



CHANGING TRENDS IN EMPLOYER- SPONSORED INSURANCE AFTER THE AFFORDABLE CARE ACT

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- 2016 full report coming soon at:
<http://www.shadac.org/>
“State-level Trends in Employer-Sponsored Health Insurance: A State-by-state Analysis”

Agenda:

- Background & policy relevance
- Research questions
- Findings in employer-sponsored insurance (ESI)
- Conclusions and policy implications

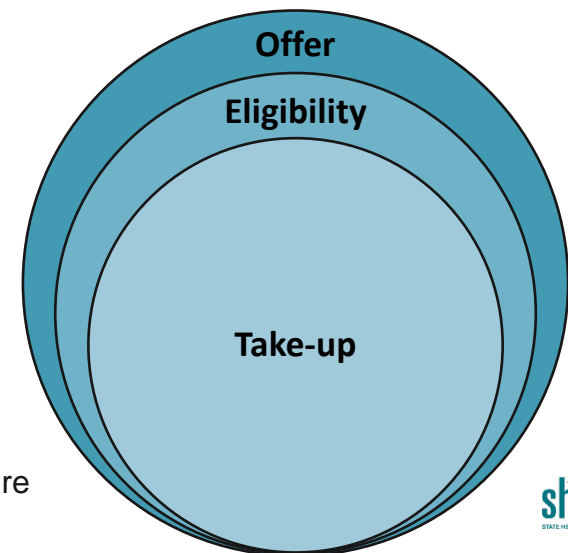
Study Methodology:

- Timeframe: 2010 – 2014, 1 year estimates
- Source: Medical Expenditure Panel Survey – Insurance Component (MEPS-IC), tabular data



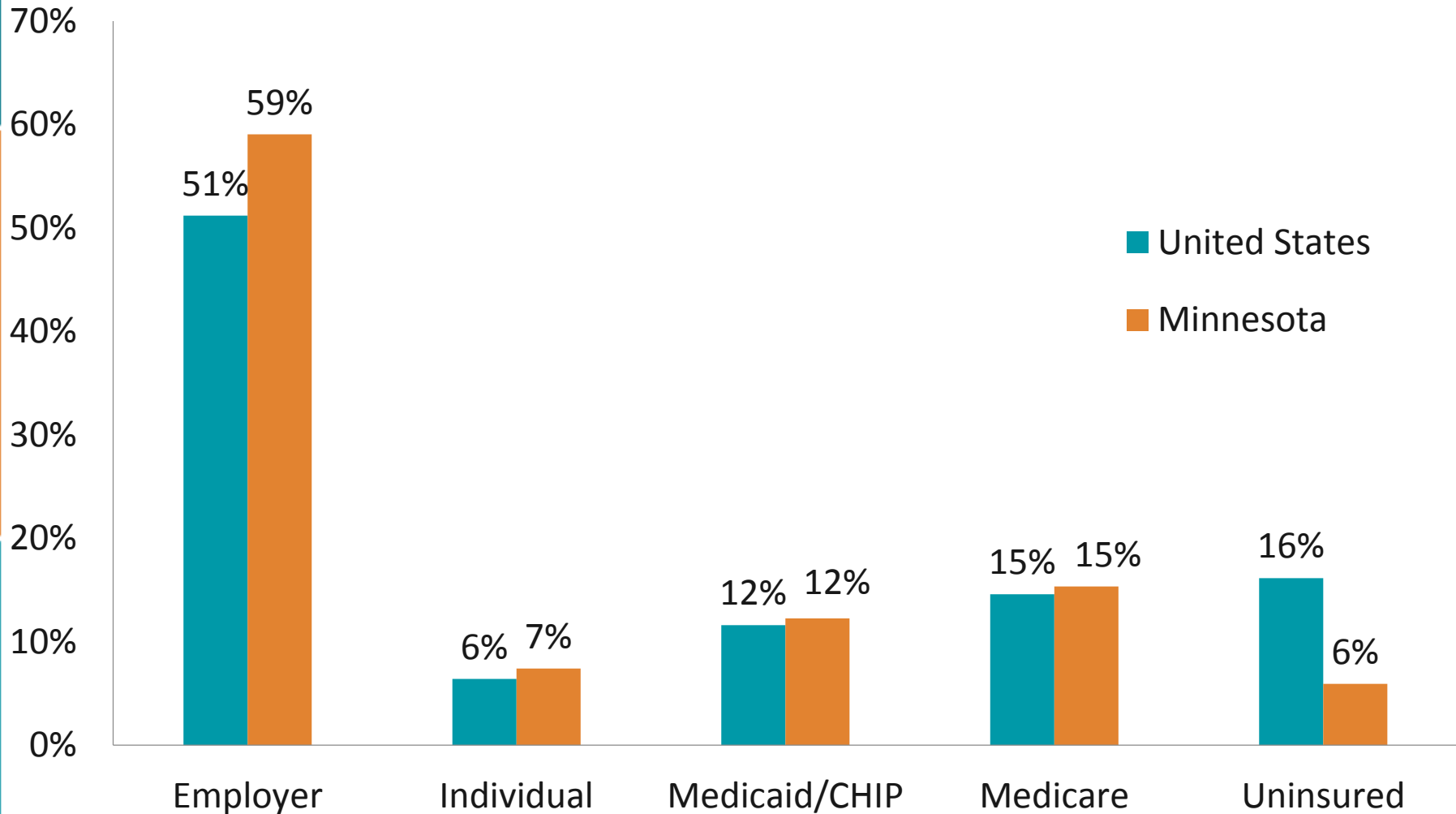
Defining the Insurance Components of ESI:

- Offer: % of workers that are offered coverage
- Eligibility: % of workers who have an offer who are eligible for coverage
- Take-Up: % of eligible workers eligible who enroll in coverage
- Firm size comparison:
small firms = < 50
all firms



Health Insurance is Dominated by ESI

Health Insurance Coverage, by Type
2014



Source: SHADAC analysis of the American Community Survey (ACS) Public Use Microdata Sample (PUMS) files. 2014.

ESI Predictions Prior to ACA Implementation:

- Many varied predictions including dramatic decreases and increases in ESI.
- Congressional Budget Office and the Joint Committee on Taxation estimated in 2012 a range of 20 million ESI loss to a 3 million ESI gain.

Research Questions:

- How has ESI changed during the ACA time frame (2010 – 2014)?
- How has ESI affected Minnesotan's compared to the U.S.?
- How has ESI changed by firm size?

ESI Findings:

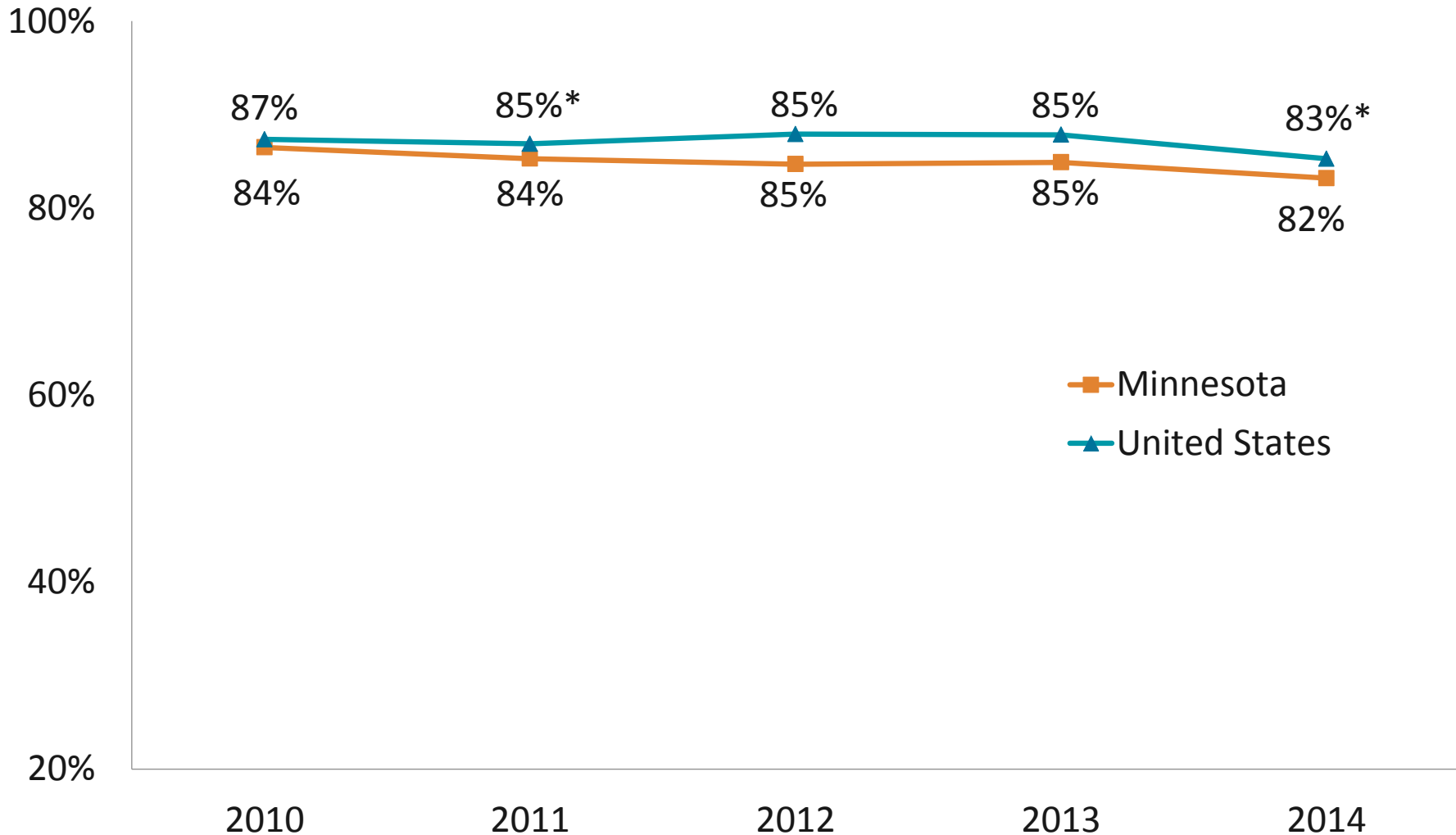
Minimal changes excluding premiums and health plan type

Workers' Offer Findings:

- U.S. workers given an offer significantly dropped 2 percentage points from 2013 to 2014.
- Minnesota workers experienced no significant changes in offer.
- Minimal offer differences between Minnesota and the U.S.

Workers' Offer Changes Minimally

Trends in Workers Offered ESI



Source: SHADAC analysis of the MEPS – IC tabular data 2010 – 2014.

Note: *'s denote statistically significant differences between years within geography at the 95% confidence level.

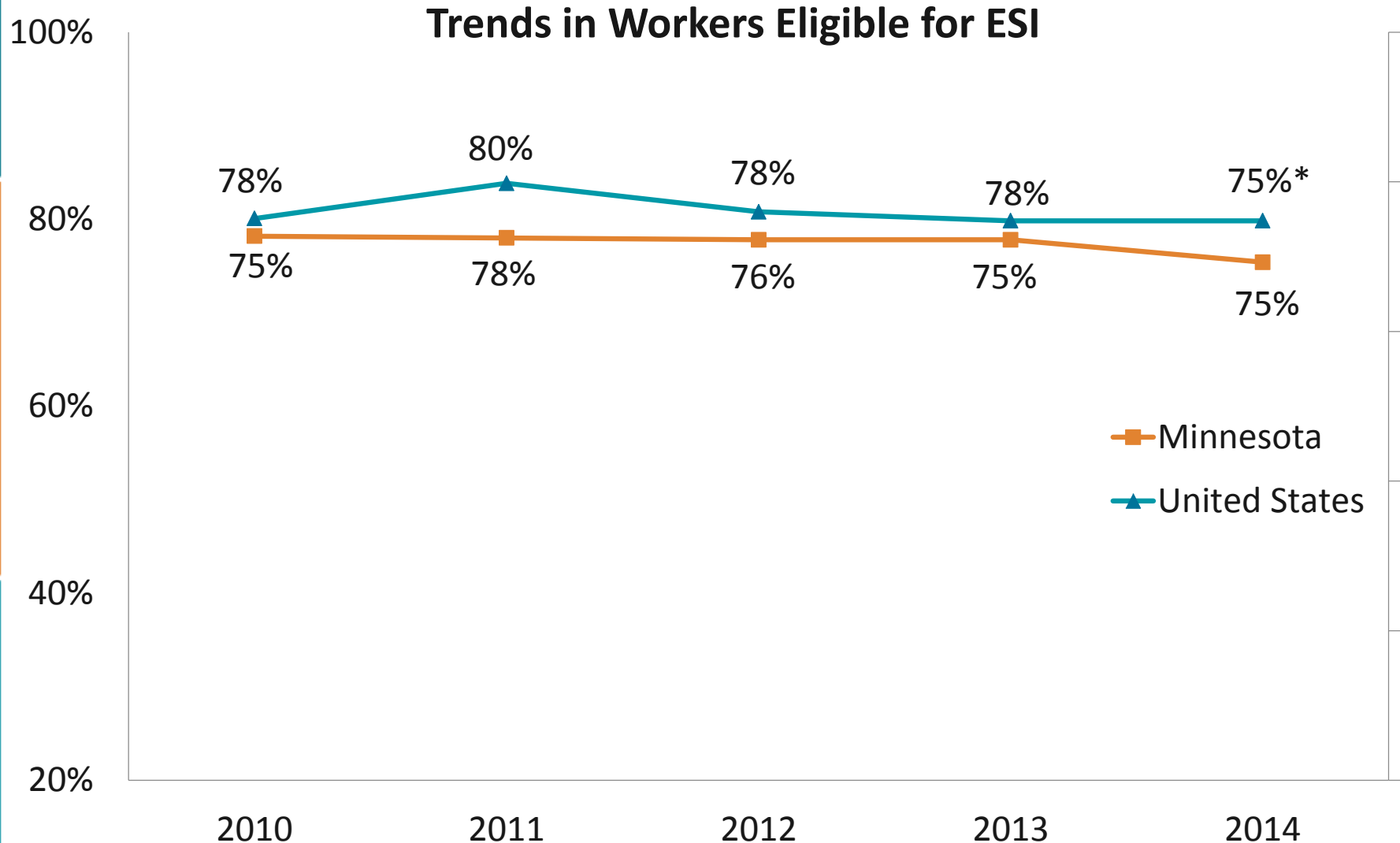
Workers' Eligibility Findings

- U.S. ESI eligible workers significantly dropped by 3 percentage points from 2013 to 2014.
- Minnesota saw no significant changes in ESI eligible workers.

Source: SHADAC analysis of the MEPS – IC tabular data 2010 – 2014.

Note: *'s denote statistically significant differences between years within geography at the 95% confidence level.

Worker's Eligibility Changes Minimally



Source: SHADAC analysis of the MEPS – IC tabular data 2010 – 2014.

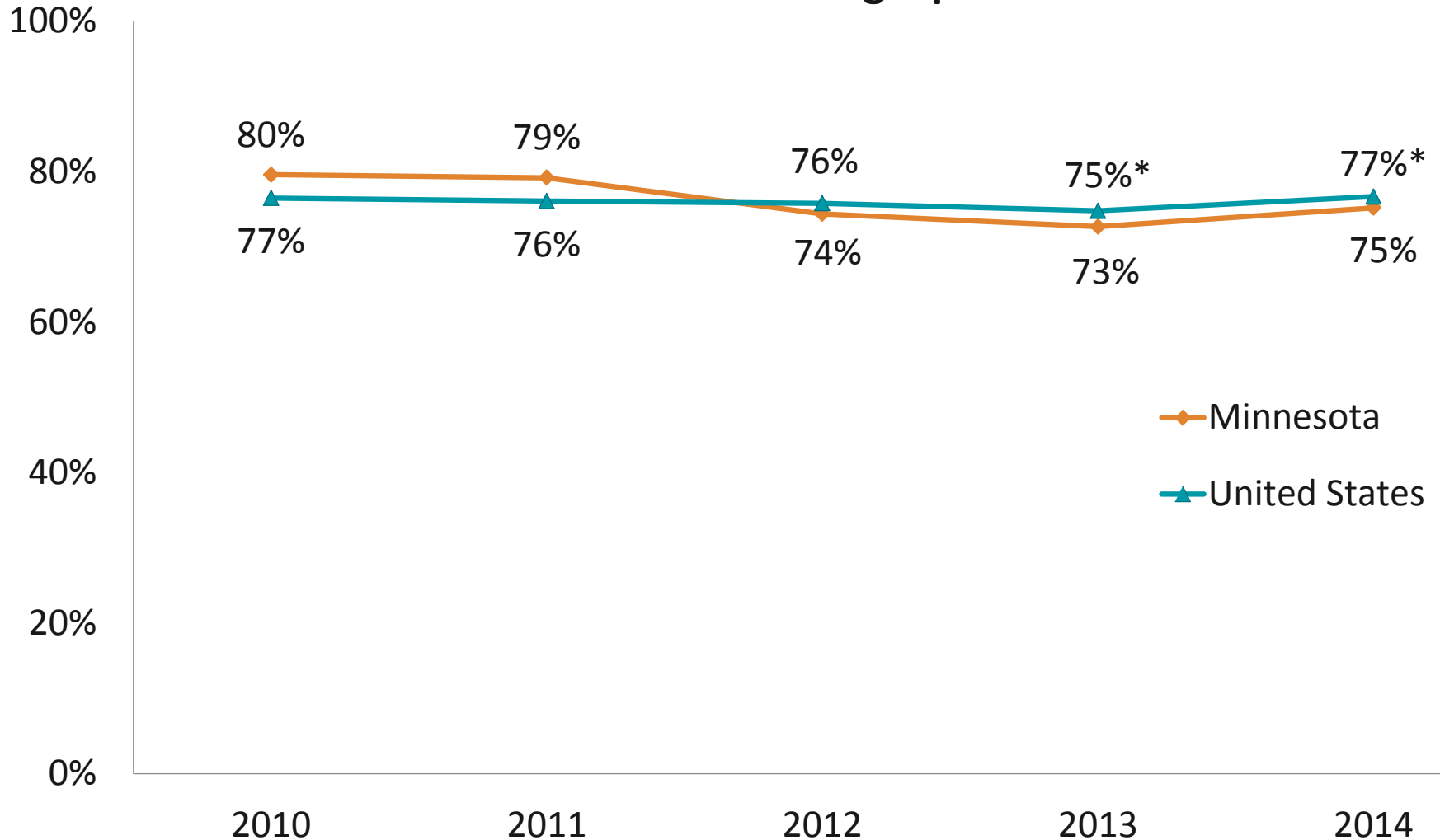
Note: * denotes statistical significance between consecutive years within geography.

Workers' Take-Up Findings

- Within the U.S., workers significantly increased their take-up of ESI from 2012 – 2013 and 2013 – 2014.
- Minnesota workers did not significantly change their take-up of ESI during any time period between 2010 – 2014.

Workers' Take-Up of ESI Changes Minimally

Trends in Workers Taking-Up ESI



Source: SHADAC analysis of the MEPS – IC tabular data 2010 – 2014.

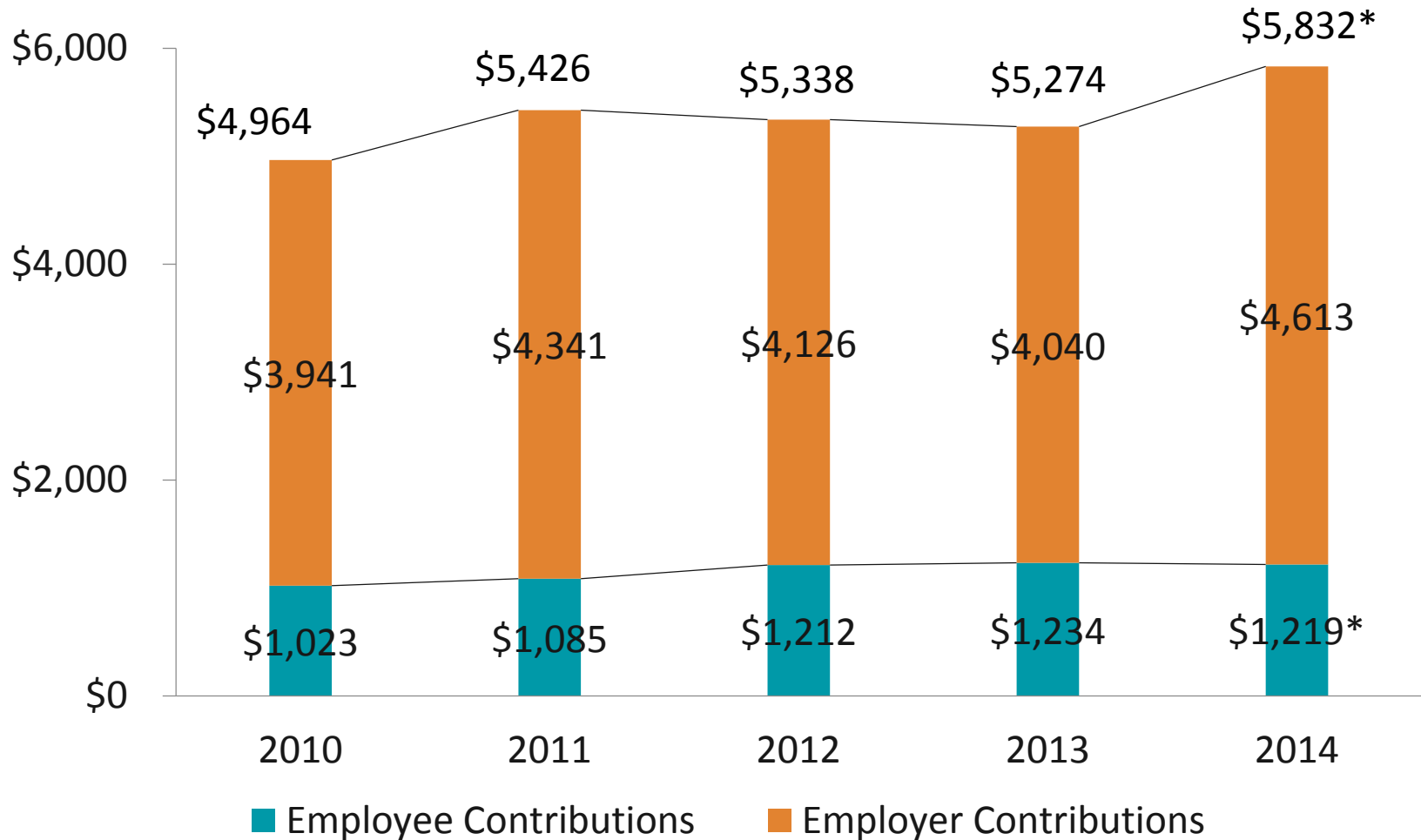
Note: * denotes statistically significant differences between consecutive years at the 95% confidence level.

Individual Premium Findings

- U.S. individual premiums have significantly increased every year between 2010 – 2014.
- Minnesota individual premiums did not significantly change between 2010 – 2013, but did significantly increase between 2013 – 2014.
- To illustrate the magnitude of change between 2010 – 2014, individual premiums significantly increased 17% in the U.S. and 18% in Minnesota.

Individual Premiums Increase

Trends in Individual Premium Contributions Minnesota



Source: SHADAC analysis of the MEPS – IC tabular data 2010 – 2014.

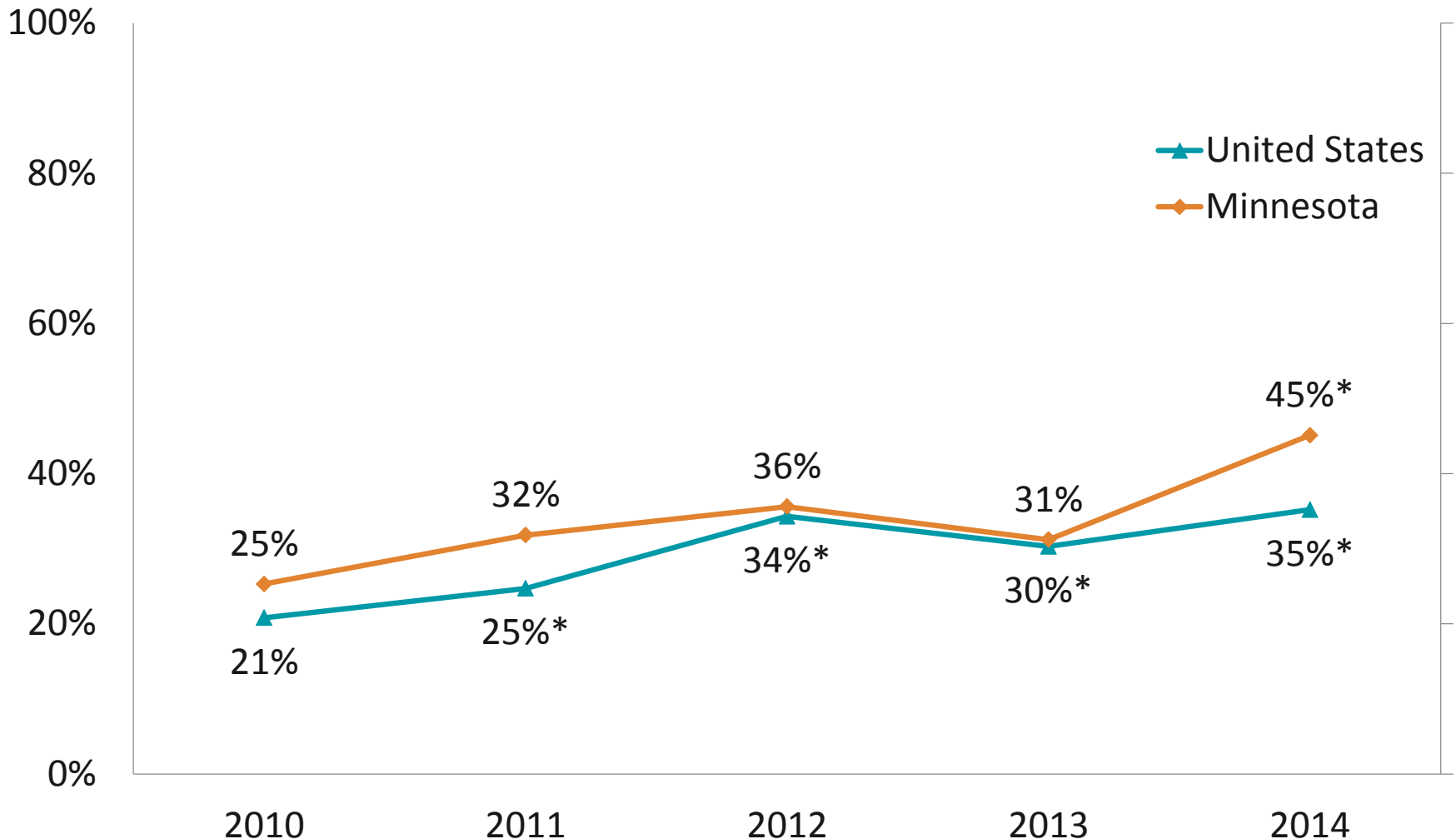
Note: * denotes statistically significant differences between consecutive years at the 95% confidence level.

Health Insurance Plan Findings

- U.S. workers significantly increased enrollment in high-deductible plans every year except 2010.
- Minnesota workers only saw a significant increase in high-deductible plans from 2013 – 2014.

Trends in High Deductible Health Plans

Workers in High-Deductible Plans



Source: SHADAC analysis of the MEPS – IC tabular data 2010 – 2014.

Note: * denotes statistically significant differences between consecutive years at the 95% confidence level.

Concluding Policy Implications

- The concerns over the ACA dramatically reducing ESI offer and eligibility seem to be over-stated.
- The long-term increasing premium cost trends for individuals and families continues to be a policy concern.
- The employee shift to high-deductible plans will need to be evaluated to determine possible cost savings and impacts and concerns over unmet health needs.