



UNINSURED RATE DROPS SIGNIFICANTLY AFTER FIRST YEAR OF ACA MARKETPLACE

57,000 Fewer Kansans Uninsured in 2014

The U.S. Census Bureau recently released data from the 2014 American Community Survey (ACS). This issue brief analyzes ACS health insurance coverage data, which reflect changes in insurance coverage for the first full year of implementation of the major health insurance expansion provisions of the Affordable Care Act (ACA).

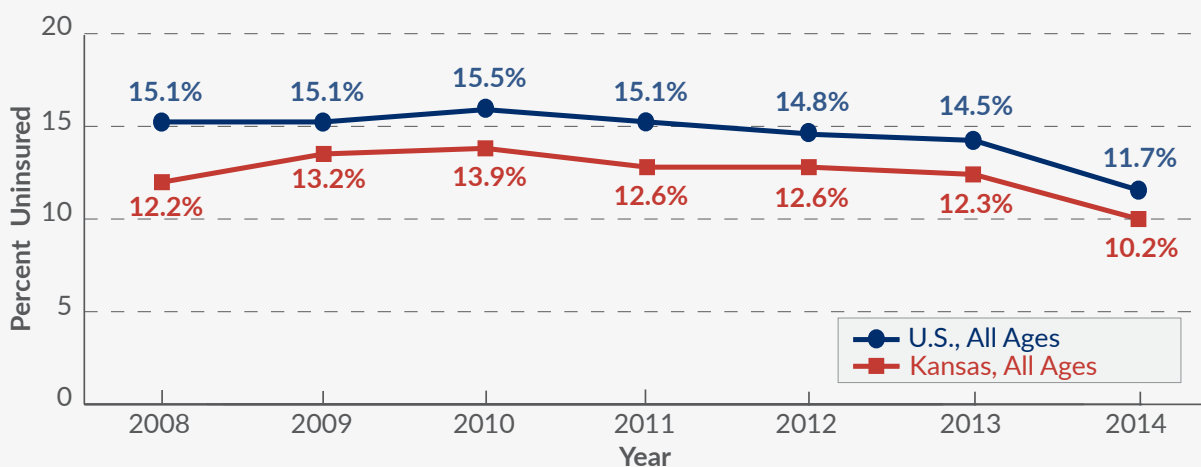
in 2014 (Figure 1). National experts have attributed this decrease to the ACA, which in January 2014, expanded the availability of insurance coverage through state and federal health insurance marketplaces. The ACA also allowed states to expand Medicaid—although Kansas and 25 other states did not expand their Medicaid programs in January 2014.

Improvements in Coverage

After remaining relatively flat for the last several years, the uninsured rates in both Kansas and the U.S. dropped significantly

There were 291,474 (10.2 percent) uninsured Kansans in 2014, which is a decrease of nearly 57,000 from 2013 (12.3 percent). As in previous years, the uninsured rate in Kansas continues to be significantly lower than the national rate, which in 2014 was 11.7 percent.

Figure 1. Kansas and U.S. Uninsured Rates, 2008–2014



Source: KHI analysis of data from the U.S. Census Bureau's 2008–2014 American Community Surveys.

KEY POINTS

- The uninsured rates in both Kansas and the U.S. dropped significantly in 2014, which was the first full year of implementation of the major insurance expansion provisions of the ACA.
- Kansas no longer fares better than the nation as a whole for certain groups. Children and young adults in Kansas are no longer less likely to be uninsured than nationally. The gap between the uninsured rates of White, non-Hispanics and Black/African Americans in Kansas is higher than in any other state (7.6 percent compared to 17.4 percent, respectively).
- The increase in insurance coverage can be attributed to small increases in direct-purchase coverage (likely through the health insurance marketplace), employment-based coverage and an increase in public insurance.
- The decrease in the national uninsured rate is outpacing the decrease in Kansas. The average decrease in the uninsured rate between 2013 and 2014 for Medicaid expansion states was 85.5 percent greater than non-expansion states (25.6 percent vs. 13.8 percent, respectively).

The uninsured rates for various age and racial/ethnic groups in Kansas also significantly decreased in 2014.

For example, among Kansas children (age 0-17), 5.5 percent (39,411) were uninsured in 2014, which is a small but significant improvement from 6.1 percent (44,130) in 2013. The percentage of Kansas adults (age 18-64) without health insurance decreased from 17.5 percent in 2013 to 14.5 percent in 2014.

Among minority groups, the uninsured rates for White/non-Hispanic, American Indian/Alaska Native, Hispanic and “Other Race” significantly decreased. For example, the uninsured rate for Hispanic Kansans declined from 27.8 percent in 2013 to 24.2 percent in 2014. However, the decrease in the uninsured rate among African American Kansans was small and not statistically significant, just 18.0 percent in 2013 compared to 17.4 percent in 2014.

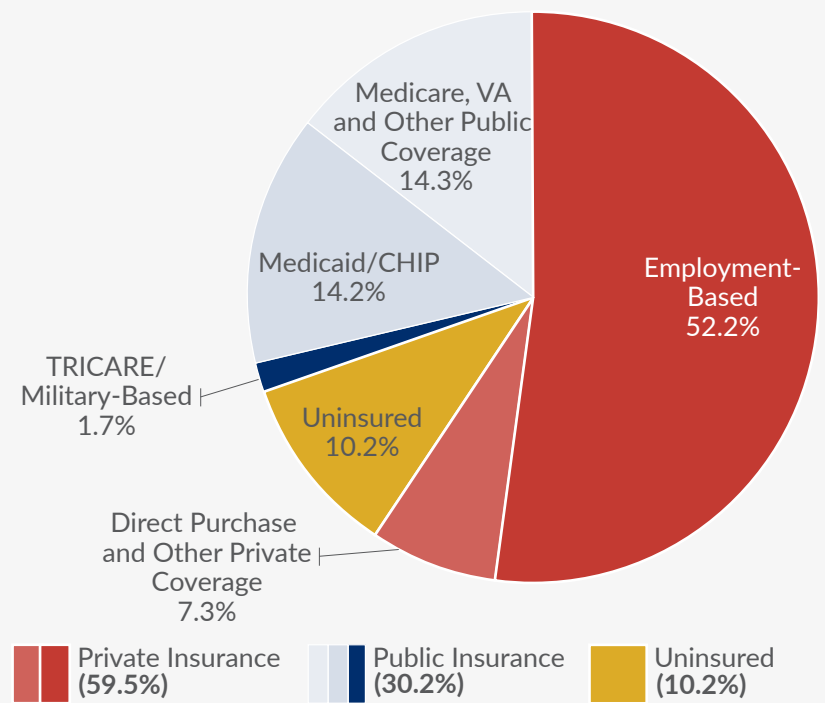
Sources of Coverage

Kansans obtain health insurance through private plans or publicly funded programs such as Medicare, Medicaid, the Children’s Health Insurance Program (CHIP) and the Veterans Administration (VA). Private coverage obtained through employers made up slightly more than half (52.2 percent) of all insurance coverage in 2014, consistent with previous years (Figure 2).

In Kansas, significant increases in insurance coverage in 2014 are attributed to direct-purchase, employment-based and public coverage (Figure 3). The increase in direct-purchase coverage—from 15.6 percent in 2013 to 16.4 percent in 2014—is likely due to individuals who purchased health insurance on the Kansas marketplace.

Although it has been declining over the past few years, employment-based insurance coverage increased slightly from 56.7 percent in 2013 to 57.7 percent in 2014. Public coverage also increased, from 27.7 percent in 2013

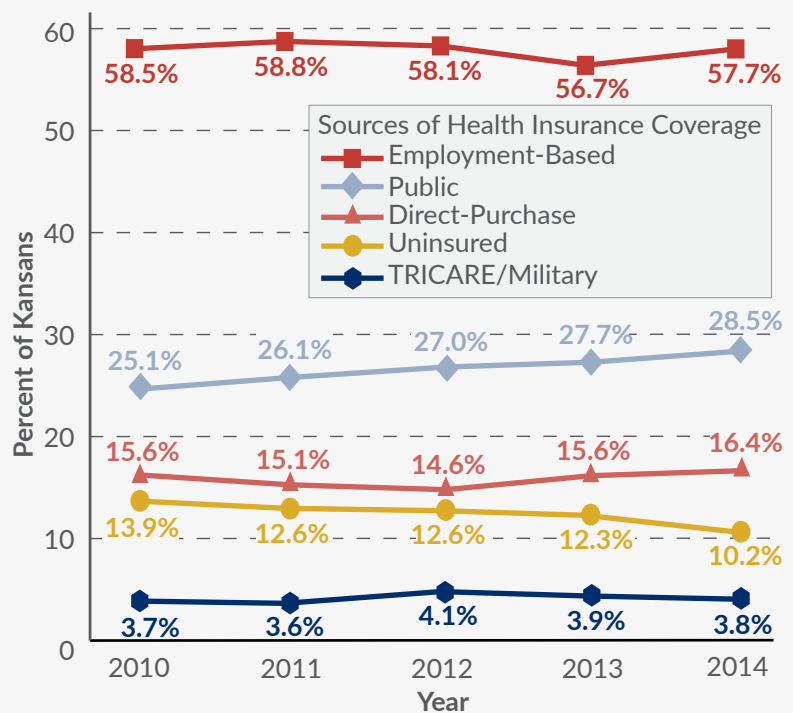
Figure 2. All Kansans: Primary Sources of Health Insurance, 2014



Note: Respondents can report more than one type of insurance coverage. KHI used a standard hierarchy to assign health insurance status. Percentages may not add to 100 percent because of rounding.

Source: KHI analysis of data from the U.S. Census Bureau’s 2014 American Community Survey.

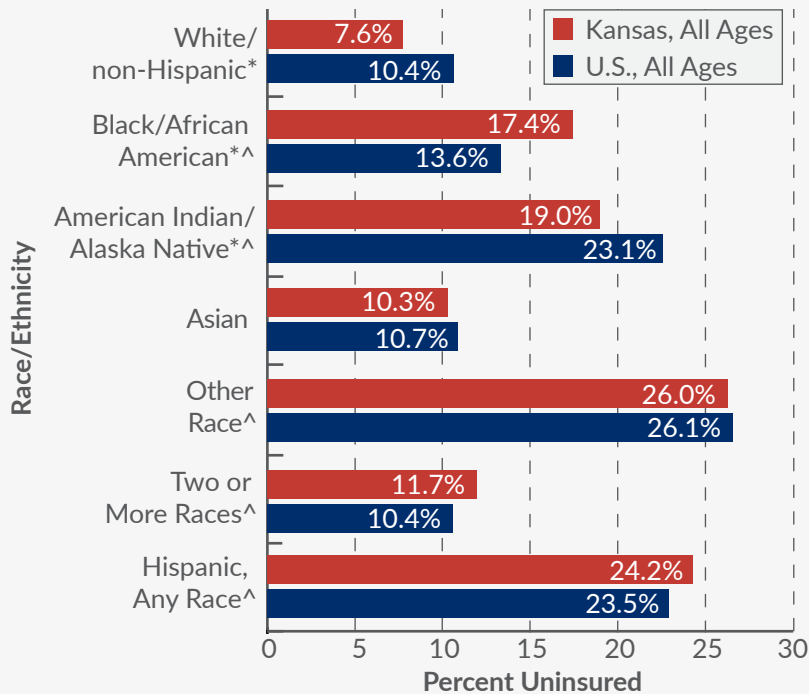
Figure 3. All Kansans: Recent Trends in Reported Sources of Coverage, 2010–2014



Note: These estimates include respondents who reported multiple forms of insurance and total more than 100 percent.

Source: KHI analysis of data from the U.S. Census Bureau’s 2010–2014 American Community Surveys.

Figure 4. Kansas and U.S. Uninsured Rates by Race/Ethnicity, 2014



Note: *Difference between Kansas and U.S. rates is statistically significant.
 ^Difference between rates in White/non-Hispanic and other racial/ethnic group in Kansas is statistically significant.

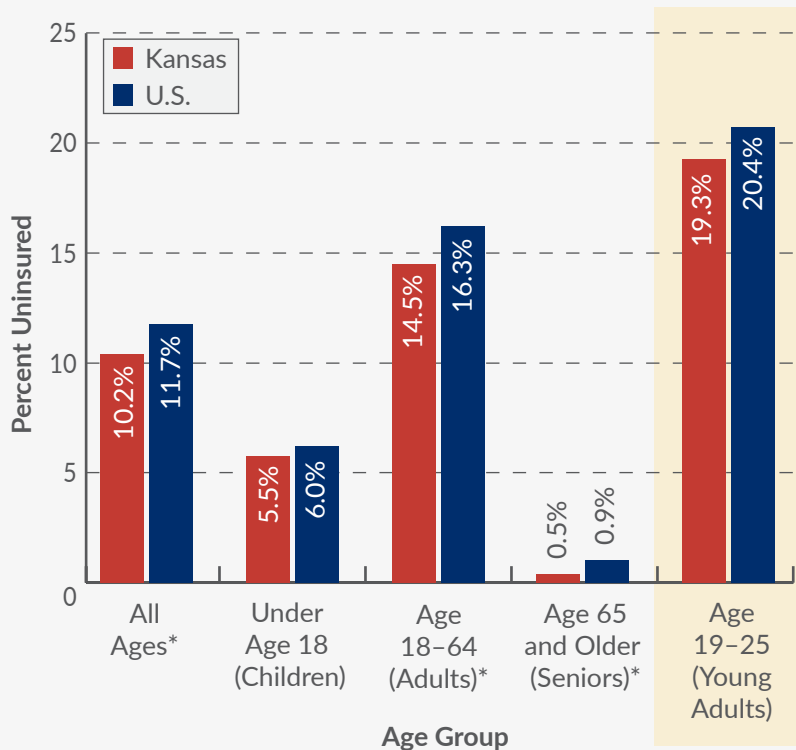
Source: KHI analysis of data from the U.S. Census Bureau's 2014 American Community Survey.

to 28.5 percent in 2014. One possible explanation for the increase in public coverage could be what is known as the “woodwork effect.” This occurs when individuals who were previously eligible for—but not enrolled in—public insurance programs like Medicaid and CHIP, sign up for coverage. They may have enrolled either because of the individual mandate to purchase coverage or due to an increased awareness of insurance options. The “woodwork effect” has occurred in all states, even in those like Kansas that did not expand Medicaid under the ACA.

Insurance Coverage Among Minorities

Racial and ethnic minority Kansans are more likely to be uninsured than White, non-Hispanic Kansans. For example, Hispanics in Kansas are more than three times as likely to be uninsured as White, non-Hispanics (24.2 percent vs. 7.6 percent) (Figure 4). Among minority groups, only Asian Kansans have a similar rate of insurance coverage to White, non-Hispanics.

Figure 5. Kansas and U.S. Uninsured Rates by Age Group, 2014



Note: *Difference between Kansas and U.S. rates is statistically significant.

Source: KHI analysis of data from the U.S. Census Bureau's 2014 American Community Survey.

Kansas Losing Ground to Other States

Although the overall uninsured rate in Kansas continues to be better than the U.S. (10.2 percent vs. 11.7 percent), Kansas no longer fares better than the nation as a whole for certain groups.

For example, the uninsured rate among Black/African Americans in Kansas is now significantly higher than in the U.S. as a whole (17.4 percent vs. 13.6 percent) (Figure 4). Previously, the rates in Kansas and the U.S. were statistically the same. Kansas now has the greatest difference between the uninsured rates in Black/African Americans and White, non-Hispanics among all states (17.4 percent vs. 7.6 percent).

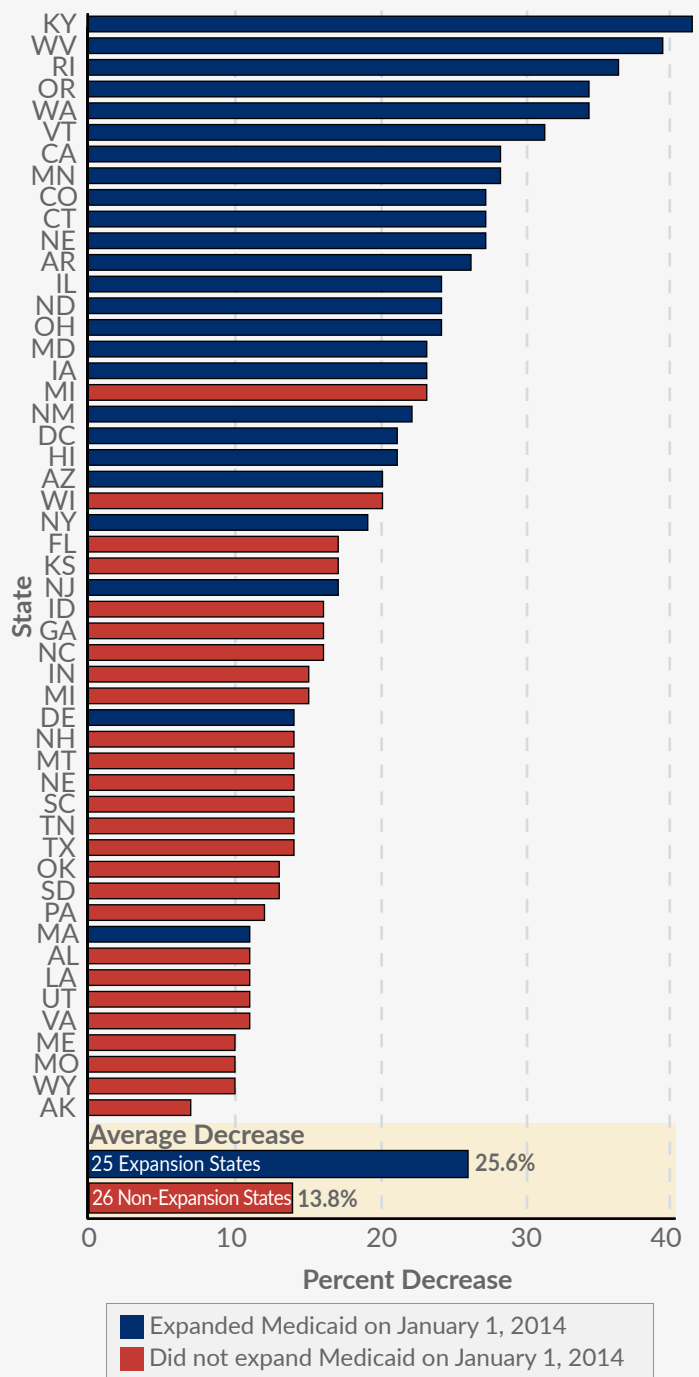
Additionally, the uninsured rates among Kansas children and young adults were previously lower than the national rates, but in 2014 that advantage disappeared.

The uninsured rates are now statistically the same for children in Kansas and the U.S. (5.5 percent vs. 6.0 percent) and young adults (19.3 percent vs. 20.4 percent) (Figure 5, page 3). Kansas continues to have a significantly lower uninsured rate than the U.S. for adults (14.5 percent vs. 16.3 percent) and seniors (0.5 percent vs. 0.9 percent).

The Impact of Medicaid Expansion

Notwithstanding the philosophical and budgetary disagreements on the virtue of expanding Medicaid, the impact on insurance coverage rates across states is becoming clear. The average decrease in the uninsured rate for states which expanded Medicaid on January 1, 2014 (25.6 percent) was 85.5 percent greater than the average decrease in non-expansion states, including Kansas (13.8 percent) (Figure 6). The historically good standing of Kansas compared to other states in terms of insurance coverage is likely to be reduced, and eventually disappear, as uninsured rates in states that have expanded Medicaid continue to decrease at a faster pace than in states that have not expanded Medicaid. Of the 291,474 Kansans who were uninsured in 2014, ACS data indicate that about 127,000 of them could be eligible for Medicaid if Kansas expanded its program, although not all of them would actually enroll.

Figure 6. Decrease in Uninsured Rates by State and Medicaid Expansion Status, 2013–2014



Source: KHI analysis of data from the U.S. Census Bureau's 2013 and 2014 American Community Surveys.

ABOUT THE ISSUE BRIEF

This brief is based on work done by Sheena L. Smith, M.P.P., Robert F. St. Peter, M.D., Cheng-Chung Huang, M.P.H., and Kelsey Nepote, M.S.W. It is available online at www.khi.org/policy/article/2015-ACS.

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