

Insight on the Issues

Monitoring the Impact of Health Reform on Americans Ages 50–64:

Uninsured Rate Dropped by Nearly Half between December 2013 and March 2015

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This *Insight on the Issues* is the latest in a series that looks at the experience of 50- to 64-year-olds during implementation of the Affordable Care Act.

New data from the Urban Institute and the AARP Public Policy Institute show that the number of 50- to 64-year-olds without health insurance coverage dropped by nearly half over the first two open enrollment periods of the Affordable Care Act (ACA).¹ This analysis compares results from December 2013, during the first ACA open enrollment period,² with results from March 2015, after conclusion of the second ACA open enrollment period.

In March 2015, the uninsured rate was lower in states that chose to expand their Medicaid programs under the ACA than in states that did not. Overall, gains in Medicaid and nongroup (individual) coverage appear to be responsible for the greatest drops in the uninsured rate for 50- to 64-year-olds between December 2013 and March 2015. The uninsured rate fell among all demographic groups studied, although some subgroups continue to be uninsured at higher rates.

ACA ADDRESSED MAJOR COVERAGE HURDLES FOR 50- TO 64-YEAR-OLDS

Americans ages 50 to 64 often have a high need for medical care, but those without employer-sponsored insurance (ESI) historically have had few options for obtaining affordable coverage. Before implementation of the ACA, many 50- to 64-year-olds who were not offered an employer-sponsored health insurance plan remained uninsured. Many remained uninsured due to difficulty gaining affordable coverage through a public program or the nongroup market.³

Several provisions of the ACA make health insurance more accessible and affordable for people ages 50 to 64 by:

- Expanding Medicaid to cover childless adults with incomes up to 138 percent of the federal poverty level (FPL)
- Ensuring older adults with preexisting health conditions are able to purchase affordable health



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insurance coverage in the private nongroup and small-group health insurance markets

- Prohibiting insurers from varying health insurance premiums by health status
- Limiting cost sharing for coverage of essential health benefits
- Limiting the extent to which insurers can charge older persons higher premiums than younger persons
- Making subsidies available to people with incomes below 400 percent of FPL⁴ so they can afford to purchase private nongroup insurance through the health insurance Marketplace

RESULTS

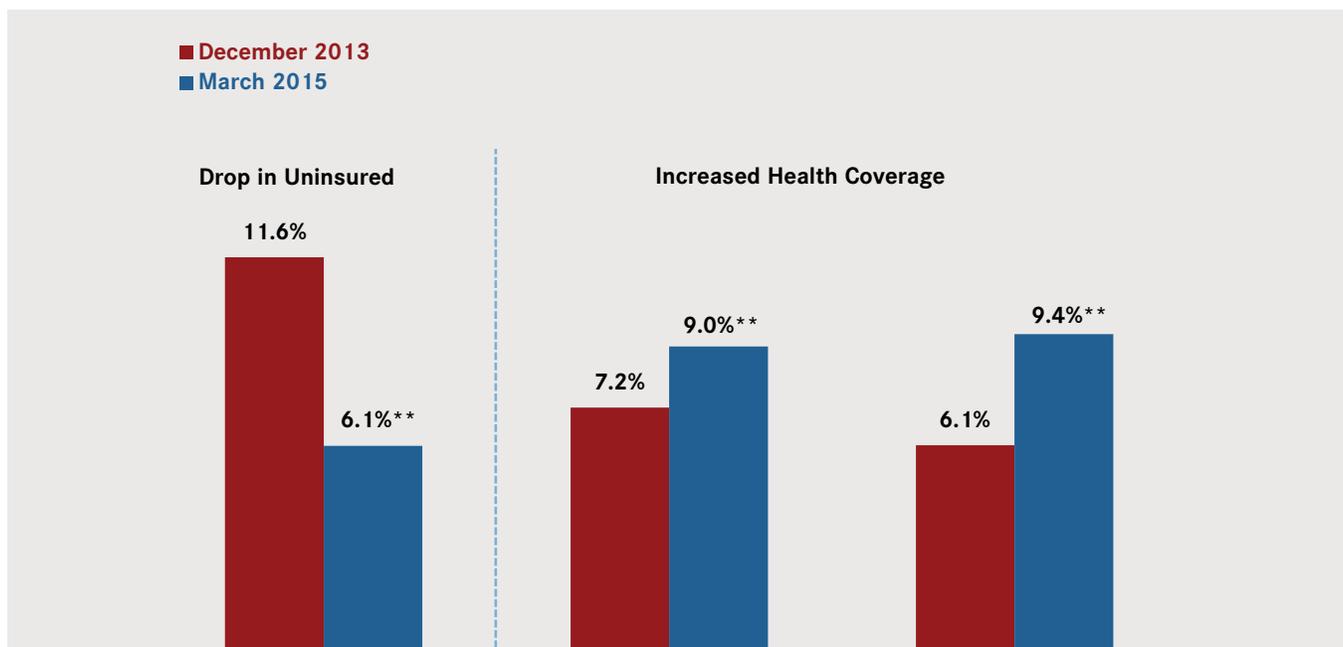
Uninsured Rate Dropped by Nearly Half since December 2013

Between December 2013 and March 2015, the uninsured rate for people ages 50 to 64 fell by 47.4 percent, from 11.6 percent to 6.1 percent (figure 1). This is consistent with the drop in the uninsured rate over the same period among adults ages 19 to 64 (from 17.4 percent to 10.1 percent), as documented in a different study (Long et al. 2015).

The drop in the uninsured rate was accompanied by gains in Medicaid and private nongroup coverage among adults ages 50 to 64 (figure 1) between December 2013 and March 2015.

- **Medicaid:** The share of 50- to 64-year-olds with Medicaid coverage increased from 6.1 percent to 9.4 percent.

FIGURE 1
Changes in Health Insurance Coverage among 50- to 64-Year-Olds between December 2013 and March 2015



Source: HRMS-AARP Survey, December 2013 and March 2015.

Note: ESI, Medicare, and nonspecified coverage not shown. Data are not adjusted for changes in the characteristics of the sample population over time.

** March 2015 estimate is significantly different from December 2013 estimate at the 0.01 level using two-tailed tests.

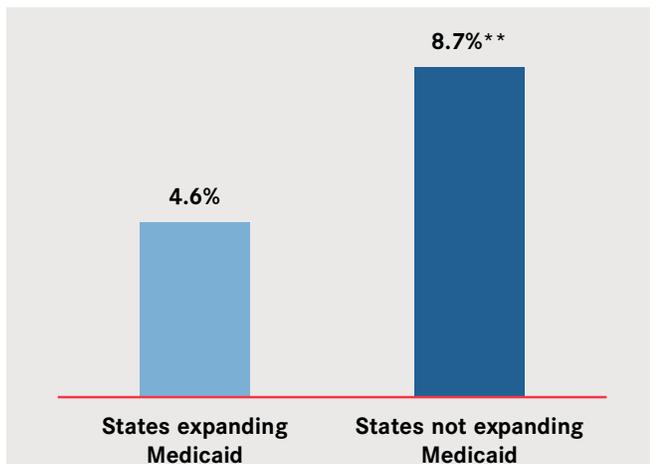
- **Private nongroup:** The share of 50- to 64-year-olds with private nongroup coverage increased from 7.2 percent to 9.0 percent.

ESI coverage among this age group remained stable at about 66 percent (data not shown). However, we note that estimating changes in enrollment for specific coverage types from survey data, including coverage increases, is challenging and subject to error.⁵

Uninsured Rate Lowest in Medicaid Expansion States

In March 2015, the uninsured rate for 50- to 64-year-olds was lower in states that chose to expand eligibility for their Medicaid programs under the ACA than in states that did not (figure 2). The uninsured rate was 4.6 percent in Medicaid expansion states, compared with 8.7 percent in nonexpansion states.

FIGURE 2
Uninsured Rate among 50- to 64-Year-Olds in March 2015, by State Medicaid Expansion Status



Source: HRMS-AARP Survey, March 2015.

Note: State Medicaid expansion status as of March 31, 2015. Data are not adjusted for differences in demographic, socioeconomic, or health status between expansion and nonexpansion states.

** Estimate is significantly different from estimate for states expanding Medicaid at the 0.01 level using two-tailed tests.

Coverage Gains Seen across Demographic Groups

Between December 2013 and March 2015, the uninsured rate among 50- to 64-year-olds declined for all demographic groups included in this analysis (figure 3). The largest percentage point declines in the uninsured rate in this age group occurred among the following groups:

- **Women:** The uninsured rate for 50- to 64-year-old women dropped from 12.1 percent to 5.5 percent.
- **Individuals with family incomes below 138 percent of the FPL:** The uninsured rate for 50- to 64-year-olds with the lowest incomes dropped from 32.7 percent to 17.8 percent.
- **Hispanics:** The uninsured rate for Hispanics in this age group dropped from 24.9 percent to 11.2 percent.
- **Fair or poor health:** The uninsured rate for 50- to 64-year-olds with fair or poor health dropped from 18.6 percent to 8.2 percent.

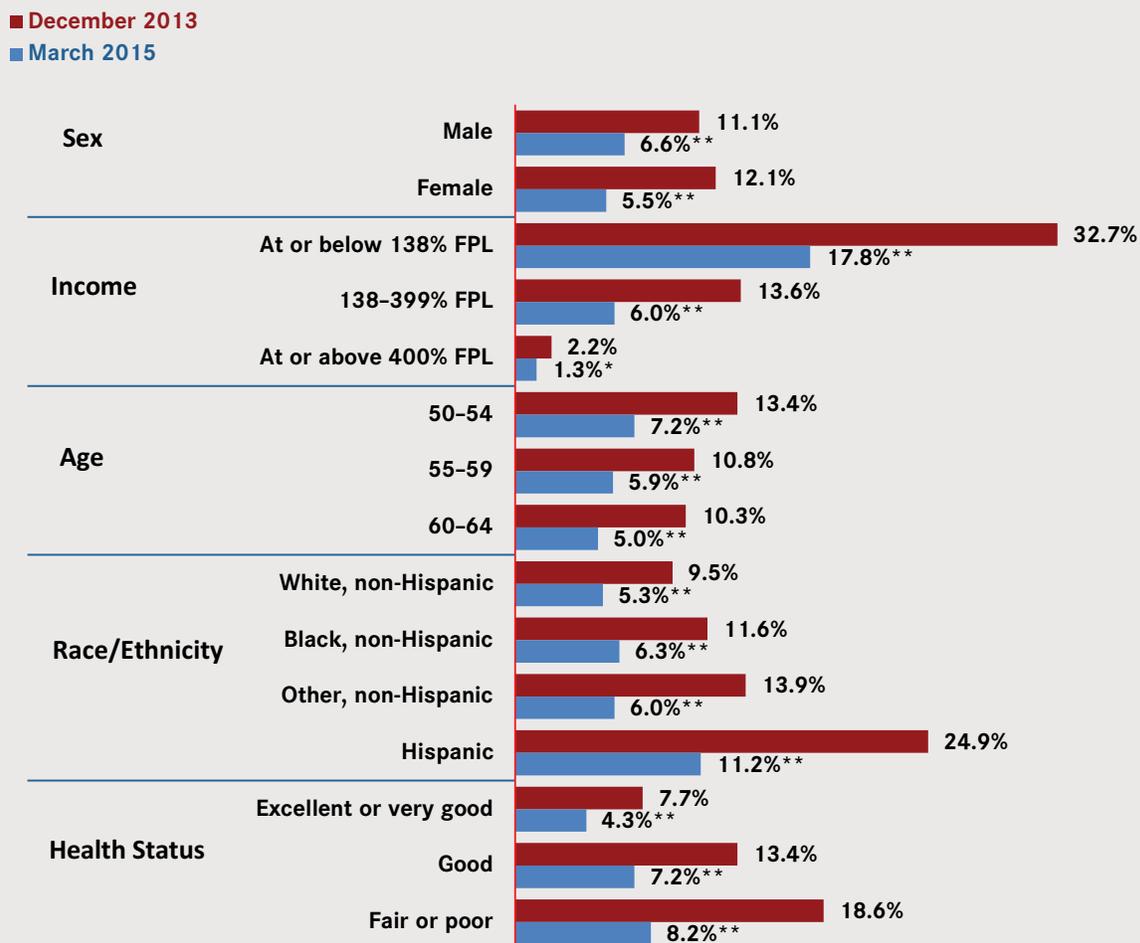
Despite Overall Gains in Coverage, Some Gaps Remain

Despite overall declines in the uninsured rate for 50- to 64-year-olds, several subgroups continue to remain uninsured at much higher rates than others (figure 4 and appendix table 1). These same subgroups have also seen the largest coverage gains since December 2013.

- **Individuals with family incomes at or below 138 percent of the FPL:** In March 2015, individuals at or below 138 percent of the FPL were nearly 14 times as likely as those at or above 400 percent of the FPL to be uninsured (17.8 percent and 1.3 percent, respectively).
- **Hispanics:** In March 2015, Hispanics remained more than twice as likely to be uninsured as non-Hispanic whites (11.2 percent and 5.3 percent, respectively).
- **Fair or poor health:** In March 2015, 50- to 64-year-olds in fair or poor health were nearly twice as likely to be uninsured as those in excellent or very good health (8.2 percent and 4.3 percent, respectively). Fair or poor health was also associated with lower income.⁶

FIGURE 3

Changes in Uninsured Rate for 50- to 64-Year-Olds by Demographic Group and Health Status between December 2013 and March 2015



Source: HRMS-AARP Survey, December 2013 and March 2015.

Note: Data are not adjusted for changes in the characteristics of the sample population over time.

*/** March 2015 estimate is significantly different from December 2013 estimate at the 0.05/0.01 level using two-tailed tests.

These results are consistent with comparisons of uninsured rates for adults ages 19 to 64 (Shartz et al. 2015).

CONCLUSIONS AND POLICY RECOMMENDATIONS

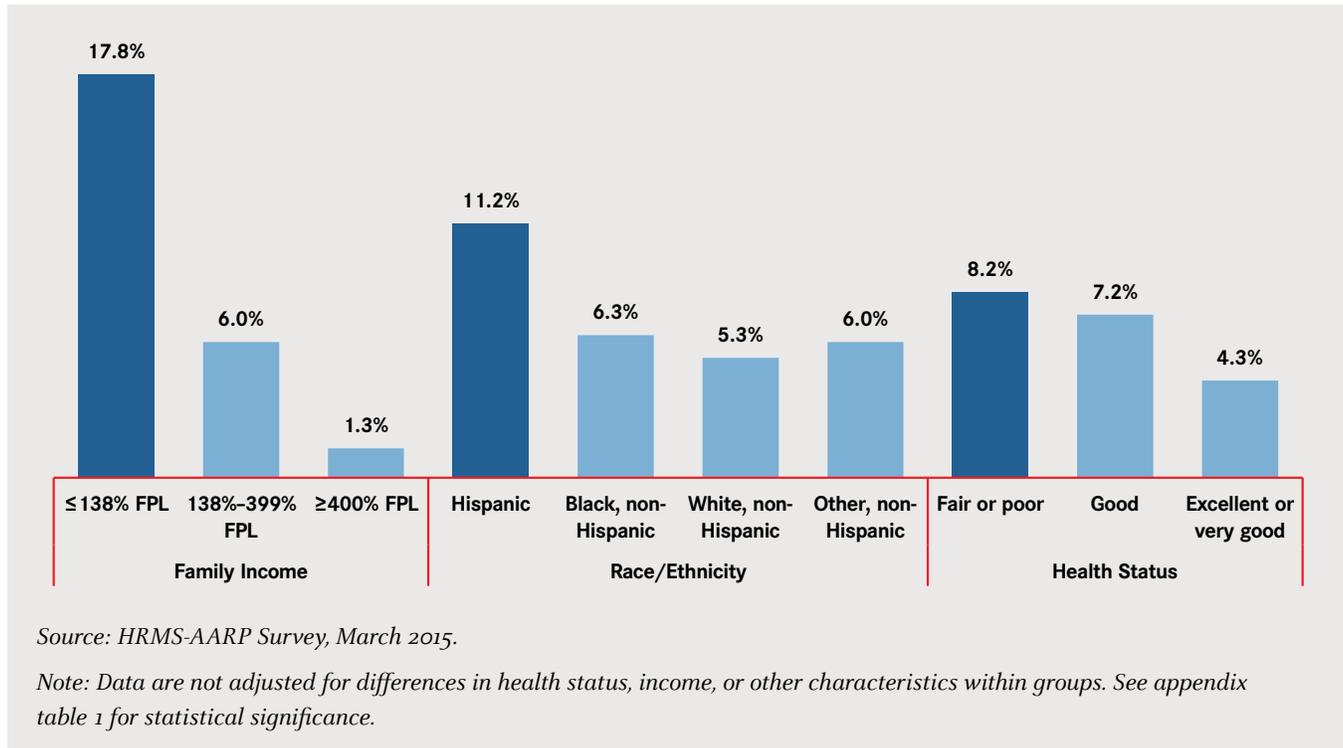
Health insurance coverage for 50- to 64-year-olds improved significantly between December 2013 and March 2015. However, coverage gaps for vulnerable groups remain. In order to improve coverage and reduce disparities within this age group, federal and

state policy makers should consider the following strategies:

- Encourage non-Medicaid expansion states to expand their programs to cover adults under 65 with income under 138 percent of the FPL.⁷
- Identify and effectively address obstacles to enrollment in insurance coverage among Hispanics.⁸

FIGURE 4

Comparisons of Uninsured Rates for 50- to 64-Year-Old Groups in March 2015 Show Gaps in Coverage



- Target outreach to low-income groups to encourage those who may qualify for subsidies to explore their options on the Marketplace.⁹
- Target outreach to those with educational or language barriers and provide them with information and assistance that meets their needs.

The AARP Public Policy Institute will continue to monitor trends in coverage for 50- to 64-year-olds as federal survey data become available.

DATA AND METHODS

This analysis uses data collected by the Urban Institute’s Health Reform Monitoring Survey (HRMS), a quarterly Internet-based survey of adults under the age of 65 designed to provide rapid feedback on implementation of the ACA before data from federal surveys are available. The survey data used for this paper and other analyses in AARP’s “Monitoring the Impact of Health

Reform on Americans Ages 50–64” series are from oversamples of 50- to 64-year-old adults (HRMS-AARP). The Urban Institute and GfK Custom Research conducted the survey, and AARP provided funding to increase the sample size for this age group. GfK Custom Research fielded the HRMS-AARP oversample survey in December 2013, March 2014, December 2014, and March 2015 and included approximately 8,000 adults ages 50 to 64 for each survey period.

The HRMS-AARP is weighted to be nationally representative. Results presented here were not adjusted for changes in the demographic characteristics of the HRMS-AARP sample between December 2013 and March 2015. Comparisons within subgroups were not adjusted for socioeconomic, geographic, or health status differences across racial and ethnic groups. More information on the HRMS is available at <http://hrms.urban.org/>.

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APPENDIX

APPENDIX TABLE 1

Uninsured Rate in March 2015 for 50- to 64-Year-Olds, by Demographic Characteristics and Self-Reported Health Status

		Uninsured Rate, March 2015
Gender	Male [^]	6.6%
	Female	5.5%
Family Income	At or below 138% FPL [^]	17.8%
	138 to 399% FPL	6.0%**
	At or above 400% FPL	1.3%**
Age Group	50–54 [^]	7.2%
	55–59	5.9%
	60–64	5.0%**
Race/ Ethnicity	White, non-Hispanic [^]	5.3%
	Black, non-Hispanic	6.3%
	Other, non-Hispanic	6.0%
	Hispanic	11.2%**
Health Status	Excellent or very good [^]	4.3%
	Good	7.2%*
	Fair or poor	8.2%**

Source: HRMS, Q1 2015.

Note: Data are not adjusted for differences in health status, income, or other characteristics across groups.

[^] Denotes reference population.

** Estimate is significantly different from estimate for reference population at the 0.05/0.01 level using two-tailed tests.

- 1 Data come from the March 2015 Health Reform Monitoring Survey (HRMS-AARP) oversample. See the Data and Methods section of this report for more details on the survey.
- 2 The first Marketplace open enrollment period was October 1, 2013, to March 31, 2014.
- 3 Due to preexisting conditions or age, many were denied private health insurance coverage in the nongroup market or charged unaffordable premiums (Weiss, Waidmann, and Caswell 2014).
- 4 The FPL is currently \$11,770 for a single person and \$15,930 for a household of two.
- 5 Challenges in estimating enrollment based on survey data should be recognized when evaluating changes in coverage status. Survey respondents may incorrectly identify

whether they are enrolled in employer-sponsored coverage, Medicaid, or private nongroup coverage (Pascale 2009; Pascale et al. 2013). Survey-based estimates of enrollment in public programs such as Medicaid may also be lower than enrollment counts in administrative data (Call et al. 2013).

- 6 In March 2015, 42.6 percent of 50- to 64-year-olds in fair or poor health had a family income at or below 138 percent of the FPL, compared with 9.1 percent of those in excellent or very good health (not shown).
- 7 In October 2014, approximately 1.8 million uninsured 45- to 64-year-olds were estimated to be ineligible for coverage due to lack of Medicaid expansion (Dorn, Buettgens, and Dev 2014). In nonexpansion states, individuals with incomes below 100 percent of the FPL do not qualify for financial assistance to purchase private coverage through health insurance Marketplaces, and many do not qualify for Medicaid.
- 8 A wide range of issues may contribute to higher uninsured rates for Hispanic 50- to 64-year-olds, including inadequate outreach and enrollment strategies, and insufficient mechanisms to address health insurance literacy challenges and language and cultural differences (Blavin et al. 2014). The ACA exclusion of undocumented immigrants from enrollment in the Medicaid expansion and private coverage through health insurance Marketplaces is also likely to play a role in the higher uninsured rates, and even legal immigrants have faced difficulties with documentation requirements for coverage in the Marketplaces (Alonso-Zaldivar 2014). See also Zuckerman, Waidmann, and Lawton 2011.
- 9 Higher uninsured rates among 50- to 64-year-olds in fair or poor health may be tied to the fact that many in this group are low income. As noted earlier in the paper, a significantly higher share of 50- to 64-year-olds in fair or poor health had lower incomes.

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