



STUDY OF THE IMPACT OF THE ACA IMPLEMENTATION IN KENTUCKY

Quarterly Snapshot: July - September 2016

The Study of the Impact of the Affordable Care Act (ACA) on Health Coverage, Access, Quality, Cost, and Outcomes in Kentucky, funded by the Foundation for a Healthy Kentucky, is a three-year mixed methods study conducted by the State Health Access Data Assistance Center (SHADAC), a health policy research institute at the University of Minnesota. As part of the Study, the research team produces Quarterly Snapshots to track ACA implementation indicators in a timely way.

Sources and technical notes are included on page 5. Please visit us at: <http://healthy-ky.org> or follow us on Twitter @healthyky and @shadac.

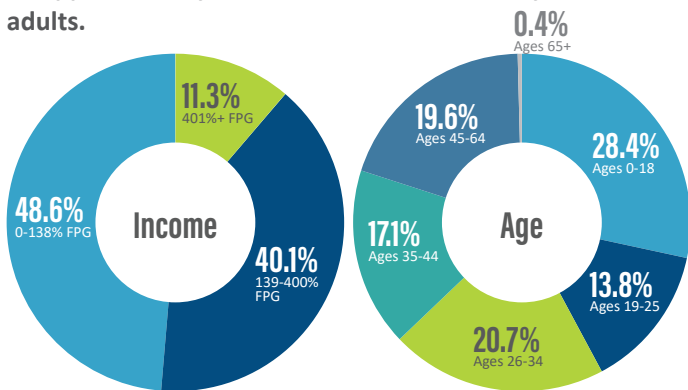
COVERAGE

This is the seventh Quarterly Snapshot produced under the Study of the Impact of the ACA Implementation in Kentucky. All sections have been updated with new data and/or data points since the previous Quarterly Snapshot. Indicators on this page are from a SHADAC analysis of the U.S. Census Bureau's Current Population Survey. The analysis uses questions asking about people's current health insurance coverage at a point-in-time during early 2016 (February-April). Except where noted, the data presented represent Kentuckians of all ages.

Kentucky's Remaining Uninsured

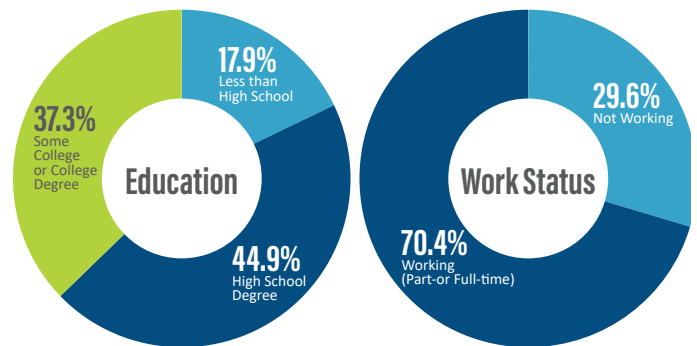
Kentucky has experienced one of the largest drops in uninsurance since implementation of the ACA.¹ Currently, 7.3% of Kentuckians (all ages) reported being uninsured in early 2016, compared to the U.S. rate of 9.6%.

Of approximately 320,000 uninsured Kentucky children and adults.



Nearly half (48.6%) had incomes low enough to qualify for Medicaid (0-138% of the Federal Poverty Guidelines). Children are eligible for KCHIP up to 218% of FPG. More than a quarter (28.4%) were children age 18 and younger, and more than a third (34.5%) were adults age 19-34.

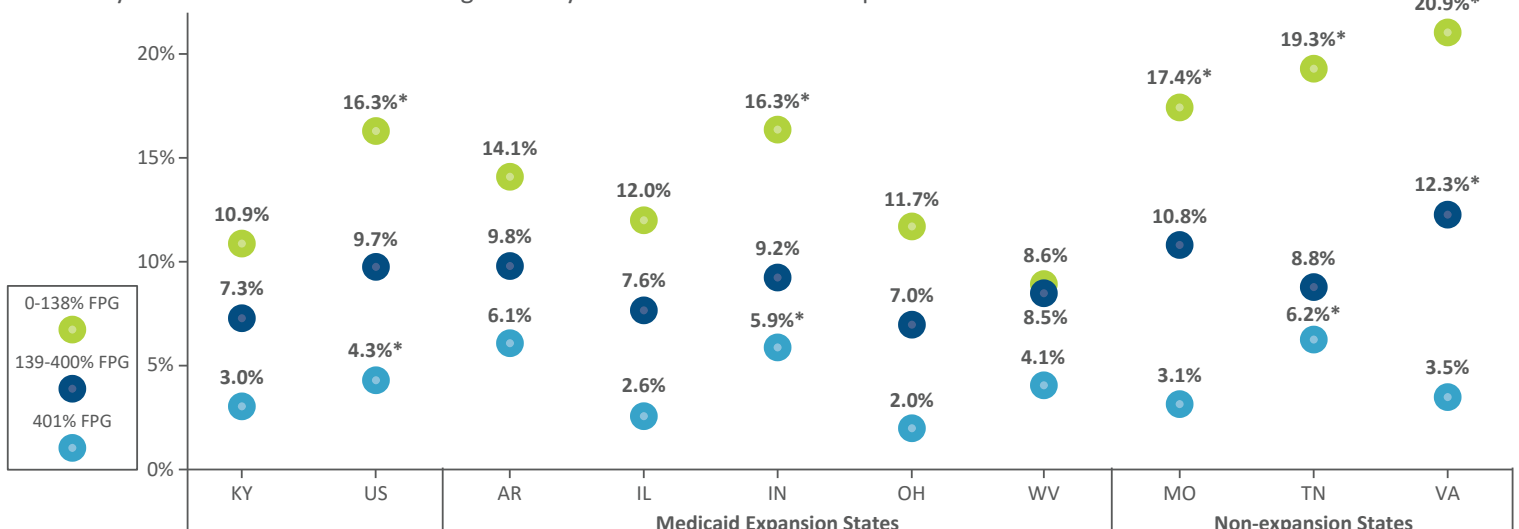
Among the nearly 234,000 adult Kentuckians without insurance.



Almost two-thirds (62.8%) had a high school diploma or less education. More than two-thirds of uninsured adult Kentuckians (70.4%) were working, either part- or full-time.

Early 2016 Uninsured Rate by Income Level

Kentucky's uninsurance rate for lower-income people (0-138% of FPG or less) was significantly lower than states that haven't expanded their Medicaid programs (MO, TN, VA) and Indiana, which expanded a year later than Kentucky (2015) via a waiver. It was not significantly different from neighboring states that expanded their Medicaid programs in 2014 (AR, IL, OH, WV), including Arkansas, which expanded via a waiver. Among those with moderate (139-400% of FPG) and higher incomes (401% of FPG or higher), Kentucky's uninsurance rate was not significantly different from most comparison states.



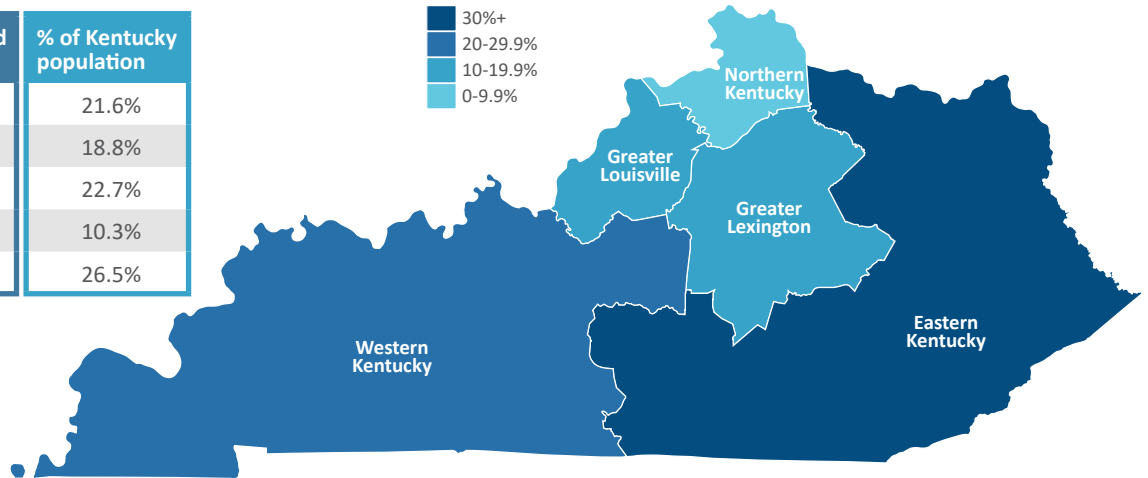
* Statistically significant difference from KY rate at 95% level.

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Medicaid Enrollment

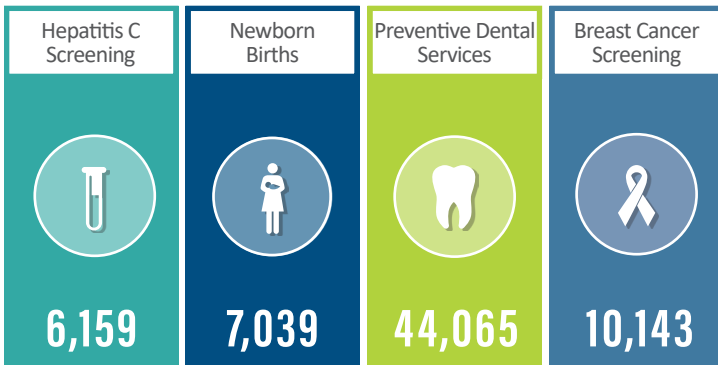
This map shows the distribution of all non-elderly (ages 19-64) traditional income-based and ACA Medicaid expansion enrollees across Kentucky.

KHIP Region	% of Medicaid enrollees	% of Kentucky population
Eastern Kentucky	31.0%	21.6%
Greater Lexington	16.1%	18.8%
Greater Louisville	19.5%	22.7%
Northern Kentucky	7.6%	10.3%
Western Kentucky	25.8%	26.5%



Medicaid Services

During the past quarter (July-September 2016), Medicaid covered thousands of needed services for traditional income-based and ACA Medicaid expansion enrollees ages 19-64.



Breakout of Substance Use Treatment

Traditional Income-Based Medicaid	4,472
ACA Medicaid Expansion	12,319

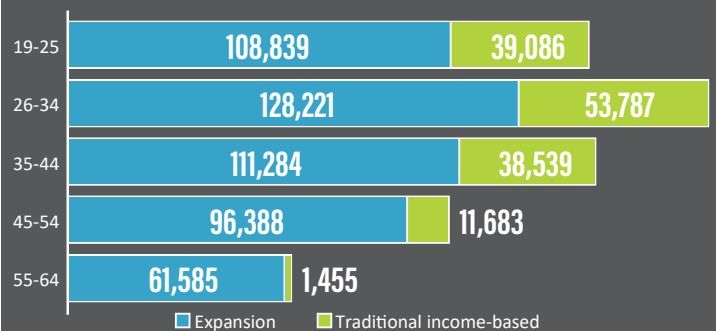
Diabetes Screening

4,495 Diabetes screenings were covered by Medicaid for traditional income-based and expansion enrollees ages 19-64.

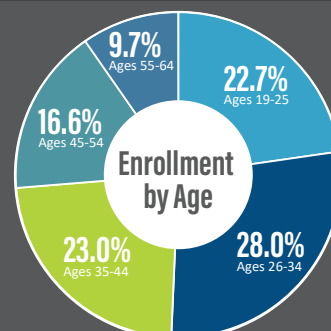
ENROLLMENT METRICS

In the third quarter of 2016 (July-September 2016), Medicaid covered 650,867 adult Kentuckians (ages 19-64) through traditional income-based and expansion eligibility.

Enrollment by Age and Medicaid Category



Medicaid Enrollment by Age



*These data exclude children and elderly adults, and people enrolled through other eligibility categories.

MARKETPLACE

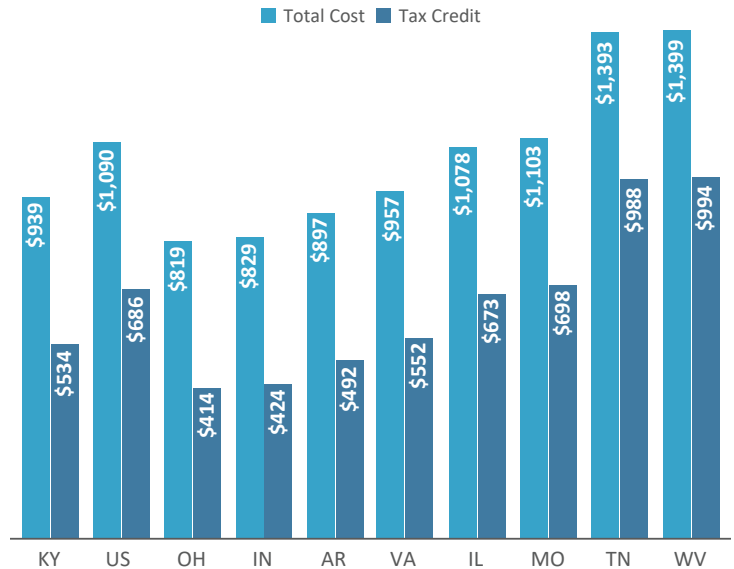
Marketplace Health Insurers

In this year's Open Enrollment Period, only three health insurers are offering plans through Kentucky's marketplace, compared to seven last year. Most neighboring states have also experienced declines in marketplace insurers, except Virginia and West Virginia, which stayed the same.

State	Number of Insurers 2016	Number of Insurers 2017
Kentucky	7	3
Arkansas	5	4
Illinois	9	5
Indiana	8	4
Missouri	7	4
Ohio	16	11
Tennessee	4	3
Virginia	11	11
West Virginia	2	2

Monthly Premiums and Tax Credits

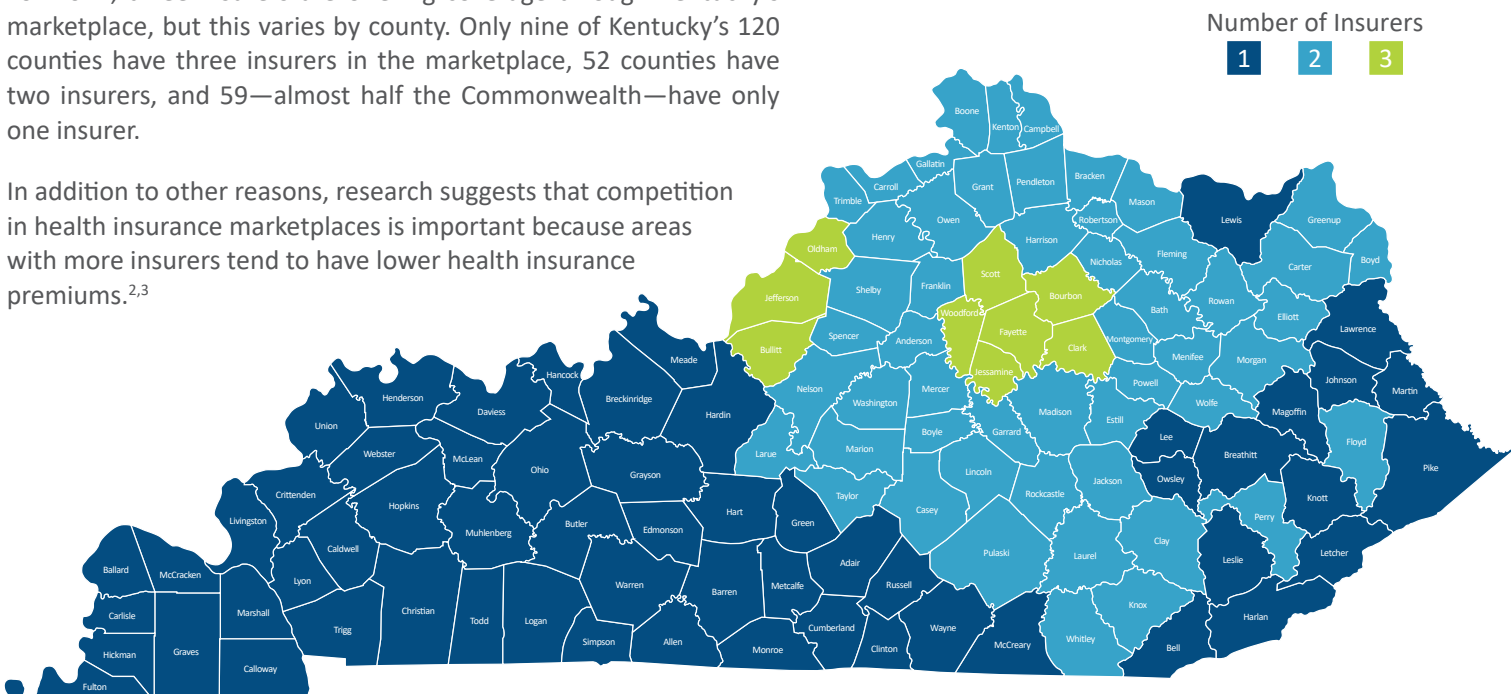
The ACA's marketplace tax credits are based on the cost of premiums for the second-lowest price silver-level plan. For 2017 coverage, Kentucky's monthly premiums and tax credits for a family of four with an income of \$60,000 were lower than the U.S. average and the premiums and tax credits for most of its neighboring states (five out of eight).



Marketplace Insurers by County

For 2017, three insurers are offering coverage through Kentucky's marketplace, but this varies by county. Only nine of Kentucky's 120 counties have three insurers in the marketplace, 52 counties have two insurers, and 59—almost half the Commonwealth—have only one insurer.

In addition to other reasons, research suggests that competition in health insurance marketplaces is important because areas with more insurers tend to have lower health insurance premiums.^{2,3}



Quarterly Snapshot Technical Notes

This is the seventh Quarterly Snapshot produced under the “Study of the Impact of the ACA Implementation in Kentucky”. All sections have been updated with new data and/or data points since the previous Quarterly Snapshot.

COVERAGE

Kentucky’s Remaining Uninsured, and Uninsured by Income Level: SHADAC analysis of data from the Current Population Survey’s Annual Social and Economic Supplement, which is conducted between February-April, regarding point-in-time insurance coverage in 2016. The uninsurance estimates are derived from survey questions asking about whether respondents have coverage at the time they are being surveyed. They are considered “uninsured” if they had no coverage under any type of health insurance at the time of the survey. Notes: The estimates presented here are for individuals of all ages, except where noted otherwise. While Indiana is described as a Medicaid-expansion state, its expansion did not begin until February 2015, compared to the expansions that began January 2014 in Arkansas, Illinois, Kentucky, Ohio and West Virginia. **Footnote No.1:** SHADAC. [“Health Insurance Coverage in 2014.”](#)

MEDICAID

Medicaid Enrollment and Services Indicators: SHADAC analysis of data provided by the Kentucky Cabinet for Health and Family Services (CHFS). Notes: For the map, we include only traditional income-based and ACA expansion Medicaid enrollees ages 19-64. For service utilization counts, we include only traditional income-based Medicaid and ACA expansion Medicaid enrollees ages 19-64. We exclude the following special enrollee categories: Medicare-Medicaid dual eligible; foster, former foster, and kinship care; intermediate care facility, nursing home, and hospice populations; Medicare savings and special populations; SSI recipients; waiver populations, or incomplete claims that do not show enrollee category. Dental services represent preventive dental visits only; other dental visits are excluded. Services are calculated based on claims data with dates of service from 7/1/16-9/30/16, retrieved on 1/10/17 by CHFS.

MARKETPLACE

Marketplace Health Insurers: Obtained from the U.S. Department of Human Services, Office of the Assistant Secretary for Planning and Evaluation (ASPE) Research Brief: [“Plan Choice and Premiums in the 2017 Health Insurance Marketplace”](#) (October 24, 2016) and the Kentucky Health Benefit Exchange’s [“Plans offered on kynect in 2016”](#) (October 27, 2015).

Premiums and Tax Credits: Obtained from the U.S. Department of Human Services, Office of the Assistant Secretary for Planning and Evaluation (ASPE) Research Brief: [“Plan Choice and Premiums in the 2017 Health Insurance Marketplace”](#) (October 24, 2016). Note: This report presents the monthly premiums for the second-lowest cost silver-level plan, which is used to determine the size of tax credits for eligible people. In this example, the family of four is one 40-year-old adult, one 38-year-old adult, and two children under the age of 21 with an income of \$60,000. For households eligible for premium tax credits, premiums are capped at a given percentage of household income after the inclusion of tax credits. Calculations of premiums after tax credits assume that all members of the family of four would be eligible for premium tax credits; however in states with higher Medicaid/CHIP thresholds, the children would be eligible for Medicaid/CHIP and not eligible for tax credits. The U.S. data are the average of the 39 states using the Healthcare.gov federal platform for enrollment.

Marketplace Insurers by County: Plans offered in the marketplace for Kentucky in the 2017 plan year, obtained from Healthcare.gov’s data set [“2017 QHP Landscape Individual Market Medical.”](#) **Footnote No. 2:** National Bureau of Economic Research Paper [“More Insurers Lower Premiums: Evidence From Initial Pricing in the Health Insurance Marketplaces.”](#) **Footnote No. 3:** National Bureau of Economic Research Paper [“The Impact of Market Size and Composition on Health Insurance Premiums: Evidence from the First Year of the ACA.”](#)

Note on Comparing Data Across Quarterly Snapshots: Quarterly Snapshots are designed to present a “snapshot” analysis of recently available data. To do this, they often use different data sources to provide similar information (e.g., uninsurance rates from different surveys). However, because data sources vary by report, it typically is not possible to accurately compare data from across different snapshots in the “Coverage and Cost” and “kynect” or “Marketplace” sections. An exception are the “Medicaid” section data on service utilization and enrollment, which are comparable.