Medical Expenditure Panel Survey

Agency for Healthcare Research and Quality

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Uninsurance and Insurance Transitions Before and After 2014: Estimates for U.S., Non-Elderly Adults by Health Status, Presence of Chronic Conditions and State Medicaid Expansion Status

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Introduction

The 2014 implementation of key provisions of the Affordable Care Act (ACA) represents one of the largest health insurance expansions since the creation of Medicare and Medicaid in 1965. These provisions include premium tax credits for the purchase of private insurance for low- and middle-income adults and, in participating states, expanded Medicaid eligibility for adults with incomes up to 138 percent of the federal poverty level. Though the ACA's Medicaid expansion is optional, 26 states and the District of Columbia had expanded their Medicaid programs by the end of 2014.

Using information from the Household Component of the Medical Expenditure Panel Survey (MEPS-HC), this Statistical Brief provides two sets of estimates of health insurance coverage for non-elderly adults ages 18 to 64, in the U.S. civilian noninstitutionalized population. The first set examines the percentage of non-elderly adults who were uninsured for the entire calendar year in 2014 versus 2013. The second set examines transitions in coverage over the two years that respondents participate in MEPS, comparing gains and losses in health insurance coverage in the period from 2013–2014 to those in the earlier two-year period, 2012–2013[1]. This Brief presents both types of estimates separately for non-elderly adults in fair or poor health and those in excellent/very good/good health, as well as for those without and with at least 1 chronic condition. In addition, the calendar-year estimates are presented by state Medicaid expansion status.

The transition estimates include information on the percentage of uninsured adults who 'gained' insurance and the percentage of insured adults who 'lost' coverage in each two-year period. Individuals are considered to have gained coverage if they were uninsured for the entire first year of each period and were insured at any point in the second year. Individuals are considered to have lost coverage if they were insured at any point during the first year and were uninsured for the entire second year. Note that individuals who 'lost' coverage could be insured for all or any part of the first year, so they may have lost coverage before the second year began. For uninsured adults who gained coverage, this Brief further examines the contributions to overall gains in coverage of three types of insurance—Marketplace coverage, Medicaid, and other private/public insurance. All differences between estimates discussed in the text are statistically significant at the 0.05 level except in cases where the text indicates that differences are significant at the 0.10 level ($p < 0.10$).

Highlights

- In Medicaid expansion states, uninsured rates were higher in 2013 for non-elderly adults in fair or poor health than for those in good to excellent health, but in 2014 there was no significant difference in the rate of uninsurance by health status.
- About one-third of uninsured adults in 2013 gained insurance in 2014 regardless of health status. However, adults in good to excellent health were more likely to gain other private/public coverage while those in fair/poor health were more likely to gain Medicaid coverage.
- In the 2012–2013 period, insured adults in fair/poor health were more likely to lose insurance than those in good to excellent health. However, there was no statistically significant difference across health status groups in the likelihood of losing coverage from 2013 to 2014.
- In the 2013–2014 period, uninsured non-elderly adults with at least 1 chronic condition were more likely to gain Medicaid coverage than those with no chronic conditions and were also more likely to enroll in Marketplace coverage.

Findings

National Calendar-Year Estimates

Health status

Nationally, the uninsured rate in 2013 was higher for non-elderly adults who were ever reported to be in fair or poor health during the year (23.8 percent) compared with those who were reported to be in good to excellent health throughout the year (17.6 percent) (figure 1). From 2013 to 2014, uninsured rates declined for adults in both health

[1]Note that the samples for the calendar-year estimates and the transitions in coverage estimates in this Statistical Brief differ because the transitions estimates use observations from one Panel in the MEPS-HC over a two-year period while the calendar-year estimates use observations from the combination of two Panels for one calendar year.

status categories, decreasing from 17.6 to 13.7 percent for adults in good to excellent health and from 23.8 to 17.1 percent for adults in fair or poor health. The larger percentage point decline for those in fair or poor health compared with those in good to excellent health reduced the gap in uninsured rates between these two groups from 6.2 percentage points in 2013 to 3.4 percentage points in 2014.

Chronic conditions

In 2013, 22.6 percent of non-elderly adults without any chronic conditions[2] were uninsured compared to 15.5 percent of those with at least 1 chronic condition. From 2013 to 2014, uninsured rates decreased from 22.6 to 18.2 percent among those with no chronic conditions and from 15.5 to 10.9 percent among those with at least 1 chronic condition (figure 2). The declines for those with and without chronic conditions were of similar magnitude so that there was no significant change in the percentage point gap in uninsured rates for these two groups in 2014.

Calendar-year estimates by Medicaid expansion status

Uninsured rates declined in 2014 for adults in all health status and chronic condition categories in states that did and did not expand Medicaid. However, in Medicaid expansion states, uninsured rates for non-elderly adults in fair or poor health declined by 8.1 percentage points, compared to a 4.4 percentage point decline for those in good to excellent health (figure 1). As a result, in 2014 the difference in uninsured rates between non-elderly adults in these two health categories was not statistically significant (12.3 and 10.9 percent, respectively). In contrast, uninsured rates for non-elderly adults in fair or poor health in states that did not expand Medicaid remained higher than those in good to excellent health in 2014 (22.5 percent versus 17.0 percent, respectively). In 2014, uninsured rates for adults with no chronic conditions remained higher than those for adults with at least 1 chronic condition, whether or not the adult lived in a state that had expanded Medicaid (figure 2).

Transitions in Coverage

Health status

From 2012 to 2013, uninsured non-elderly adults in fair/poor health were more likely to gain some type of coverage than those in good to excellent health (22.3 percent versus 17.3 percent, respectively, $p < 0.10$) (figure 3). Both groups had higher rates of gaining coverage from 2013 to 2014 than from 2012 to 2013. In the later period, about one-third of non-elderly adults in both health status categories gained coverage. From 2012 to 2013 and from 2013 to 2014, uninsured non-elderly adults in fair/poor health were more likely to gain Medicaid coverage than those in good to excellent health. The percentage of adults gaining coverage through Medicaid grew between the two periods for both health status groups, more for adults in fair/poor health than for those in good to excellent health. In the 2012–2013 period, the rates of gaining Medicaid coverage for adults in fair/poor health and good to excellent health were 7.9 and 3.6 percent, respectively, compared to 17.8 and 7.5 percent, respectively, in the 2013–2014 period. Rates of gaining Marketplace coverage were similar between the two health status groups in 2013–2014 (6.0 percent for those in good to excellent health and 4.8 percent for those in fair/poor health). However, in 2013–2014, non-elderly adults in good to excellent health were more likely than those in fair/poor health to gain other private/public coverage (18.7 percent versus 10.8 percent, respectively). Rates of gaining other private/public coverage were similar between the two health status groups from 2012 to 2013. In the 2012 to 2013 period, insured adults in fair/poor health were more likely to lose insurance than those in good to excellent health (5.3 versus 2.9 percent). However, from the 2012–2013 period to the 2013–2014 period, adults in fair/poor health experienced a reduction in their likelihood of losing insurance (from 5.3 percent to 2.7 percent). As a result, there was no statistically significant difference between health status groups in the likelihood of losing coverage from 2013 to 2014.

Chronic conditions

From 2012–2013 and from 2013–2014, uninsured non-elderly adults with at least 1 chronic condition were more likely to gain some type of coverage than their counterparts with no chronic conditions (38.4 percent versus 27.8 percent in 2013–2014, respectively) (figure 4). Rates of gaining Medicaid coverage increased for both groups from 2013–2014 compared to the earlier period. In the 2013–2014 period, uninsured non-elderly adults with at least 1 chronic condition were more likely to gain Medicaid coverage than those with no chronic conditions (13.9 percent versus 7.2 percent) and were also more likely to enroll in newly available Marketplace coverage (8.0 percent versus 3.8 percent). In the 2012–2013 period, Marketplace coverage was not available and there was no statistically significant difference between the two groups in their rates of gaining Medicaid coverage. In both two-year periods, insured adults with no chronic conditions were more likely to lose coverage than those with at least one chronic condition (e.g., 3.7 percent versus 2.3 percent from 2013–2014) (figure 4). There was no statistically significant difference in rates of losing coverage for either group in the 2013–2014 period compared to the earlier period.

Data Source

The estimates shown in this Statistical Brief are drawn from analyses conducted by the MEPS staff from files HC-155, HC-163, and HC-165, augmented with information on the person's state of residence. For consistency with the other data files, the analytic weight from HC-165 was adjusted by post-stratifying by poverty status to the Current Population Survey.

[2]These adults were not reported to have any of the chronic conditions considered in this Brief. See the 'Definitions' section for a list of chronic conditions.

Definitions

Population covered
Persons included in the estimates of transitions in coverage were in the survey for the entire two-year period of eligibility and were ages 18–64 for the entire two-year period of eligibility. This restriction excludes individuals who were institutionalized, left the country or died during the two-year period and those who joined the household after January of the first year of the two-year period. Persons included in the calendar-year estimates of uninsurance were in the survey for one calendar year and were ages 18–64 for the entire calendar year. This restriction excludes individuals who were institutionalized, left the country or died during the calendar year and those who joined the household after January of the calendar year.

Uninsured
People who did not have coverage for the entire year were classified as uninsured. The uninsured were defined as people not covered by Medicaid, Medicare, TRICARE (Armed Forces-related coverage), other public hospital/physician programs, private hospital/physician insurance (including Medigap coverage) or insurance purchased through health insurance Marketplaces established in accordance with the Affordable Care Act. People covered only by non-comprehensive State-specific programs (e.g., Maryland Kidney Disease Program) or private single service plans such as coverage for dental or vision care only, or coverage for accidents or specific diseases, were considered uninsured.

Insured
People who had coverage at any point during the year were classified as insured. The insured were defined as people covered by Medicaid, Medicare, TRICARE (Armed Forces-related coverage), other public hospital/physician programs, private hospital/physician insurance (including Medigap coverage) or insurance purchased through health insurance Marketplaces established in accordance with the Affordable Care Act. People covered only by non-comprehensive State-specific programs (e.g., Maryland Kidney Disease Program) or private single service plans such as coverage for dental or vision care only, or coverage for accidents or specific diseases, were not considered to be insured.

Coverage type gained
Individuals who gained coverage from the first to the second year of the reference period were placed into one of three hierarchical insurance categories: Marketplace, Medicaid (no Marketplace or private coverage), and Other Public and Private Coverage that includes all sources of coverage except for those identified in the first two categories.

Health status
Information from three rounds of the MEPS-HC was used to classify individuals by health status. In every round, the respondent was asked the following question to rate the health of every member of the family: "In general, compared to other people of (PERSON)'s age, would you say that (PERSON)'s health is excellent, very good, good, fair, or poor?" Individuals were classified as being in "fair/poor" health if they were reported to be in fair or poor health at any time during these three MEPS-HC rounds. Individuals were classified as being in "excellent, very good, good" health if they were reported to be in excellent, very good or good health in each of these three rounds. For the calendar year estimates, individuals were classified using information on the three MEPS-HC rounds in the calendar year. For the transitions in coverage estimates, information from the person's first year in the MEPS-HC was used.

Chronic conditions
Information from the first year an individual was in the MEPS-HC was used to classify individuals according to the presence of chronic conditions for estimates of transitions in coverage. Information from the relevant calendar year was used for the calendar-year insurance estimates. Adults who were reported as having one or more diagnosed chronic conditions were defined as those with: active asthma, arthritis, diabetes, emphysema, heart disease, high blood pressure, high cholesterol, bronchitis, or stroke. Active asthma was defined as adults who were ever told they had asthma and who were reported to still have asthma or had an asthma attack in the past 12 months. Arthritis includes respondents with pain, aching, stiffness or swelling around a joint in the past 12 months. Bronchitis includes respondents who were reported as having chronic bronchitis in the past 12 months. High blood pressure was defined as adults who were reported being told on two or more occasions they had high blood pressure. Heart disease was created using four questions on whether the person was ever told she or he had: coronary heart disease, angina, a heart attack, or any other kind of heart condition or heart disease. Adults who had diabetes, emphysema, high cholesterol, and stroke were defined as adults who were reported as ever being told they had those conditions.

Medicaid expansion states
This analysis defined Medicaid expansion states as those states that implemented the ACA's Medicaid expansion at any time during calendar year 2014 and this definition was used to classify states in 2013 as well as in 2014. Medicaid expansion states included Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Hawaii, Illinois, Iowa, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Oregon, Rhode Island, Vermont, Washington, and West Virginia.

About MEPS-HC

MEPS-HC is a nationally representative longitudinal survey that collects detailed information on health care utilization and expenditures, health insurance, and health status, as well as a wide variety of social, demographic, and economic characteristics for the U.S. civilian noninstitutionalized population. It is co-sponsored by the Agency for Healthcare Research and Quality and the National Center for Health Statistics.

For more information about MEPS, call the MEPS information coordinator at AHRQ (301- 427- 1406) or visit the MEPS Web site at http://www.meps.ahrq.gov/.

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AHRQ welcomes questions and comments from readers of this publication who are interested in obtaining more information about access, cost, use, financing, and quality of health care in the United States. We also invite you to tell us how you are using this Statistical Brief and other MEPS data and tools and to share suggestions on how MEPS products might be enhanced to further meet your needs. Please email us at MEPSProjectDirector@ahrq.hhs.gov or send a letter to the address below:

Joel W. Cohen, PhD, Director
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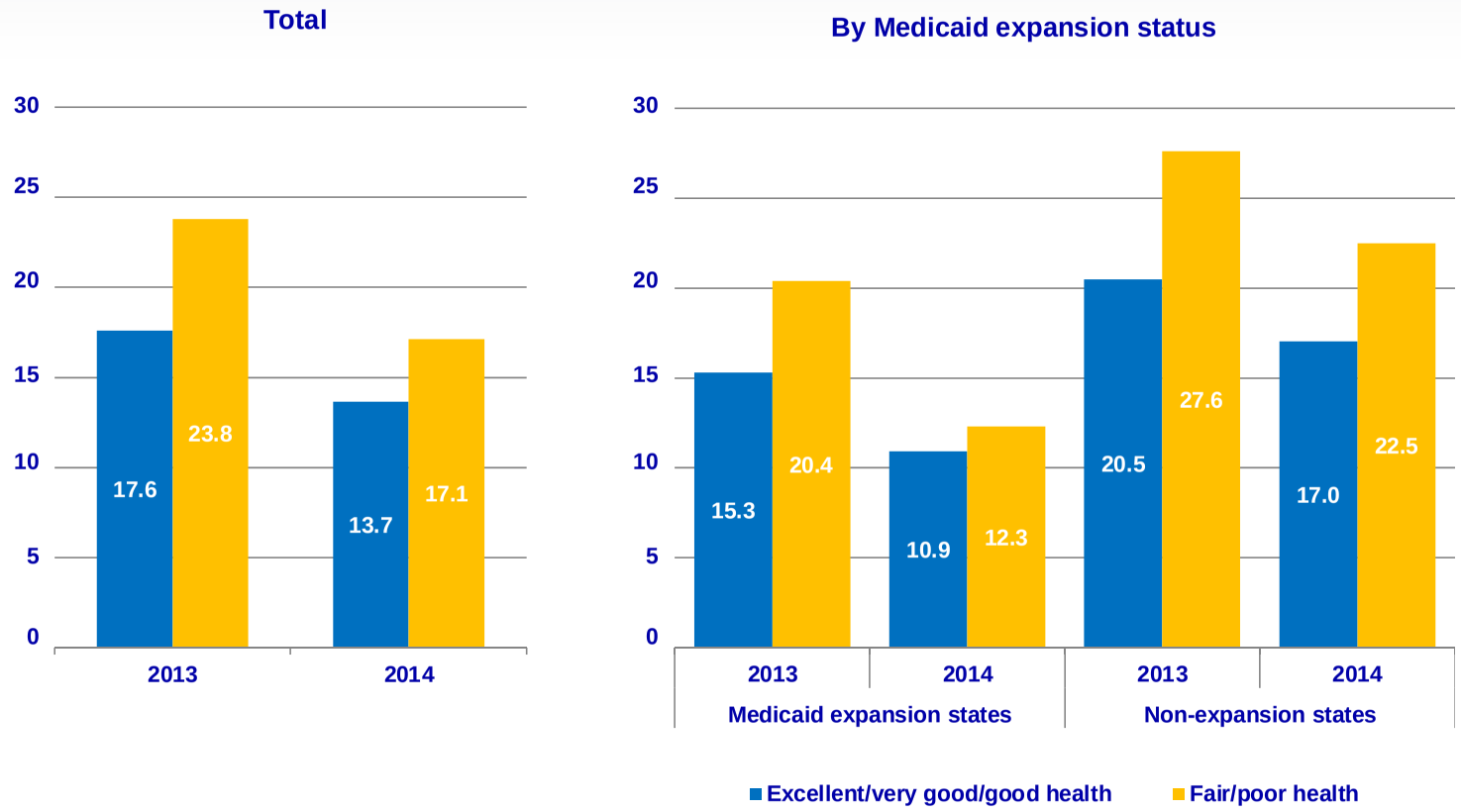
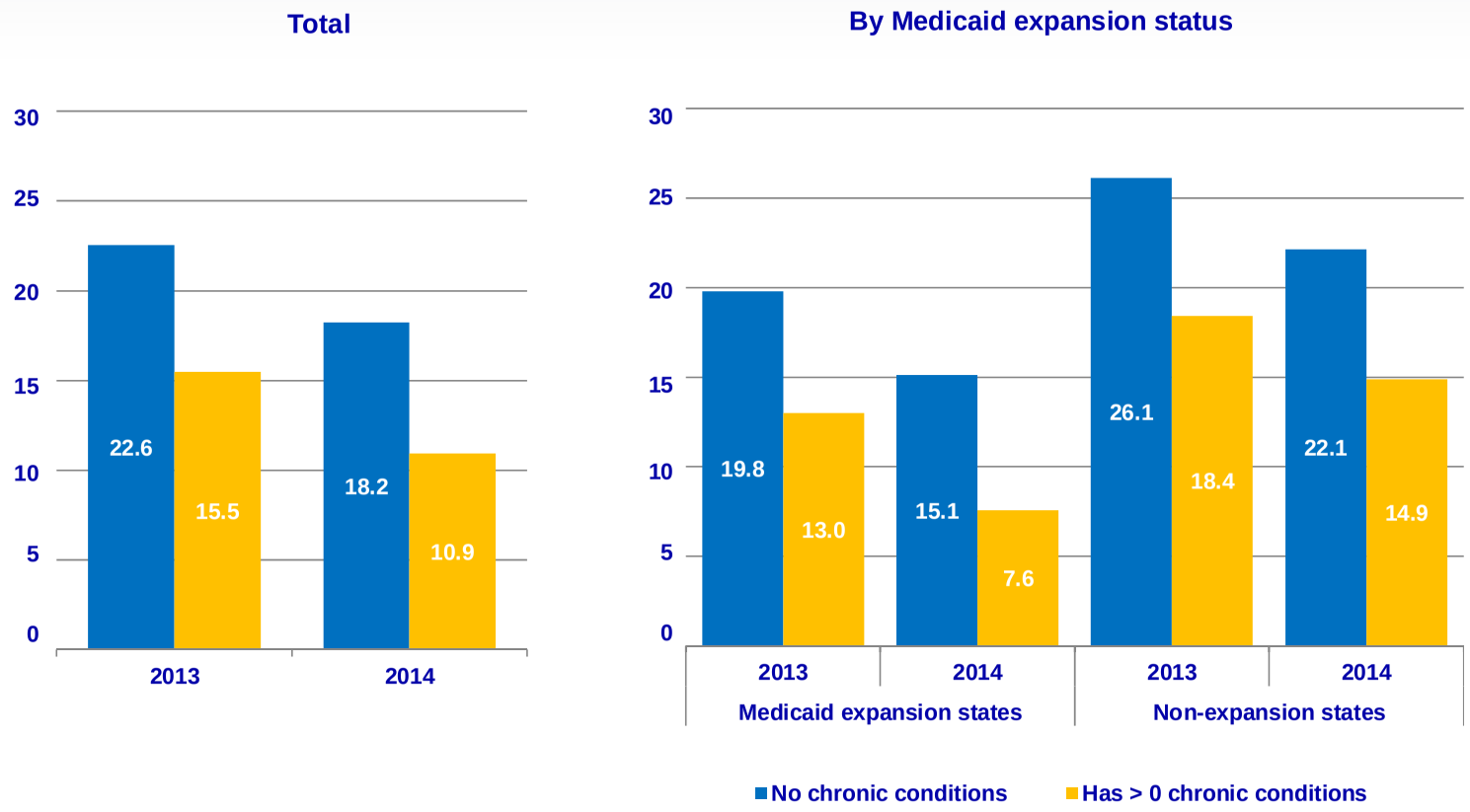
Rockville, MD 20857

Figure 1. Percentage of non-elderly adults ages 18 to 64[1], who were uninsured for the entire calendar year, by perceived health status and state Medicaid expansion status, 2013 and 2014



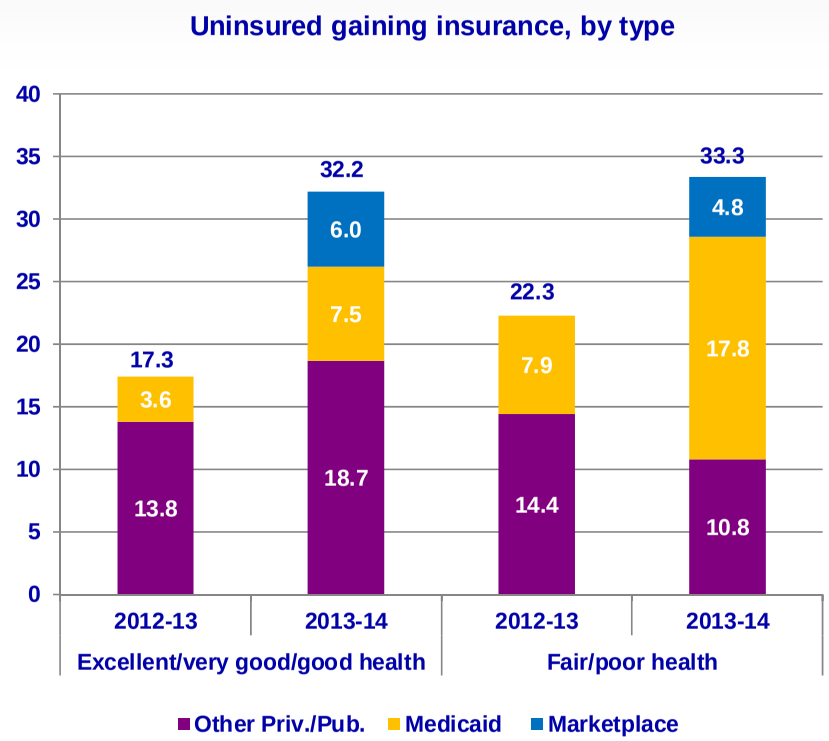
Source: Medical Expenditure Panel Survey – Household Component: 2013–14

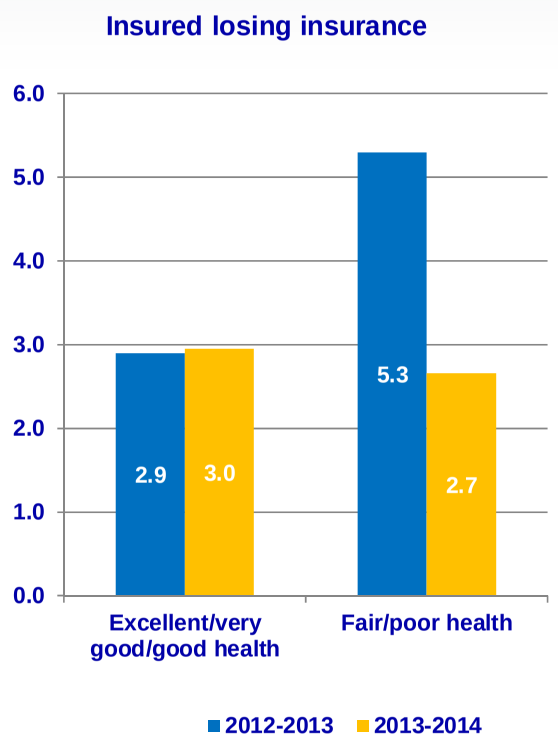
Figure 2. Percentage of non-elderly adults ages 18 to 64, who were uninsured for the entire calendar year, by the presence of chronic conditions and state Medicaid expansion status, 2013 and 2014



Source: Medical Expenditure Panel Survey – Household Component: 2013-14

Figure 3. Percentage of uninsured (insured) non-elderly adults[1] in year one that gained (lost) coverage in year two: Comparison of 2012–13 and 2013–14, by health status

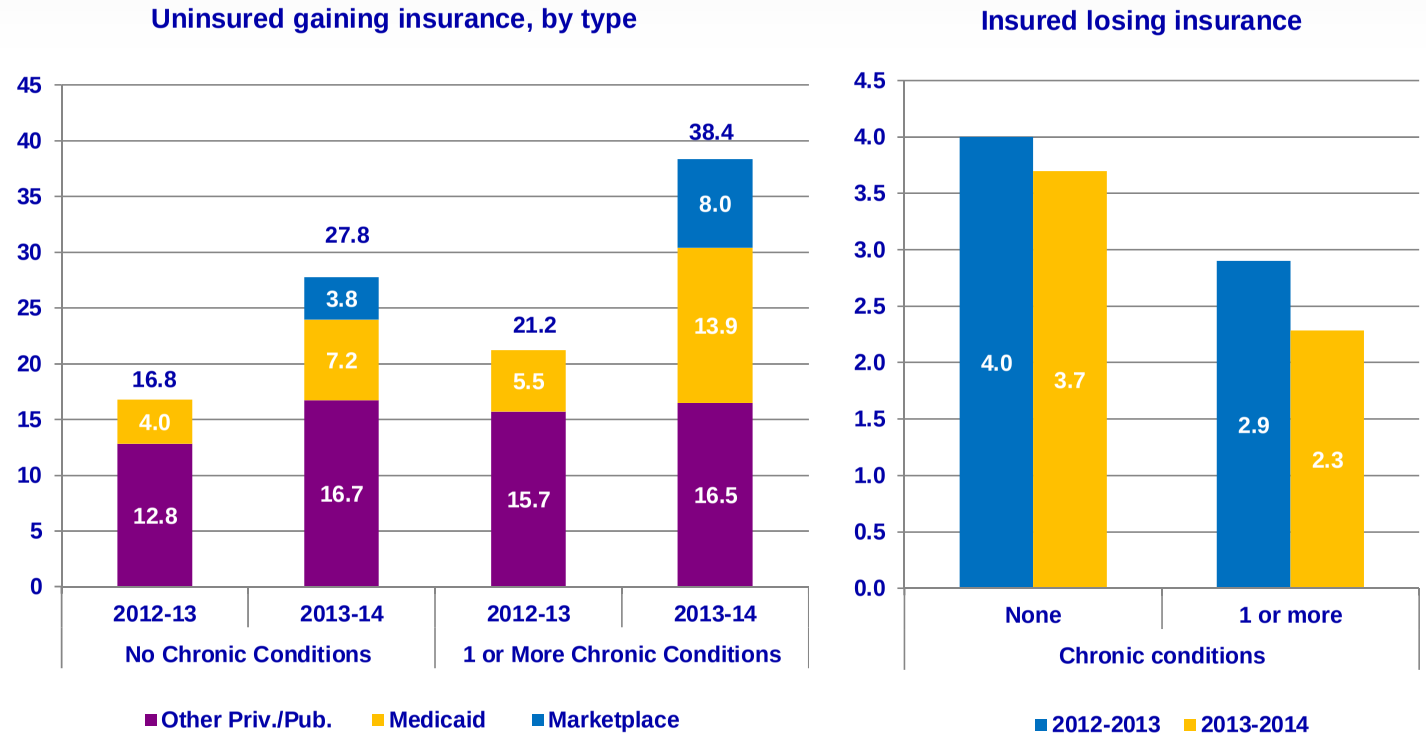




[1]Non-elderly adults includes individuals that were ages 18 to 64 throughout the two-year period.

Source: Medical Expenditure Panel Survey – Household Component, 2012 to 2014

Figure 4. Percentage of uninsured (insured) non-elderly adults[1] in year one that gained (lost) coverage in year two: Comparison of 2012–13 and 2013–14, by the presence of chronic conditions



[1]Non-elderly adults includes individuals that were ages 18 to 64 throughout the two-year period.

Source: Medical Expenditure Panel Survey – Household Component, 2012 to 2014