

# Accomplishments of Affordable Care Act

March 19, 2019



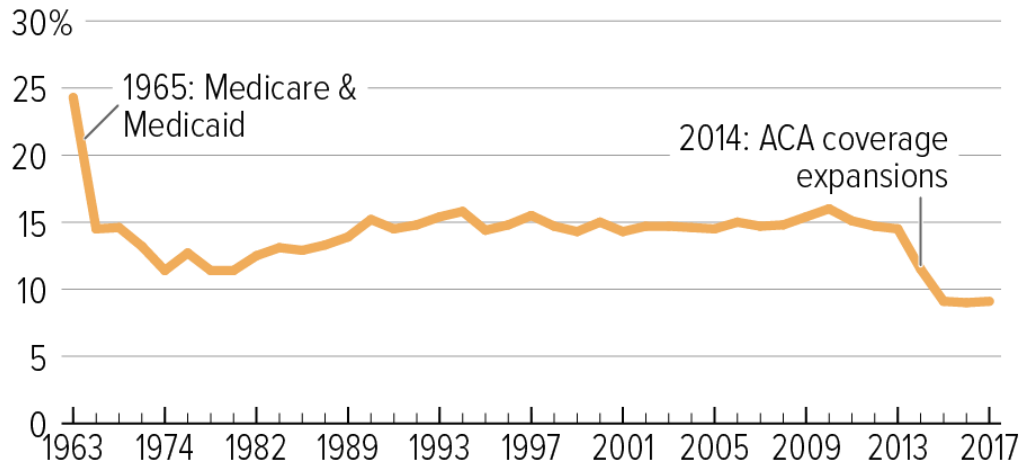
Thanks to the Affordable Care Act (ACA), more than 20 million people have gained health coverage. About half of the increase reflects gains in private coverage, due to ACA policies such as subsidies for individual market coverage, reforms to the individual insurance market, letting young adults stay on their parents' plans, and the individual mandate requiring most people to have coverage or pay a penalty. (Congress repealed the individual mandate effective in 2019.) The rest comes from increased Medicaid coverage, due primarily to the ACA's Medicaid expansion to low-income adults but also to ACA policies making it easier for eligible people to enroll in Medicaid.

Source links:

<https://obamawhitehouse.archives.gov/sites/whitehouse.gov/files/images/Documents/DataUnderlyingHealthCareReformReport.xlsx>;  
<https://www.cdc.gov/nchs/data/nhis/earlyrelease/insur201811.pdf>

## Affordable Care Act Coverage Gains Driving Uninsured Rate to Historic Low

Share of population without health insurance



Note: For 1989 and later, data are annual. For prior years, data are generally biannual. Data for 2018 cover the first half of the year.

Source: Council of Economic Advisers analysis of National Health Interview Survey (NHIS) and supplemental sources, updated by CBPP from NHIS data

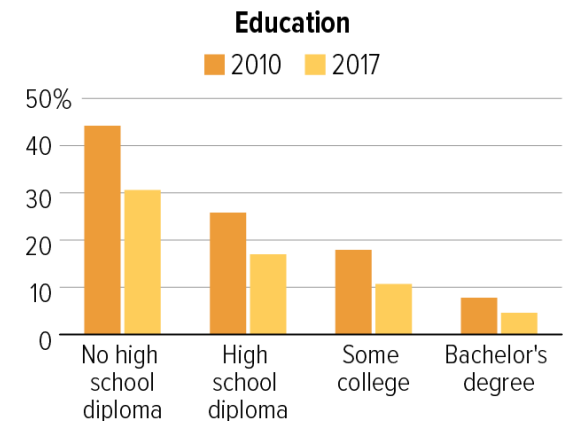
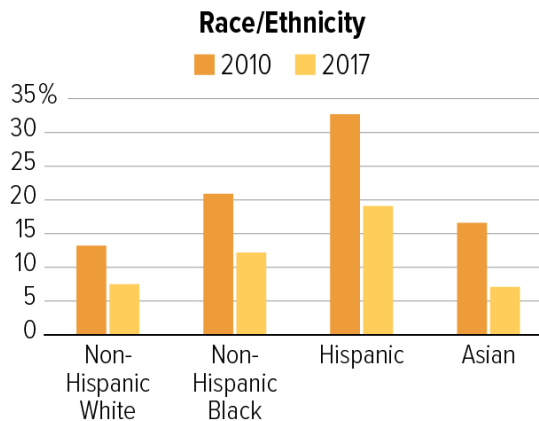
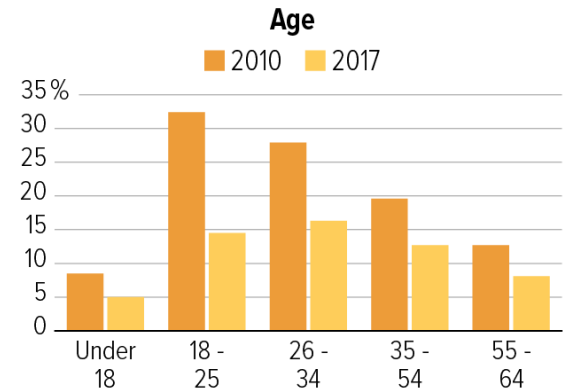
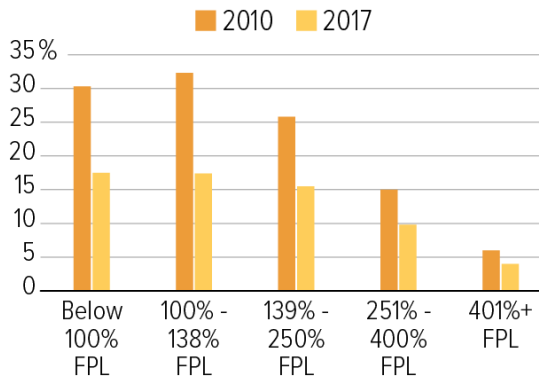
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Coverage gains have been widely shared. As the ACA took effect, uninsured rates fell by a third or more for low-income households (mostly due to Medicaid expansion), moderate-income households (mostly due to subsidies), and middle- and upper-income households (mostly due to market reforms, including the individual mandate). They fell for people of all ages (especially sharply for young adults), of all racial/ethnic backgrounds, and at all education levels. Other data show uninsured rates also fell dramatically for both urban and rural households and for both healthy and sick people.

## Uninsured Rates Fell Dramatically for Almost All Demographic Groups As the ACA Took Effect

Non-elderly uninsured rates

### Income as Share of Federal Poverty Level (FPL)



Note: The federal poverty line for a single person is \$12,490.

Source: CBPP calculations based on the Census Bureau's American Community Survey data

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Growing evidence shows that the coverage gains under the ACA are translating into improvements in access to care (the share of people not accessing care due to cost has fallen), financial security (ACA subsidies have helped avert evictions among low-income adults, for example), and quality of care and health outcomes (adults gaining coverage under Medicaid expansion report better overall health, for example).

Source link:

[https://www.commonwealthfund.org/sites/default/files/2019-02/Collins\\_hlt\\_ins\\_coverage\\_8\\_years\\_after\\_AC\\_A\\_2018\\_biennial\\_survey\\_sb.pdf](https://www.commonwealthfund.org/sites/default/files/2019-02/Collins_hlt_ins_coverage_8_years_after_AC_A_2018_biennial_survey_sb.pdf)

## ACA Substantially Improved Access to Care and Financial Security

Between 2010 and 2018 the share of non-elderly adults:



With a problem paying a medical bill fell:

**-17%**



Who didn't fill a prescription fell:

**-27%**



Who skipped a test or treatment fell:

**-24%**



Who didn't visit provider when needing care fell:

**-19%**

Source: Commonwealth Fund, Biennial Health Survey

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In particular, people gaining coverage due to their state's adoption of Medicaid expansion have seen gains in access to care, financial security, and health outcomes, while states adopting Medicaid expansion have seen reduced uncompensated care costs. For summaries of the extensive research on the impact of Medicaid expansion, see:

<https://www.kff.org/medicaid/issue-brief/the-effects-of-medicaid-expansion-under-the-aca-updated-findings-from-a-literature-review-march-2018/>;

<https://www.cbpp.org/research/health/chart-book-the-far-reaching-benefits-of-the-affordable-care-acts-medicaid>

## ACA Medicaid Expansion Improves Access to Care, Financial Security, Health



**Improving access to care:** More low-income adults with a personal physician, getting check-ups and other preventive care, and getting regular care for chronic conditions; increases in number of people getting medication-assisted treatment for opioid use disorders; greater access to mental health care.



**Improving financial security:** Reductions in share of low-income adults struggling to pay medical bills; \$1,140 reduction in medical debt per person gaining coverage through expansion.



**Improving health outcomes:** Improvements in overall self-reported health; reductions in share of low-income adults screening positive for depression; improved diabetes and hypertension control; increases in early-stage cancer diagnoses; decreases in share of patients receiving surgical care inconsistent with medical guidelines; lower mortality for patients with end-stage renal disease.



**Reducing uncompensated care:** 47 percent drop in hospital uncompensated care costs (\$10.3 billion in 2015) in expansion states, compared to 11 percent in non-expansion states; improvements in hospital budgets, especially for rural hospitals.



**Promoting economic mobility:** Better access to credit, including lower-interest mortgages, auto, and other loans, with annual interest savings amounting to \$280 per adult gaining coverage through expansion; majorities of adults gaining coverage through expansion in Michigan and Ohio report coverage makes it easier for them to work or look for work.

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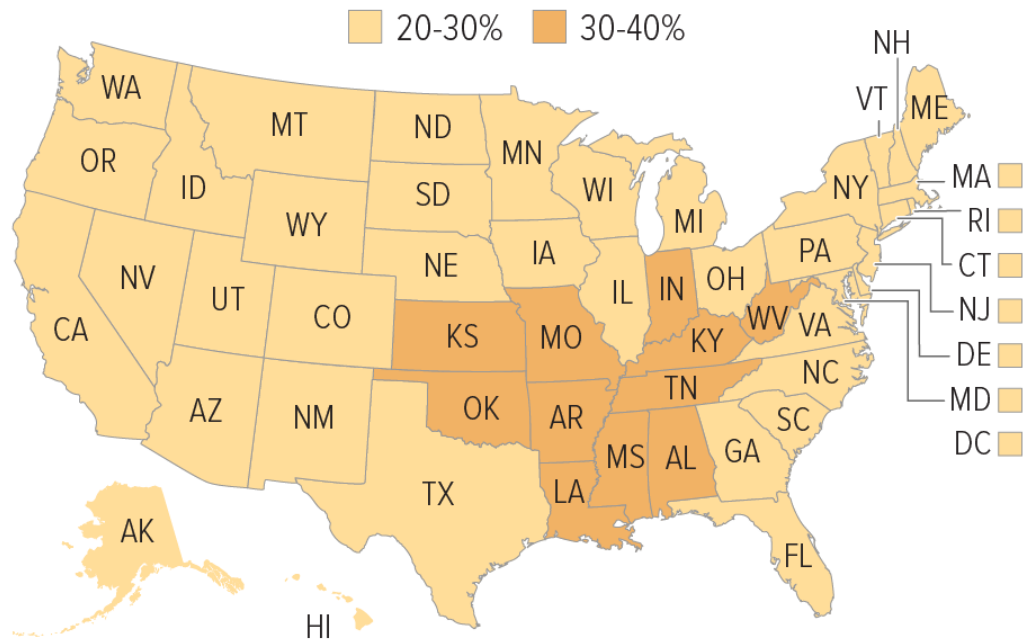
The ACA put in place crucial protections for the more than 50 million non-elderly Americans with pre-existing health conditions. Before the ACA's major market reforms took effect in 2014, health plans in the individual market could — and did — deny coverage or charge exorbitant premiums based on health status. These practices left many people uninsured or at risk of becoming uninsured if they lost a job. After the ACA's bans on these practices took effect, the number of people with pre-existing conditions purchasing individual market coverage increased substantially.

Source link:

<https://www.kff.org/health-reform/issue-brief/pre-existing-conditions-and-medical-underwriting-in-the-individual-insurance-market-prior-to-the-aca/>

## Affordable Care Act Protections Enable People With Pre-Existing Conditions to Get Coverage

Share of non-elderly adults who could have been denied coverage due to pre-existing conditions before ACA



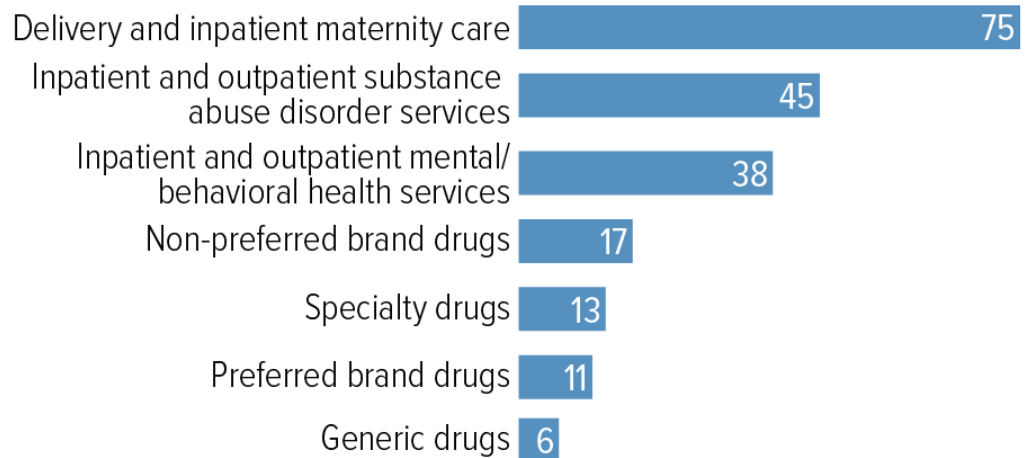
Source: Kaiser Family Foundation analysis of 2015 National Health Interview Survey and Behavioral Risk Factor Surveillance System

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In addition to expanding access, the ACA dramatically improved the quality of individual market coverage. The ACA requires all plans to offer “essential health benefits” that are particularly important to people with serious health needs. It also prohibits annual and lifetime limits on coverage, requires plans to cap enrollees’ annual out-of-pocket health costs, and bars insurers from “rescinding” coverage (that is, canceling it retroactively) if an enrollee gets sick and obtains needed care. And it protects women from being charged higher premiums than men and protects older people (who are much more likely to have pre-existing health conditions) from being charged premiums more than three times what younger people pay.

## Many Pre-ACA Individual Market Health Plans Didn’t Cover Basic Services

Percent of non-group plans not covering specific benefits, 2013



ACA = Affordable Care Act

Source: Kaiser Family Foundation analysis of Centers for Medicare and Medicaid Services data

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The ACA also improved the quality of coverage for people with employer plans, introducing new protections including: prohibitions on annual and lifetime limits on coverage; requirements that plans cap consumers’ annual out-of-pocket costs; preventive services (such as immunizations, screenings, and contraception) without cost sharing; the option for young adults to stay on their parents’ plans until age 26; and requirements that plans in the large-group market spend at least 85 cents of every dollar they receive in premiums on health benefits.

Source link:

<https://www.kff.org/health-reform/issue-brief/would-states-eliminate-key-benefits-if-ahca-waivers-are-enacted/>

The ACA individual market is especially important for:

- people with pre-existing conditions;
- older people and early retirees;
- lower-income people in states that haven't expanded Medicaid;
- self-employed people;
- small business owners; and
- workers without job-based coverage.

Source link:

<https://www.kff.org/health-reform/issue-brief/data-note-changes-in-enrollment-in-the-individual-health-insurance-market/>

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## Who Gets Covered Through the ACA Individual Market?

13  
million

About 13 million people **get coverage through the ACA individual market**: marketplace and non-marketplace plans subject to ACA rules and protections

3 in 4

About three-quarters of people with ACA individual market **coverage get their coverage through the marketplaces**

3 in 5

More than 3 in 5 people with ACA individual market coverage **get financial help** – premium tax credits and/or cost sharing assistance – to help them afford coverage and care

Source: Kaiser Family Foundation

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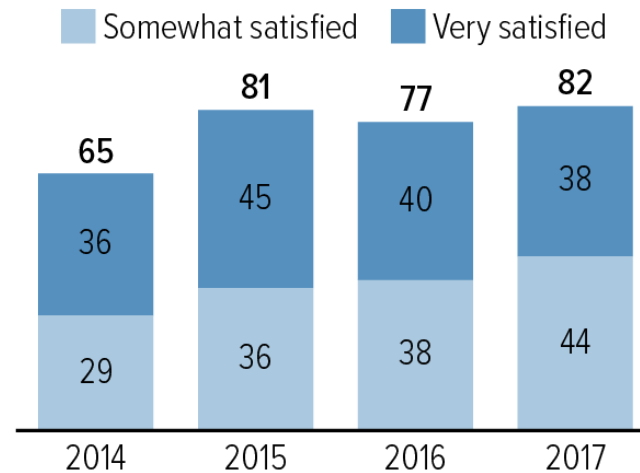
Most marketplace consumers are satisfied with their coverage. Consistent with that, the share who renew their marketplace coverage is high and has risen over time. Marketplace consumers report that ACA subsidies enable them to afford coverage they otherwise couldn't and that they are largely satisfied with their choice of hospitals and physicians. They also report accessing care at rates similar to people with job-based health plans.

Source link:

[https://www.commonwealthfund.org/sites/default/files/documents/media\\_files\\_publications\\_is\\_sue\\_brief\\_2017\\_sep\\_collins\\_2017\\_aca\\_tracking\\_survey\\_ib\\_v2.pdf](https://www.commonwealthfund.org/sites/default/files/documents/media_files_publications_is_sue_brief_2017_sep_collins_2017_aca_tracking_survey_ib_v2.pdf)

## Most Marketplace Consumers Are Satisfied With Their Coverage

Share of adult marketplace enrollees



Note: Consumers in the Affordable Care Act (ACA) marketplace

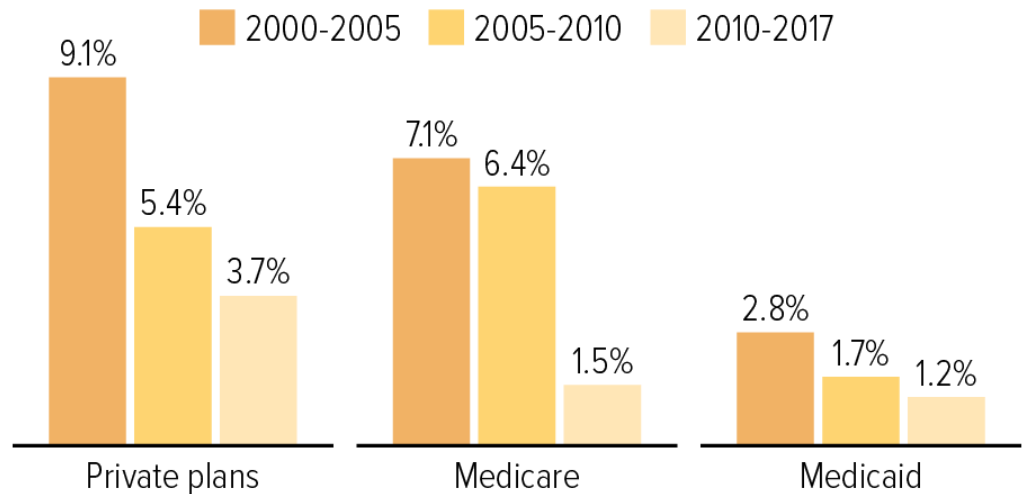
Source: Commonwealth Fund ACA Tracking Surveys

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Health care cost growth has been significantly slower since 2010 than in earlier periods. While there are many causes, the ACA played a meaningful role by: reforming Medicare payment rates, which likely led to lower payment rates for private plans as well; establishing incentives for hospitals to avoid unnecessary readmissions and hospital-acquired conditions (such as infections), which are both harmful and costly; and creating mechanisms for ongoing payment reform and experimentation in Medicare. The slowdown in health care costs is generating substantial savings for the federal and state governments.

## Health Care Cost Growth Has Slowed Since 2010, Due Partly to Affordable Care Act Reforms

Average annual growth in per-enrollee spending



Note: The Affordable Care Act was enacted in 2010.

Source: National Health Expenditure Accounts

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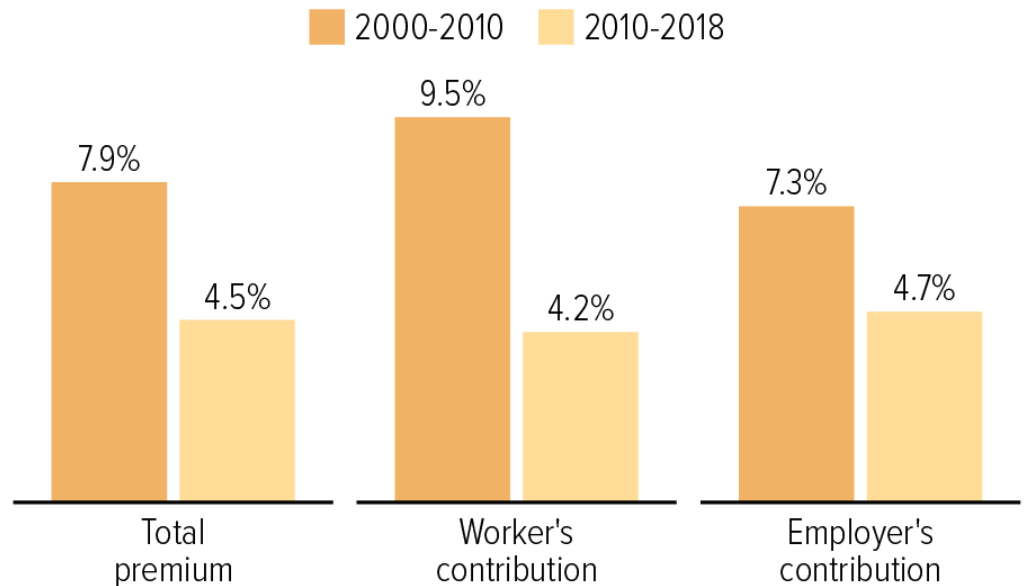
Premiums for job-based coverage have risen more slowly since the ACA became law, producing sizable savings for workers (though health care costs still put pressure on family budgets). These savings have not been offset by faster growth in deductibles and other out-of-pocket costs; in fact, total out-of-pocket costs (excluding premiums) have grown slightly more slowly since 2010.

Source link:

<https://www.kff.org/health-costs/report/2018-employer-health-benefits-survey/>

## Premium Growth Has Slowed for Employer-Provided Family Health Coverage

Average annual growth



Source: Kaiser Family Foundation 2018 Employer Health Benefits Survey

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## There Is Strong Public Support for Major ACA Provisions

Affordable Care Act Provision	Percent in favor
Allows young adults to stay on their parents' insurance plans until age 26	82%
Creates health insurance exchanges where small businesses and people can shop for insurance and compare prices and benefits	82%
Provides financial help to low- and moderate-income Americans who don't get insurance through their jobs to help them purchase coverage	81%
Gradually closes the Medicare prescription drug "doughnut hole" so people on Medicare will no longer have to pay for the full cost of their medications	81%
Eliminates out-of-pocket costs for many preventive services	79%
Allows states to expand Medicaid to cover more low-income, uninsured adults	77%
Prohibits insurance companies from denying coverage because of a person's medical history	65%
Increases the Medicare payroll tax on earnings for upper-income Americans	65%

Source: Kaiser Family Foundation Health Tracking Poll November 2018