

# Who would be newly eligible for coverage under the Healthy Utah Plan, or full Medicaid expansion?

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A demographic and labor market profile

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# Who would be newly eligible for coverage under the *Healthy Utah Plan* or full Medicaid expansion?

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## Information About the Data:

Estimates were taken from the 2012 and 2013 Current Population Surveys (CPS), each an annual national survey with detailed information on labor market outcomes. All estimates are for adults aged 19-64 years who currently have no health insurance, public or private, and are either citizens or legal immigrants with over five years of residency.

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## Executive Summary

This report provides a Utah-specific demographic and economic profile of adults newly eligible for health care coverage under full Medicaid expansion or under the Governor’s proposed “*Healthy Utah Plan*.” Estimates are provided for the total newly eligible population (0-138% of the federal poverty line (FPL)), then broken out into two subcategories: (1) newly eligible adults within the “coverage gap” (at or below 100% FPL); and (2) newly eligible adults with modified adjusted gross incomes (MAGIs) from 101-138% FPL.

**Major Findings** from the data analysis:

### Total Newly Eligible Adults (0-138% FPL)

- *Number*—An estimated 103,124 adults would be newly eligible for coverage, three-quarters of whom are in poverty (below 100% FPL). With no further extension of the Primary Care Network (PCN), approximately 11,027 additional adults in poverty would be newly eligible, yielding a total of 114,151.
- *Demographic Composition*—Half of those newly eligible are female; about three-quarters are aged 25 years or older; and half are part of families, with three-quarters of those families having children. Approximately 90% identify their race as white vs. approximately 10% as non-white. Thirty percent identify their ethnicity as Latino or Hispanic.
- *Labor Market Status*—Just under three-quarters of those newly eligible are in the labor market, with 64.8% employed either full-time or part-time and 8.9% unemployed. Just over one-quarter are out of the labor market.
- *Household Composition and the Labor Market*—The large majority, regardless of household composition, have a job. The overwhelming majority of families (over 85%) have at least one working adult.
- *Rationale for Not Working*—Among those who did not work in the previous year, the most prevalent reason cited (one-third of the total) for not working is “taking care of family.” Other reasons include being ill, retired, a student, or not being able to find work.

### Newly Eligible Adults in the Coverage Gap (At or Below 100% FPL)

- *Number*—There are 77,127 adult Utahns in the coverage gap. If we include individuals at or below 100% FPL enrolled in the Primary Care Network (PCN), the coverage gap population grows by an estimated 11,027 additional adults (88,154 total).

- *Demographic Composition*—Slightly less than half of those in the coverage gap are female. More than two-thirds (69.2%) are over the age of 25 years. Nearly half are part of families, with about one-third being parents. About one-quarter identify their ethnicity as Hispanic or Latino.
- *Labor Market Status*—Over two-thirds of those in the coverage gap are in the labor market, with 61.4% working at a full- or part-time job and the remaining 7.8% unemployed. Over 40% of those working part-time reported doing so either because of a cut back in hours or the inability to obtain full-time employment.
- *Household Composition and the Labor Market*—The overwhelming majority of families—from over four-fifths (those with children) to nine-tenths (those without children)—have at least one working member. Among households with a parent not working in the previous year, the major reason cited for not working is “taking care of family.” All types of household structures have a majority of adults who work.
- *Rationale for Not Working*—For those not in the labor force or not working in the previous year, the dominant reason cited for not working (one-quarter of the total) is “taking care of family.” Other reasons include being retired, in ill health, a student, or not being able to find work.

#### Newly Eligible Adults Between 101-138% FPL

- *Number*—There are an estimated 25,997 adults who have MAGIs between 101%-138% of the poverty line who would either be newly eligible for marketplace subsidies or full Medicaid expansion in that range.
- *Demographic Composition*—About 60% of those adults are female, 85% are aged 25 years or older, 70% are part of families, and just over 50% are parents. Nearly 40% were a Hispanic or Latino ethnic minority.
- *Labor Market Status*—Over 85% participate in the labor market, with a little over 12% unemployed. Fifty percent have full-time jobs, while about one-quarter work part-time. About half of those working part-time reported doing so because their hours were cut or they were seeking, but could not secure, full-time employment. The large majority of those who did not work in the previous year report not doing so because of family obligations.
- *Household Composition and the Labor Market*—The overwhelming majority of families, well over four-fifths, have at least one employed family member, with over two-thirds in

full-time positions. Virtually all unmarried adults without children participate in the labor market, with close to 90% currently holding a job.

- *Rationale for Not Working*—Within households comprised of married adults with children, nearly all adults who do not have a job report family obligations as the reason for that employment status.

### ***Basic Methodology for the Analysis:***

Estimates were taken from the 2012 and 2013 Current Population Surveys (CPS), each an annual national survey with detailed information on labor market outcomes. All estimates are for adults aged 19-64 years who currently have no health insurance, public or private, and are either citizens or legal immigrants with over five years of residency. Estimates of those having coverage in the PCN were based on detailed tables on enrollment provided by the Utah Department of Health.

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## ***Key Take-Aways***

**103,124** >>Estimated number of low-income adults who would be newly eligible for coverage, three-quarters of whom live below 100% FPL

**75%** >>Of newly eligible adults are below poverty (figure 1)

**65%** >>Of the newly eligible population is employed (figure 2)

**85%** >>Of family households have at least one adult working

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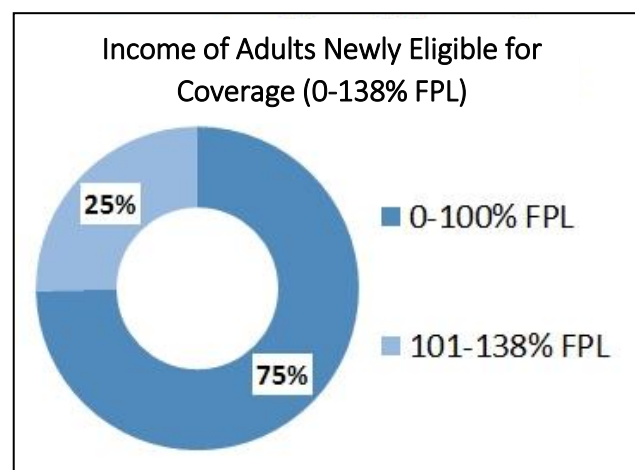


Figure 1

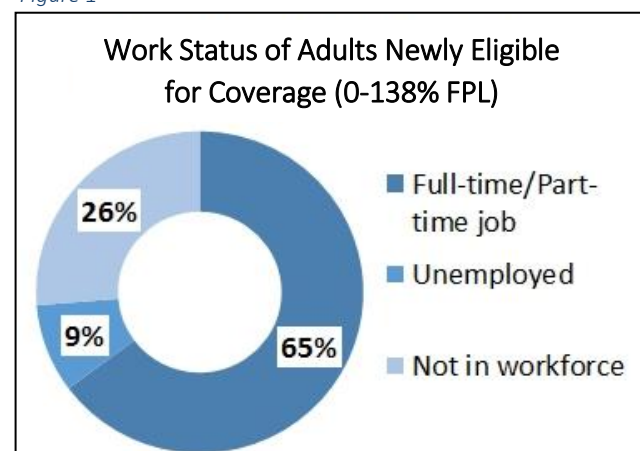


Figure 2

## 1. Introduction/Background

Over the past two years, Utah lawmakers and stakeholders have been debating how the state should move forward with the changing healthcare landscape. The Affordable Care Act (ACA) is changing the way that many Utahns obtain health insurance.

In 2010, the United States Supreme Court upheld a large portion of the ACA, but made the Medicaid expansion provision optional for states to implement. This Supreme Court decision created a “coverage gap” in Utah. Individuals in the coverage gap include adults who earn too much to qualify for Medicaid, but not enough to qualify for health insurance subsidies on [healthcare.gov](http://healthcare.gov).

States have the option to do nothing, implement a traditional Medicaid expansion, or propose an alternative plan. Governor Herbert has proposed Utah pursue this last option. His *Healthy Utah Plan* takes the federal dollars targeted towards Medicaid expansion and returns them to the state to assist with the purchase of private health insurance.

This report provides a demographic and economic profile of adults newly eligible for health care coverage in Utah under full Medicaid expansion or under the “*Healthy Utah Plan*.” Under full Medicaid expansion, adults with incomes up to 138% FPL would be eligible for Medicaid coverage. Under the *Healthy Utah Plan*, the majority of the newly eligible population would receive health coverage through the individual private market or from an employer-provided insurance plan. To date, prominent estimates of the aggregate size of the “coverage gap” in Utah (those newly eligible for coverage up to 100% FPL) range from 57,850-77,300, while the total expansion population (those newly eligible for coverage up to 138% FPL) is estimated at 123,200 Utahns.<sup>1</sup>

The new estimates provided here are based on the Annual Economic Supplement (ASEC) of the 2012 and 2013 Current Population Surveys (CPS), each of which is a nationally representative sample that, when merged together, permit detailed state-level estimates of certain demographic and labor market characteristics. Estimates are provided under three categories:

- The total number of newly eligible adults with modified adjusted gross incomes (MAGIs) from 0-138% FPL;
- Newly eligible adults in the coverage gap, with MAGIs at or below 100% FPL; and

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<sup>1</sup> The estimate of 57,850 adults in the coverage gap is from a March 2014 brief from the Kaiser Commission on Medicaid and the Uninsured (“The Coverage Gap: Uninsured Poor Adults in States that do not Expand Medicaid”) based on the Current Population Survey (CPS). The 77,300 estimate of the coverage gap and 123,200 total low-income eligible population are the most recent estimates from the Urban Institute based on the 2009-2011 American Community Surveys ([http://www.urban.org/health\\_policy/health\\_care\\_reform/localmedicaidexpansion.cfm](http://www.urban.org/health_policy/health_care_reform/localmedicaidexpansion.cfm)).

- Newly eligible adults with MAGIs between 101-138% FPL.

## 2. Methodology

The methodology for both Health Insurance Unit (HIU) generation and estimation of those unauthorized for coverage in this report was closely patterned after that used by the Kaiser Family Foundation (KFF) in its estimates of the coverage gap using the same CPS surveys.<sup>2</sup> This methodology is also essentially the same methodology used in other estimates of the newly eligible uninsured by the Urban Institute,<sup>3</sup> State Health Access Data Assistance Center (SHADAC),<sup>4</sup> and the Centers for Medicaid and Medicare Services (CMS)<sup>5</sup> using the American Community Survey.<sup>6</sup>

To isolate newly eligible individuals, estimates of currently insured adults were backed out of all estimates provided in the report. Estimates of those adults currently eligible for Medicaid (parents under 47% of the FPL based on Medicaid HIUs and associated MAGIs) were backed out, as were those currently covered by any other plan, public or private. Estimates of those

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<sup>2</sup> Kaiser Commission on Medicaid and the Uninsured: Characteristics of Poor Uninsured Adults who Fall into the Coverage Gap (Issue Brief December 2013); Kaiser Commission on Medicaid and the Uninsured (Issue Brief, April 2, 2014) [http://kaiserfamilyfoundation.files.wordpress.com/2014/04/8505-the-coverage-gap\\_uninsured-poor-adults-in-states-that-do-not-expand-medicaid.pdf](http://kaiserfamilyfoundation.files.wordpress.com/2014/04/8505-the-coverage-gap_uninsured-poor-adults-in-states-that-do-not-expand-medicaid.pdf), including Technical Appendix A to that document: <http://kaiserfamilyfoundation.files.wordpress.com/2014/04/8505-technical-appendix-a-household-construction.pdf> and Technical Appendix B to that document: <http://kaiserfamilyfoundation.files.wordpress.com/2014/04/8505-technical-appendix-b-immigration-status-imputation.pdf>.

<sup>3</sup> Genevieve M. Kenney, Stephen Zuckerman, Lisa Dubay, Michael Huntress, Victoria Lynch, Jennifer Haley and Nathaniel Anderson, Opting in to the Medicaid Expansion Under the ACA: Who Are the Uninsured Adults Who Could Gain Health Insurance Coverage? (Urban Institute, August 2012)

<sup>4</sup> State Health Access Data Assistance Center. 2013. "State Estimates of the Low-income Uninsured Not Eligible for the ACA Medicaid Expansion." Issue Brief #35. Minneapolis, MN: University of Minnesota.

<sup>5</sup> <http://marketplace.cms.gov/explorerresearch/census-data.html>

<sup>6</sup> Due to variation in construction of health insurance units (HIUs) under rules for Medicaid qualification versus rules for eligibility for Marketplace subsidies, variation can arise in MAGIs that could place individuals in two different eligibility categories depending on which MAGI, Medicaid or Marketplace, is deemed most applicable. Given that PPACA disallows eligibility for marketplace subsidies if an individual is determined to be eligible for Medicaid (section 1331(e), page 97 <http://housedocs.house.gov/energycommerce/ppacacon.pdf>), Medicaid MAGIs are used in this study to determine both those who fall into the coverage gap and those with MAGIs between 100% and 138% of the FPL who would be newly eligible for marketplace subsidies. Coincidentally, the use of Medicaid MAGIs resulted in the precise observations falling into the 100%-138% expansion population as did Marketplace MAGIs. Such was not the case, however, for those falling into the coverage gap, where use of Marketplace MAGIs generated a lower estimate (by approximately 12,000) than that using Medicaid MAGIs. Results from a variant using Marketplace MAGIs to determine those falling into the coverage gap is provided in Appendix A for purposes of illustration.

unauthorized for coverage due to status as legal immigrants who have been in the country for five years or less and immigrants who are undocumented were also backed out. Under the “Healthy Utah Plan,” full Medicaid expansion, or any other plan expanding access to Medicaid to adults up to 100% of the FPL, the Primary Care Network (PCN) would presumably be dissolved, and those with the minimal benefits covered by the PCN would then be newly eligible for full, or standard, benefits under a qualified plan. Even without any expansion of Medicaid, continued temporary extension of the 1115 Waiver is questionable, so those covered in the PCN are in jeopardy of being left without even those minimal benefits it provides. Therefore, on both accounts, estimates are provided separately that include in the coverage gap the number of adults enrolled in the PCN with MAGIs under 100% of the FPL.

All estimates provided in the report are for adults aged 19-64 years that meet the above criteria. More detail on the methodology, including HIU generation, MAGI determination, and estimates of those unauthorized, are provided in Appendix B to the report.

### 3. Major Findings of the Data Analysis:

#### A. Total Newly Eligible Adults 0-138% FPL (103,124 Utahns)

Tables 1-3 provide results from the analyses. The third column of each table provides results on the total newly eligible population, which are either the sum of counts or weighted percentages from the first column (the coverage gap) and those in the second column (the expansion population with MAGIs between 100% and 138% of the FPL).

*Number*—An estimated 103,124 adults would be newly eligible for coverage, three-quarters of whom are in poverty (MAGIs at or below 100% of the FPL). Adding approximately 11,027 additional adults who receive coverage through the PCN yields a total of 114,151.

*Demographic Composition*—Half of those newly eligible are female; about three-quarters are aged 25 years or older; and half are part of families, with three-quarters of those families having children (Figure 3). 89.8% identify their race as white vs. approximately 10.2% as non-white. Close to 30% identify their ethnicity as Latino or Hispanic ethnic minorities.

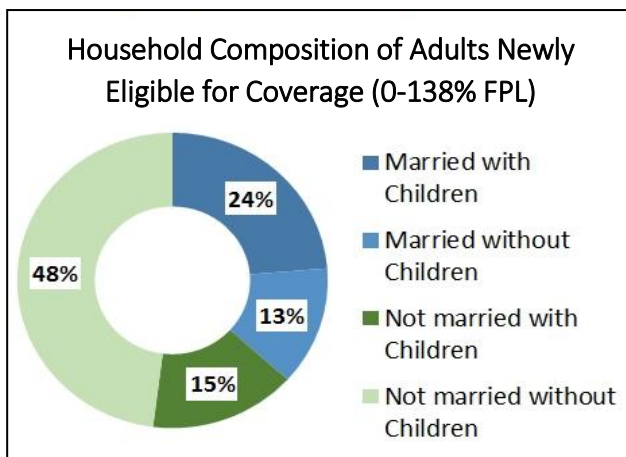


Figure 3



*Labor Market Status*—Just under three-quarters of those newly eligible are in the labor market, comprised of 64.8% employed either full-time or part-time and 8.9% unemployed. Just over one-quarter are out of the labor market (figure 4).

*Household Composition and the Labor Market*—The large majority, regardless of household composition, have a job. The overwhelming majority of families (over 85%) have at least one working adult.

*Rationale for Not Working*—Among those who did not work in the previous year, the most prevalent reason cited for not working is “taking care of family.” Other reasons include being ill, retired, a student, or not being able to find work (figure 5).

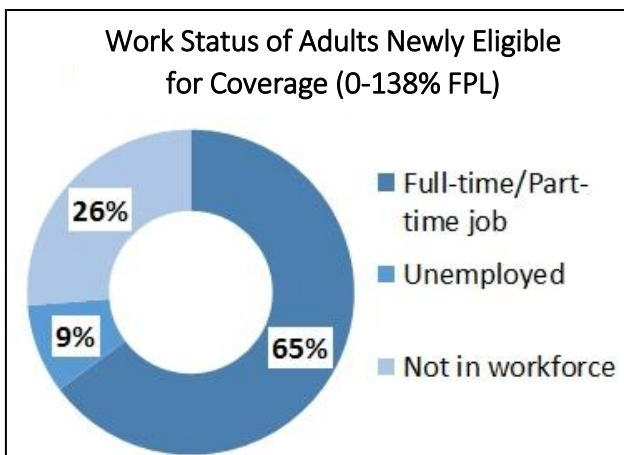


Figure 4

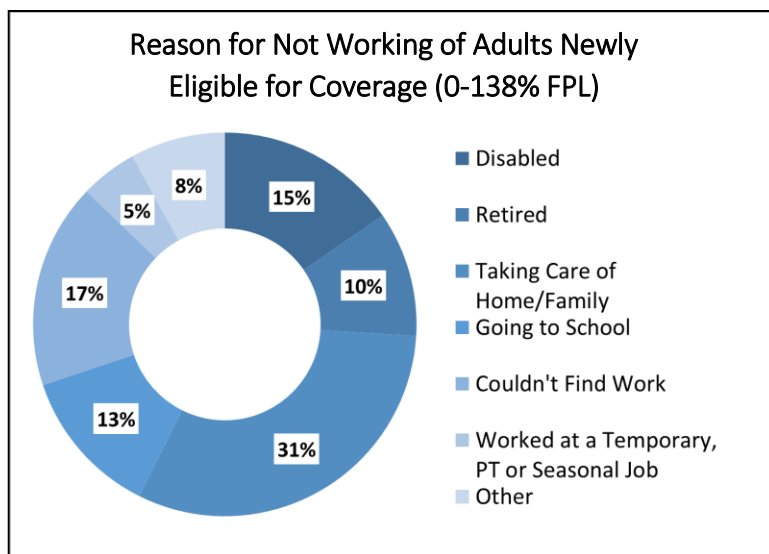


Figure 5

Note: Total may not sum to 100 due to rounding.

## B. Newly Eligible Adults in the Coverage Gap at or Below 100% FPL (77,127 Utahns)

The first column of Tables 1-3 provide estimates of the number and of the demographic and labor market profile of those in the coverage gap (MAGIs at or below 100% of the FPL).

*Number*—An estimated 77,127 are in the coverage gap, just a few hundred less than the latest estimate of 77,300 generated by the Urban Institute using data from the 2009-2011

American Community Surveys.<sup>7</sup> If we include the estimated 11,027 adults at or below 100% FPL enrolled in PCN, the total coverage gap population grows to 88,154.

*Demographic Composition*—Slightly less than half of those in the coverage gap are female (46.8%), and over two-thirds (69.2%) are aged 25 years or older. The large majority (92.3%) are in good to excellent health (figure 6). About nine in ten (90.5%) are white, and just about one-quarter are Latino or Hispanic ethnic minorities (25.7%). Slightly more than a third (34.4%) are parents, and slightly less than half (45.9%) are members of families (Table 1).

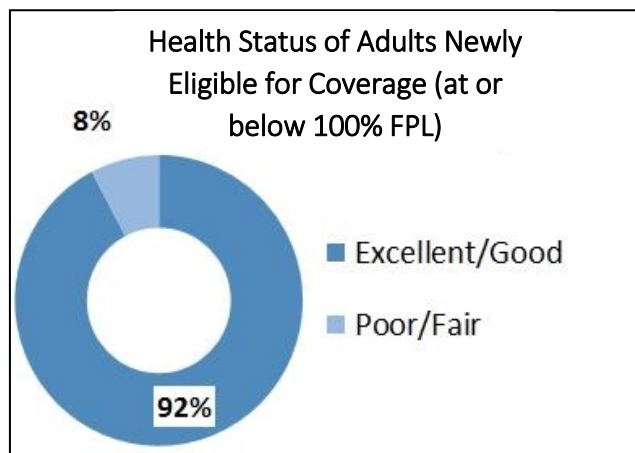


Figure 6

*Employment and Labor Market Participation*—Over two-thirds of adults (69.2%) falling into the coverage gap are engaged in the labor market, with 7.8% reportedly unemployed at the time of the survey (Table 2, Figure 7). With respect to the breakdown of the 61.4% employed, 30.4% are employed full-time, while 34.2% hold part-time work; a substantial portion of those working part-time (43.4%, or 14.5% of the total) report doing so for economic reasons—that is, their hours have been cut or they desire full-time work but cannot secure it. Slightly less than one-third of those in the coverage gap (30.8%) were not in the labor force at the time of the survey. For the 36.3% not working or working only sporadically in the previous year, the most

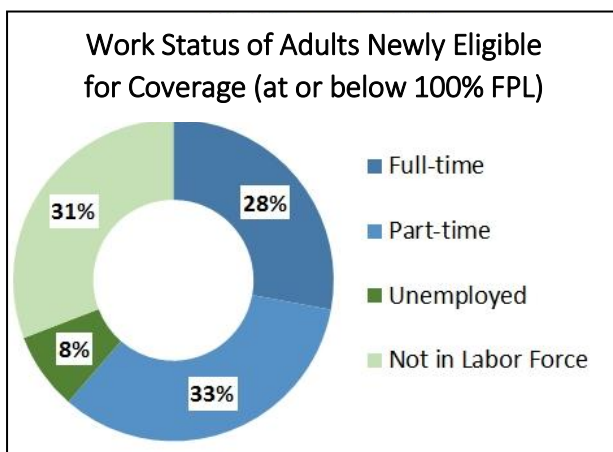


Figure 7

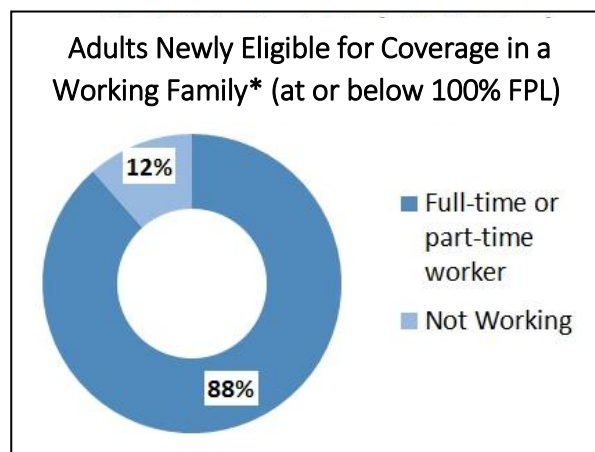


Figure 8

<sup>7</sup> Wide Local Variation in Numbers of Poor Uninsured Americans Who Would Be Eligible for Medicaid if States Opt for ACA Expansion (Urban Institute, 2014): [http://www.urban.org/health\\_policy/health\\_care\\_reform/localmedicaidexpansion.cfm](http://www.urban.org/health_policy/health_care_reform/localmedicaidexpansion.cfm) (estimates based on authors' summation of Utah county and metro area data from map)

\* Working family consists of a single parent, or married parents, with a child.

commonly provided rationale—one-quarter of the total—is taking care of family (9.1%), while inability to find work (7.2%), ill health (6.4%) and attending school (4.8%) combined comprised another half.

*Working Families*—Table 3 provides a more detailed breakdown on employment and labor force participation among families rather than strictly among the entire group of individuals as provided in Table 2. Families in this poverty income bracket, whether strictly those with children, including single parents (88.5%), as in figure 8, or extended to married adults without children (88.5%), overwhelmingly have at least one employed worker.

*Rationale for Not Working*—A majority of all household structures have a working adult, whether married or unmarried, with children or without (Table 3). With respect to the detailed reasons for absence of labor force participation by household structure over the past year, the variation is of some interest. In households with married adults (two parents) with children, the most frequent reason for non-participation is “taking care of family” (24.7% or nearly two-thirds of those not in the labor force in such households). For households with married adults without children in the household, the most common reasons for non-participation in the labor market reflect advanced age—namely being retired, ill, or disabled (although point estimates should be viewed with caution due to wide confidence bands associated with the relatively few observations). The most frequently reported reasons for extended non-participation in the labor force among single adults without children include going to school (7.8% or close to 20% of the total), being ill or disabled (10.1%, nearly one-quarter of the total), or having difficulty finding work (10.1%, again nearly one-quarter of the total). The primary reported reason for not working is captured in figure 9.

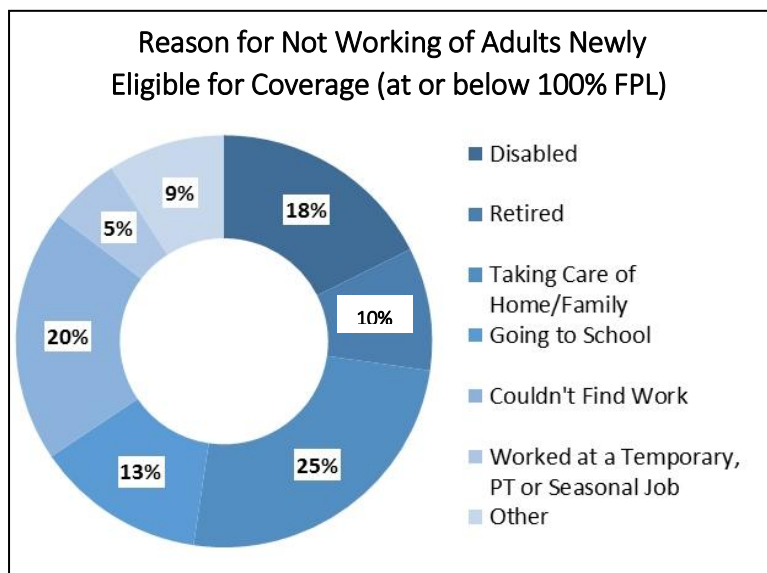


Figure 9

## C. Newly Eligible Adults Between 101-138% FPL (25,997 Utahns)

*Number*—There are an estimated 25,997 adults who have MAGIs between 101%-138% of the poverty line who would either be newly eligible for marketplace subsidies or full Medicaid expansion (Table 1, second column).

*Demographic Composition*—About 60% of those adults are female, 85% are aged 25 years or older (Figure 10), 70% are part of families, and just over 50% are parents. Nearly 40% are a Hispanic or Latino ethnic minority (Table 1, second column). Although the large majority report being in good to excellent health (84.8%), the rate of those reporting fair or poor health (15.2%) is about twice that of those in the coverage gap.

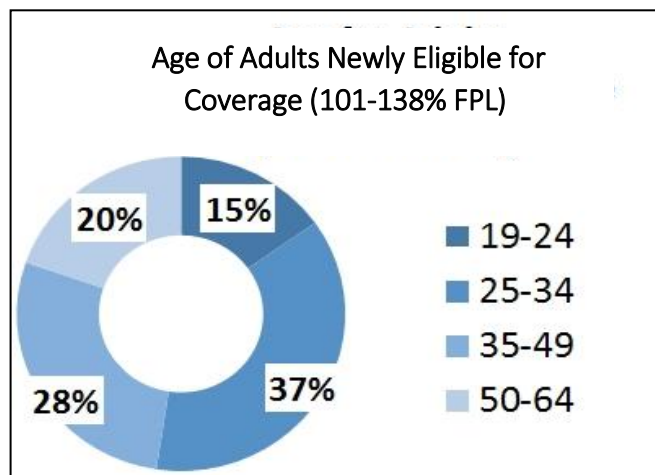


Figure 10

*Household Composition*—Over two-thirds (70.2%) of the 25,997 adults between 101% and 138% of the FPL estimated to be eligible for marketplace subsidies are in families (two or more related individuals) and half (52.8%) are parents with children (Table 1, second column). Less than one-third (29.8%) are unmarried, childless adults.

*Employment and Labor Market Participation*—Three-quarters are employed, with over half (51.3%) employed full-time and the remaining 23.8% working part-time (Table 2, second column, Figure 11). Of those with part-time work, half report working part-time due to economic reasons—that is, because of a cut in hours or because full-time work could not be found. Another 12.2% report being unemployed, while 12.7% report not being in the labor force. For those not working or working only sporadically in the previous year, the vast majority cite “taking care of family” as the reason.

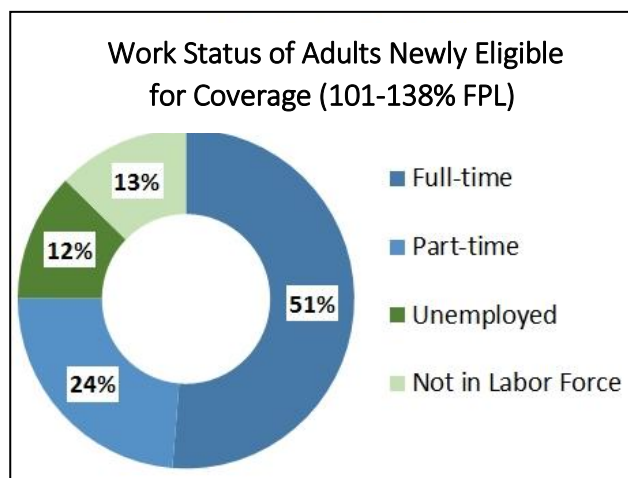


Figure 11

*Working Families*—Table 3 (column 2) provides a more detailed breakdown on employment and labor force participation among families and households rather than strictly among the aggregated group of individuals provided in Table 2. Families in this low-income bracket—whether strictly those with children, including single parents (84.8%), or extended to married adults without children (88.5%)—overwhelmingly have at least one employed worker. In

the large majority of these families, 68.2% and 70.4%, respectively, there is at least one full-time worker.

*Rationale for Not Working*—In households comprised of married adults with children, the great majority have one working parent, as noted above (Table 3, column 2). The preponderant reason for extended labor market non-participation of one parent in such dual-headed households is “taking care of family” (Figure 12).

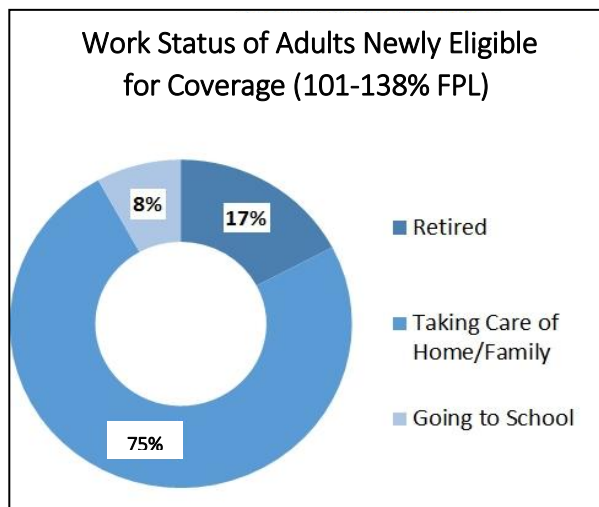


Figure 12

## Estimates in Light of Elimination of the Primary Care Network (PCN)<sup>8</sup>

Utah’s Primary Care Network (PCN), established under a 1115 Medicaid Waiver, provides a limited amount of coverage for access to primary care visits and prescription drugs to a fixed number of low-income adults not eligible for the regular Medicaid program. Eligibility through 2013 was restricted to those with incomes up to 150% FPL. Due to the extension of Marketplace subsidies to those above 100% of the FPL under PPACA, a further restriction was placed on the temporary extension of the 1115 Waiver for PCN coverage, limiting it to adults under 100% of the FPL not otherwise eligible for Medicaid. PCN coverage would presumably be eliminated under either the *Healthy Utah Plan* or under full Medicaid expansion as full Medicaid coverage under reform would replace current coverage. It is unclear, however, whether the federal government would permit further temporary extension of the 1115 Waiver even if the *Healthy Utah Plan* or full Medicaid expansion is not put into law; if no extension is granted, those having PCN coverage will lose eligibility.

Despite the limited package of benefits provided under the PCN, the estimates provided in this report of how many would be newly eligible under the *Healthy Utah Plan* or under Full Medicaid expansion do not count those with PCN coverage as uninsured. Because the CPS counts PCN coverage as Medicaid coverage, individuals with PCN coverage have been excluded from the

<sup>8</sup> Estimates provided in this section are based upon detailed tables on 2012-2013 enrollment in the PCN provided on 7/1/14 by Nathan Checketts, Utah Department of Health. Detailed PCN enrollment by FPL and demographic categories for December 2012 and December 2013 in those tables were used to generate annual estimates by FPL categories for each year and the average over the two year period; the period coincides precisely with the 2012 and 2013 years of the CPS used for all other estimates of eligibility in the report.

estimates provided of newly eligible adults in this report. This creates at least two potential distortions. First, because the CPS Surveys covered the period from 2012-2013 prior to limitation of coverage under the PCN below 100% FPL in 2014, the estimates of those newly eligible between 101%-138% of the FPL are already higher than those provided in the tables. The extent to which the estimates at or below 100% of the FPL would be lower at present depends on how successful the PCN program has been in signing up new enrollees since 2013 within that income bracket. Second, any future non-extension or dissolution of PCN associated with state inaction to expand coverage under either the *Healthy Utah Plan* or full Medicaid expansion would mean that the estimates provided in the report are universally too low.

Finally, no adjustment has been made in this report for the content of the benefit package for those currently insured. If an individual reported having any health coverage whatsoever, that individual was backed out of the estimates of those who would be newly eligible for coverage under either the *Healthy Utah Plan* or full Medicaid expansion. PCN coverage, as noted above, provides a very limited benefit package. To the extent that such coverage and other coverage with similarly limited scope would not be considered a qualified health plan, the estimates provided in this report are also under-estimates of those who would be newly eligible for coverage under qualified health plans.

For these reasons, estimates of those backed out of the coverage gap covered by the PCN were made to highlight the number of those in the gap, at minimum, with less than a qualified health plan but also with a significant likelihood of having no coverage once the current temporary extension of the 1115 Waiver has expired. These estimates were generated based on detailed enrollment in the PCN by FPL category for 2012 and 2013 provided by the Utah Department of Health. The point estimate is 11,227 adults covered by the PCN that would be part of the coverage gap and newly eligible for Medicaid coverage under health care reform.<sup>9</sup>

## 4. Summary

*Total Extensions of Coverage*—Estimates provided in this report suggest that the number who would be newly eligible in the so-called coverage gap (those with MAGI less than or equal to 100% of the FPL) is a little over 77,100. This is significantly higher than a previous estimate that also used the CPS<sup>10</sup>, but much of the difference is attributable to using MAGIs associated with

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<sup>9</sup> Over 2,000 additional enrollees in the PCN in 2012-2013 had incomes from 101-150% of the FPL; the portion of those below the 138% cutoff would be justifiably added into the estimate newly eligible population between 101-138% of the FPL just as has been done for the population in the coverage gap. At the time of submission of this study, however, imputation of the precise number in that range was incomplete.

<sup>10</sup> Kaiser Commission on Medicaid and the Uninsured: Characteristics of Poor Uninsured Adults Who Fall into the Coverage Gap (Issue Brief December 2013); Kaiser Commission on Medicaid and the Uninsured (Issue Brief, April 2,

Medicaid HIUs as a cutoff for eligibility at 100% of the FPL rather than on Marketplace HIUs (see Appendix A). This estimate of the size of the coverage gap is much closer to that of the Urban Institute utilizing the 2010 ACS (73,000)<sup>11</sup> and the 2009-2011 ACSs (77,300).<sup>12</sup> It is this estimate plus the estimated close to 26,000 with incomes in the 101-138% of the FPL who would be newly eligible for coverage either receiving subsidies in the Marketplace (*Healthy Utah Plan*) or under full Medicaid expansion (103,000 total) that comes closest to the corresponding estimate of total new coverage of 111,000 generated from the American Community Survey (ACS) with a substantially larger sample size<sup>13</sup> and a companion estimate of 123,200 using several years of the ACS.<sup>14</sup> Given that these estimates are from ACS surveys that saddled the deep recession, it is not surprising that estimates of newly eligible adults, particularly with incomes between 101-138% FPL, were lower from the CPS surveys conducted post-recession used in the current analyses.

All of the estimates provided in the report are contingent on accuracy of MAGI estimates, which hinge on correct construction of health insurance units (HIUs) from the surveys. HIU estimates are subject to some error due to the fact that they are generated from survey data with household compositions, income sources, and tax filing status definitions that do not comport precisely to that under the health care law. In that respect, while the methods used for HIU and MAGI construction in the report are based on the most sophisticated algorithms available, and have been subjected to substantial peer-scrutiny, the resulting estimates, aside from being the best possible, are invariably subject to some error.<sup>15</sup>

*Demographic Composition and Labor Force Participation*—The detailed estimates provided in this report substantiate that a very high percentage of those in the coverage gap are in families. Furthermore, nearly all of these families have at least one individual that is employed.

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2014) [http://kaiserfamilyfoundation.files.wordpress.com/2014/04/8505-the-coverage-gap\\_uninsured-poor-adults-in-states-that-do-not-expand-medicaid.pdf](http://kaiserfamilyfoundation.files.wordpress.com/2014/04/8505-the-coverage-gap_uninsured-poor-adults-in-states-that-do-not-expand-medicaid.pdf),

<sup>11</sup> Kenney G, Zuckerman S, Dubay L et al., “Opting in to the Medicaid Expansion Under the ACA: Who are the Uninsured Adults who could gain Health Insurance Coverage?” (Urban Institute, August 2012).

<sup>12</sup> Wide Local Variation In Numbers Of Poor Uninsured Americans Who Would Be Eligible For Medicaid If States Opt For ACA Expansion (Urban Institute 2014):  
[http://www.urban.org/health\\_policy/health\\_care\\_reform/localmedicaidexpansion.cfm](http://www.urban.org/health_policy/health_care_reform/localmedicaidexpansion.cfm)

<sup>13</sup> Kenney G, Zuckerman S, Dubay L et al., “Opting in to the Medicaid expansion under the ACA: Who are the Uninsured Adults who could gain Health Insurance Coverage?” (Urban Institute, August 2012).

<sup>14</sup> Wide Local Variation in Numbers of Poor Uninsured Americans Who Would Be Eligible for Medicaid if States Opt for ACA Expansion (Urban Institute 2014):  
[http://www.urban.org/health\\_policy/health\\_care\\_reform/localmedicaidexpansion.cfm](http://www.urban.org/health_policy/health_care_reform/localmedicaidexpansion.cfm)

<sup>15</sup> Tables reflecting 20% confidence bands around estimates can be found in Appendix C.

For single adults without children, participation in the labor market is also the rule rather than the exception. While the overwhelming majority of those in the labor market have a job, the unemployment rate among these low-income individuals also exceeds that of the general rate in Utah. Those out of the labor market for extended periods of time reported family obligations as the most common reason for such status, particularly in households with children. Other common reasons that are listed for non-participation, with some variation based on household status, included being ill/disabled, being retired, being a student, and having difficulty finding a job. A large percentage of those with part-time work often list that job status as due to “economic reasons”—that is, they prefer full-time work, but their hours were cut back or full-time work is not available.

In terms of choices faced by low-income workers who are the subject of this report, it is well known that offers of health insurance through employment are much lower for part-time than for full-time workers. Detailed tables from the Medical Expenditure Panel Survey (MEPS) also demonstrate that for Utah, as well as for other states, both full and part-time workers in the bottom quartile of the wage distribution are significantly less likely to be offered employer-provided health insurance than their higher-wage counterparts. Finally, data from the CPS on the industrial breakdown of the working individuals in this report (not shown) reveal that many are employed in low-wage industries, such as the hospitality industry, and in small businesses where offers of employer-provided health insurance are relatively low. Further exploration of the industrial and occupational constraints faced by low-income Utah workers is merited.



## 5. Data Tables

**Table 1. Newly eligible adults under the *Healthy Utah Plan*, or full Medicaid expansion (number and demographics)**

DEMOGRAPHICS	≤ 100%	101% - 138%	TOTAL
COUNT	77,127	25,997	103,124
<b>GENDER</b>			
Male	53.2	39.7	49.8
Female	46.8	60.3	50.2
<b>AGE</b>			
19-24	30.8	15.2	26.9
25-34	37.1	37.2	37.1
35-49	20.1	27.9	22.1
50-64	11.9	19.7	13.9
<b>HEALTH STATUS</b>			
Excellent - Good	92.3	84.8	90.4
Poor - Fair	7.7	15.2	9.6
<b>HOUSEHOLD COMPOSITION</b>			
Parents	34.4	52.8	39.0
Married	33.8	45.6	36.8
Family	45.9	70.2	52.0
Married with Children	22.3	28.1	23.7
Married without Children	11.5	17.4	13.0
Not married with Children	12.1	24.7	15.3
Not married without Children	54.1	29.8	48.0
<b>RACE</b>			
White	90.5	87.6	89.8
Nonwhite	9.5	12.4	10.2
<b>ETHNICITY</b>			
Hispanic	25.7	39.9	29.3
Nonhispanic	74.3	60.1	70.7

*Note(s): Column totals may not equal the sum of corresponding row entries due to rounding.*

**Table 2: Newly eligible adults under the *Healthy Utah Plan*, or full Medicaid expansion (work status)**

WORK STATUS	≤ 100%	101% - 138%	TOTAL
COUNT	77,127	25,997	103,124
ANY WORK	61.4	75.1	64.8
Full-time	27.9	51.3	33.8
Part-time	33.4	23.8	31.0
Part-time for economic reasons <sup>1</sup>	14.4	11.9	13.8
UNEMPLOYED	7.8	12.2	8.9
NOT IN LABOR FORCE	30.8	12.7	26.3
DID NOT WORK/ WORKED SPORADICALLY LAST YEAR	36.3	16.2	31.2
Disabled	6.4	0.0	4.8
Retired	3.5	2.8	3.3
Taking Care of Home/Family	9.1	12.1	9.8
Going to School	4.8	1.3	3.9
Couldn't Find Work	7.2	0.0	5.4
Worked at a Temporary, PT or Seasonal Job	2.0	0.0	1.5
Other	3.3	0.0	2.5

Note(s): Column totals may not equal the sum of corresponding row entries due to rounding.

<sup>1</sup>This category includes persons who indicated that they would like to work full-time but were working part-time because of an economic reason (e.g. their hours were cut back or they were unable to find full-time jobs).

**Table 3: Newly eligible adults under the *Healthy Utah Plan*, or full Medicaid expansion (family work status)**

WORK STATUS	≤ 100%	101% - 138%	TOTAL
COUNT	77,127	25,997	103,124
WORKING FAMILY <sup>1</sup>	84.4	88.5	85.8
At least 1 Full-time	47.2	70.4	54.9
No Full-time, at least 1 Part-time	37.2	18.1	30.9
WORKING FAMILY <sup>2</sup>	88.5	84.8	87.3
At least 1 Full-time	58.1	68.2	61.5
No Full-time, at least 1 Part-time	30.4	16.6	25.8

## HOUSEHOLD STRUCTURE

<b>Married with Children</b>	17,166	7,319	24,485
Any Work	60.7	45.8	56.2
Unemployed	6.4	24.0	11.6
Not in Labor Force	33.0	30.2	32.1
<b>Did Not Work/ Worked Sporadically Last Year</b>	37.6	42.8	39.2
ILL	0	0	0
Retired	5.1	0	3.6
Taking Care of Home/Family	24.7	38.2	28.7
Going to School	0	4.7	1.4
Could Not Find Work	7.8	0	5.5
Worked at a Temporary, PT or Seasonal Job	0	0	0
Other	0	0	0
<b>Married without Children</b>	8,886	4,532	13,418
Any Work	62.2	76.1	66.9
Unemployed	0	0	0
Not in Labor Force	37.8	23.9*	33.1
<b>Did Not Work/ Worked Sporadically Last Year</b>	37.8	23.9*	33.1
ILL	8.4*	0	5.5
Retired	20.7*	16.3*	19.2
Taking Care of Home/Family	4.1	7.6*	5.3
Going to School	4.6	0	3.0
Could Not Find Work	0	0	0
Worked at a Temporary, PT or Seasonal Job	0	0	0
Other	0	0	0
<b>Not Married with Children</b>	9,362	6,410	15,772
Any Work	76.2	93.6	83.3
Unemployed	0	6.4*	2.6
Not in Labor Force	23.8	0	14.1
<b>Did Not Work/ Worked Sporadically Last Year</b>	3.2	0	1.9
ILL	0	0	0
Retired	0	0	0

Taking Care of Home/Family	3.2	0	1.9
Going to School	0	0	0
Could Not Find Work	0	0	0
Worked at a Temporary, PT or Seasonal Job	0	0	0
Other	0	0	0
<b>Not Married without Children</b>	<b>41,713</b>	<b>7,736</b>	<b>49,449</b>
Any Work	58.2	86.9	62.7
Unemployed	11.7	13.1*	11.9
Not in Labor Force	30.1	0	25.4
<b>Did Not Work/ Worked Sporadically Last Year</b>	<b>42.85</b>	<b>0</b>	<b>36.15</b>
ILL	10.1	0	8.6
Retired	0	0	0
Taking Care of Home/Family	5.0	0	4.2
Going to School	7.8	0	6.6
Could Not Find Work	10.1	0	8.5
Worked at a Temporary, PT or Seasonal Job	3.7	0	3.1
Other	6.1	0	5.1

*Note(s): Column totals may not equal the sum of the corresponding row entries due to rounding*

<sup>1</sup> Family consists of a single parent, or married parents, with a child; or married adults with no children.

<sup>2</sup> Family consists of a single parent, or married parents, with a child.

(\*) Estimates with a confidence interval larger than plus or minus 30%, interpret with caution.

## Appendix A. A Separate Variant: Estimates Using Strictly Marketplace MAGIs

Estimates of the newly eligible adult population for insurance under health care reform by income status are dependent on estimates of specific types of income (modified adjusted gross incomes (MAGIs) for relevant family units (or health insurance units (HIUs)). As noted in the text, MAGIs for individuals can vary under Medicaid versus Marketplace subsidy eligibility rules because the relevant HIU itself can vary according to those two sets of rules. Estimates under this variant establish the 100% FPL cut-off for the coverage gap using Marketplace HIUs. This variant also uses Marketplace HIUs for the 138% cut-off but as mentioned in the text, the estimated number of newly eligible uninsured adults in the 101%-138% increment is identical to that using Medicaid HIUs. The adoption of Marketplace HIUs rather than Medicaid HIUs for the population in the coverage gap nevertheless resulted in a shift of approximately 2,000 additional individuals from the coverage gap into the 101%-138% eligibility category.

As noted in the text, these estimates are relegated to this Appendix because under PPACA, Medicaid eligibility appears to take precedence over eligibility for marketplace subsidies—that is, if someone is deemed eligible for Medicaid, he or she is not permitted to enroll in the marketplace (section 1331(e), page 97 <http://housedocs.house.gov/energycommerce/ppacacon.pdf>). Estimates of the coverage gap based on Medicaid MAGIs, therefore, appear to trump those based on Marketplace MAGIs. On the other hand, neither HIU estimation nor MAGI estimation is precise, given that estimates are generated from surveys that were not specifically designed around these concepts. Furthermore, and perhaps more importantly, other estimates in the literature have been generated using strictly Marketplace MAGIs. While estimates provided in the text are preferable based on methodological grounds, as noted above, the estimates in this Appendix are provided as a convenience for direct comparison to those estimates in the literature.

Results provided in Tables A1-A3 correspond directly with those in the respective three tables in the body of the report. The variation from those estimates is fully explained by the change in the estimated number of adults in the coverage gap (first column of each table). The summary provided below is, therefore, devoted mainly to those results, and the reader can glean its net effect on the totals by consulting the final column in the tables.

## A. Newly Eligible Adults in the Coverage Gap at or below 100% FPL (65,100 Utahns)

*Number*—An estimated 65,100 adult Utahns would be newly eligible within the coverage gap under this variant (see Table A1, first column).<sup>16</sup> The approximately 12,000 fewer adults in the “coverage gap” in this variant using Marketplace MAGIs for the 100% FPL cut-off are proportionately more male, older, and married with children than the individuals falling into the coverage gap in the variant described in the body of the report utilizing Medicaid HIUs for the 100% FPL cut-off. The overall demographic complexion of those in the coverage gap, described below, therefore, reflects these differences relative to that in Table 1.

*Demographic Composition*—Of those estimated to be in the coverage gap, over half (55.5%) are male, and nearly three-quarters (73.4%) are aged 25 years or older. Just 7.2% rate their health as “fair” or “poor,” with the remainder rating their health as “good” to “excellent.” Nearly one-quarter (23.9%) of those estimated to fall into the coverage gap are of Hispanic or Latino ethnicity.

*Household Composition*—Over half (53.8%) of adults estimated to be newly eligible for coverage if Medicaid were extended to 100% of the FPL are in families (at least two related individuals), with 40.7% being parents.

*Employment and Labor Market Participation*—Almost three-quarters of adults (73.1%) falling into the coverage gap are engaged in the labor market, with 8.5% unemployed at the time of the survey. Of those working, 30.4% are employed full-time, while 34.2% hold part-time work; a substantial portion of those working part-time (43.4%, or 14.5% of the total) report doing so for economic reasons—that is, their hours have been cut or they desire full-time work but cannot secure it.

Labor force participation characteristics are reported in Tables A2 and A3 for both the last week and the last year so as to take advantage of information on reasons for not participating in the

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<sup>16</sup> This estimate corresponds to the precise methodology that Kaiser Family Foundation (KFF) employed for its estimate of the coverage gap of 57,850 (<sup>16</sup> Kaiser Commission on Medicaid and the Uninsured: Characteristics of Poor Uninsured Adults who Fall into the Coverage Gap (Issue Brief December 2013); Kaiser Commission on Medicaid and the Uninsured (Issue Brief, April 2, 2014) <http://kaiserfamilyfoundation.files.wordpress.com/2014/04/8505-the-coverage-gap-uninsured-poor-adults-in-states-that-do-not-expand-medicaid.pdf>. The 7,250 difference between the estimate provided here and that of the KFF is due to a difference in the estimated number of residents unauthorized due to their status as legal immigrants who have been in the country five years or less and immigrants who are undocumented between the two studies. While the method for estimating those unauthorized was nearly identical between the two studies, each time the methodology is run will result in variation in the distribution by FPL (and therefore allocation to the coverage gap) of those unauthorized because of a random sampling and imputation procedure involved; the total number of unauthorized residents in the state, on the other hand, as opposed to the their distribution by FPL, is precisely the same between KFF estimates and those reported here.

labor force that were available on the CPS for the last year but not the last week. Of the 26.9% reporting that they did not work or had only sporadic employment over the previous year, over one-third (9.7%) report that status being due to “taking care of family,” whereas about another third (8.9%) report being ill.<sup>17</sup> The rationale for the remaining third not participating in the labor force is nearly evenly divided as being due to their status as a student (3.6%), a discouraged worker who had given up finding work (3.6%), and some other factor (3.9%).

*Working Families*—Working families (at least one adult in the family working full- or part-time) comprise an overwhelming majority of families in the coverage gap, whether the definition of family, per the Census, includes married adults without children (84% working) or is restricted to families with children (88%).

*Household Structure and Labor Force Participation*—Working adults are a majority in all household structures. But, with respect to detailed reasons for absence of labor force participation by household structure over the past year, the variation is of some interest. In households with married adults (two parents) with children, the most frequent reason for non-participation is “taking care of family” (24.7% or nearly two-thirds of those not in the labor force in such households). For households with married adults without children in the household, the most common reasons for non-participation in the labor market reflect advanced age: retirement (21.7%, or over 60% of the total percentage not participating) and being ill or disabled (8.8% or more than 25% of the total not participating). The most frequently reported reasons for extended non-participation in the labor force among single adults without children includes going to school (7.8% or over 20% of the total) and being ill or disabled (7.7%—again, over 20% of the total).

## B. Newly Eligible Adults Between 101-138% FPL (27,993 Utahns)

*Number*—The *Healthy Utah Plan* would extend marketplace subsidies for those with MAGIs between 101-138% of the FPL. Under this variant, relying again on MAGIs using Marketplace HIUs, eligibility for insurance would be extended to an estimated additional 27,993 adults in Utah who currently are without coverage (Table A1, second column).<sup>18</sup> The approximately 2,000 person difference in this estimate relative to the estimates in Tables 1-3 in the text is due to the fact that, under the application of Medicaid HIUs in the coverage gap, these individuals have MAGIs at or below 100% of the FPL.

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<sup>17</sup> Given that all of those in the coverage gap had no health insurance, none of these individuals received Medicare as yet due to their health status.

<sup>18</sup> This estimate is about 17,100 below one provided by an analysis by the Urban Institute which relied upon the American Community Survey (ACS). The ACS has a substantially larger sample size than does the CPS. The estimate provided in the body of the text, 103,124, reduces the difference between the two estimates by over half.

Along with the estimated number in the coverage gap, this translates to an estimated total new eligibility under this variant of the *Healthy Utah Plan* of 93,093 (Table A1, third column).

*Demographic Composition*—The demographic composition of the estimated 27,993 adults with MAGI between 101% and 138% of the FPL who are newly eligible for marketplace subsidies (Table A1, second column) is more female (59.8%), older (46% over age 34 years), and in worse health (14.1% reporting “poor” or “fair” overall health status) than those profiled above in the coverage gap. Individuals within this group are also more likely to be a racial minority (13.3%) and of Hispanic or Latino ethnicity (37.1%).

*Household Composition*—Two-thirds of the 27,993 adults between 101% and 138% of the FPL estimated to be newly eligible for marketplace subsidies are in families (two or more related individuals), and half (50.8%) are parents with children (Table A1, second column). One third are unmarried, childless adults.

*Employment and Labor Market Participation*—Three-quarters of the 27,993 adults eligible for marketplace subsidies are employed, with over half (51.5%) employed full-time and the remaining 23.7% working part-time. Of those with part-time work, more than half report working part-time due to economic reasons—that is, because of a cut in hours or because full-time work could not be found. Another 11.4% report being unemployed, while 13.5% report not being in the labor force. For those not working in the past year, the overwhelming reason provided is “taking care of family” or performing duties at home.

*Working Families*—Table A3 provides a more detailed breakdown on employment and labor force participation among families rather than strictly among the entire group of individuals provided in Table A2. Families in this low-income bracket—whether strictly those with children, including single parents (83.1%), or extended to married adults without children (87%)—overwhelmingly have at least one employed worker. In the large majority of these families, 68.1% and 70.2%, respectively, there is at least one full-time worker.

*Household Structure and Labor Force Participation*—The rationale for not working in the past year demonstrates that, in households comprised of married adults with children, the great majority have one working parent, as noted above (Table A3, column 2). However, the preponderant reason for extended labor market non-participation of one parent in such dual-headed households is “taking care of family.”



**Table A1. Variant using Marketplace MAGIs (number and demographics)**

DEMOGRAPHICS	≤ 100%	101% - 138%	TOTAL
<b>COUNT</b>	65,100	27,993	93,093
<b>GENDER</b>			
Male	55.5	40.2	50.9
Female	44.5	59.8	49.1
<b>AGE</b>			
19-24	26.6	17.8	23.9
25-34	40.0	36.3	38.9
35-49	22.0	27.7	23.7
50-64	11.4	18.3	13.4
<b>HEALTH STATUS</b>			
Excellent - Good	92.8	86.0	90.7
Poor - Fair	7.2	14.1	9.3
<b>HOUSEHOLD STRUCTURE</b>			
Parents	40.7	50.8	43.8
Married	39.4	42.3	40.3
Family	53.8	66.9	57.8
Married with Children	26.4	26.1	26.3
Married without Children	13.0	16.2	14.0
Not married with Children	14.4	24.6	17.5
Not married without Children	46.2	33.0	42.3
<b>RACE</b>			
White	90.3	86.7	89.2
Nonwhite	9.7	13.3	10.8
<b>ETHNICITY</b>			
Hispanic	23.9	37.1	27.8
Nonhispanic	76.1	62.9	72.2

*Note(s): Column totals may not equal the sum of corresponding row entries due to rounding.*

**Table A2. Variant using Marketplace MAGIs (work status)**

WORK STATUS	≤ 100%	101% - 138%	TOTAL
COUNT	65,100	27,993	93,093
ANY WORK	64.6	75.2	67.7
Full-time	30.4	51.5	36.7
Part-time	34.2	23.7	31.0
Part-time for economic reasons <sup>1</sup>	14.5	12.6	13.9
UNEMPLOYED	8.5	11.4	9.4
NOT IN LABOR FORCE	26.9	13.5	22.9
DID NOT WORK/ WORKED SPORADICALLY LAST YEAR	31.9	20.5	28.48
ILL	4.7	0	3.3
Retired	4.2	2.6	3.7
Taking Care of Home/Family	9.7	13.0	10.6
Going to School	3.6	1.2	2.9
Couldn't Find Work	3.6	3.7	3.6
Worked Temporary/ Seasonal Job	2.4	0	1.6
Other	3.9	0	2.7

*Note(s): Column totals may not equal the sum of corresponding row entries due to rounding.*

<sup>1</sup> This category includes persons who indicated that they would like to work full-time but were working part time because of an economic reason (e.g. their hours were cut back or they were unable to find full-time jobs).

**Table A3. Variant using Marketplace MAGIs (family work status)**

WORK STATUS	≤ 100%	101% - 138%	TOTAL
COUNT	65,100	27,993	93,093
WORKING FAMILY <sup>1</sup>	85.0	87.0	86.0
At least 1 Full-time	46.2	70.2	54.8
No Full-time, at least 1 Part-time	38.7	16.7	30.8
WORKING FAMILY <sup>2</sup>	88.1	83.1	86.2
At least 1 Full-time	56.5	68.1	60.8
No Full-time, at least 1 Part-time	31.6	15.0	25.5
HOUSEHOLD STRUCTURE			

<b>Married with Children</b>	17,166	7,319	24,485
Any Work	60.6	45.8	56.2
Unemployed	6.4	24.0	11.6
Not in Labor Force, Currently	33.0	30.2	32.1
<b>Did Not Work/ Worked Sporadically Last Year</b>	37.6	42.9	39.2
ILL	0	0	0
Retired	5.1	0	3.6
Taking Care of Home/Family	24.7	38.2	28.7
Going to School	0	4.7	1.4
Could Not Find Work	7.8	0	5.5
Worked Temporary/ Seasonal Job	0	0	0
Other	0	0	0
<b>Married without Children</b>	8,478	4,532	13,010
Any Work	65.2	76.0	69.0
Unemployed	0	0	0
Not in Labor Force	34.8*	23.9*	31.0
<b>Did Not Work/ Worked Sporadically Last Year</b>	34.8*	23.9*	31.0
ILL	8.8*	0	5.7
Retired	21.7*	16.3*	19.8
Taking Care of Home/Family	4.3	7.6*	5.5
Going to School	0	0	0
Could Not Find Work	0	0	0
Worked Temporary/ Seasonal Job	0	0	0
Other	0	0	0
<b>Not Married with Children</b>	9,362	6,899	16,261
Any Work	76.2	87.0	80.7
Unemployed	0	5.9	2.5
Not in Labor Force	23.8*	7.1*	16.7
<b>Did Not Work/ Worked Sporadically Last Year</b>	3.2	7.1*	4.9
ILL	0	0	0
Retired	0	0	0
Taking Care of Home/Family	3.2	7.1*	4.9
Going to School	0	0	0
Could Not Find Work	0	0	0

Worked Temporary/ Seasonal Job	0	0	0
Other	0	0	0
<b>Not Married without Children</b>	<b>30,094</b>	<b>9,243</b>	<b>39,337</b>
Any Work	62.6	89.1	69.1
Unemployed	14.8	10.9*	13.9
Not in Labor Force	22.2	0	17.0
<b>Did Not Work/ Worked Sporadically Last Year</b>	<b>36.8</b>	<b>11.0</b>	<b>30.76</b>
ILL	7.7	0	5.9
Retired	0	0	0
Taking Care of Home/Family	4.6	0	3.5
Going to School	7.8	0	6.0
Could Not Find Work	3.2	11.0	5.0
Worked Temporary/ Seasonal Job	5.1	0	3.9
Other	8.4	0	6.5

*Note(s): Column totals may not equal the sum of corresponding row entries due to rounding.*

<sup>1</sup> *Family consists of a single parent, or married parents, with a child; or married adults with no children.*

<sup>2</sup> *Family consists of a single parent, or married parents, with a child.*

*(\*) Estimates with a confidence interval larger than plus or minus 30%, interpret with caution.*

## Appendix B. Methodology for HIU Construction, Estimating the Unauthorized Population Due to Immigration Status, and Estimating PCN Eligibility

As noted in the text, the Current Population Survey (CPS) used in the analyses, while containing a very rich body of information on employment, income, and demographics on individuals, households, and families, is not specifically designed around the health insurance units (HIUs) and some specific sources of income that determine eligibility under the PPACA. This Appendix provides more detailed information on the methodology used for making estimates of eligibility from the CPS that conform as closely as possible to rules established under PPACA.

### HIU Construction

Eligibility for subsidies in the Marketplace and for Medicaid under PPACA depends upon modified adjusted gross incomes (MAGIs) associated with so-called health insurance units (HIUs). The CPS organizes individuals into families and household units based strictly on relationships of those that reside together, whereas HIUs are based partly on tax status for individuals that do not necessarily share the same domicile. The algorithm adopted for assignment of individuals into HIUs in this study was carefully constructed by analysts at the Kaiser Family Foundation (KFF) in consultation with researchers at the Center on Budget and Policy Priorities (CBPP) to best approximate HIUs, given the inherent limitations of survey data such as CPS. Technical Appendix A to a Kaiser Commission on Medicaid and the Uninsured Brief, “Characteristics of Poor Uninsured Adults who Fall into the Coverage Gap” (Issue Brief December 2013, updated April 2, 2014) details the method step by step and provides elaboration of certain limitations to the method.<sup>19</sup> The authors of this report acquired the code from KFF for generation of HIUs and applied it to the same CPS 2012-2013 surveys as did researchers at KFF.

MAGIs include most taxable income, but certain types of taxable relevant income (e.g., the amount of alimony expended) are not specifically reported on the CPS, and, therefore, MAGI assessment will sometimes contain some (generally minor) error.<sup>20</sup>

Often underappreciated is the fact that there are two sets of HIUs, a Medicaid and Marketplace HIU, and, therefore, two sets of MAGIs associated with each individual. This occurs because of different rules associated with eligibility for Marketplace subsidies versus Medicaid. Most often, resulting MAGIs are identical or close enough to each other that use of one MAGI versus another

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<sup>19</sup><http://kaiserfamilyfoundation.files.wordpress.com/2014/04/8505-technical-appendix-a-household-construction.pdf>

<sup>20</sup><http://kaiserfamilyfoundation.files.wordpress.com/2014/04/8505-technical-appendix-a-household-construction.pdf>

will not affect the FPL category in which one is situated. However, in a significant number of instances, particularly in allocation of individuals to the coverage gap for the CPS Surveys used for this report (results in text differ from results in Appendix A due to such variation as noted in the Appendix), use of one set of MAGIs would place an individual within a certain FPL category while the other would place that individual in another. Illustrations of underlying eligibility rules for Medicaid versus Marketplace subsidies that result in variation in HIUs is provided by several Center on Budget and Policy Priorities webinars that helped inform HIU construction by the research team at KFF.<sup>21</sup>

MAGIs establish three critical cut-off points with respect to the estimates provided in this report: (1) cutoff for current eligibility for Medicaid (at 47% of poverty line for adults with children), so that those currently eligible can be carved out of estimates; (2) the cutoff at 100% FPL (or below) to classify those who fall into the coverage gap; and (3) the cutoff at 138% FPL to determine those outside the coverage gap who would be newly eligible for additional Medicaid expansion or Marketplace subsidies. While there has been near universal adoption of Medicaid HIUs to determine the population with current eligibility in the literature, several studies have used different permutations of Medicaid or Marketplace HIUs to determine those falling into the coverage gap or those outside the coverage gap up to 138% FPL, as discussed in the text. Because PPACA precludes those with eligibility for Medicaid to enroll in the Marketplace, the current study adopted Medicaid HIUs for the 100% FPL. It also adopted Medicaid HIUs for the cutoff at 138% FPL, but because the precise observations from the CPS fell into 101%-138% FPL regardless of whether Medicaid or Marketplace HIUs were adopted, the 138% cutoff also incidentally reflects adoption of Marketplace HIUs. Because some prominent studies in the literature have used Marketplace HIUs for the 100% FPL cutoff, Appendix A in the report provides those estimates for purposes of comparison.

## Estimation of Unauthorized Individuals

Those who are undocumented immigrants or legal immigrants residing in the United States for five years or less are ineligible and not authorized to receive coverage under PPACA. The CPS, while inquiring as to citizenship status, immigration status, and length of residency, does not provide definitive information on legal status of immigrants. An imputation procedure for identifying such legal immigrants who have been in the country for five years or less and immigrants who are undocumented was followed, as described in Technical Appendix B to Kaiser

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<sup>21</sup> See for example, Center on Budget and Policy Priorities <http://www.cbpp.org/files/Household>

-Definitions-Webinar-7Aug13.pdf. and <http://www.healthreformbeyondthebasics.org/cbpp-webinar-commonly-encountered-eligibility-and-enrollment-issues/>

Commission on Medicaid and the Uninsured Brief, “Characteristics of Poor Uninsured Adults who Fall into the Coverage Gap” (Issue Brief December 2013, updated April 2, 2014).<sup>22</sup> The imputation procedure follows that established by SHADAC and involves establishing coefficients from a regression model run on the Survey on Income Program and Participation (SIPP), which inquires about citizenship, and then applying those coefficients to the associated variables on the CPS to establish probabilities of being an undocumented immigrant from that survey. An imputation procedure is then run against aggregate estimates of undocumented immigrants from the Department of Homeland Security by age strata, using these probability estimates, to flag individuals on the CPS as legal immigrants who have been in the country for five years or less and immigrants who are undocumented; those individuals are then carved out of estimates of eligibility by FPL.

## PCN Estimates

As described in the text and footnote 8 to the text, PCN enrollment estimates were based upon detailed data provided by the Utah Department of Health. Detailed data on PCN enrollment from December 2012 and December 2013 broken down by FPL category and family status (adults with children versus adults without children) were used to estimate the percentage breakdown of enrollment by each family status and FPL category. These percentage estimates were then applied to the aggregate monthly enrollments by family status over the entire year to estimate yearly enrollment in the PCN by poverty status for 2012 and 2013. These were then averaged to make a global estimate of those enrolled at or below 100% FPL.

## Other Methodological Notes

Estimates provided in the report are strictly estimates of new eligibility under basically ceteris paribus conditions and do not estimate the behavioral response of either employers or individuals to the new availability of insurance and associated potential penalties. Issues of take-up, “crowd-out,” or so-called “woodwork effects” are not addressed. Furthermore, some percentage of individuals within the 101%-138% FPL or Marketplace subsidy bracket may actually not be newly eligible for insurance in the Marketplace if their uninsured status is due to their not availing themselves of coverage offered by employment that would require less than an outlay of 9.5% of their income. No estimates were made of this population, which would be legitimately subtracted from the counts in column B of tables in the text.

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<sup>22</sup> <http://kaiserfamilyfoundation.files.wordpress.com/2014/04/8505-technical-appendix-b-immigration-status-imputation.pdf>

Appendix C. Tables C1-C3 replicate Tables 1-3, but incorporate 20% confidence bands

**Table C1. Newly eligible adults under the *Healthy Utah Plan*, or full Medicaid expansion (number and demographics)**

DEMOGRAPHICS	≤100%	LB	UB	101% - 138%	LB	UB	TOTAL	LB	UB
COUNT	77,127	63,641	90,613	25,997	18,786	33,209	103,124	87,921	118,327
<b>GENDER</b>									
Male	53.2	44.5	61.8	39.7	27.1	53.8	49.8	42.4	57.3
Female	46.8	38.2	55.5	60.3	46.2	72.9	50.2	42.7	57.6
<b>AGE</b>									
19-24	30.8	23.3	39.6	15.2	7.2	29.4	26.9	20.7	34.2
25-34	37.1	29.0	46.0	37.2	25.1	51.1	37.1	30.2	44.6
35-49	20.1	14.0	28.1	27.9	17.6	41.3	22.1	16.6	28.7
50-64	11.9	7.4	18.6	19.7	10.5	33.8	13.9	9.5	19.8
<b>HEALTH STATUS</b>									
Excellent - Good	92.3	85.6	96.1	84.8	72.3	92.3	90.4	84.9	94.1
Poor - Fair	7.7	3.9	14.4	15.2	7.7	27.7	9.6	5.9	15.1
<b>HOUSEHOLD STRUCTURE</b>									
Parents	34.4	26.7	43.0	52.8	38.9	66.3	39.0	32.2	46.3
Married	33.8	26.0	42.6	45.6	32.5	59.3	36.8	29.9	44.1
Family	45.9	37.3	54.7	70.2	55.0	82.0	52.0	44.6	59.5
Married with Children	22.3	15.9	30.2	28.1	18.1	40.9	23.7	18.2	30.3
Married without Children	11.5	6.7	19.0	17.4	9.0	31.0	13.0	8.6	19.2
Not married with Children	12.1	7.6	18.7	24.7	15.0	37.8	15.3	10.9	21.0
Not married without Children	54.1	45.3	62.7	29.8	18.0	45.0	48.0	40.6	55.5
<b>RACE</b>									
White	90.5	84.5	94.5	87.6	75.8	94.1	89.8	84.7	93.3
Nonwhite	9.5	5.6	15.5	12.4	5.9	24.2	10.2	6.7	15.3
<b>ETHNICITY</b>									
Hispanic	25.7	19.2	33.6	39.9	27.6	53.6	29.3	23.3	36.1



Nonhispanic	74.3	66.4	80.8	60.1	46.4	72.4	70.7	63.9	76.7
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*Note(s): Column totals may not equal the sum of corresponding row entries due to rounding. Numbers in the table reflect 95% confidence intervals.*

Table C2: Newly eligible adults under the *Healthy Utah Plan*, or full Medicaid expansion (work status)

WORK STATUS	≤100%	LB	UB	101% - 138%	LB	UB	TOTAL	LB	UB
COUNT	77,127	63,641	90,613	25,997	18,786	33,209	103,124	87,921	118,327
ANY WORK	61.4	52.5	69.6	75.1	61.2	85.2	64.8	57.4	71.6
Full-time	27.9	20.8	36.3	51.3	37.7	64.8	33.8	27.2	41.1
Part-time	33.4	25.6	42.4	23.8	14.3	36.9	31.0	24.5	38.4
Part-time for economic reasons <sup>1</sup>	14.4	9.0	22.3	11.9	5.6	23.6	13.8	9.2	20.1
UNEMPLOYED	7.8	4.0	14.4	12.2	5.3	25.8	8.9	5.3	14.5
NOT IN LABOR FORCE	30.8	23.4	39.4	12.7	6.2	24.1	26.3	20.3	33.3
DID NOT WORK/ WORKED SPORADICALLY LAST YEAR	36.3	28.2	45.2	16.2	8.7	28.3	31.2	24.7	38.6
ILL	6.4	3.0	13.3	0.0	0.0	0.0	4.8	2.2	8.0
Retired	3.5	1.3	9.3	2.8	0.4	17.5	3.3	1.4	8.0
Taking Care of Home/Family	9.1	5.3	15.0	12.1	6.0	22.7	9.8	6.4	14.7
Going to School	4.8	2.2	9.9	1.3	0.2	8.8	3.9	1.9	7.8
Couldn't Find Work	7.2	3.8	13.2	0.0	0.0	0.0	5.4	2.9	9.9
Worked at a Temporary, PT or Seasonal Job	2.0	0.5	7.6	0.0	0.0	0.0	1.5	0.4	5.7
Other	3.3	1.1	9.7	0.0	0.0	0.0	2.5	0.8	7.4

*Note(s): Column totals may not equal the sum of corresponding row entries due to rounding. Numbers in the table reflect 95% confidence intervals.*

<sup>1</sup> This category includes persons who indicated that they would like to work full-time but were working part time because of an economic reason (e.g. as their hours were cut back or they were unable to find full-time jobs).

Table C3: Newly eligible adults under the *Healthy Utah Plan*, or full Medicaid expansion (family work status)

WORK STATUS	≤100%	LB	UB	101% - 138%	LB	UB	TOTAL	LB	UB
COUNT	77,127	63,641	90,613	25,997	18,786	33,209	103,124	87,921	118,327

<b>WORKING FAMILY<sup>1</sup></b>	84.4	73.9	91.2	88.5	75.0	95.2	85.8	77.9	91.1
At least 1 Full-time	47.2	35.2	59.5	70.4	55.1	82.2	54.9	45.1	64.3
No Full-time, at least 1 Part-time	37.2	25.9	50.2	18.1	9.2	32.5	30.9	22.3	40.9

<b>WORKING FAMILY<sup>2</sup></b>	88.5	77.4	94.5	84.8	68.1	93.5	87.3	78.6	92.7
At least 1 Full-time	58.1	43.9	71.0	68.2	50.9	81.5	61.5	50.4	71.5
No Full-time, at least 1 Part-time	30.4	18.8	45.2	16.6	7.6	32.5	25.8	17.1	37

## HOUSEHOLD STRUCTURE

<b>Married with Children</b>	17,166	11,008	23,323	7,319	4,008	10,631	24,485	17,506	31,465
Any Work	60.7	42.4	76.3	45.8	25.4	67.6	56.2	41.9	69.5
Unemployed	6.4	1.6	22.4	24.0	9.4	48.9	11.6	5.3	23.9
Not in Labor Force	33.0	18.6	51.5	30.2	14.1	53.4	32.1	20.4	46.7

<b>Did Not Work/ Worked Sporadically Last Year</b>	37.6	22.1	56.1	42.8	23.0	65.2	39.2	26.3	53.7
ILL	0	0	0	0	0	0	0	0	0
Retired	5.1	0.7	28.2	0	0	0	3.6	0.5	21.1
Taking Care of Home/Family	24.7	12.7	42.5	38.2	19.4	61.2	28.7	17.8	42.8
Going to School	0	0	0	4.7	0.6	26.9	1.4	0.2	9.3
Could Not Find Work	7.8	2.0	26.4	0	0	0	5.5	1.4	19.4
Worked at a Temporary, PT or Seasonal Job	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0

<b>Married without Children</b>	8,886	3,923	13,849	4,532	1,397	7,666	13,418	7,552	19,283
Any Work	62.2	34.9	83.4	76.1	37.4	94.4	66.9	44.8	83.4
Unemployed	0	0	0	0	0	0	0	0	0
Not in Labor Force	37.8	16.6	65.1	23.9*	5.6	62.6	33.1	16.6	55.2

<b>Did Not Work/ Worked Sporadically Last Year</b>	37.8	16.6	65.1	23.9*	5.6	62.6	33.1	16.6	55.2
ILL	8.4*	1.2	41.4	0	0	0	5.5	0.8	30.5
Retired	20.7*	6.4	49.8	16.3*	2.3	61.3	19.2	7.2	42.2
Taking Care of Home/Family	4.1	0.6	25.0	7.6*	1	39.9	5.3	1.3	19.4
Going to School	4.6	0.6	27.1	0	0	0	3	0.4	19.0
Could Not Find Work	0	0	0	0	0	0	0	0	0

Worked at a Temporary, PT or Seasonal Job	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0

<b>Not Married with Children</b>	9,362	4,931	13,794	6,410	3,049	9,771	15,772	10,218	21,327
Any Work	76.2	52.7	90.2	93.6	65.6	99.1	83.3	66.8	92.5
Unemployed	0	0	0	6.4*	0.9	34.4	2.6	0.4	16.4
Not in Labor Force	23.8	9.8	47.3	0	0	0	14.1	5.8	30.4

<b>Did Not Work/ Worked Sporadically Last Year</b>	3.2	0.4	20.0	0	0	0	1.9	0.3	12.5
ILL	0	0	0	0	0	0	0	0	0
Retired	0	0	0	0	0	0	0	0	0
Taking Care of Home/Family	3.2	0.4	20.0	0	0	0	1.9	0.3	12.5
Going to School	0	0	0	0	0	0	0	0	0
Could Not Find Work	0	0	0	0	0	0	0	0	0
Worked at a Temporary, PT or Seasonal Job	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0

<b>Not Married without Children</b>	41,713	31,601	51,824	7,736	3,235	12,238	49,449	38,401	60,497
Any Work	58.2	45.9	69.5	86.9	46.1	98.1	62.7	51.2	72.9
Unemployed	11.7	5.6	22.9	13.1*	1.9	53.9	11.9	6.0	22.3
Not in Labor Force	30.1	20.2	42.2	0	0	0	25.4	16.9	36.2

<b>Did Not Work/ Worked Sporadically Last Year</b>	42.85	31.3	55.2	0	0	0	36.15	26.1	47.6
ILL	10.1	4.4	21.5	0	0	0	8.6	3.7	18.4
Retired	0	0	0	0	0	0	0	0	0
Taking Care of Home/Family	5	1.7	13.5	0	0	0	4.2	1.5	11.5
Going to School	7.8	3.5	16.8	0	0	0	6.6	2.9	14.3
Could Not Find Work	10.1	5.0	19.5	0	0	0	8.5	4.2	16.6
Worked at a Temporary, PT or Seasonal Job	3.7	0.9	13.5	0	0	0	3.1	0.8	11.5
Other	6.1	2.0	17.2	0	0	0	5.1	1.7	14.7

Note(s): Column totals may not equal the sum of corresponding row entries due to rounding. Numbers in the table reflect 95% confidence intervals.

<sup>1</sup>Family consists of a single parent, or married parents, with a child; or married adults with no children.

<sup>2</sup>Family consists of a single parent, or married parents, with a child.

(\*) Estimates with a confidence interval larger than plus or minus 30%, interpret with caution.