The ACA's Impact on Connecticut's Health Coverage and Costs

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Contents

About the Authors and Acknowledgements

Stan Dorn is a senior fellow, Matthew Buettgens is a senior research associate, and Robin Wang is a research associate at the Urban Institute's Health Policy Center (HPC). The authors thank the Connecticut Health Foundation for the generous support that made this research project possible. The authors are also grateful for thoughtful review and comments from both the foundation's staff and HPC's Bowen Garrett.

Key Findings

The Patient Protection and Affordable Care Act (ACA) has had a significant impact on Connecticut. Without it, thousands more state residents would be uninsured, and all Connecticut residents with private health insurance or Medicare – more than 2.5 million people – would lose significant consumer protections.

This analysis describes the impact of the ACA on Connecticut, illustrating what is at stake if the ACA is repealed or its protections are cut back significantly. It does not explore the specific effects of federal legislation that would change or replace the ACA.

Many more are covered

359,000

residents would be uninsured without the ACA

Connecticut's uninsured rate would be almost twice as high without the Affordable Care Act. An estimated 198,000 people under 65 are uninsured in Connecticut in 2017, but without the health law, the number would be 82 percent higher – 359,000.

160,000+

residents have health care coverage because of the ACA

More than 160,000 people in Connecticut who have health care coverage because of the ACA would likely be uninsured without it – representing 5.4 percent of residents under 65.

81%

of residents who are currently covered by the ACA are in working families

Among those who gained coverage through the ACA, 46 percent are people of color, 61 percent were not educated beyond high school, and 81 percent live in working families.

38%

of those covered by the ACA are Latino or black

Certain demographic groups would be disproportionately harmed without the ACA. Nearly two in five Connecticut residents who are covered because of the ACA (38 percent) are Latino or black.

Key Findings *(continued)*

The privately insured have more protections

Many people are affected by the ACA even if they do not realize it. For state residents with private insurance – including nearly 1.9 million people with employer-sponsored insurance – the ACA guarantees several consumer protections. These include:

- A ban on lifetime and annual coverage limits, which protects against catastrophic medical costs. Before the ACA, medical expenses beyond insurance coverage limits often triggered bankruptcy even for people with insurance.
- Coverage of preventive services without copayments or deductibles. These services include, among others: check-ups for infants, children, and adults; cancer screenings; and contraception.

Another 163,000 Connecticut residents – 5.4 percent of those under age 65 – buy coverage through the state's individual market. The ACA provides them with several additional consumer protections:

- People cannot be denied coverage or charged more because of pre-existing conditions. Many consumers with such conditions could not obtain coverage through the individual market before the ACA.
- People are guaranteed coverage for essential health benefits including maternity care, mental health and substance abuse treatment, and prescription drugs. These services were often not covered through individual-market plans before the ACA.
- Financial assistance – in the form of federal tax credits – is available for individual-market customers who meet income requirements and buy coverage through the state's exchange, Access Health CT. Approximately 75,000 people receive financial assistance that reduces their premiums. Of those, 40,000 people also receive financial assistance to reduce their deductibles and copays.

Medicare beneficiaries get more coverage and pay less for medicine

591,000 Connecticut residents – 96 percent of seniors and 16.5 percent of the state's total population – are Medicare beneficiaries. Because of the ACA:

- They qualify for Medicare coverage of check-ups, cancer screenings, and other preventive services, free of charge.
- Those with annual prescription drug expenses between $3,700 and $4,950 – the so-called "donut hole" – now receive Medicare coverage for 60 percent of the costs for name-brand drugs and 49 percent for generics. Without the ACA, Medicare beneficiaries would not be covered for any medication costs in this range.

Federal funding for health care and innovation has increased

Connecticut is slated to receive $1.16 billion more in Medicaid funding and subsidies for private coverage from the federal government than it would receive for Medicaid without the ACA. The additional Medicaid funding has allowed Connecticut to spend $40 million less in state dollars on the Medicaid program than it would have spent without the ACA, while covering 138,000 more people through Medicaid.

The ACA has also brought more than $62 million into Connecticut in the form of grants to the state and to nearly a hundred organizations – including hospitals, nursing homes, physician practices, and community health centers – that are testing new approaches to slow health care cost growth and improve quality and access.

Health care providers are delivering much less uncompensated care

In 2017, hospitals, physicians, and other health care providers would have delivered more than $1 billion in unreimbursed care to the uninsured without the ACA. Because of the coverage increases that occurred through the ACA, the amount of uncompensated care provided to the uninsured is projected to be $416 million – 61 percent less.

Challenges remain

The ACA has limitations and disadvantages, including higher costs or the loss of insurance for some who were formerly enrolled in individual-market plans or Medicaid.

Like all complex and large-scale federal legislation, the ACA can be improved. Overall, however, the ACA has yielded significant gains for hundreds of thousands of Connecticut residents.

Introduction

The Patient Protection and Affordable Care Act (ACA) has had a significant impact on Connecticut. This analysis finds that the health law:

- Reduced the number of uninsured Connecticut residents under 65 by 45 percent
- Increased federal funding for health care in Connecticut by $1.16 billion
- Cut the amount of uncompensated care that providers deliver to the uninsured by 61 percent
- Strengthened consumer protections for residents with private insurance, including employer-sponsored insurance (ESI) and coverage in the individual market
- Improved benefits and lowered drug costs for residents with Medicare
- Provided more than $62 million in grants to state government and nearly 100 health care organizations to test innovative health care delivery models

Balanced against these gains are the ACA's downsides and limitations. Some of the ACA's disadvantages are obscured by aggregate coverage improvements, which combine those who gained with those who did not. For example:

- More Connecticut residents enrolled in individual-market plans under the ACA; the number who gained individual coverage exceeded the number who lost it. However, some who benefited from the pre-ACA rules governing this market now pay more for coverage or lost access to their pre-ACA plans.
- While the total number of Medicaid beneficiaries increased under the ACA, one group lost coverage because of a decision by state lawmakers that was triggered by the health law. As part of a 2015 budget cut, parents with incomes above 155 percent of the federal poverty level were shifted from HUSKY, the state's Medicaid program, into subsidized insurance offered through Access Health CT, the state's marketplace. Some cut from HUSKY lost coverage altogether, and those who made this shift experienced significant increases in premiums and out-of-pocket costs.

Some observers wrongly hold the ACA responsible for ongoing trends that began long before the legislation's adoption.

For example, to limit their health insurance costs, employers for decades have been increasing deductibles and raising premium charges to employees. Similarly, overall health care costs per capita rose before the ACA became effective and continued to increase since the ACA (albeit at a reduced rate following the legislation's enactment). Underlying dynamics of labor and health insurance markets were driving these trends both before and after the ACA went into effect.

Introduction *(continued)*

As with all complex federal laws, the ACA could be improved.

For example, the stability of the individual market would be enhanced and premiums reduced if:

- Insurance companies selling plans through the individual market were provided with reinsurance for members with unusually high claims, as was the case from 2014 through 2016
- Payment of cost-sharing reductions – which reduce deductibles and other out-of-pocket costs for low-income marketplace customers – was guaranteed [1]
- Marketing and application assistance efforts to help people sign up for coverage received significant and ongoing funding[2]

In addition, affordability of marketplace coverage has emerged as a major limitation on enrollment of eligible consumers. Increased premium tax credits and cost-sharing reductions could address that limitation by making coverage more affordable to low- and moderate-income residents.[3]

About this report

The goal of this paper is to document the ACA's impact on Connecticut residents, illustrating what is at stake in federal proposals that could curtail the law's protections or coverage expansion. This report does not estimate the consequences of specific federal legislation that would change or replace the ACA. Rather, it provides a context for assessing the impact of such changes.

This paper begins with estimates of the ACA's statewide coverage effects, including the number of people who are covered due to the ACA and whose health insurance would be placed at risk without the law. The paper then discusses how the ACA affects the majority of Connecticut residents, whose source of coverage did not change under the law. Several tables, including some that show the ACA's impact on the residents of particular localities, are toward the end of the paper, followed by an explanation of data and methods. The paper is accompanied by fact sheets showing the law's effects on specific localities and demographic groups.

This report compares costs and coverage in 2017 with what would be the case without the ACA, based on estimates from the Urban Institute's Health Insurance Policy Simulation Model. (For more information on the methods used, see the Data and Methods section.) Estimates of the number of people covered by the ACA may not match other commonly used numbers. Many factors account for such differences. In some cases, estimates are for different years. More fundamentally, some people covered by insurance made available because of the health law – including through the Medicaid expansion and the state's health insurance exchange – would receive insurance from other sources if Medicaid expansion and the exchange disappeared. This report's estimates of increased coverage resulting from the ACA are limited to those who would not otherwise receive health insurance.

Much of the paper's coverage results are put in terms of people under 65. Because Medicare covers the vast majority of those 65 and older, understanding the impact of legislation on the uninsured means focusing on those under 65.

Other important ACA results are outside the range of this analysis – for example, effects on employment. National research suggests the ACA did not have an appreciable impact, positive or negative, on overall employment levels.[4] The legislation appears to have increased entrepreneurship to some degree by letting people leave their jobs to start new companies without losing health insurance.[5] On the other hand, some firms have met the ACA's employer coverage requirements by offering so-called "skinny" plans that require payments from firms without offering employees insurance that is comparable, in consumer cost-sharing and comprehensive benefits, to most other ESI.[6] As another example, this report does not analyze the impact on Connecticut of the ACA's funding mechanisms. Much of the legislation's funding comes from taxes on relatively high-income Americans, who comprise a disproportionate share of Connecticut's population, compared to other states.

The ACA's Impact on Connecticut

More than 160,000 uninsured residents gained coverage

Roughly 161,500 Connecticut residents are covered due to the ACA – 5.4 percent of those under age 65 (table 1):

- Overall, the number of uninsured state residents fell by 45 percent, from 359,000 to 198,000. Put differently, without the ACA, the number of uninsured Connecticut residents would be 82 percent higher.[7]
- For residents under 65, the uninsured rate is 6.6 percent. Without the ACA, it would be approximately 12 percent.
- Most of those who became insured – 138,000 – gained coverage through Medicaid.
- 39,000 people gained coverage through the state's individual market, representing a 31 percent boost to that form of insurance.

The number of state residents with employer-sponsored insurance changed little, declining by 15,000 people, or less than 1 percent. This number reflects a slowdown of a previous trend of declining coverage through employer-based insurance.

Table 1 contrasts Connecticut coverage in 2017 under the ACA to coverage that would exist without the law.

What these numbers mean

This paper estimates coverage with and without the ACA. However, results are sometimes presented in simplified terms. For example, this section states that the number of uninsured "fell by 45 percent," rather than use the more technically precise language, "the number of uninsured residents is 45 percent lower under the ACA than would be the case without the ACA." Unless otherwise specified, all results are for 2017.

Table 1

Coverage with and without the ACA, residents under age 65, 2017

	Number without the ACA	Number with the ACA	Changes resulting from ACA	
			Number of people	Percentage change
Medicaid	571,000	709,000	138,000	24%
Individual market coverage	124,000	163,000	39,000	31%
Employer-sponsored insurance	1,874,000	1,859,000	-15,000	-0.8%
Other*	63,000	63,000	**	**
Uninsured	359,000	198,000	-161,500	-45%

Source: Urban Institute analysis, Health Insurance Policy Simulation Model (HIPSM) 2017. Note: Components may not add because of rounding. Except for the change in number of uninsured, numbers are rounded to the nearest 1,000.

**"Other" includes coverage through the military, the Veterans Health Administration, and Medicare for people under age 65.*

*** Numbers not shown due to small sample size.*

The ACA's Impact on Connecticut *(continued)*

People of color, state residents without a college education, and workers are disproportionately represented among residents who gained coverage under the ACA

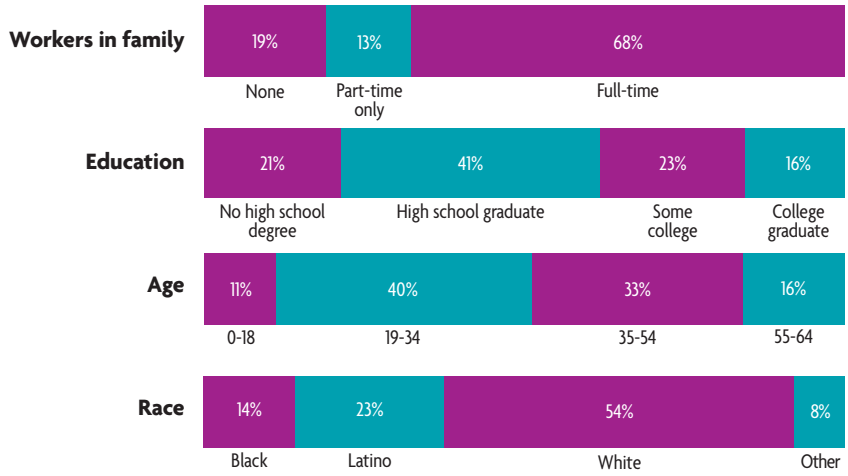
Of the approximately 161,500 Connecticut residents who are covered because of the ACA (figure 1, table 2):

- 46 percent are people of color, including 23 percent who are Latino, and 14 percent who are black
- 40 percent are young adults, ages 19-34, and 33 percent are ages 35-54
- 61 percent were not educated beyond high school, and only 16 percent are college graduates
- 81 percent live in working families, including 68 percent in families with full-time workers

Black and Latino residents are significantly less likely than whites to be covered by employer-sponsored insurance in Connecticut. While 72 percent of whites receive coverage through a job, only 46 percent of blacks and 35 percent of Latinos are covered by employer-sponsored insurance (table 3). As a result, blacks and Latinos are more vulnerable to changes that affect other sources of coverage, such as Medicaid or individual-market insurance.

Figure 1

Characteristics of state residents who have health insurance because of the ACA, 2017



Source: Urban Institute analysis, HIPSM 2017. Note: approximately 161,500 residents gained coverage, in total. Components may not add or match numbers in text because of rounding.

This report's estimates of increased coverage resulting from the ACA are limited to those who would not otherwise receive health insurance. Some people covered by insurance made available because of the health law would receive insurance from other sources if Medicaid expansion and the exchange disappeared.

The ACA provides Connecticut with more than $1 billion in annual federal funding

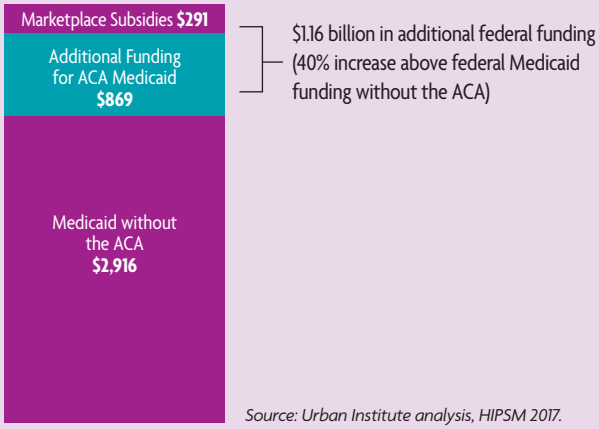
The ACA is responsible for a considerable portion of Connecticut's federal health care funding.

In 2017, the ACA is slated to provide $1.16 billion in increased payments to the state Medicaid program and in subsidies for coverage received through Access Health CT. That represents a 40 percent boost over what, without the ACA, the state would have received through Medicaid for residents under age 65 (figure 2).

Because the federal government pays 95 percent of the cost of covering people eligible for Medicaid through the ACA, Connecticut is spending $40 million less in state dollars on Medicaid in 2017 than it would without the health law – while covering 138,000 more people.

Figure 2

Federal health care funding for people under age 65 received in Connecticut through Medicaid and Marketplace Subsidies, 2017 (millions)



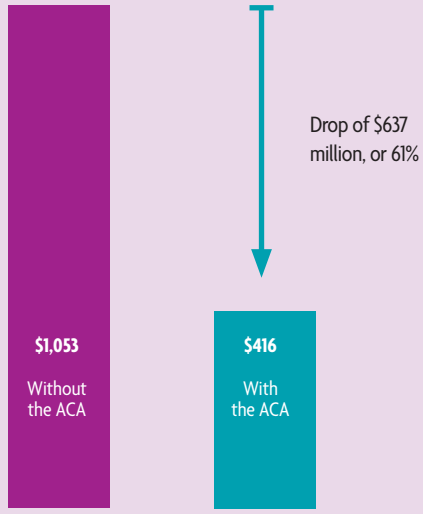
Source: Urban Institute analysis, HIPSM 2017.

The ACA cuts uncompensated care by more than 60 percent

The amount of uncompensated care delivered by hospitals and other health care providers in Connecticut – defined here as care provided to uninsured patients that is not covered by the patients or other sources outside the providers – is estimated to be $637 million lower in 2017 because of the ACA: $416 million, rather than $1.053 billion without the ACA. This change represents a 61 percent drop (figure 3).

Figure 3

Uncompensated care in Connecticut, with and without the ACA, 2017 (millions)



Source: Urban Institute analysis, HIPSM 2017.

Because of significant new federal funding, the ACA reduces Connecticut's state spending on Medicaid by $40 million while extending Medicaid to 138,000 additional people.

The ACA's Impact on Connecticut *(continued)*

1.9 million people with employer-sponsored insurance now have zero-copay preventive care, protection from catastrophic costs, and immediate access to health insurance if they lose job-based coverage

The ACA created important new safeguards for Connecticut residents who are covered through an employer. For example:

Preventive services – including check-ups for infants, children, and adults; cancer screenings; and contraception – are covered with no out-of-pocket costs.

Insurance plans cannot impose lifetime or annual coverage limits. In the past, such limits meant that people who incurred catastrophic health care expenses – for example, following a serious auto accident or while in treatment for cancer – might have their coverage end in the middle of a hospital stay, potentially resulting in bankruptcy. Since the ACA's passage, personal bankruptcy filings have fallen by roughly 50 percent.[8]

People who lose employer-sponsored insurance can immediately enroll in either Medicaid or private insurance offered through the exchange, with premiums charged on a sliding scale based on income. Before the ACA, people losing ESI would typically become uninsured unless they could afford to buy coverage on their own or had so little money that they were financially eligible for Medicaid and fit into a covered Medicaid eligibility category.

These ACA safeguards benefit the roughly 1.9 million Connecticut residents under age 65 who currently receive ESI, including (table 3):[9]

- 72 percent of all whites under age 65 (1.4 million), 35 percent of all Latinos (178,000), 46 percent of all blacks (146,000), and 65 percent of others (148,000)
- 56 percent of all children (461,000)
- 64 percent of working-age adults[10]

163,000 people who purchase individual coverage receive significant new consumer protections

Along with the previously mentioned safeguards that extend to ESI enrollees, the ACA added significant additional protections for people who buy insurance through the individual market:

People with pre-existing conditions cannot be denied coverage or charged more. Before the ACA, many were denied coverage because of such conditions.

Insurance plans must cover essential health benefits, including maternity care, prescription drugs, and treatment of mental health and substance use disorders — benefits that were frequently excluded from individual-market coverage before the ACA, or for which insurers imposed extra premium charges.

Depending on income, individual market customers can buy coverage with (1) tax credits that help pay premiums and (2) cost-sharing reductions that lower deductibles and other out-of-pocket costs.

Approximately 163,000 people, or 5.4 percent of Connecticut residents under age 65, currently purchase individual-market coverage (table 4).[11] This group includes nearly one in 10 Connecticut residents aged 55 to 64. Among all who obtain individual coverage, approximately 75,000 receive financial assistance under the ACA that helps them purchase insurance though Access Health CT, including 40,000 who benefit from cost-sharing reductions (data not shown). While many with individual coverage today would also have coverage without the ACA, they would not benefit from the health law's strengthened consumer protections.

For 591,000 Medicare beneficiaries, the ACA increases coverage of preventive care and prescription drugs

The ACA also affects Connecticut's Medicare beneficiaries. Among the legislation's changes:

Medicare now covers annual physicals, mammograms, colonoscopies, and other preventive services, with no out-of-pocket charges.

Medicare's coverage of prescription drugs has expanded under the ACA. Before the ACA, Medicare did not cover prescription drug costs that fell within a certain range, termed the "donut hole." This gap has been expanding over time. For 2017, the donut hole involves annual drug costs between $3,700 and $4,950. The ACA is increasing coverage for such costs, and the donut hole is slated for complete closure by 2020, at which point Medicare will pay 75 percent of medication costs in this range. In 2017, Medicare beneficiaries pay no more than 40 percent of the cost of name-brand drugs and 51 percent of the cost of generics, compared to 100 percent without the ACA.[12]

The ACA extended the life of Medicare's trust fund through 2029 – a 12-year increase.[13] This extension was accomplished by taxing certain investments and raising payroll taxes on individual filers earning more than $200,000 and couples filing jointly with incomes above $250,000.

Approximately 591,000 Connecticut residents – 16.5 percent of the state's total population, or roughly one in six people of all ages – are Medicare beneficiaries (table 5).

The state and nearly 100 health care organizations are testing innovative health care delivery models, using more than $62 million in federal dollars made available by the ACA

Nationally, a broad movement is under way to change how health care is delivered and financed. The movement's goal is improving outcomes while slowing cost growth. Both the public and private sectors are engaged in this work, but a significant amount of funding to support innovation – including more than $62 million in Connecticut – comes from the federal government as a result of the ACA.

Among its provisions intended to slow health care cost growth, the ACA created the Center for Medicare and Medicaid Innovation (Innovation Center), which tests new models for delivering and financing care. With funding from the Innovation Center, 96 health care organizations in Connecticut have been testing 19 different innovation models.[14]

One of the most notable efforts involves State Innovation Model funding, which the Innovation Center provides to Connecticut state government. Using $45 million in federal funding, the state is pursuing initiatives in several areas:

- Promoting payment models that reward quality and efficiency
- Strengthening the capacity of health care providers to deliver coordinated, integrated care
- Engaging consumers in maintaining and improving their health and wellness
- Addressing socioeconomic factors that affect health

These efforts aim at strengthening population health, improving health care outcomes, and slowing health care spending growth.[15]

Other efforts are more targeted. For example, dozens of Connecticut hospitals, nursing homes, and physician groups are testing "bundled payments." In these models, all providers who participate in a given treatment – for example, surgical treatment of hip and femur fractures – receive a single "bundled" payment. This general payment strategy departs from prior approaches, through which each hospital, surgeon, anesthesiologist, and primary care

The ACA's Impact on Connecticut *(continued)*

physician participating in the patient's care would bill separately, with little financial incentive to coordinate care or assure optimal outcomes.

The federal funding made available through the ACA is particularly notable because it comes at a time when Connecticut's state government faces significant fiscal challenges. On its own, the state is unlikely to fund these health care transformation efforts. Without federal resources, Connecticut's testing of promising innovations to slow health care cost growth could come to an end.

There is a clear need to curb health care cost growth, which has far outpaced growth in the state's general economy. Total per capita health care spending rose by an average of 4.9 percent per year from 1991 through 2014.[16] Over that same period, total state-level gross domestic product (GDP) per capita increased by a substantially lower average amount – 1.3 percent.[17] Over that period, total economic activity increased by less than 25 percent, while health care costs nearly doubled. Although health care cost growth slowed dramatically since the ACA was enacted, it continued to outpace economic activity.

Under these longstanding trends that preceded the ACA's enactment, health care costs are consuming ever-increasing portions of the state economy, diverting resources away from other productive uses. While the rise in total health care spending has slowed in recent years, further progress in slowing cost growth is needed. It is not yet clear what gains will be achieved under the ACA's experiments in innovative health care delivery and payment reforms, but success would yield important benefits for Connecticut firms and residents.

Conclusion

The ACA has made a significant difference to Connecticut residents. The law has **(1)** lowered the number of Connecticut residents who are uninsured; **(2)** increased federal funding to support the state's economy and health care system; **(3)** reduced uncompensated care burdens on health care providers; **(4)** strengthened consumer protections for people with private coverage and Medicare; and **(5)** provided significant funds to public and private-sector efforts to slow health care cost growth. As with all complex legislation, the ACA has limitations and disadvantages. Without a doubt, the ACA could be improved. But as federal policymakers contemplate changes to the law, it is important to recognize the number of state residents who benefit from the ACA, many of whom would be placed at risk if new legislation cuts back the ACA's coverage expansions, financial assistance, and consumer protections.

Tables

The following tables on pages 13-18 illustrate the ACA's impact on the residents of particular localities in Connecticut and the law's effect on specific demographic groups.

Table 2
Residents under age 65 who are covered because of the ACA, 2017

How to read this table: Taking the first line as an example: 316,000 state residents under age 65 are black, of whom 23,000 gained coverage due to the ACA. These 23,000 people represent 14 percent of all residents who gained coverage under the ACA and 7 percent of Connecticut's black residents under age 65.

		Total residents in demographic group	Number gaining coverage	Percentage of those gaining coverage	Percentage of demographic group
Race	Blacks	316,000	23,000	14%	7%
	Latinos	509,000	38,000	23%	7%
	Whites	1,938,000	88,000	54%	5%
	Others	228,000	13,000	8%	6%
	Total	**2,990,000**	**161,500**	**100%**	**5.4%**
Gender	Men	1,479,000	87,000	54%	6%
	Women	1,511,000	74,000	46%	5%
	Total	**2,990,000**	**161,500**	**100%**	**5.4%**
Age	0-18	817,000	18,000	11%	2%
	19-34	733,000	65,000	40%	9%
	35-54	941,000	54,000	33%	6%
	55-64	499,000	25,000	16%	5%
	Total	**2,990,000**	**161,500**	**100%**	**5.4%**
Education	No high school degree	930,000	33,000	21%	4%
	High school graduate	754,000	66,000	41%	9%
	Some college	512,000	37,000	23%	7%
	College graduate	795,000	26,000	16%	3%
	Total	**2,990,000**	**161,500**	**100%**	**5.4%**
Workers in family	Full-time	2,389,000	110,000	68%	5%
	Part-time only	217,000	21,000	13%	10%
	None	384,000	30,000	19%	8%
	Total	**2,990,000**	**161,500**	**100%**	**5.4%**

Source: Urban Institute analysis, HIPSM 2017. Note: Components may not add because of rounding.

Table 3

Residents under age 65 with employer-sponsored insurance (ESI), 2017

How to read this table: Taking the first line as an example: 316,000 state residents under age 65 are black, of whom 146,000 have ESI. These 146,000 people represent 8 percent of all ESI recipients under age 65 and 46 percent of Connecticut's black residents under age 65.

		Total residents in demographic group	Number with ESI	Percentage of those with ESI	Percentage of demographic group
Race	Blacks	316,000	146,000	8%	46%
	Latinos	509,000	178,000	10%	35%
	Whites	1,938,000	1,387,000	75%	72%
	Others	228,000	148,000	8%	65%
	Total	**2,990,000**	**1,859,000**	**100%**	**62%**
Gender	Men	1,479,000	918,000	49%	62%
	Women	1,511,000	941,000	51%	62%
	Total	**2,990,000**	**1,859,000**	**100%**	**62%**
Age	0-18	817,000	461,000	25%	56%
	19-34	733,000	430,000	23%	59%
	35-54	941,000	632,000	34%	67%
	55-64	499,000	337,000	18%	68%
	Total	**2,990,000**	**1,859,000**	**100%**	**62%**
Education	No high school degree	930,000	473,000	25%	51%
	High school graduate	754,000	400,000	22%	53%
	Some college	512,000	334,000	18%	65%
	College graduate	795,000	652,000	35%	82%
	Total	**2,990,000**	**1,859,000**	**100%**	**62%**
Workers in family	Full-time	2,389,000	1,720,000	93%	72%
	Part-time only	217,000	68,000	4%	32%
	None	384,000	71,000	4%	18%
	Total	**2,990,000**	**1,859,000**	**100%**	**62%**

Source: Urban Institute analysis, HIPSM 2017. Note: Components may not add because of rounding.

Table 4

Residents under age 65 who have individual-market coverage, 2017

How to read this table: Taking the first line as an example: 316,000 state residents under age 65 are black, of whom 10,000 have individual-market coverage. These 10,000 people represent 6 percent of all residents with individual-market coverage and 3 percent of Connecticut's black residents under age 65.

		Total residents in demographic group	Number with individual-market coverage	Percentage of those with individual-market coverage	Percentage of demographic group
Race	Blacks	316,000	10,000	6%	3%
	Latinos	509,000	16,000	10%	3%
	Whites	1,938,000	122,000	75%	6%
	Others	228,000	14,000	9%	6%
	Total	**2,990,000**	**163,000**	**100%**	**5.4%**
Gender	Men	1,479,000	84,000	52%	6%
	Women	1,511,000	79,000	48%	5%
	Total	**2,990,000**	**163,000**	**100%**	**5.4%**
Age	0-18	817,000	21,000	13%	3%
	19-34	733,000	39,000	24%	5%
	35-54	941,000	59,000	37%	6%
	55-64	499,000	43,000	26%	9%
	Total	**2,990,000**	**163,000**	**100%**	**5.4%**
Education	No high school degree	930,000	26,000	16%	3%
	High school graduate	754,000	49,000	30%	7%
	Some college	512,000	34,000	21%	7%
	College graduate	795,000	54,000	33%	7%
	Total	**2,990,000**	**163,000**	**100%**	**5.4%**
Workers in family	Full-time	2,389,000	119,000	73%	5%
	Part-time only	217,000	15,000	9%	7%
	None	384,000	28,000	17%	7%
	Total	**2,990,000**	**163,000**	**100%**	**5.4%**

Source: Urban Institute analysis, HIPSM 2017. Note: Components may not add because of rounding.

Table 5

Residents with Medicare coverage (all ages), 2017

How to read this table: Taking the first line as an example: 352,000 state residents of all ages are black, of whom 40,000 have Medicare. These 40,000 people represent 7 percent of all residents with Medicare and 11 percent of Connecticut's black residents.

		Total residents in demographic group	Number with Medicare	Percentage of those with Medicare coverage	Percentage of demographic group
Race	Blacks	352,000	40,000	7%	11%
	Latinos	542,000	34,000	6%	6%
	Whites	2,434,000	501,000	85%	21%
	Others	244,000	16,000	3%	7%
	Total	**3,572,000**	**591,000**	**100%**	**16.5%**
Gender	Men	1,731,000	257,000	44%	15%
	Women	1,840,000	334,000	56%	18%
	Total	**3,572,000**	**591,000**	**100%**	**16.5%**
Age	0-54	2,491,000	14,000	2%	2%
	55-64	499,000	20,000	3%	4%
	65+	582,000	556,000	94%	96%
	Total	**3,572,000**	**591,000**	**100%**	**16.5%**
Education	No high school degree	1,015,000	88,000	15%	9%
	High school graduate	990,000	244,000	41%	25%
	Some college	602,000	93,000	16%	15%
	College graduate	965,000	166,000	28%	17%
	Total	**3,572,000**	**591,000**	**100%**	**16.5%**
Workers in family	Full-time	2,537,000	143,000	24%	6%
	Part-time only	274,000	61,000	10%	22%
	None	761,000	387,000	66%	51%
	Total	**3,572,000**	**591,000**	**100%**	**16.5%**

Source: Urban Institute analysis, HIPSM 2017. Note: Components may not add because of rounding. Numbers are rounded to the nearest thousand.

Table 6

Bridgeport residents under age 65 who are covered due to the ACA, 2017

How to read this table: Taking the first line as an example: 46,000 Bridgeport residents under age 65 are black, of whom 5,000 gained coverage due to the ACA and would be at risk of becoming uninsured if the law is repealed. These 5,000 people represent 41 percent of all Bridgeport residents who gained coverage under the ACA and 11 percent of Bridgeport's black residents under age 65.

		Total residents in demographic group	Number gaining coverage	Percentage of those gaining coverage	Percentage of demographic group
Race	Blacks	46,000	5,000	41%	11%
	Latinos	58,000	5,000	42%	9%
	Whites	23,000	2,000	14%	7%
	Others	9,000	**	**	**
	Total	**136,000**	**12,000**	**100%**	**9%**
Gender	Men	67,000	6,000	52%	9%
	Women	69,000	6,000	48%	8%
	Total	**136,000**	**12,000**	**100%**	**9%**
Age	0-18	39,000	1,000	9%	3%
	19-34	42,000	4,000	35%	10%
	35-54	39,000	5,000	39%	12%
	55-64	16,000	2,000	18%	13%
	Total	**136,000**	**12,000**	**100%**	**9%**
Education	No high school degree	57,000	3,000	27%	6%
	High school graduate	38,000	5,000	44%	14%
	Some college	23,000	2,000	17%	9%
	College graduate	18,000	1,000	12%	8%
	Total	**136,000**	**12,000**	**100%**	**9%**
Workers in family	Full-time	99,000	9,000	76%	9%
	Part-time only	12,000	1,000	9%	9%
	None	25,000	2,000	14%	7%
	Total	**136,000**	**12,000**	**100%**	**9%**

Source: Urban Institute analysis, HIPSM 2017. Note: Components may not add because of rounding. Numbers are rounded to the nearest thousand.
*** Numbers not shown due to small sample size.*

Table 7

New Haven residents under age 65 who are covered due to the ACA, 2017

How to read this table: Taking the first line as an example: 41,000 New Haven residents under age 65 are black, of whom 3,000 gained coverage due to the ACA and would be at risk of becoming uninsured if the law is repealed. These 3,000 people represent 35 percent of all New Haven residents who gained coverage under the ACA and 7 percent of New Haven's black residents under age 65.

		Total residents in demographic group	Number gaining coverage	Percentage of those gaining coverage	Percentage of demographic group
Race	Blacks	41,000	3,000	35%	7%
	Latinos	34,000	3,000	37%	9%
	Whites	34,000	2,000	23%	6%
	Others	11,000	**	**	**
	Total	**119,000**	**9,000**	**100%**	**7%**
Gender	Men	56,000	5,000	61%	9%
	Women	63,000	3,000	39%	5%
	Total	**119,000**	**9,000**	**100%**	**7%**
Age	0-18	32,000	**	**	**
	19-34	46,000	5,000	59%	11%
	35-54	29,000	2,000	25%	7%
	55-64	13,000	**	**	**
	Total	**119,000**	**9,000**	**100%**	**7%**
Education	No high school degree	41,000	2,000	20%	4%
	High school graduate	33,000	5,000	53%	14%
	Some college	19,000	1,000	14%	6%
	College graduate	26,000	1,000	13%	4%
	Total	**119,000**	**9,000**	**100%**	**7%**
Workers in family	Full-time	78,000	5,000	54%	6%
	Part-time only	12,000	**	**	**
	None	29,000	3,000	36%	11%
	Total	**119,000**	**9,000**	**100%**	**7%**

Source: Urban Institute analysis, HIPSM 2017. Note: Components may not add because of rounding. Numbers are rounded to the nearest thousand.
*** Numbers not shown due to small sample size.*

Table 8

Hartford residents under age 65 who are covered due to the ACA, 2017

How to read this table: Taking the first line as an example: 41,000 Hartford residents under age 65 are black, of whom 2,000 gained coverage due to the ACA and would be at risk of becoming uninsured if the law is repealed. These 2,000 people represent 28 percent of all Hartford residents who gained coverage under the ACA and 6 percent of Hartford's black residents under age 65.

		Total residents in demographic group	Number gaining coverage	Percentage of those gaining coverage	Percentage of demographic group
Race	Blacks	41,000	2,000	28%	6%
	Latinos	53,000	4,000	49%	8%
	Whites	15,000	1,000	13%	7%
	Others	5,000	**	**	**
	Total	**115,000**	**9,000**	**100%**	**7%**
Gender	Men	57,000	5,000	61%	9%
	Women	59,000	3,000	39%	6%
	Total	**115,000**	**9,000**	**100%**	**7%**
Age	0-18	35,000	**	**	**
	19-34	37,000	4,000	52%	12%
	35-54	29,000	3,000	31%	9%
	55-64	14,000	**	**	**
	Total	**115,000**	**9,000**	**100%**	**7%**
Education	No high school degree	52,000	3,000	29%	5%
	High school graduate	32,000	3,000	39%	10%
	Some college	20,000	2,000	24%	10%
	College graduate	11,000	**	**	**
	Total	**115,000**	**9,000**	**100%**	**7%**
Workers in family	Full-time	64,000	5,000	60%	8%
	Part-time only	15,000	1,000	14%	8%
	None	36,000	2,000	26%	6%
	Total	**115,000**	**9,000**	**100%**	**7%**

Source: Urban Institute analysis, HIPSM 2017. Note: Components may not add because of rounding. Numbers are rounded to the nearest thousand.
*** Numbers not shown due to small sample size.*

Table 9

Waterbury residents under age 65 who are covered due to the ACA, 2017

How to read this table: Taking the first line as an example: 19,000 Waterbury residents under age 65 are black, of whom 2,000 gained coverage due to the ACA and would be at risk of becoming uninsured if the law is repealed. These 2,000 people represent 22 percent of all Waterbury residents who gained coverage under the ACA and 9 percent of Waterbury's black residents under age 65.

		Total residents in demographic group	Number gaining coverage	Percentage of those gaining coverage	Percentage of demographic group
Race	Blacks	19,000	2,000	22%	9%
	Latinos	40,000	3,000	41%	7%
	Whites	35,000	2,000	28%	6%
	Others	4,000	**	**	**
	Total	**98,000**	**7,000**	**100%**	**8%**
Gender	Men	49,000	4,000	52%	8%
	Women	49,000	4,000	48%	7%
	Total	**98,000**	**7,000**	**100%**	**8%**
Age	0-18	30,000	**	**	**
	19-34	26,000	3,000	38%	11%
	35-54	29,000	2,000	27%	7%
	55-64	13,000	2,000	24%	13%
	Total	**98,000**	**7,000**	**100%**	**8%**
Education	No high school degree	41,000	2,000	33%	6%
	High school graduate	30,000	3,000	39%	10%
	Some college	17,000	2,000	21%	9%
	College graduate	10,000	**	**	**
	Total	**98,000**	**7,000**	**100%**	**8%**
Workers in family	Full-time	66,000	5,000	70%	8%
	Part-time only	9,000	**	**	**
	None	23,000	1,000	18%	6%
	Total	**98,000**	**7,000**	**100%**	**8%**

Source: Urban Institute analysis, HIPSM 2017. Note: Components may not add because of rounding. Numbers are rounded to the nearest thousand.
*** Numbers not shown due to small sample size.*

Table 10

Litchfield County residents under age 65 who are covered due to the ACA, 2017

How to read this table: Taking the third line as an example: 130,000 Litchfield County residents under age 65 are white, of whom approximately 6,000 gained coverage due to the ACA and would be at risk of becoming uninsured if the law is repealed. These people represent about 90 percent of all Litchfield County residents who gained coverage under the ACA and 4 percent of Litchfield County's white residents under age 65.

		Total residents in demographic group	Number gaining coverage	Percentage of those gaining coverage	Percentage of demographic group
Race	Blacks	2,000	**	**	**
	Latinos	9,000	**	**	**
	Whites	130,000	6,000	90%	4%
	Others	7,000	**	**	**
	Total	**149,000**	**6,000**	**100%**	**4%**
Gender	Men	75,000	3,000	51%	4%
	Women	75,000	3,000	49%	4%
	Total	**149,000**	**6,000**	**100%**	**4%**
Age	0-18	38,000	**	**	**
	19-34	30,000	3,000	39%	8%
	35-54	49,000	2,000	33%	4%
	55-64	31,000	1,000	16%	3%
	Total	**149,000**	**6,000**	**100%**	**4%**
Education	No high school degree	42,000	2,000	29%	4%
	High school graduate	41,000	2,000	33%	5%
	Some college	28,000	1,000	21%	5%
	College graduate	37,000	1,000	18%	3%
	Total	**149,000**	**6,000**	**100%**	**4%**
Workers in family	Full-time	126,000	5,000	75%	4%
	Part-time only	8,000	**	**	**
	None	15,000	**	**	**
	Total	**149,000**	**6,000**	**100%**	**4%**

Source: Urban Institute analysis, HIPSM 2017. Note: Components may not add because of rounding. Numbers are rounded to the nearest thousand.
*** Numbers not shown due to small sample size.*

Table 11
Windham County residents under age 65 who are covered due to the ACA, 2017

How to read this table: Taking the third line as an example, 80,000 Windham County residents under age 65 are white, of whom approximately 5,000 gained coverage due to the ACA and would be at risk of becoming uninsured if the law is repealed. These people represent about 88 percent of all Windham County residents who gained coverage under the ACA and 7 percent of Windham County's white residents under age 65.

		Total residents in demographic group	Number gaining coverage	Percentage of those gaining coverage	Percentage of demographic group
Race	Blacks	2,000	**	**	**
	Latinos	11,000	**	**	**
	Whites	80,000	5,000	88%	7%
	Others	5,000	**	**	**
	Total	**98,000**	**6,000**	**100%**	**6%**
Gender	Men	49,000	3,000	57%	7%
	Women	49,000	3,000	43%	6%
	Total	**98,000**	**6,000**	**100%**	**6%**
Age	0-18	26,000	**	**	**
	19-34	25,000	2,000	38%	9%
	35-54	31,000	2,000	41%	8%
	55-64	16,000	1,000	18%	7%
	Total	**98,000**	**6,000**	**100%**	**6%**
Education	No high school degree	30,000	**	**	**
	High school graduate	32,000	3,000	41%	8%
	Some college	20,000	1,000	23%	7%
	College graduate	16,000	1,000	21%	8%
	Total	**98,000**	**6,000**	**100%**	**6%**
Workers in family	Full-time	72,000	4,000	61%	5%
	Part-time only	8,000	**	**	**
	None	18,000	2,000	29%	10%
	Total	**98,000**	**6,000**	**100%**	**6%**

Source: Urban Institute analysis, HIPSM 2017. Note: Components may not add because of rounding. Numbers are rounded to the nearest thousand.
*** Numbers not shown due to small sample size.*

Approximately 163,000 people, or 5.4 percent of Connecticut residents under age 65, currently purchase individual-market coverage. This group includes nearly one in 10 Connecticut residents aged 55 to 64.

Data and Methods

This section explains how the authors compare actual coverage and costs in 2017, under the ACA, to estimates of coverage and costs in 2017 without the ACA.

Baseline population

These estimates are based on the Urban Institute's Health Insurance Policy Simulation Model (HIPSM), which has been used in a broad range of analyses of the ACA at the federal and state levels. The primary source of data for residents' demographic and economic characteristics is two years (2012-2013) of pooled data from the American Community Survey (ACS). The two years of ACS data are reweighted to 2013 characteristics, such as the distribution of health coverage, to reflect the changing health insurance coverage since the 2008-2009 recession. This approach gives a model baseline in the non-ACA steady state as well as a large sample size of 160,793 Connecticut residents.

Information at county and city levels

To produce detailed estimates at the county and city levels within Connecticut, the authors rely on the 2010 Census Public Use Microdata Areas (PUMAs), the geographic code used by the U.S. Census Bureau to administer the annual ACS. However, the areas identified by detailed PUMAs do not perfectly correspond to the boundaries of towns, cities, and counties. In Connecticut, the authors regroup information by merging sub-county areas based on the boundaries of all eight counties. For areas with small population, the number of sampled residents with certain characteristics may be insufficient to ensure statistical reliability of estimation results. Accordingly, this analysis shows results only when the survey includes at least one thousand residents in the relevant population category. Fact sheets associated with this report estimate results for the four cities with boundaries that align with PUMAs and thus fit the available data: Bridgeport, Hartford, Waterbury, and New Haven. Fact sheets also show results for two mainly rural counties, Litchfield and Windham.

Health coverage

The authors apply the Urban Institute's health coverage edits to the ACS, resulting in health coverage estimation that closely aligns with statistics from reliable measures of health coverage, such as the National Health Interview Survey and analyses from the National Association of Insurance Commissioners. The authors use the latest available enrollment data from the ACA marketplaces and Medicaid to analyze coverage changes, and calibrate HIPSM to estimate enrollment that matches state-level administrative data. Calibrating HIPSM based on 2016 Medicaid and marketplace enrollment, the authors estimate that nationally 10.3 percent of the nonelderly were uninsured in that year, closely matching the National Health Interview Survey's January-June 2016 estimate of 10.4 percent of the nonelderly uninsured at the time of interview.[18]

Health costs

Since the ACS does not collect information on health care expenditures, the authors statistically match expenditure data from individuals in the Medical Expenditure Panel Survey Household Component (MEPS-HC) to individuals in the ACS. The matching process is based on insurance coverage, demographic traits, and other common characteristics of survey respondents in the two datasets. Expenditures from the three most recent years of MEPS data are scaled to represent dollar values in the most recent data year.

Endnotes

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6 Politico, "ACA penalties spawn 'skinny plans'," July 2013, accessed 5/30/2017, http://www.politico.com/story/2013/07/some-workplace-health-plans-will-be-skinny-094239

7 Coverage numbers are rounded to the nearest thousand. As a result, components may not combine evenly. For example, with the coverage numbers stated in the text, the number of uninsured appears to rise by 81 percent without the ACA. Rounded to the nearest hundred, the number of uninsured without the ACA increases from 197,600 to 395,000 – an 82 percent increase.

8 Consumer Reports, "How the Affordable Care Act Drove Down Personal Bankruptcy," May 2017, retrieved from http://www.consumerreports.org/personal-bankruptcy/how-the-aca-drove-down-personal-bankruptcy/ Presumably, some of this drop in bankruptcies resulted from improved economic conditions, but the ACA almost certainly played a significant role as well.

9 These estimates are limited to those under age 65.

10 Table 3 shows that, out of a total 2,173,000 residents age 18-64, 1,398,000, or 64 percent, receive ESI.

11 Strictly speaking, they all benefit from insurance reforms, but only those with incomes at or below 400 percent of FPL benefit from premium tax credits, and only those at or below 250 percent of FPL qualify for cost-sharing reductions.

12 Centers for Medicare and Medicaid Services (CMS). "Costs in the coverage gap," https://www.medicare.gov/part-d/costs/coverage-gap/part-d-coverage-gap.html. This material is undated. It was downloaded on June 27, 2017.

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15 See SIM Program Management Office, "CT SIM Initiatives," Content Last Modified on 3/24/2017 11:43:36 AM, http://www.healthreform.ct.gov/ohri/cwp/view.asp?a=2741&q=335958.

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