which has emerged as a state leader in health reform by opting to expand Medicaid eligibility, creating a state-based marketplace and hosting a new health insurance co-op.

This analysis by the Colorado Health Institute places the progress of the ACA in meeting its goals, as well as its impact on health and health care, in three categories: Green (meeting or exceeding expectations); Yellow (treading water with room to improve); and Red (not up to snuff, at least so far).



GREEN

Meeting or Exceeding Expectations

Colorado's Uninsured Rate

At 6.7 percent, it has fallen by more than half from 14.3 percent in 2013, lower than most predictions.

Expanded Medicaid Eligibility

Low-income Coloradans enrolled at higher-than-anticipated rates, with enrollment increasing by 450,000 between 2013 and 2015.

Large Employers

The percentage of Coloradans who get their coverage through a large employer (50 or more employees) increased by 3.5 percent.

Churn

Worries that lower-income residents would fluctuate between eligibility for Medicaid and the marketplace, possibly leaving them uncovered for months at a time, were unfounded. Increased "churn" hasn't happened.

Jefferson County

This suburban county posted the biggest percentage drop in uninsurance, falling to 2.8 percent from 11.6 percent. Jefferson County saw roughly equal increases in the number of enrollees in Medicaid and private insurance. Jefferson County now trails only Douglas County and its 2.4 percent uninsured rate.

Colorado's Kids

Only 2.5 percent of Colorado children under 19 – about 33,000 – remain uninsured. The ACA doesn't specifically target children, but it's likely that as parents gained health insurance, they also enrolled their children.



YELLOW

Room to Improve

The Individual Market

Because the individual market includes Connect for Health Colorado, many expected a spike in the level of individual coverage. But it remained flat.

Connect for Health Colorado

The state-based online marketplace signed up only 42.1 percent of customers in the individual market. The other 57.9 percent bought insurance through a broker or directly from the insurer.

Preventive Care

The ACA encourages the use of preventive care in a number of ways. Overall, preventive care visits increased a bit, heading up by 4.2 percentage points.

Young Invincibles

The 19- to 29-year-old age group was targeted in order to bring young and healthy enrollees into the insured pool. While their uninsured rate dropped by half to 12.9 percent, most other age groups did even better. The young invincibles have the second highest uninsured rate behind the thirty-somethings.

Hispanics

The Hispanic uninsured rate fell by half to 11.8 percent from 21.8 percent. But Hispanics still have the state's highest uninsured rate. By comparison, 5.0 percent of whites don't have health insurance.

Jackson, Moffat, Rio Blanco and Routt Counties

These four counties in northwestern Colorado make up Health Statistics Region 11, which had Colorado's highest uninsured rate in 2013 at 24.8 percent. They whittled that down to 13.0 percent, but still lead the state.



RED
Falling Short

Small Employers

The ACA created the Small Business Health Options Program (SHOP) marketplace to encourage the enrollment of workers at small employers (fewer than 50 employees). But the percentage of Coloradans getting coverage through a small employer actually fell by 12.0 percent.

Employer-Sponsored Coverage:

Continuing a state and national trend, overall employer-sponsored coverage fell to 50.9 percent from 52.6 percent. (This reflects the increase of large employer coverage and the decrease of small employer coverage.)

High Income but Uninsured

With earnings too high to qualify for tax subsidies through the insurance marketplace, Coloradans above 400 percent of the FPL were the only income group not to show a drop in uninsurance. These higher-income folks now make up a bigger share of Colorado's uninsured pool – 11.2 compared with 5.3 percent.

Underinsurance

Uninsurance fell in Colorado, but underinsurance increased. More of the insured find themselves spending above ten percent of their income on health care (or five percent for low-income families). Of insured Coloradans, 16.4 percent are now underinsured, up from 13.9 percent.

Health Care Affordability

With "affordable" in its name, the law takes aim at spiraling health care costs in a number of ways. Despite hundreds of thousands of Coloradans gaining coverage, the percentage of Coloradans who skipped getting doctor care because it cost too much dropped only a bit, to 10.4 percent from 12.3 percent. Many had thought this rate would drop faster.

Emergency Department Use

Many ACA proponents predicted it would lower the number of emergency department visits. But that hasn't happened in Colorado – 21.7 percent reported visiting the ED at least once in the past year, up from 19.5 percent in 2013.

Crowd out

The data show that some new Medicaid enrollees dropped their private coverage in exchange for public insurance, which is known as "crowd out." These were most likely people with low-paying jobs who qualified for the public insurance.

Need more information?

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