CONNECTICUT VOICES FOR CHILDREN

Enrollment in Connecticut's HUSKY Program Continues to Increase Under the Affordable Care Act

August 2015

On July 28, 2015, the Centers for Medicare and Medicaid Services (CMS) released its latest report on the impact of the Affordable Care Act (ACA) on enrollment in Medicaid and the State Children's Health Program (CHIP) by state.[1] Preliminary data for May 2015 show that across the US, there are nearly 72 million individuals enrolled in Medicaid and CHIP (about one in five US citizens and legal permanent residents). In the 49 states and the District of Columbia with baseline enrollment data, CMS reported that Medicaid and CHIP enrollment increased by over 12.8 million individuals (22.2%), compared with average monthly enrollment prior to the Medicaid expansion (57.8 million on average in July to September 2013).[2] The increase was highest in the states and the District of Columbia that expanded Medicaid to cover low income adults (29.2% enrollment growth overall); in states that did not expand Medicaid, enrollment increased just 9.5 percent.[3] In the 46 states for which CMS had data, 29.5 million children were enrolled in Medicaid and CHIP (54% of total enrollment in those states).[4]

Based on our analyses of HUSKY Program data, enrollment in Connecticut's HUSKY Program had grown by nearly 17 percent as of May 2015 (Table 1). CMS did not report these data because baseline data for Connecticut are not available for the analyses. However, the Department of Social Services regularly reports HUSKY Program (Medicaid and CHIP) enrollment by month, making it possible for Connecticut Voices for Children to use CMS' methods for monitoring the impact of the Affordable Care Act in Connecticut.

Table 1. HUSKY Program Enrollment Before and After ACA Implementation and Medicaid Expansion

	Enrollment (May 2015)	Enrollment (Jul-Sep 13 ave)	Number change	Percent change
Total HUSKY A, C, D (Medicaid)	**727,442**[a]	**622,134**	**105,308**	**16.9%**
HUSKY A (children, parents, pregnant women)	449,249	432,914	16,335	3.8%
HUSKY C (elderly, disabled individuals)	93,890	96,070	-2,180	-2.3%
HUSKY D (low income adults without children)	184,303	93,150	91,153	97.9%
Total HUSKY B (CHIP; premium bands 1 and 2)[b]	**14,144**	**12,384**	**1,760**	**14.2%**
Total HUSKY Program enrollment	**741,586**	**634,518**	**107,068**	**16.9%**

[a] CMS reported Connecticut Medicaid enrollment of 741,517 individuals; however, counts for HUSKY A, C and D reported by the Connecticut Department of Social Services totaled 728,960 (727,442 with comprehensive benefits, as shown above, and 1,518 individuals with limited benefits for family planning, treatment of breast or cervical cancer, and treatment of tuberculosis. The May counts are preliminary and may not include those with retroactive eligibility.
[b] Includes HUSKY B enrollment count for children with *subsidized* coverage (Income Band 1: 9,236 children; Income Band 2: 4,908 children). Children with *unsubsidized* HUSKY B coverage (in families with income over $64,891 for family of 3) are not included in the count (Income Band 3: 178 children in May 2015, compared with 1,004 children on average July-September 2013).
Source: Analysis of HUSKY Program summary data by Connecticut Voices for Children. HUSKY A, C, D data: Connecticut Department of Social Services report on Active Medical Assistance Coverage Groups—Eligibility Reports issued July 7, 2014 and July 8, 2015. HUSKY B data: Connecticut Department of Social Services, June 11, 2015.

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Compared to average monthly enrollment in the pre-expansion baseline (July to September 2013), HUSKY Program enrollment has increased by over 107,000 individuals, most of whom qualified for Medicaid rather than CHIP. This change is less than we previously reported for September 2014 (up over 130,000), prior to when the Department resumed processing eligibility redeterminations that had been suspended temporarily. By May 2015, enrollment in HUSKY A was up just under 4 percent. The number of children in the subsidized portion of HUSKY B (Income Bands 1 and 2) increased about 14 percent over the pre-ACA baseline. Enrollment in HUSKY C has decreased over two percent. The greatest increase (97.9% by May 2015, compared with baseline) continues to be in HUSKY D enrollment because Connecticut opted to expand Medicaid coverage in 2014 to low-income adults without dependent children. Overall, the percentage increase in Medicaid and CHIP enrollment in Connecticut (16.9%) is less than the increase for all states that expanded Medicaid (29.5%), probably due to the fact that the state had taken many steps before 2014 to increase HUSKY coverage for children, parents, pregnant women, and low-income adults.

Discussion

The nationwide impact of the Affordable Care Act is clear from recent survey results that show that the number and percent of uninsured persons in the US has declined since 2013. The Gallup-Healthways Well-Being Index survey, conducted in the second quarter of 2015, showed that the uninsured rate was 11.4 percent, down from 18.0 percent in late 2013.[5] This rate is the lowest since the Gallup survey on health care coverage began in 2008. Early results from the 2015 National Health Interview Survey show that uninsured rates have decreased for children and adults, for the poor and near poor, and for adults in every racial/ethnic group.[6] This survey also revealed a considerably lower uninsured rate for adults 18 to 64 in the Northeast (9.3%) compared with the national average (13.0%) and rates in all other regions. In September, the Census Bureau will release new data for 2014, with national and state level estimates (Current Population Survey), as well as local estimates for Connecticut (American Community Survey). Connecticut Voices for Children will conduct same-day analyses and report on trends for Connecticut.

Expanding Medicaid is a key feature of the Affordable Care Act (ACA), aimed at ensuring health insurance coverage for all Americans. Connecticut was the first state in the nation to take steps under the federal law toward expanded coverage when the state converted a previously state-funded program to Medicaid in April 2010.[7] On January 1, 2014, Connecticut became one of 28 states and the District of Columbia that expanded Medicaid for low-income adults without dependent children to the income eligibility levels established by the ACA.[8,9] By May 2015, low income adults made up 85 percent of the overall growth in Medicaid and CHIP coverage in Connecticut. Under provisions of the Affordable Care Act, the federal government is currently paying 100 percent of the cost of coverage for newly enrolled low income adults, a federal matching rate that will decrease to 90 percent by 2020.

Recently, Congress voted to extend the CHIP program (HUSKY B in Connecticut) to 2017. On October 1, 2015, federal reimbursement for CHIP coverage will increase from 65 cents to 88 cents for every dollar Connecticut spends on coverage.

Recently, however, the Connecticut General Assembly voted to reduce income eligibility for parents who were enrolled in the HUSKY Program with their children.[10] Effective August 1, an estimated 20,000 parents and relative caregivers in households with income over 155 percent of the federal poverty level ($31,140 for family of three) will either 1) remain on HUSKY coverage for one year if they have earned income from employment (transitional medical assistance), or 2) reapply for HUSKY coverage if their income has dropped or other changes have affected ongoing eligibility, or 3) purchase coverage from a qualified health plan offered through Access Health CT. Their children will remain eligible for HUSKY coverage if the household income is less than 201 percent of the federal poverty level ($40,381 for family of three). The Department of Social Services has notified approximately 18,000 parents who qualify for transitional medical assistance that their coverage will continue for one year; another 1,200 parents have been notified that they need to provide updated information if they think they still qualify because their income has changed. Those who are determined to be over the new income eligibility level will lose HUSKY

coverage and will need to find other coverage from employers or from Access Health CT, Connecticut's health insurance marketplace.

Medicaid-eligible persons may apply for or renew coverage at any time during the year, not just during open enrollment periods for qualified health plans available from Access Health CT. They can call Access Health CT but final determinations about eligibility are made by the Department of Social services. Those who chose to use ConneCT, the Department's telephonic and online application and information system, have experienced problems since its inception in mid-2013. However, there is evidence that the system is vastly improved in recent months.[11] In May 2015, the average call wait time was 23 minutes, down from 53 minutes one year earlier (and a high of 73 minutes in February 2014). The call abandonment rate was 37 percent, down from 56 percent one year earlier (and a high of 74 percent in February 2014).[12] The Department reports that these improvements are due to adoption of operational efficiencies, staffing up for high volume call times, and customer service training.

CONCLUSIONS

As a result of the Affordable Care Act, Connecticut is getting closer to covering ***every*** eligible Connecticut resident. According to Access Health CT, 86,000 people were signed up for private health plans as of January 1, 2015, through Connecticut's health insurance marketplace.[13] That number, combined with the growth in Medicaid and CHIP enrollment, goes a long way toward reducing the number of uninsured persons in Connecticut. It is important that Connecticut policy makers continue to monitor insurance status in terms of:

- **Effect of Affordable Care Act on reducing number of uninsured:** In order to have a clear picture of who remains uninsured, data on health insurance coverage should be reported by geographic area, age group, and race/ethnicity. These data can be used to inform efforts to reach individuals who remain eligible but unenrolled in any type of coverage. For those with coverage, trends should be monitored by type of coverage (HUSKY, employment-related, qualified health plans offered by Access Health CT) and whether there were gaps in coverage associated with moving between coverage options.

- **Coverage continuity for parents affected by change in income eligibility:** State law requires the Department of Social Services to report quarterly, beginning November 1, 2015, on the number of parents who remained eligible for HUSKY coverage after review, the number of parents who are no longer eligible for HUSKY who made a successful transition to health plan coverage offered by Access Health CT, as well as other data related to the impact of the change in eligibility. The effect of parent coverage changes on children's coverage should also be monitored. When the year of transitional medical assistance comes to an end on July 31, 2016, the outcomes of eligibility reviews and referrals to Access Health CT should be monitored for 18,000 parents and their children.

- **Impact of coverage on access to care**: Research shows that when parents are insured their children are more likely to be insured and to receive care.[14] Coverage continuity also increases the likelihood that children receive care.[15] Research also demonstrates that out-of-pocket costs (premiums, copays, deductibles and costs for care that is not covered, like vision or dental care) are a drain on family resources and may affect whether family members get needed care.[16] The newly insured may not understand the benefits available to them in the Medicaid program or the language of commercial insurance (e.g., "deductibles", "co-insurance," and the like). For those with new coverage, it may be difficult to find a participating doctor or health service. Connecticut policymakers need to monitor how health plan costs affect access to care for those who lose HUSKY coverage. Policymakers should ensure that trusted community- based providers are available ***year-round*** to help families navigate the health insurance marketplace and the health care delivery system.

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[1] Centers for Medicare and Medicaid Services. Medicaid & CHIP: May 2015 Monthly Applications, Eligibility Determinations, and Enrollment Report. Issued July 28, 2015. Available at: http://www.medicaid.gov/AffordableCareAct/Medicaid-Moving-Forward-2015/Downloads/May-2015-Enrollment-Report.pdf

[2] Centers for Medicare and Medicaid Services, *op.cit.* Data for July-September 2013 (pre-ACA baseline) were not available from Connecticut and Maine.

[3] Centers for Medicare and Medicaid Services, *op.cit.*, Table 1, page 8. In the 28 states and the District of Columbia that adopted the Medicaid expansion by May 2015, the changes in Medicaid and CHIP enrollment ranged from a 7.21% increase in Delaware to an 85.57% increase in Kentucky. Connecticut did not report baseline data for CMS to use in calculating percent change.

[4] Centers for Medicare and Medicaid Services, *op.cit.*, Table 2, page 13.

[5] Marken S. U.S. uninsured rate at 11.4% in second quarter. Gallup, July 10, 2015. Available at: http://www.gallup.com/poll/184064/uninsured-rate-second-quarter.aspx?version=print.

[6] Cohen RA, Martinez ME. Health insurance coverage: early release of estimates from the National Health Interview Survey, January-March 2015. National Center for Health Statistics, August 2015. Available at: http://www.cdc.gov/nchs/data/nhis/earlyrelease/insur201508.pdf.

[7] Effective April 1, 2010, Connecticut transferred 45,000 individuals from the existing state-funded program in to Medicaid; an additional 36,000 enrolled by July 2012 (80% increase). Enrollment increased in large measure due to changes in eligibility criteria, such as the elimination of an asset test. Under the ACA, only income is taken into account in determining eligibility. Enrollment has continued to increase. With the switch to Medicaid in 2010, the federal government now shares in the cost of providing coverage to low-income adults (HUSKY D).

[8] Effective January 1, 2014, the income eligibility level for the Medicaid expansion category (HUSKY D coverage for low income adults) increased from 56% FPL to 138% FPL. In 2015, 138% FPL equals $16,243 annually for an individual.

[9] In June 2012, the United States Supreme Court determined that the Medicaid expansion under the ACA should be construed as a state option rather than a mandate in order to pass constitutional muster. See National Federation of Independent Business v. Sebelius, 567 U.S. 1 (2012). The case was heard together with Florida v. Department of Health and Human Services. For an analysis of the Supreme Court decision, see, for example, Kaiser Commission on Medicaid and the Uninsured, *Guide to the Supreme Court's Affordable Care Act Decision (July 2012)*, available at http://kff.org/health-reform/issue-brief/a-guide-to-the-supreme-courts-affordable/.

[10] Spec. Sess. P.A. 15-5, Sec. 371.

[11] Connecticut Department of Social Services. DSS Eligibility Process Improvement Update, July 10, 2015. Report to Oversight Council on Medical Assistance Program. Available at: https://www.cga.ct.gov/med/council/2015/0710/20150710ATTACH_BCMAPOC%20July%202015.pdf

[12] Connecticut Department of Social Services. ConneCT Public Dashboard—May 2014. Report to Council on Medical Assistance Program Oversight, June 13, 2014. Available at: https://www.cga.ct.gov/med/council/2014/0613/20140613ATTACH_DSS%20ConneCT%20Dashboard.pdf

[13] Levin Becker A. 86,000 in Connecticut now signed up for Obamacare. CT Mirror, December 17, 2014. Available at: http://ctmirror.org/86000-in-connecticut-now-singed-up-for-obamacare/

[14] Rosenbaum S, Whittington RPT. Parental health insurance coverage as child health policy: evidence from the literature. The George Washington University School of Public Health and Health Services Department of Health Policy, June 2007. Available at: http://publichealth.gwu.edu/departments/healthpolicy/CHPR/downloads/Parental_Health_Insurance_Report.pdf.

[15] Lee MA, Feder K, Langer SD. Coverage continuity in the HUSKY Program increases children's preventive medical and dental care utilization. New Haven, CT: Connecticut Voices for Children, March 2015. Available at: http://www.ctvoices.org/publications/coverage-continuity-husky-program-increases-childrens-preventive-medical-and-dental-care.

[16] Perry M, Cummings J. Snapshots from the kitchen table: family budgets and health care. Washington, DC: The Kaiser Commission on Medicaid and the Uninsured, February 2009. Available at: http://kff.org/health-costs/report/snapshots-from-the-kitchen-table-family-budgets/.