

Health Law and Policy Update:

September 14, 2012

This week's updates

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What's New

Medicaid expansion

In July, the U.S. Supreme Court ruled that the ACA is constitutional, but that states may not be penalized for failing to expand the Medicaid program to cover people under 138 percent of the Federal Poverty Level as required under the Act. Since then, some states have declared their intention not to expand the program or to consider a partial expansion. States are waiting for guidance from the federal government on the effect of the Supreme Court's decision. This week, according to [Inside Health Policy](#) CMS Medicaid chief Cindy Mann "strongly suggested that the administration does not intend to allow states to expand their Medicaid population to levels below the 138 percent threshold in the health reform law, at least for the first three years during which the federal government will pay 100 percent of the cost for newly eligible beneficiaries."

New census data indicates fewer uninsured

The big story on health care from this week's census data release is at the national level. The number of uninsured declined by 1.3 million people in 2011. The decrease in the number of uninsured is attributed to three main factors: 1) for the second consecutive year there was a decline in the number of 19-25 year olds without insurance; 2) the percent of people with employer sponsored coverage held steady; and 3) the number of people with coverage through government insurance like Medicaid increased. The new census figures show that provisions of the Affordable Care Act are working. Young adults ages 19 to 25 benefited from the health reform provision allowing young adults to remain on their parents' health insurance plan. The percentage of young adults without health coverage decreased by 2.2 percent in 2011. The number of individuals with Medicaid coverage increased by 2 million to 50.8 million individuals, highlighting the importance of the program particularly during a recession. Nearly one-third of Americans (100 million) are covered through some sort of government sponsored insurance - Medicare, Medicaid, CHIP or Tricare.

By most measures, the changes from 2008-2009 census data to the 2010-2011 census data in Colorado remained statistically unchanged. However, there was an increase in Medicaid coverage suggesting that safety net programs like Medicaid and CHIP continue to serve an important role in providing coverage to low-income and uninsured Coloradans, especially children. This increase is also evident from 2006-2007 (the time period that reflects the start of the recession) to 2010-2011. Evaluating the data from the time period that reflects the beginning of the recession (2006-2007) to the most recent data shows an erosion of employer sponsored coverage, an increase in Medicaid enrollment, and a decrease in the number of uninsured children.

A note about the CPS data released this week: The Current Population Survey (CPS) is conducted by the Census Bureau on an annual basis and includes a survey of 100,000 households nationwide. Because the overall sample size is small, for smaller states by population like Colorado, two year averages are required to achieve a statistically valid sample. Despite the small sample size, however, the CPS is a good tool for measuring longitudinal change in health care statistics like the number of people who are uninsured, who receive employer sponsored coverage, or who are covered by Medicaid.

For more information, see releases this week from:

- [The Commonwealth Fund](#)
- [Center on Budget and Policy Priorities](#)
- [Kaiser Health News](#)
- [CCLP News release](#)

More young adults have insurance after health care law, study says

Of the 1.3 million Americans who gained health insurance coverage in 2011, 539,000 were young adults ages 19-26. According to a recent New York Times [report](#), coverage gains for young adults in 2011 represent the largest annual decline in the number of uninsured ever recorded in any age group by the CDC since they began collecting data in 1997. The report also discussed that this reduction is the result of a provision in the Affordable Care Act that requires health plans to permit parents to add young adult children, between the ages of 19 and 26, to their health plan. According to the New York Times, Joseph Antos, a health care policy expert at the conservative American Enterprise Institute, agreed that the provision of the new law was the only plausible explanation for the increase. He pointed out that young people have been among the hardest hit in the recession and would otherwise have been expected to be less likely to be insured. "Nothing else went well for this age group," he said.

For further information, see the [analysis](#) by the Center on Budget and Policy Priorities

What You Can Do

Help to design the COHBE shopping portal

The Colorado Health Benefit Exchange is seeking input on screen design for its website. Members of the public can provide input on a sample of 11 different screens. The screens are representative of a few different consumer experiences including anonymous shopping and application for subsidies. This is an excellent opportunity for Colorado consumers to provide input into the design of the new marketplace. The [survey](#) is open until **5:00pm on Tuesday, September 18.**