

## **Did not expanding Medicaid benefit Utah health insurers?**

*Exchange sign-up in the reddest of red states outpaced enrollment in comparable states.*

Link: <http://www.sltrib.com/sltrib/news/57939187-78/medicaid-exchange-states-health.html.csp>

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Conservative angst about Obamacare didn't stop Utahns from shopping the online insurance marketplace, [www.HealthCare.Gov](http://www.HealthCare.Gov).

Nearly 85,000 Utahns found health plans on the exchange, outpacing the enrollment of similar-size states, such as Arkansas, Kansas and Iowa.

Why? One theory: Because Utah has still not decided whether to expand Medicaid, some low-income residents resorted to buying coverage on the exchange.

In the 28 states that expanded Medicaid, the surge in enrollment was roughly equal to the number of people who purchased plans on the exchange, according to an analysis of federal data by The Salt Lake Tribune.

In non-expansion states, or those that are still deciding, exchange enrollment outpaced Medicaid 7-to-1.

The U.S. Department of Health and Human Services could not provide an enrollment breakdown by income level.

But Utah's newest insurer, Arches, reports that about 45 percent of its 16,000 exchange customers enrolled in "cost-sharing reduction" plans. Those plans, which have lower out-of-pocket expenses, are available only to those with incomes under 250 percent of the poverty level.

"People who couldn't get insurance before can now get insurance and they have options," said Shaun Greene, Arches' chief operating officer.

The imprecise data, however, aren't enough to convince low-income advocates who believe many poor families and individuals remain uninsured.

Even without expanding, Utah's Medicaid program was predicted to grow more than it did as already eligible families rushed to sign up because of the health law's requirement to have insurance. Lagging Medicaid enrollment is partly due to a lack of outreach, they say.

In Oregon, an expansion state with 273,000 new Medicaid enrollees, those who received food stamps were automatically enrolled in the health safety net, said Jason Stevenson, a spokesman at the Utah Health Policy Project.

Meanwhile, a dismal sign-up total of 68,000 individuals on Oregon's state-run exchange was blamed on technical failings, he said.

"There's no advertising, no effort to really bring people into Medicaid in Utah," Stevenson said.

Regardless, the Affordable Care Act was a boon to insurers. Utah's largest carrier, SelectHealth, reports capturing 39,000 customers through the exchange.

Whether low-income consumers are better off with private coverage is a matter of debate.

"It was a great move. I don't know that we planned it, but it was a great move," said Rep. Jim Dunnigan, R-Taylorsville, an insurance broker.

Commercial plans are preferable, Dunnigan contends, because they give consumers a wider choice of doctors and hospitals and they pay those providers more than Medicaid, ensuring better access to care.

They are also steeply discounted for the poor. Some end up paying no premiums. And the cost-sharing reductions available to those with incomes between 101 percent and 138 percent of the federal poverty level keep copayments and deductibles in check.

Exchange plans are not as cheap as Medicaid, though, which is comprehensive coverage with zero premiums and \$3 to \$5 copays.

And Utah's neediest, those with incomes under the poverty level — or \$11,670 a year for an

### **By the numbers**

In the 28 states that expanded their Medicaid programs, the number of residents who enrolled was roughly equal to the number who bought health plans on the exchange. In states that did not expand, or are still deciding, exchange enrollment outpaced Medicaid 7-to-1. That's excluding the seven non-expansion states — such as Alabama, Missouri and Nebraska — where Medicaid rolls shrank.

Among non-expansion states where Medicaid did grow, here are the states with the highest ratios of exchange shoppers to new Medicaid enrollees:

**Texas » 228-to-1**

**South Dakota » 64-to-1**

**Utah » 8-to-1**

**Pennsylvania » 8-to-1**

**Virginia » 6-to-1**

individual — are still without affordable options.

"We had a lot of people who wanted to get enrolled and didn't. The hole has to be fixed," said Greene, referring to the so-called "Medicaid gap."

In the states that don't expand, there is a coverage gap for individuals — nearly 58,000 in Utah — who make too little money to qualify for a discounted health plan on [www.HealthCare.Gov](http://www.HealthCare.Gov). The health law excluded them from subsidies, anticipating that they'd be covered by Medicaid. But a U.S. Supreme Court ruling made the Medicaid expansion optional for states.