

# **Strategies to Expand Insurance Coverage for Adults Preliminary Findings for New York, Illinois, and Massachusetts**

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# Study Overview

- NY, IL, and MA have implemented reforms designed to expand health insurance coverage for adults
- This study: Evaluate the impacts of the reform efforts on insurance coverage
- Future work: Evaluate the of the reform efforts on access to care, use of care and affordability of care



# The Health Reform Initiatives

- New York (2000)
  - Expansion of public coverage for lower-income adults; new premium support program for working adults
- Illinois (2002)
  - Expansion of public coverage for lower-income parents, with a premium assistance program option for some
- Massachusetts (2006)
  - Goal of near universal coverage for all adults, with expansion of public coverage, subsidized private coverage, purchasing pool, requirements for employers, and individual mandate, among other changes



# Overview of Key Changes in Eligibility for Adults under the Health Reform Initiatives \*

	NY	IL	MA
<b>Parents</b>			
Pre-reform			
Public coverage	<100% FPL	<39% FPL	<133% FPL
Premium assistance	--	--	<200% FPL
Post-reform			
Public coverage	<150% FPL	<185% FPL	<300% FPL
Premium assistance	<250% FPL		<300% FPL
Subsidized coverage	--	--	<300% FPL
Purchasing pool	--	--	>300% FPL
<b>Childless Adults</b>			
Pre-reform			
Public coverage	<~50% FPL	--	--
Premium assistance	--	--	<200% FPL
Post-reform			
Public coverage	<100% FPL	--	<300% FPL
Premium assistance	<250% FPL	--	<300% FPL
Subsidized coverage	--	--	<300% FPL
Purchasing pool	--	--	>300% FPL



# Methods

- “Natural experiments” in the three study states
- Estimate difference-in-differences models
  - Use comparison groups to control for other changes (beyond health reform) over time
  - Include rich set of covariates to control for differences between study state samples and comparison groups
  - Use propensity score matching to reweight comparison groups to look like study state samples



# Difference-in-Differences Model

$$Y = \beta_0 + \beta_1 \text{StudyState} + \beta_2 \text{Post} + \beta_3 \text{StudyState} * \text{Post} + \varepsilon$$

Time Period	Study State	Comparison Group
Pre-reform Period	$\beta_0 + \beta_1$	$\beta_0$
Post-reform Period	$\beta_0 + \beta_1 + \beta_2 + \beta_3$	$\beta_0 + \beta_2$
Pre-Post Difference	$\beta_2 + \beta_3$	$\beta_2$
Difference-in-Differences		$\beta_3$

# Data

- Current Population Survey's Annual Social and Economic Supplement (CPS ASEC)
- Years: 1999 – 2007 (2000 – 2008 CPS)
- Sample: Adults ages 19 to 64
- Comparison groups: Higher-income adults in other large states in same region as study state
- Sample sizes:
  - Target populations: IL=2,903; MA = 2,228; NY= 15,405
  - Comparison groups ranged from 10,269 to 27,292



# Estimation Issues

- Use SVY procedures in Stata to adjust for complex survey design of CPS
- Sensitivity analyses
  - Alternate comparison groups
  - Alternate pre-reform periods
  - With and without propensity score weighting
  - With and without non-citizens





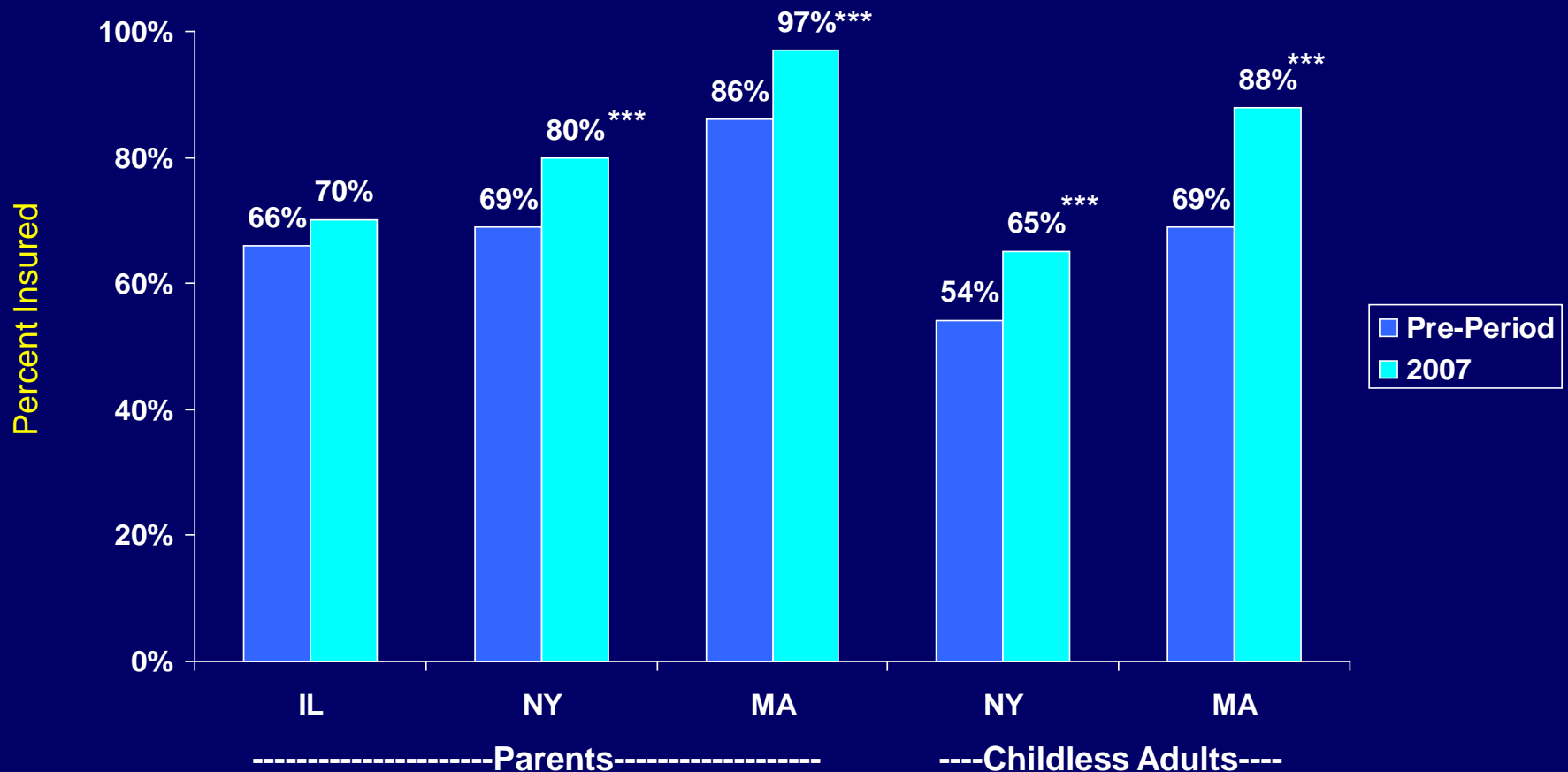
# Populations of Interest

- Target populations for public and subsidized coverage expansions
- Overall and lower-income adult population

# Estimates of Impacts for Target Populations for Public and Subsidized Coverage Expansions



# Pre-Post Changes in Insurance Coverage for Target Populations as of 2007



\* (\*\*) (\*\*\*) Pre-post change is significantly different from zero at the 10% (5%) (1%) level.



# DD Estimates of Impacts for Target Population: Illinois

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Target Population	Estimate
Parents <= 185% FPL	
Uninsured	-0.031
ESI	0.015
Public/Other Coverage	0.017

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\* (\*\*) (\*\*\*) Significantly different from zero at the 10% (5%) (1%) level.



# DD Estimates of Impacts for Target Population: New York

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Target Population	Estimate
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Parents <= 250% FPL	
Uninsured	-0.094***
ESI	0.042
Public/Other Coverage	0.052***
Childless Adults <= 250% FPL	
Uninsured	-0.136***
ESI	0.090***
Public/Other Coverage	0.046**

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\* (\*\*) (\*\*\*) Significantly different from zero at the 10% (5%) (1%) level.



# DD Estimates of Impacts for Target Population: Massachusetts

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Target Population	Estimate
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Parents <= 300% FPL	
Uninsured	-0.108***
ESI	-0.007
Public/Other Coverage	0.115***
Childless Adults <= 300% FPL	
Uninsured	-0.214***
ESI	0.079**
Public/Other Coverage	0.135***

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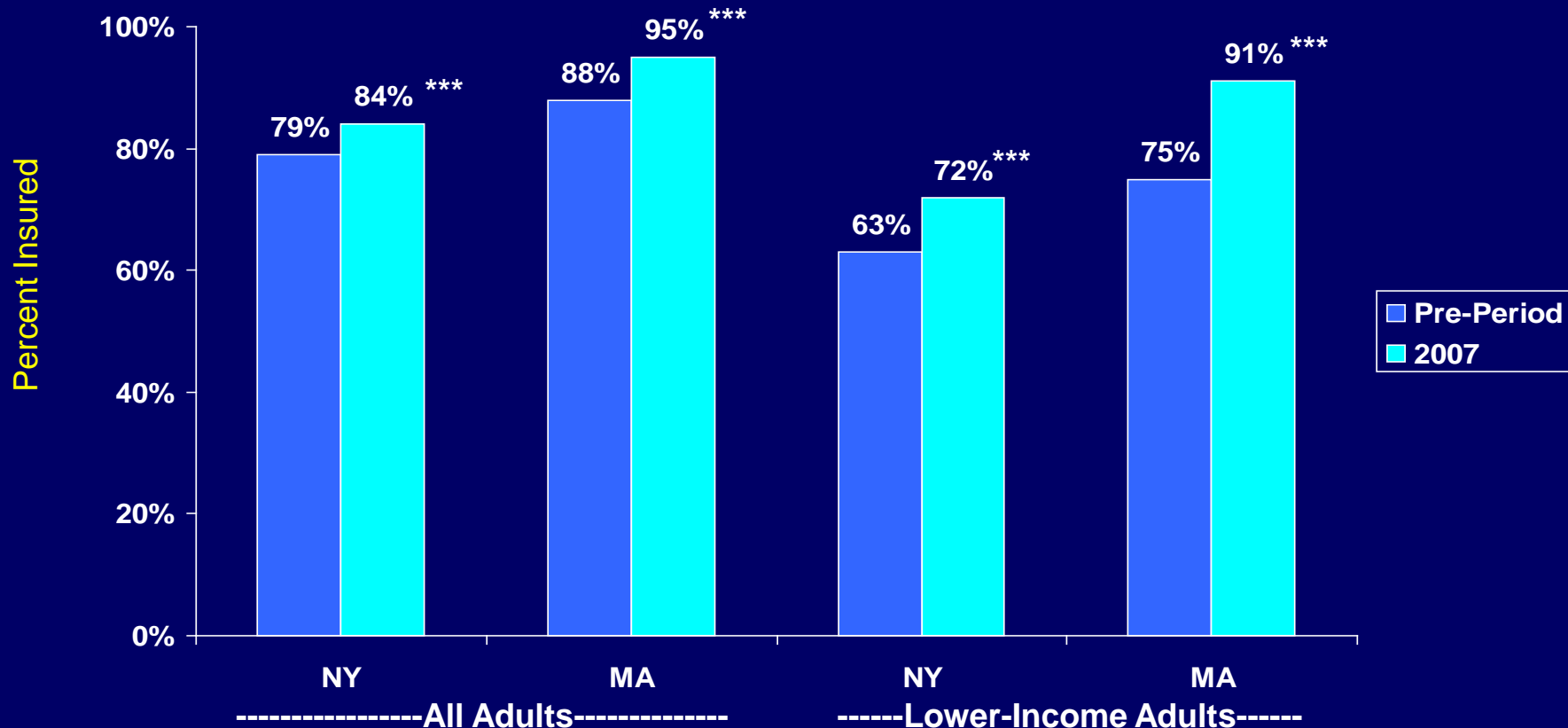
\* (\*\*) (\*\*\*) Significantly different from zero at the 10% (5%) (1%) level.



# Estimates of Impacts for Overall Population and Lower-income Population



# Pre-Post Changes in Insurance Coverage for Adults as of 2007



\* (\*\*) (\*\*\*) Pre-post change is significantly different from zero at the 10% (5%) (1%) level.





# DD Estimates of Impacts for Total Population as of 2007

Population	NY	MA
All Adults		
Uninsured	-0.034 <sup>***</sup>	-0.066 <sup>***</sup>
ESI	0.018 <sup>*</sup>	0.031 <sup>*</sup>
Public/Other Coverage	0.016 <sup>**</sup>	0.035 <sup>**</sup>
Adults <= 300% FPL		
Uninsured	-0.080 <sup>***</sup>	-0.173 <sup>***</sup>
ESI	0.039 <sup>**</sup>	0.056 <sup>*</sup>
Public/Other Coverage	0.041 <sup>***</sup>	0.117 <sup>***</sup>

\* (\*\*) (\*\*\*) Significantly different from zero at the 10% (5%) (1%) level.



# Summary of Results

- Illinois
  - No increase in insurance coverage
- New York
  - Significant increase in insurance coverage, especially for lower-income adults and childless adults
  - No crowd-out of ESI
- Massachusetts
  - Significant increase in insurance coverage, especially for lower-income adults and childless adults
  - No crowd-out of ESI
  - Still in implementation phase of reform in 2007

# Lessons for National Reform

- Illinois
  - Program design and implementation matter
- New York
  - Relatively modest expansions in eligibility for public coverage and reductions in the cost of private premiums can have an impact on coverage
- Massachusetts
  - More comprehensive reform efforts yield more substantial gains in coverage



# Next Steps

- Add 2008 to the analysis when 2009 CPS data become available
- Examine impacts for different time periods to address the phasing in of health reform initiatives
- Examine impacts on access, use and affordability of care using the National Health Interview Survey when 2008 data become available