

The Impact of Same-Sex Marriage Laws on Health Insurance Coverage: *Evidence from Five States*

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Research Question

Does same-sex marriage lead to better health insurance coverage for same-sex couples?



Disparities in Insurance Coverage

Same-sex couples are less likely to have health insurance, particularly through employers

NHIS

(Heck et al. 2006)

CPS

(Ash & Badgett, 2006)

BRFSS

(Buchmueller & Carpenter, 2010)

ACS

(Gonzales & Blewett, 2014)

Prior to Health Reform:

Although most Americans are covered by employers, same-sex partners often do not qualify

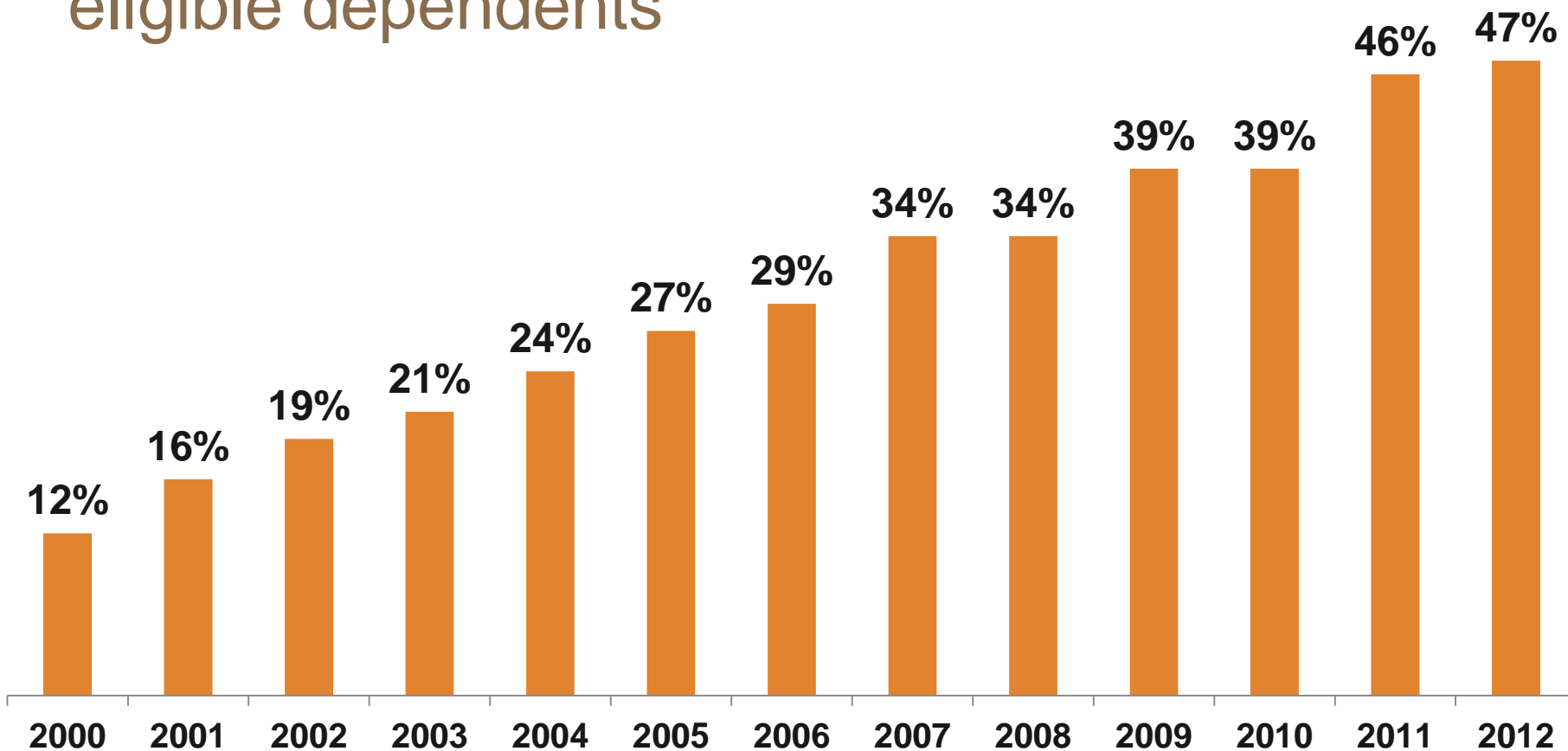
Definition of Eligible Dependents

The individuals listed on the chart on the following page are considered eligible dependents for the Plan. In addition to specifying criteria for coverage, the chart also includes information as to whether the dependent is considered qualified for favorable tax treatment under the Plan.

Relationship to Employee	Criteria for Coverage	Is Dependent Qualified for Tax Favored Treatment? (1)
Spouse	Must be legally married Your spouse must not be working full-time for an employer and receiving cash or credits 1) in place of medical coverage or 2) in exchange for medical coverage with a deductible of \$750 or greater.	Qualified

Prior to Health Reform:

Not all employers include same-sex partners as eligible dependents

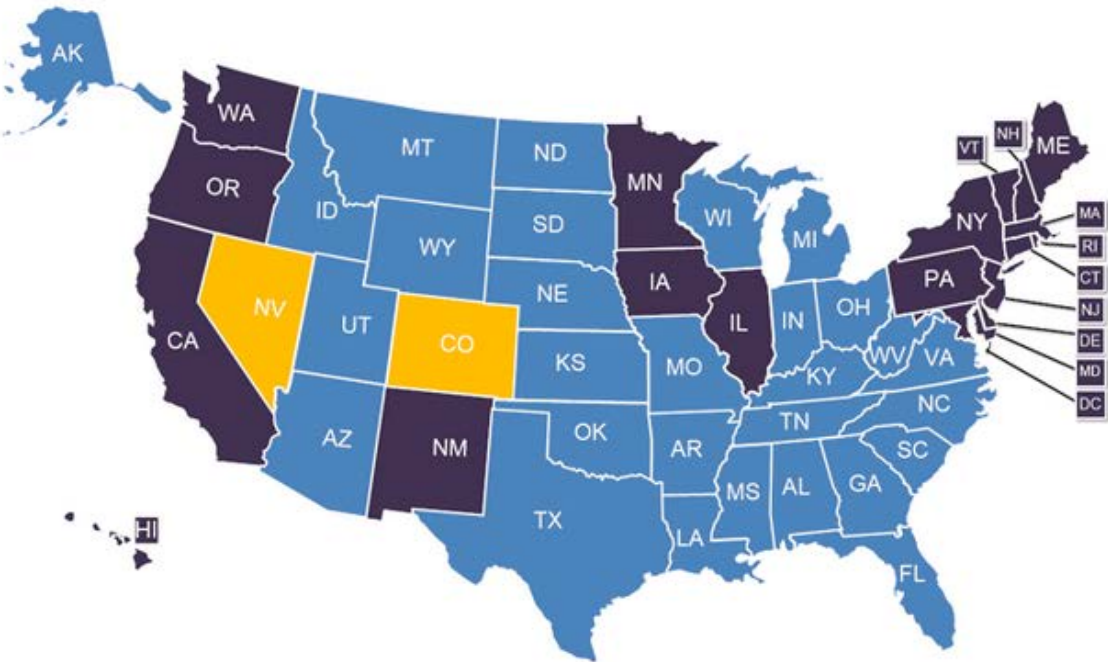


Large employers (500+ employees) offering same-sex domestic partner benefits.

Source: Mercer National Survey of Employer-Sponsored Health Plans

Prior to Health Reform:

Employers required to extend coverage when states adopt same-sex marriage



LEGEND	
■ (Light Blue)	Defines marriage as relationship between a man and a woman
■ (Yellow)	State DOMA law but allows civil unions or domestic partnership
■ (Dark Blue)	States with statute or judicial decision allowing same sex-marriage

Prior to Health Reform:

Federal policies limited state action

Employee Retirement Income Security Act (ERISA)

- State mandates only affect fully-insured employers (42% employees)

Defense of Marriage Act (DOMA), 1996-2013

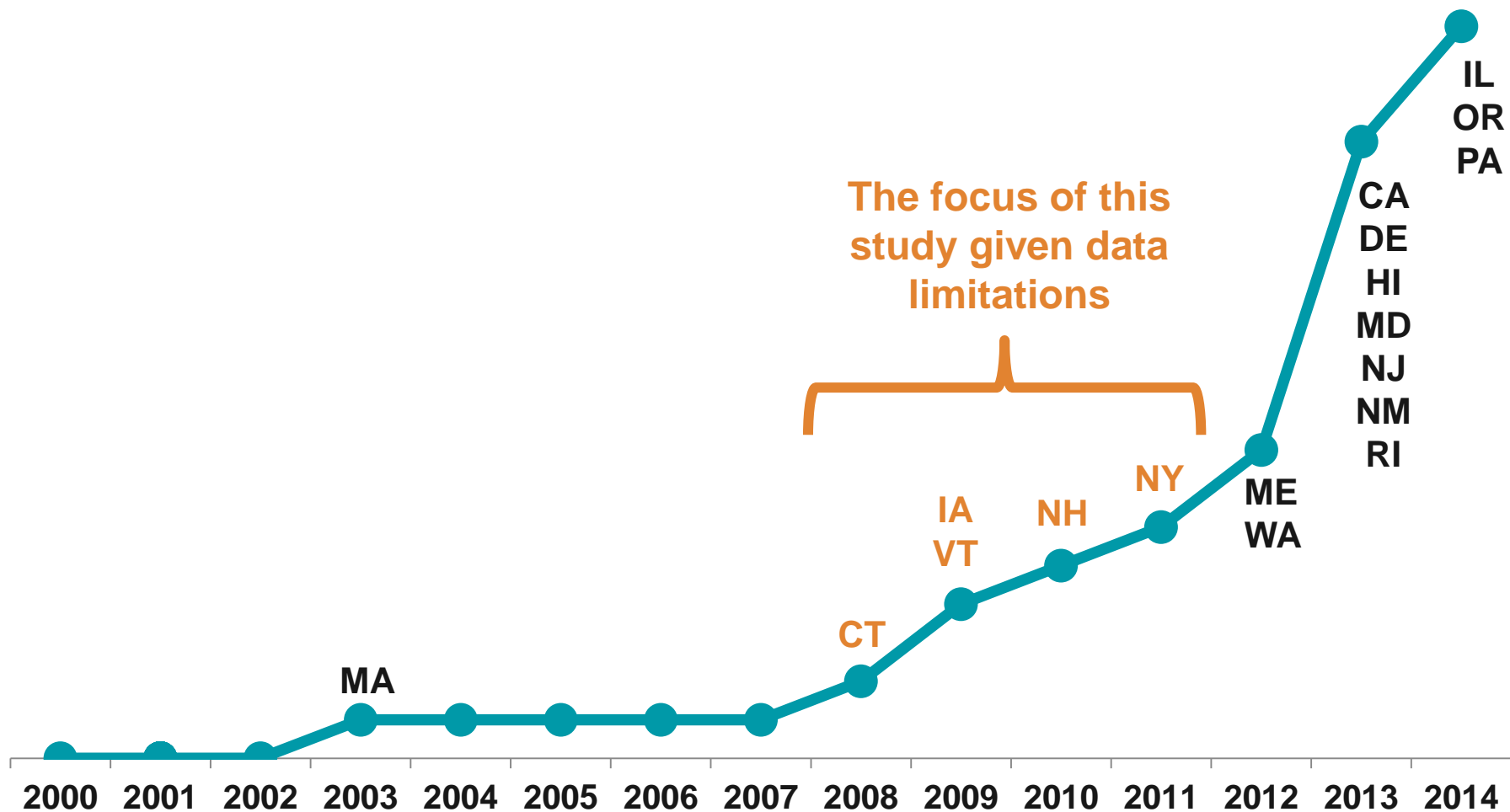
- Did not recognize same-sex unions at the federal level
- Insurance for same-sex spouses treated as taxable income (adds \$1,000 annually)

Research Question

Does same-sex marriage lead to improved health insurance coverage for same-sex couples?

Prior to Health Reform:

Same-sex marriage provides a natural experiment



American Community Survey, 2008-2012

Health insurance added in 2008

- Employer-Sponsored Insurance (ESI)
- Directly Purchased / Individual
- Medicare
- Medicaid
- Uninsured

Large sample size!

- 3 million people each year
- Supports state level research
- Leading data resource for same-sex couples

Analysis

- 1. Pre-post changes in employer-sponsored insurance (ESI) coverage**
- 2. Difference-in-differences analysis**
 - Controlled for race/ethnicity, age, income, educational attainment, employment status, industry, child in household, citizenship, state fixed effects and year.

Analysis

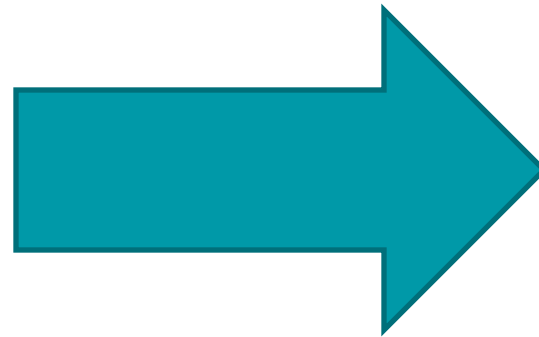
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Separate models for:

- States transitioning from no provisions to marriage (IA, NY)
- States replacing civil unions/domestic partnerships with marriage (CT, NH, VT)

What happened in Iowa and New York?

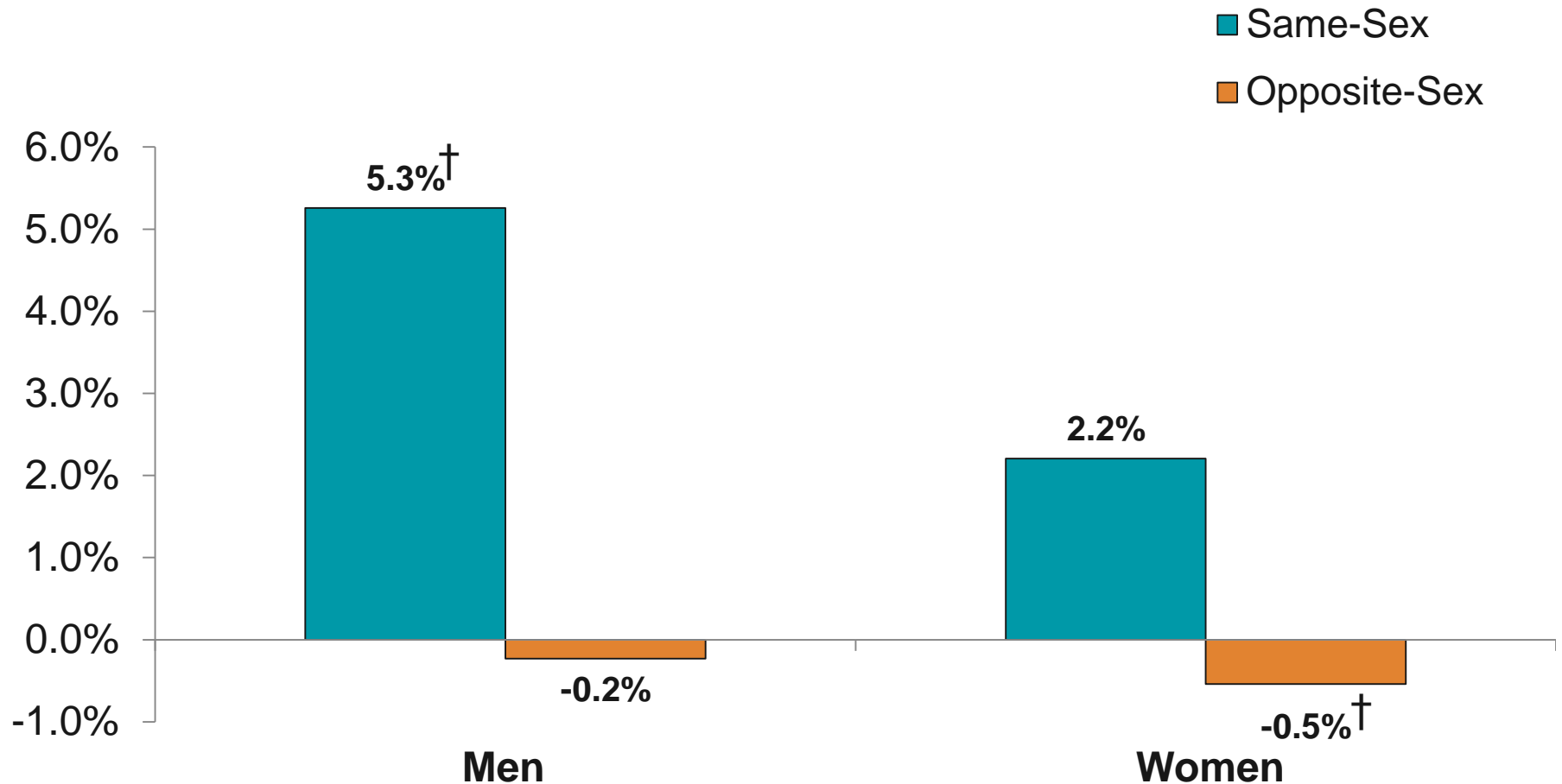
**Same-Sex
Marriage
Not Permitted**



**Same-Sex
Marriage
Legal**

Pre-Post Changes in ESI Coverage

(Percentage Point Changes)

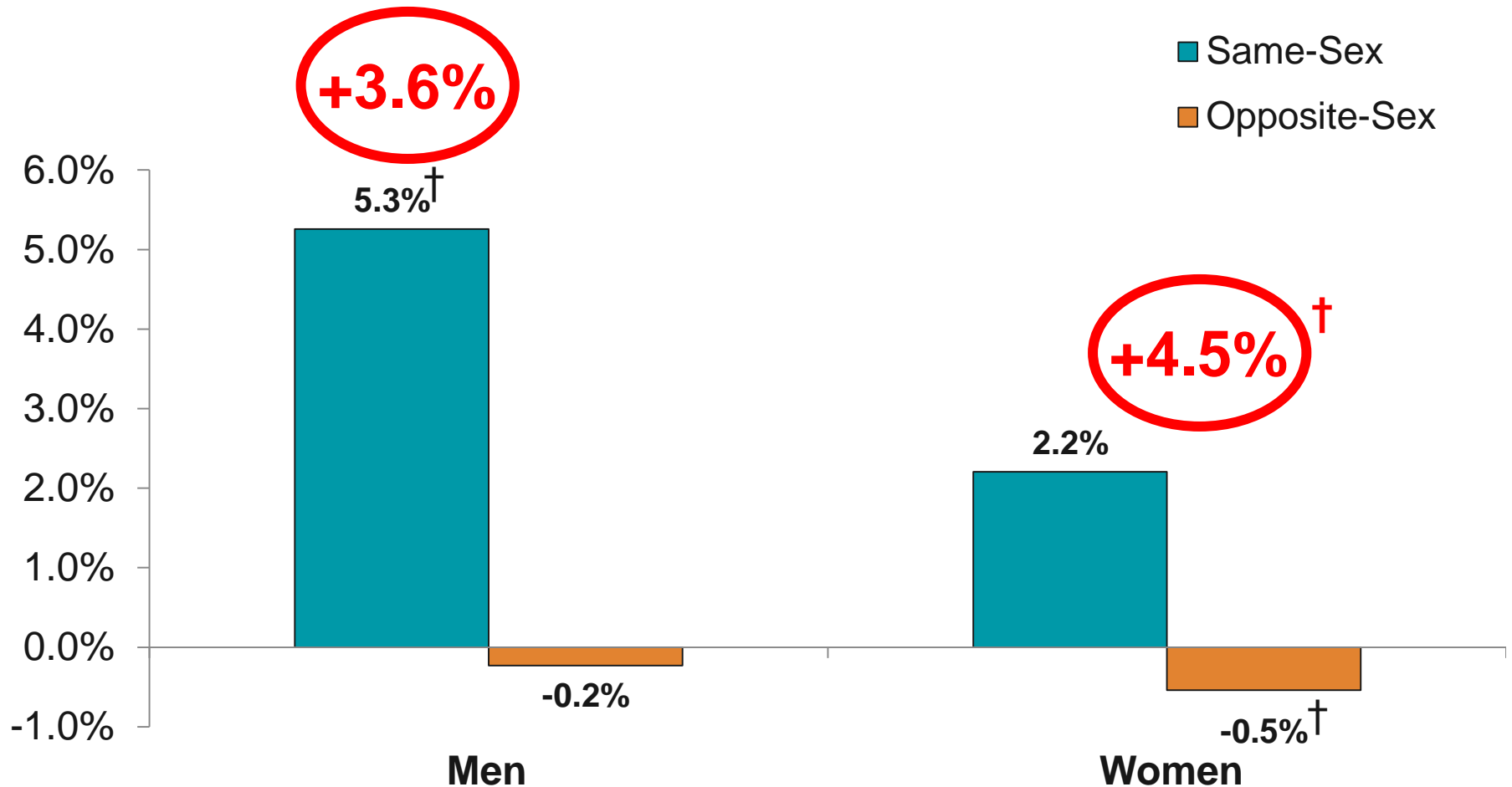


Source: American Community Survey, 2007-2012.

* indicates $p < 0.05$, † indicates $p < 0.10$

Adjusted Difference-in-Differences (in red)

(Percentage Point Changes)



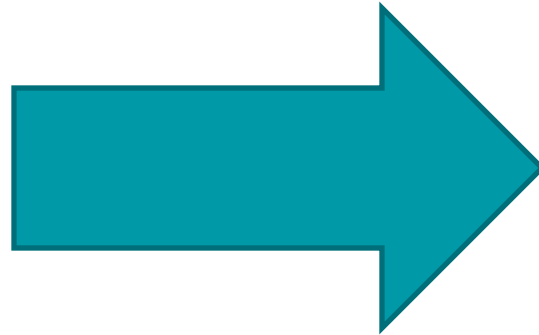
Adjusts for race/ethnicity, age, income, educational attainment, employment status, industry, child in household, citizenship, state fixed effects and year. ESI = Employer-Sponsored Insurance.

Source: American Community Survey, 2007-2012.

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What happened in Connecticut, New Hampshire & Vermont?

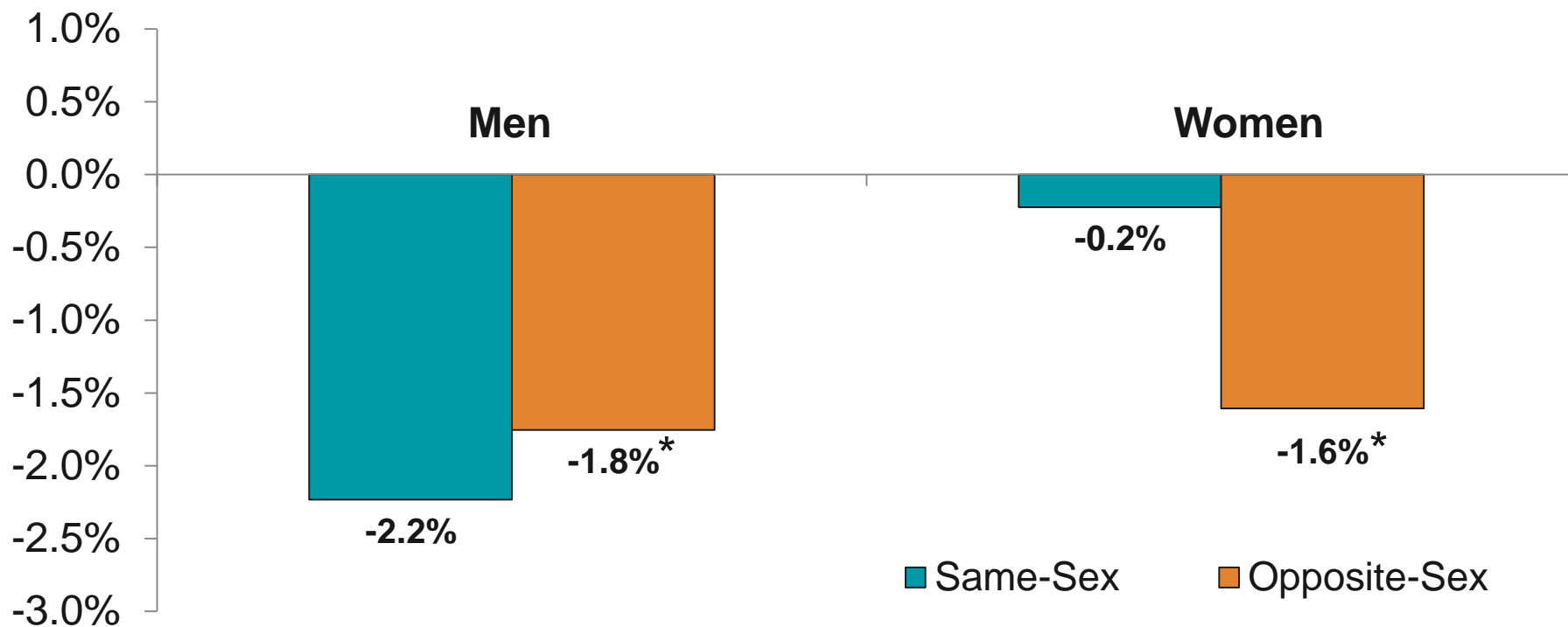
**Civil Unions
Permitted**



**Same-Sex
Marriage
Legal**

Pre-Post Changes in ESI Coverage

(Percentage Point Changes)

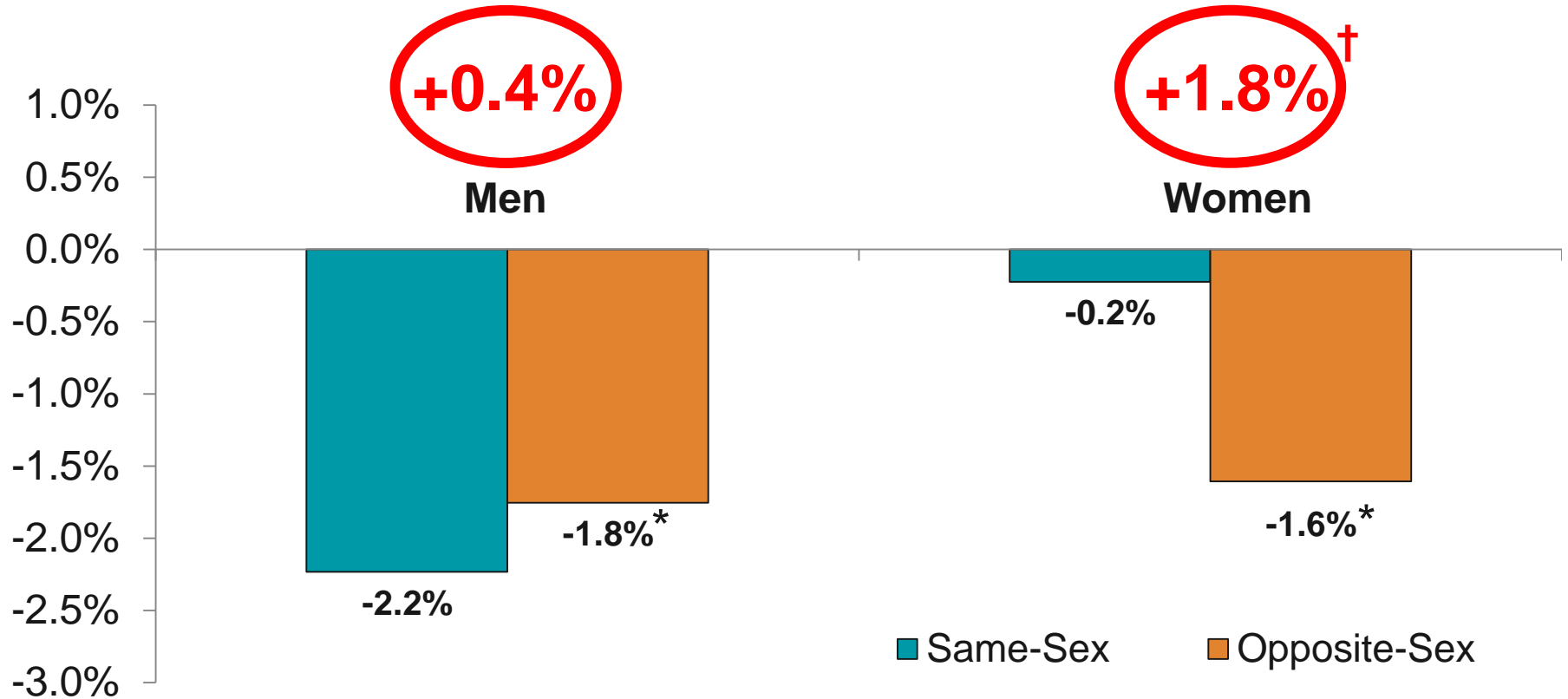


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Conclusions

Same-sex marriage leads to some protections for LGBT workers adding their partners to ESI plans

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Post-*Windsor* and ACA Era

1. Federal government no longer taxes ESI for same-sex partners
2. State Medicaid Directors decide whether to recognize same-sex unions for determining income eligibility
3. Same-sex couples treated equally for premium tax credits in federally-facilitate marketplace and ASAP in state-based marketplaces
4. Insurers are not permitted to discriminate based on sexual orientation in Marketplaces

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