

Uninsured Veterans and Family Members: National and State Estimates and New Coverage Options Under the ACA*

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Overview

- **Data source and methods**
- **Uninsured veterans and family members**
 - Uninsurance among veterans and their families
 - Differences across subgroups and states
 - Associations between coverage status and health care access
- **Coverage options currently and under the Affordable Care Act (ACA)**
 - Medicaid
 - Subsidized exchange coverage
 - Veterans' Affairs (VA) care
- **Research questions**

Data Source and Methods

- **2008-2010 American Community Survey (ACS)**, U.S. Census Bureau
 - 2010 ACS: national public use sample of nearly 129,000 nonelderly veterans; state samples range from 169 in the District of Columbia to 10,700 in California
- **Nonelderly veterans**: those ages 19 to 64 who had ever served on active duty (or reservists who have served in active roles) but are no longer serving
- **Nonelderly members of veterans' families**: those ages 0 to 64 in a household with a 19-to-64-year-old veteran who is their spouse or biological, adoptive, or stepparent
- To approximate eligibility for coverage under the ACA, individuals categorized by Modified Adjusted Gross Income (**MAGI**)
- Additional analysis uses the **2009 and 2010 National Health Interview Survey (NHIS)**
 - Associations between insurance coverage and health care access among veterans and their family members

Measurement of Insurance Coverage

- Respondents were asked about coverage of each individual in the household by any of the following types of health insurance or health coverage plans **at the time of the survey**:
 - a. Insurance through a current or former employer or union (of this person or another family member)
 - b. Insurance purchased directly from an insurance company (by this person or another family member)
 - c. Medicare, for people 65 and older, or people with certain disabilities
 - d. Medicaid, Medical Assistance, or any kind of government-assistance plan for those with low incomes or a disability
 - e. TRICARE or other military health care
 - f. VA (including those who have ever used or enrolled for VA health care)
 - g. Indian Health Service
 - h. Any other type of health insurance or health coverage plan—specify
- We classify veterans as **uninsured** if they report neither using VA services nor having comprehensive health insurance coverage

Study Limitations

- Inherent **imprecision** in estimates based on survey data due to sampling error
- **Potential measurement error** in coverage status, veterans status, income, and Medicaid eligibility status
- Estimates will **vary** across data sources, time periods, and methodologies
- Nevertheless, the **main findings presented here appear to be quite robust**

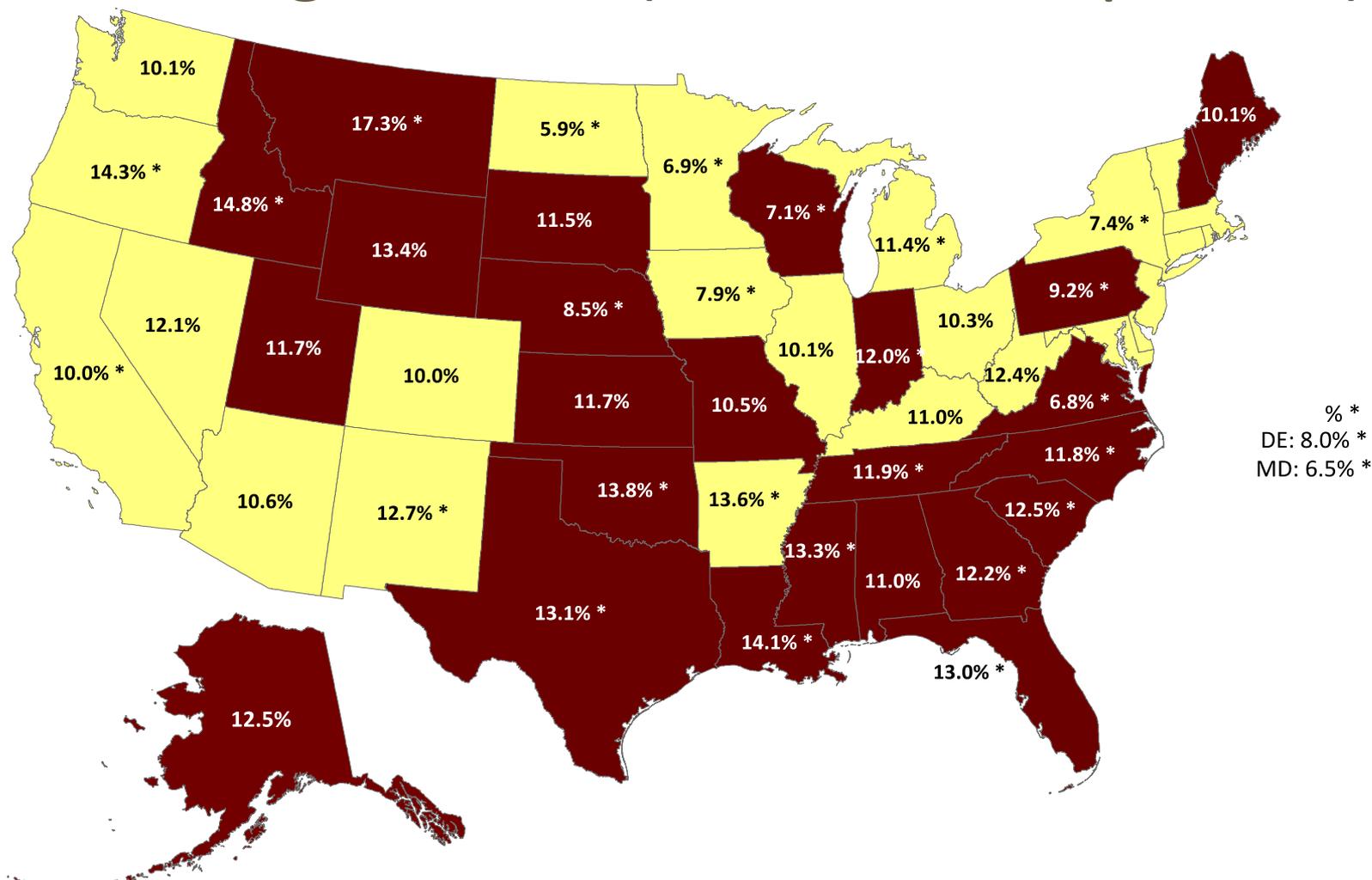
Estimated Number of Uninsured Veterans and Family Members

	Nonelderly Uninsured (2008-2010)
Veterans	1,311,500
Spouses of Veterans	645,100
Children of Veterans	318,000
Veterans and Their Family Members Combined	2,274,600

- **10.5 percent** of nonelderly veterans are uninsured
- **7.4 percent** of nonelderly family members are uninsured
- **Lower rates** than among the U.S. population overall (17.9 percent)

Source: Based on 2008–2010 American Community Survey data from the Integrated Public Use Microdata Series. Estimates reflect additional Urban Institute adjustments to coverage status.

State Variation in Estimated Uninsurance Among Veterans (US Total: 10.5 percent)



Source: Based on 2009–2010 American Community Survey data from the Integrated Public Use Microdata Series. Estimates reflect additional Urban Institute adjustments to coverage status. (*) indicates the state rate is significantly different from the national average at the 0.05 level. Medicaid expansion status reflects decisions as of October 2013 according to the Centers for Medicare and Medicaid Services.

Uninsured Veterans and Family Members

- Compared with insured veterans, uninsured veterans:
 - Have **served more recently**
 - More than 4 in 10 served most recently between September 2001 and 2010 (22.1 percent) or between August 1990 and August 2001 (21.2 percent)
 - Are **younger**
 - 45.5 percent of uninsured veterans are below age 45, compared with 29.5 percent of insured veterans
- Uninsurance rates among **Hispanic** (12.9%) and **Black** (11.9%) veterans were significantly higher than the rate for **White** (9.9%) veterans.

Uninsured Veterans and Family Members (continued)

- Uninsured veterans report fewer **service-related disabilities/functional limitations**
 - But **17.3 percent** of the uninsured report a disability/functional limitation
 - In contrast, uninsured family members of veterans have **higher rates of functional limitations** than their insured counterparts
- Uninsured veterans report **lower levels of education, higher levels of unemployment, and lower rates of full-time work, and they are less likely to be married**
 - These likely contribute to their lack of coverage, as these attributes are related to **access to employer coverage**
 - Characteristics of **veterans' family members** also indicate lower access to employer coverage

Uninsured Veterans/Family Members are More Likely to Have Unmet Health Needs

	Veterans		Family Members of Veterans	
	Uninsured	Insured	Uninsured	Insured
Any Unmet Health Needs	41.2%*	12.7%	54.8%*	12.3%
Delayed Care Due to Cost	33.7%*	8.4%	44.1%*	7.6%

In addition, some uninsured veterans appear to have **health problems**:

- 33.0 percent report at least one **chronic health condition**
- 15.3 percent report being in **fair or poor health**
- 15.9 percent report being limited by **physical, mental, or emotional problems**
- 40.1 percent report experiencing **negative feelings** that interfered with their activities

Notes: Based on the 2009 and 2010 National Health Interview Survey. Indicators for unmet needs and delayed care refer to problems in access over the past 12 months. Unmet health needs exclude dental needs. * indicates that the insured percentage is significantly different from the uninsured percentage at the 0.01 level.

Medicaid and CHIP Under Current Law

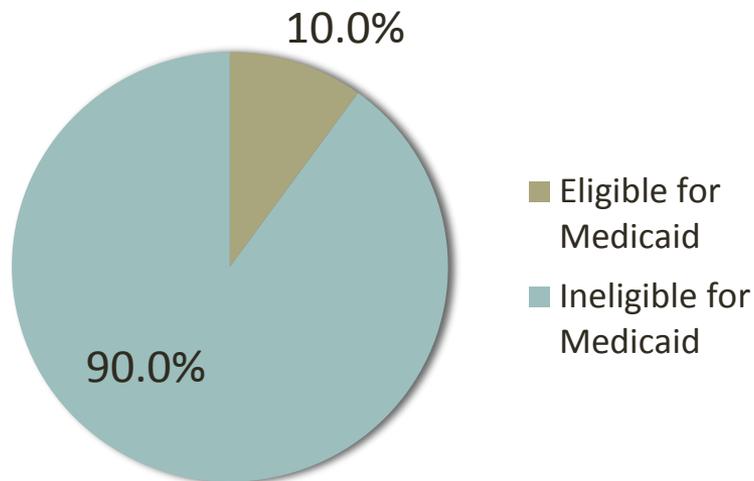
- **Medicaid** created in 1965 – jointly funded by the federal government and states and overseen by Centers for Medicare and Medicaid Services
- Most care obtained through **private providers/managed care**
- States are required to cover **certain categories of people** (e.g., low-income children, pregnant women, people with disabilities, etc.) and provide **certain mandatory services** but have **flexibility** over eligibility, benefits, payment, delivery systems, etc.
- For children, additional coverage provided through the **Children’s Health Insurance Program (CHIP)**, enacted in 1997 and currently authorized through 2015

Medicaid and CHIP Under Current Law: Eligibility

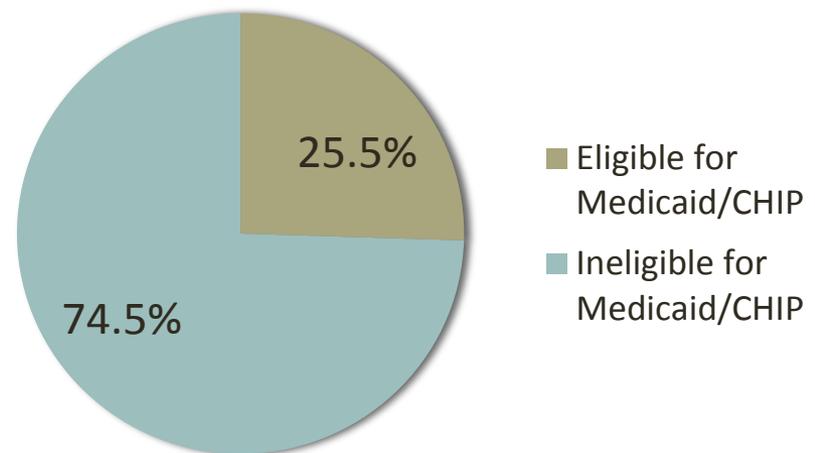
- Expansive Medicaid/CHIP thresholds for **children**
 - Eligibility levels: 24 states at **250 percent of the federal poverty level (FPL)** or higher
 - Around **two-thirds of uninsured children** qualify
- Much lower Medicaid thresholds for **adults**
 - Majority of states **do not provide any Medicaid coverage to nondisabled adults without dependent children**
 - Median eligibility thresholds in 2013: **61 percent of FPL for working parents and 37 percent of FPL for jobless parents**
 - Relatively few adults qualify for Medicaid: Only about **1 in 10 uninsured veterans and spouses** qualify under current rules

Medicaid/CHIP Under Current Law: Estimated Eligibility

Uninsured Veterans



Uninsured Family Members of Veterans



Care through the Veterans' Health Administration

- **Priority** is based on veteran status, discharge status, service-related disabilities, income level, and other factors
- Income threshold is **higher** than Medicaid thresholds
- Over **8 million** veterans enrolled (both nonelderly and 65+)
- **Dual coverage** is common (Medicare, Medicaid, private insurance)
 - Of the 12.5 million nonelderly veterans identified in the ACS, an estimated 2.8 million (22.9 percent) report VA use, of whom an estimated 883,000 report VA only
- Many **low-income uninsured veterans** likely qualify
- Most **spouses and children of veterans not eligible** for VA care

Affordable Care Act (ACA)

- The ACA **does not change the VA** or other military health care systems and is not targeted specifically at veterans
- But it includes a number of provisions aimed at **increasing health insurance coverage** that could affect veterans and their families:
 - Individual requirement to have health insurance (VA coverage satisfies coverage mandate)
 - Navigators
 - Screening questions/data matches/simplified applications
 - Increased awareness of coverage options
 - New coverage options
 - Expanded Medicaid coverage
 - Subsidized exchange coverage (subsidies not available for VA enrollees)

Medicaid Under the ACA

- Medicaid expansion: nonelderly **adults below 138 percent of FPL** (about \$24,000 for a family of 3 in 2012), regardless of parental status, could qualify for Medicaid
- At this point, however, **not all states are choosing to expand** Medicaid, which became a state option in June 2012
- This analysis uses **state decisions** as of October 2013
 - Original analysis used governors' positions as of February 2013; this presentation updates those estimates using decisions as of October 2013 (findings are similar)
 - Participating in expansion in January 2014: **26 states** (including the District of Columbia)
 - Ohio recently announced its intention to expand Medicaid; other states (New Hampshire, Pennsylvania, etc.) are still exploring options

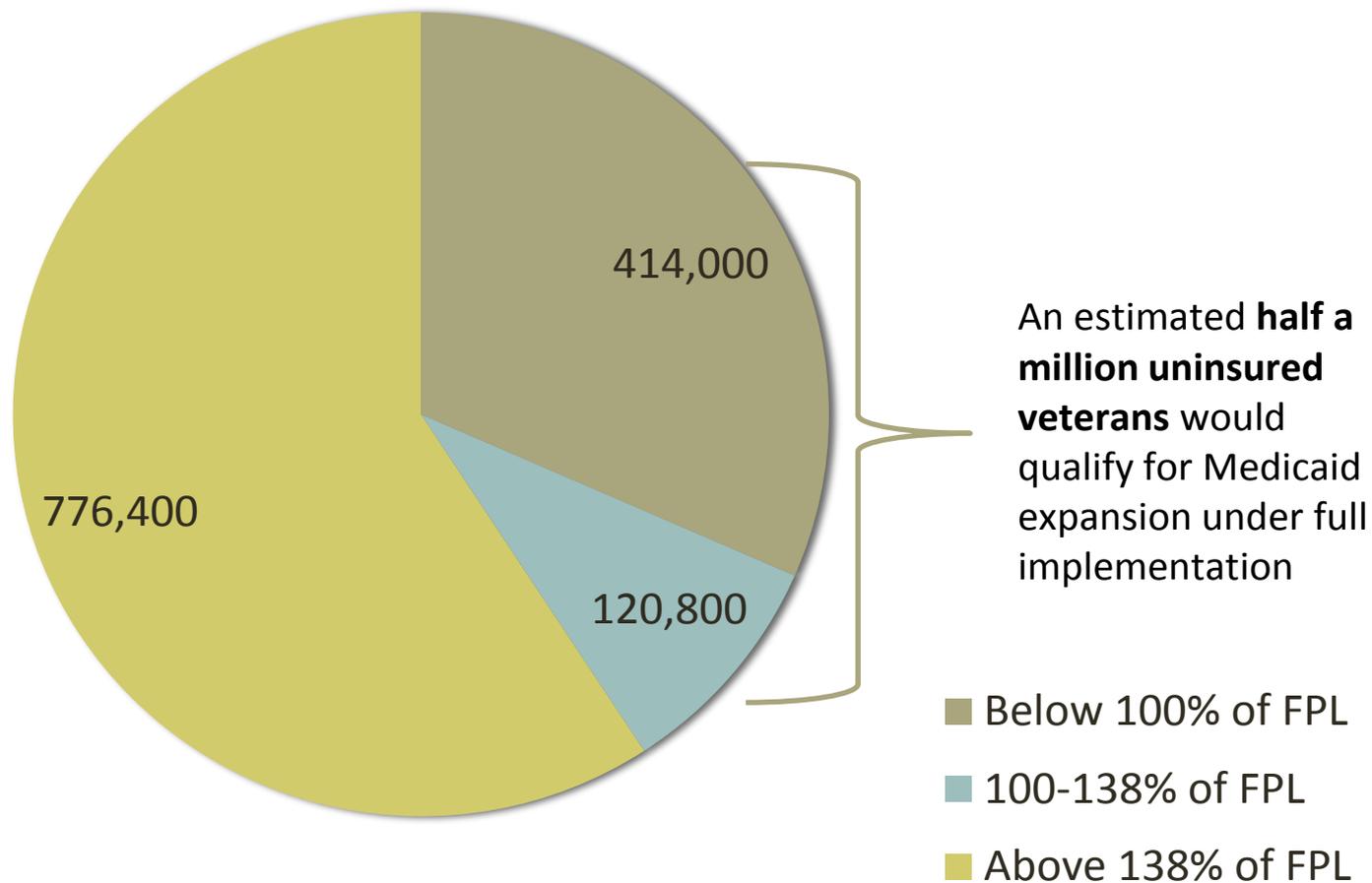
Subsidized Exchange Coverage Under the ACA

- Newly established **health insurance marketplaces** with **subsidies** for those below 400 percent of FPL who do not have access to affordable employer coverage
- **Eligibility** for subsidized coverage:
 - Legal resident
 - Not eligible for any form of public coverage (or enrolled in VA care)
 - Have family MAGI of up to 400 percent FPL
 - Do not have an offer of affordable employer coverage in the family (offer for worker costing less than 9.5 percent of family income, even if cost of family coverage is higher)
 - Above 100 percent of FPL in states not expanding Medicaid, above 138 percent of FPL in states expanding Medicaid

Potential Changes in VA Coverage Under the ACA

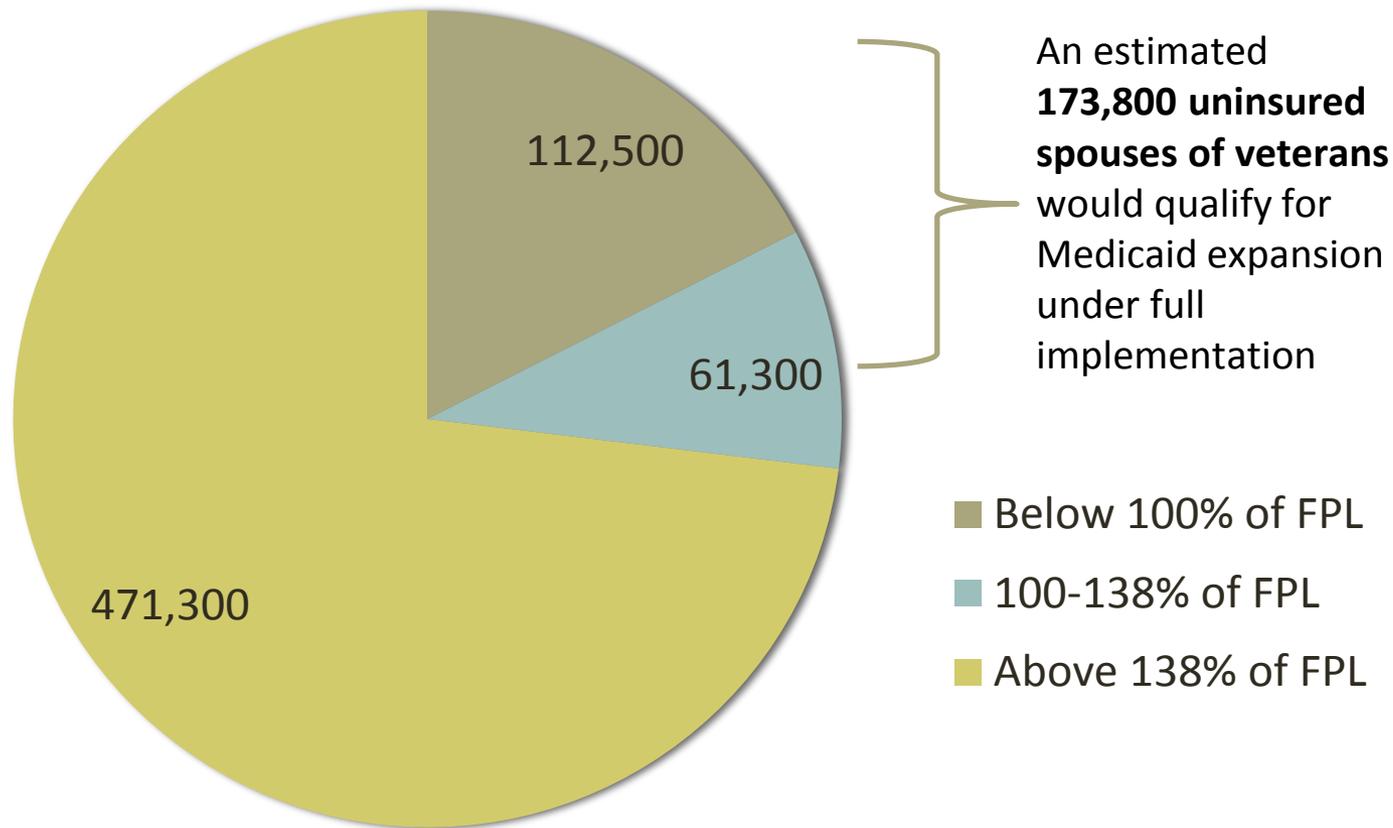
- VA officials at the House Committee on Veterans' Affairs estimated a **net increase of 66,000 veterans seeking VA care**
- **ACA coverage requirement** could boost enrollment
- However, **some could leave VA** when other options become available
- **Others could supplement VA care** with Medicaid coverage or unsubsidized marketplace coverage
 - Dual enrollment could increase
 - Increased concern with fragmentation of care

Of the Estimated 1.3 Million Uninsured Veterans, More than 4 in 10 Could Qualify for Expanded Medicaid Under the ACA if All States Expanded



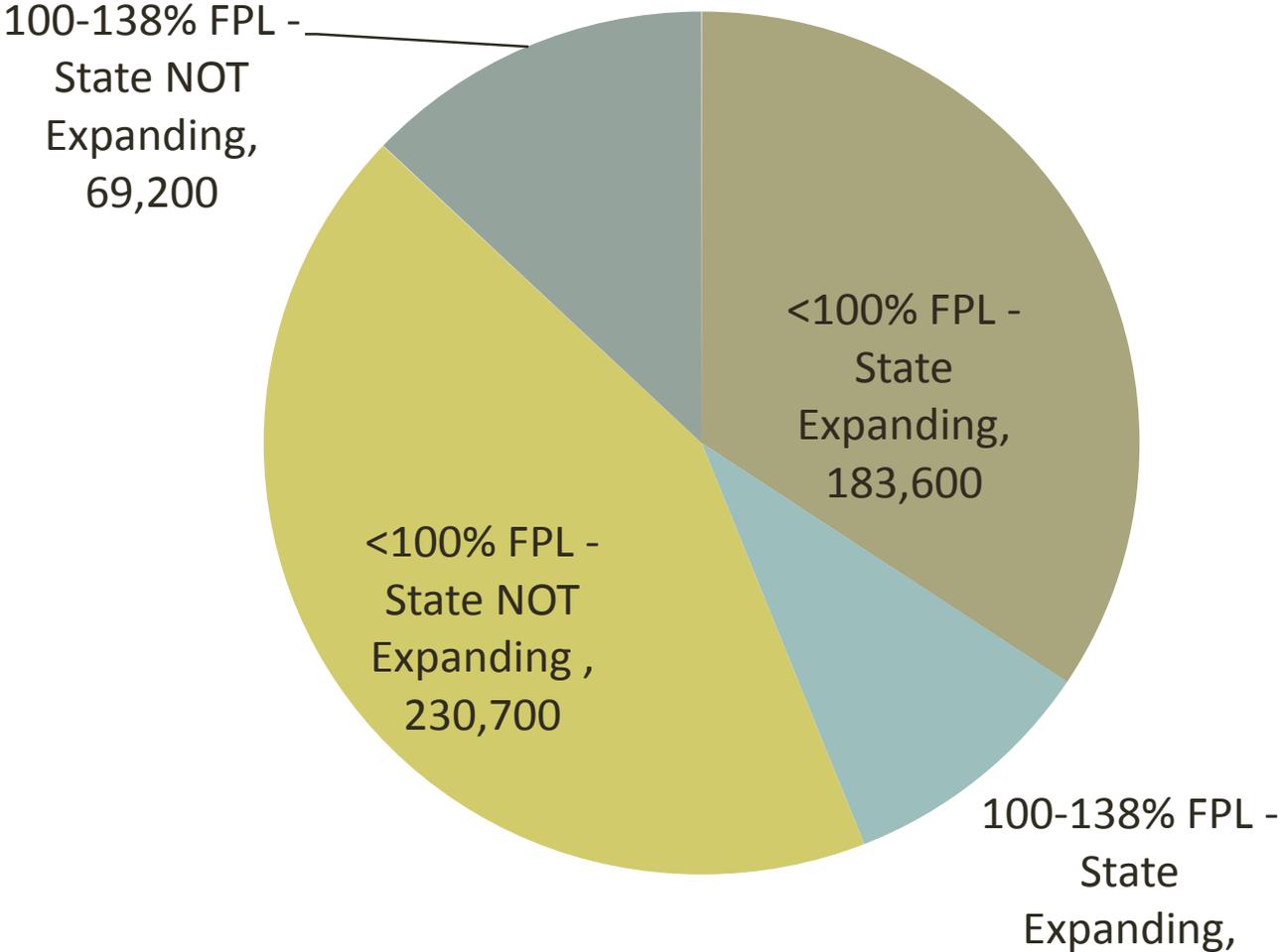
Source: Based on 2008–2010 American Community Survey data from the Integrated Public Use Microdata Series. Estimates reflect additional Urban Institute adjustments to coverage status.

Of the Estimated 645,000 Uninsured Spouses, More than 1 in 4 Could Qualify for Expanded Medicaid Under the ACA if All States Expanded



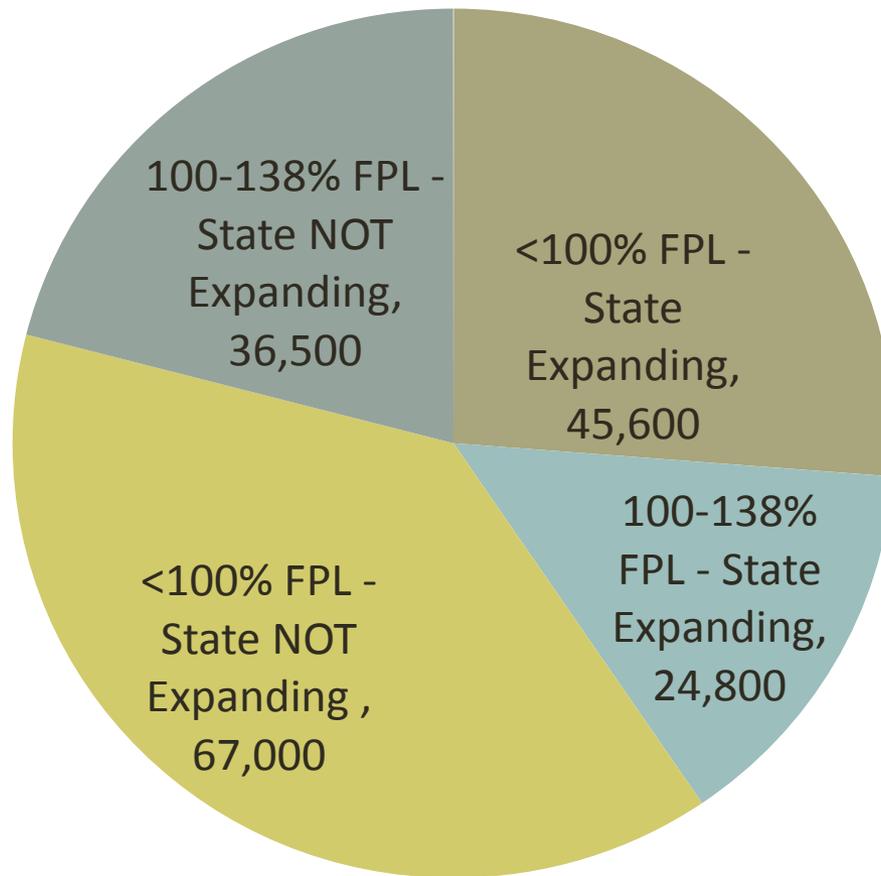
Source: Based on 2008–2010 American Community Survey data from the Integrated Public Use Microdata Series. Estimates reflect additional Urban Institute adjustments to coverage status.

But Most Veterans Below 138% FPL Are In States Not Currently Expanding Medicaid



Source: Based on 2008–2010 American Community Survey data from the Integrated Public Use Microdata Series. Estimates reflect additional Urban Institute adjustments to coverage status. Medicaid expansion status reflects decisions as of October 2013 according to the Centers for Medicare and Medicaid Services.

Most Spouses of Veterans Below 138% FPL Are In States Not Currently Expanding Medicaid



Source: Based on 2008–2010 American Community Survey data from the Integrated Public Use Microdata Series. Estimates reflect additional Urban Institute adjustments to coverage status. Medicaid expansion status reflects decisions as of October 2013 according to the Centers for Medicare and Medicaid Services.

Eligibility for Exchange Coverage

- An estimated **4 in 10 uninsured veterans** have incomes above the ACA Medicaid threshold but below 400 percent of FPL – they could qualify for subsidized exchange coverage if they do not have access to affordable employer coverage
- **Just under half** of veterans' family members (spouses and children) are estimated to qualify if they do not have access to affordable employer coverage
- Veterans with **VA coverage alone** may drop VA coverage to purchase on the exchange or could sign up for exchange coverage to supplement VA coverage (but would not be eligible for subsidies)

Priority Research Questions

- How well are ACA **outreach and enrollment efforts** working for veterans and their families?
 - Are navigators trained on the options for veterans?
 - How do websites/enrollment systems handle VA eligibility and enrollment?
 - How does this vary across the country?
 - In states with their own marketplaces vs. federal marketplaces
 - In states expanding Medicaid vs. not expanding at this time
 - In states with high vs. low levels of enrollment assistance
- To what extent are uninsured veterans and family members **gaining coverage** in 2014 and beyond?
 - Who is tracking VA, Medicaid, and exchange enrollment for veterans and their families?
 - Which groups are gaining? Which are remaining uninsured?
 - To what extent are coverage gaps shrinking across states? In what states are coverage gaps highest for vets and their family members?
 - What is the role of cost-sharing in veterans' coverage decisions?
 - Cap on cost sharing in Medicaid; low copays for VA coverage; potentially much higher on the Marketplace

Priority Research Questions (continued)

- What are ongoing **barriers** to obtaining VA coverage, Medicaid, and coverage through the marketplaces?
- What are the impacts of ACA coverage expansions on **access to care, financial burdens, and health and functioning** of veterans and families?
 - For instance, how is access to providers (including specialists) in rural areas for both Medicaid and VA?
- What policies and practices promote better outcomes for vets with **dual coverage**?

More Information

- “Uninsured Veterans and Family Members: State and National Estimates of Expanded Medicaid Eligibility under the ACA.” 2013. Princeton, NJ: Robert Wood Johnson Foundation. www.urban.org/publications/412775.html
- “Uninsured Veterans and Family Members: Who Are They and Where Do They Live?” 2012. Princeton, NJ: Robert Wood Johnson Foundation. www.urban.org/UploadedPDF/412577-Uninsured-Veterans-and-Family-Members.pdf
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