Montana’s Uninsured, Health Care Market, and the Affordable Care Act

Bureau of Business and Economic Research-The University of Montana
Our Game Plan Today

• Overview of BBER household and business surveys conducted in 2011
  – primary data necessary for modeling
• Overview of Affordable Care Act on Montana’s Uninsured and Health Care Market
• Economics of the State Option to Expand Medicaid
The Purpose of the Surveys

• To obtain information which reflects Montana’s circumstances coming out of the Great Recession
  – The insured, underinsured and uninsured
  – Employer based insurance
• Supplement data already available (ACS)
BBER conducted two surveys

- A survey of 2,306 Montana households during September 12, 2011 through February 27, 2012 asking about their health insurance situation.
Insurance Coverage by Type, Montana, 2011

<table>
<thead>
<tr>
<th>Type</th>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Noninstitutionalized population</td>
<td>969,000</td>
<td></td>
</tr>
<tr>
<td>Uninsured</td>
<td>195,000</td>
<td>20%</td>
</tr>
<tr>
<td>Tribal Health Service</td>
<td>39,000</td>
<td>4%</td>
</tr>
<tr>
<td>Insured</td>
<td>774,000</td>
<td>80%</td>
</tr>
<tr>
<td>Medicare and VA insurance</td>
<td>165,000</td>
<td>17%</td>
</tr>
<tr>
<td>Means tested insurance</td>
<td>87,000</td>
<td>9%</td>
</tr>
<tr>
<td>Medicaid</td>
<td>48,000</td>
<td>5%</td>
</tr>
<tr>
<td>CHIP</td>
<td>39,000</td>
<td>4%</td>
</tr>
<tr>
<td>Employer-based</td>
<td>475,000</td>
<td>49%</td>
</tr>
<tr>
<td>Direct purchase</td>
<td>54,000</td>
<td>6%</td>
</tr>
<tr>
<td>Limited coverage</td>
<td>9,000</td>
<td>1%</td>
</tr>
<tr>
<td>Unable to determine type</td>
<td>26,000</td>
<td>3%</td>
</tr>
</tbody>
</table>

Note: Numbers do not add because respondents can have more than one type of health insurance and rounding.
Various Measures of Uninsured, Montana, 2011
Uninsured by Age and Sex, Montana 2011

![Chart showing percent uninsured by age and sex for Montanans less than 65 years old. The chart includes data for all Montanans, all males, and all females, broken down by age groups: less than 19 yrs, 19-25 yrs, 26-64 yrs.]
Health Status of the Uninsured Montana, 2011
Presence of Medical Debt, Montana 2011
Average Medical Debt, Montana, 2011
Involuntarily or Voluntarily Uninsured, 2011

Percentage of Adults 18-64 Years of Age with A Period of Uninsured in Last Year
N=651

- Involuntary: 76%
- Voluntary: 16%
- No response: 8%
Reasons for Not Having Health Insurance, Montana, 2011

- Low wage job
- Expensive
- Unemployed
- Young and healthy
- Self-employed too expensive
- Single parent
- Do not know
- Political
- Uninsurable
- Spend way want
- Indian Health Service
- Waiting period
- Religious
- Other response

Number of Responses
Employer Based Health Insurance

Employer-based insurance health insurance includes insurance coverage offered through one’s own or someone else’s current or former employer or union. Also included is TRICARE. TRICARE is health coverage offered to active-duty military personnel and retired members of the uniformed services and their dependents and survivors. Employers can purchase insurance on the open market or self-insure if they meet criteria.
Firms Offering Health Insurance, Montana, 2011
Why Employees Are Not Insured by Employer Provided Insurance, 2011

Percentage of Firms with Some Uninsured Employees
N=193

- Can't afford the premium: 75%
- Don't want or feel don't need insurance: 9%
- Other: 9%
- DK: 3%
- Not eligible to enroll: 4%
Mean Deductible for Employer Based Health Insurance
Why Eligible Employees Do Not Accept Health Insurance, 2011

- Have coverage elsewhere: 61%
- Can't afford premium: 20%
- Don't feel they need insurance: 4%
- Other: 4%
- DK: 11%

Percentage of Firms with Employees Not Accepting Offered Health Insurance N=223
Direct Purchase Insurance

Direct purchase health coverage is bought directly from an insurance company by an individual or an individual's relative. About 6 percent (54,000) of Montanans purchase their health insurance directly from health insurers.
Mean Monthly Premium for Direct Purchase Health Insurance, 2011
Mean Deductible for Direct Purchase Health Insurance
The Underinsured

While defining the uninsured is fairly straightforward, the appropriate criteria for defining the underinsured are not as obvious. Almost all definitions use some form of out-of-pocket spending applied against different benchmarks.
Percentage of Underinsured, Montana, 2011

- All insured persons
- ACA underinsured
- Schoen underinsured
- Dread disease-limited coverage
- Employer based
- ACA underinsured
- Schoen underinsured
- Direct purchase
- ACA underinsured
- Schoen underinsured

Percentage of Insured Adults 18-64 Years Old
Next, health insurance markets and the ACA...