

# **Affordable Care Act & Medicaid Reform in Wisconsin: Enrollment and Coverage Trends, Plans and Premiums**

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## Governor's Health Insurance Coverage Goal

“Through Governor Walker’s Entitlement Reform Plan, all Wisconsinites have access to affordable health care coverage. People living in poverty have coverage through Medicaid while individuals and families above the poverty level have access to affordable private health care coverage through the federal Health Insurance Marketplace. Approved as part of the 2013-15 state budget, this plan is projected to reduce the number of uninsured in our state by 224,580, or roughly half, while strengthening the state’s safety net for Wisconsin's neediest residents.”

Governor Walker’s Entitlement Reform Plan  
Wisconsin Department of Health Services

## Insurance Coverage

- About 5.4% of Wisconsin residents were uninsured in 2016, down from 9.1% in 2013
- Uninsured decreased by about 207,877 from 2013 to 2017, a reduction of about 40% across the total population.
- Persons with incomes 100-200% FPL are most likely to be uninsured, with 21% uninsured, and account for 32% of all uninsured residents in Wisconsin.
- Those above 200% FPL account for 49% of all uninsured persons in Wisconsin.
- Most of the gains in insurance coverage occurred through the ACA Marketplace and increases in employer-sponsored insurance. The State has achieved 93% of the Governor's 2015 goal of reducing the uninsured by 224,580.

## Medicaid and BadgerCare Trends

- Parent and caretaker BadgerCare enrollment has declined by 39% since September 2013. Most of this reflects the entitlement reforms that took effect in April 2014 that removed eligibility for adults over 100% FPL.
- Most children enrolled in Medicaid are below 100% FPL. Children in poverty experienced an 8% decrease in enrollment from September 2013 to September 2018.
- Enrollment of adults without dependent children ("childless adults") has increased nearly eight-fold since 2013, with current enrollment at nearly 150,000

# Wisconsin's Medicaid Reforms and the ACA: Fact Summary

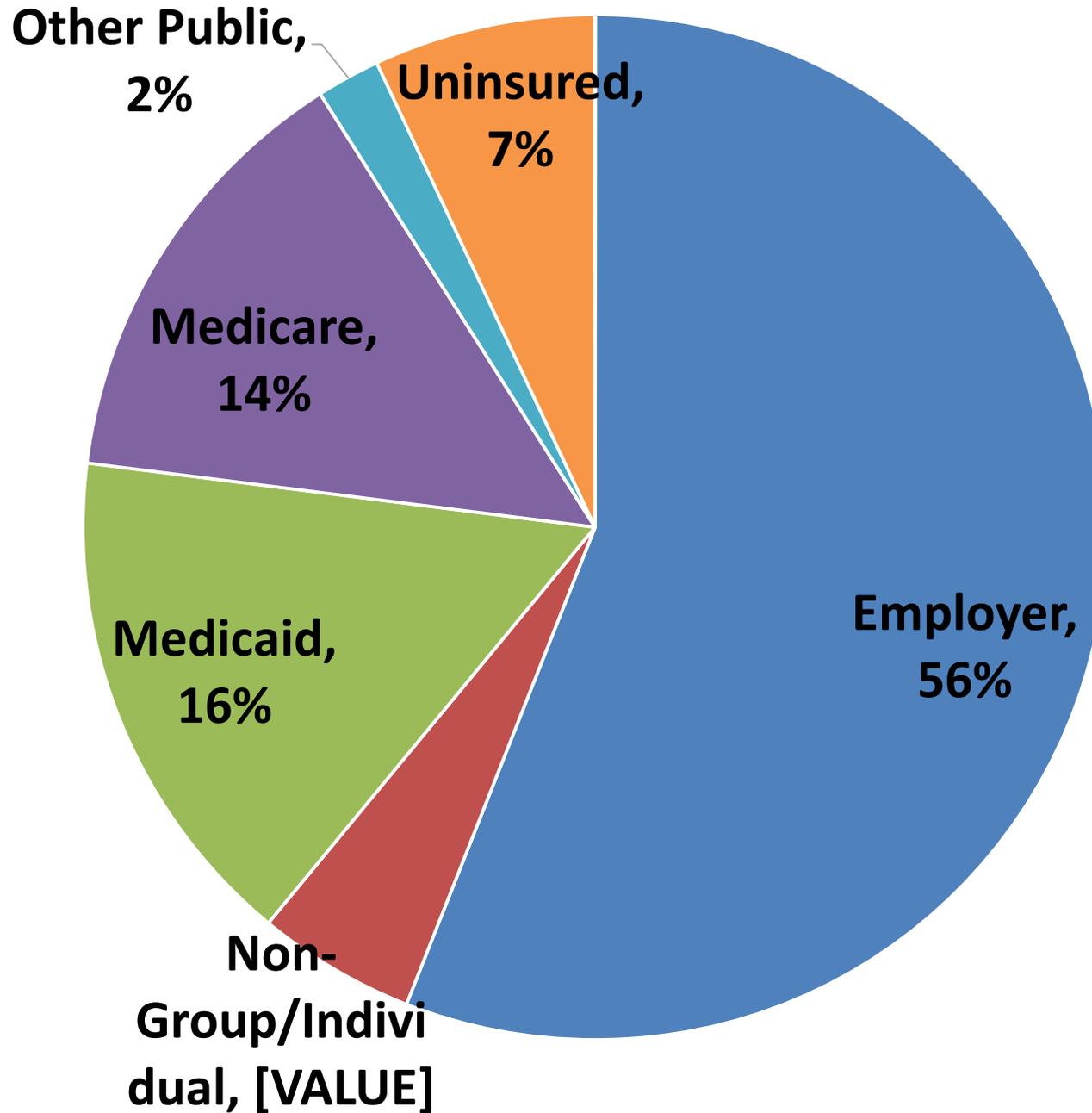
## ACA Marketplace Summary Data

- During the 2018 open enrollment period, reduced from twelve to six weeks (Nov 1-Dec 15,2017), 225,435 Wisconsin consumers selected plans – 7% fewer than the 2017 period.
- In 2018, 88% of Wisconsin consumers who selected an ACA Marketplace plan went on to actually pay the first month's premium, resulting in 200,557 actual plan enrollments by February 2018.
- For consumers who effectuated enrollment in 2018, 88% received federal financial assistance to reduce premiums (Advance Premium Tax Credit - APTC), while 45% received federal Cost-Sharing Reductions that reduce deductibles, and co-payments.
- In 2018, 79% of consumers selecting ACA plans were reenrollees, while 21% were new to ACA Marketplace plans. Among the re-enrollees, three-quarters were “active re-enrollees” rather than simply relying on the auto-reenrollment process.
- Consumers ages 18-34 make up 24% of those who selected a 2018 Marketplace plan.

## Insurance Plans and Premiums

- Wisconsin in 2018 had 11 Insurance carriers offering health plans through the ACA Marketplace.
- For Plan Year 2018, Wisconsin has 14 insurance carriers offering plans.
- Wisconsin's average benchmark premium, unsubsidized, for 2019, is \$440/month, while the average premium for the lowest cost plan is \$306/month.
- For consumers receiving a federal premium subsidy (APTC) for 2018 ACA plans, the average subsidy was \$665/month, with subsidized consumers paying an average premium of \$106/month.
- For the 2019 plan year, ACA Marketplace premium rates changes have declined substantially in Wisconsin and nationally. Wisconsin's trend rates increase more than the national average in 2017-18, and are now decreasing slightly more than the national rate of decrease for 2019.

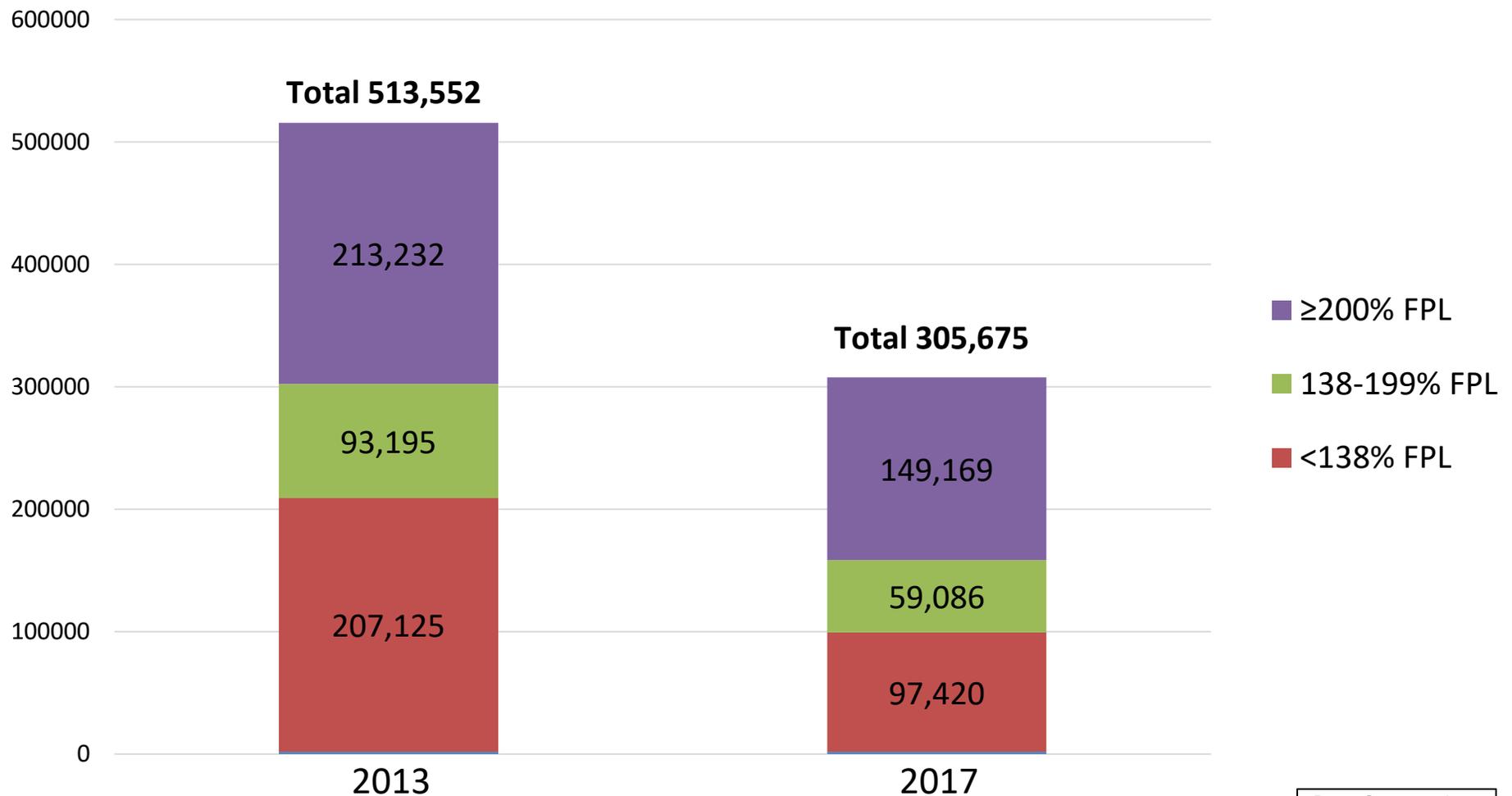
# Health Insurance Coverage of the Total Population, 2016



## Uninsured in 2013 and 2017: Before and After the ACA Took Effect

- About 5.4% of residents were uninsured in 2017, down from 9.1% in 2013.
- Persons without insurance decreased by about 207,877 people, a reduction of about 40%.
- Decreases in the number of uninsured people occurred across all income levels.

**Wisconsin Uninsured 2013 and 2017,  
Residents for Whom Poverty Status is Determined**



Data Source: 1

## Medicaid/BadgerCare and HealthCare.Gov MarketPlace Coverage, Wisconsin, September 2018

Coverage Program	Total Enrollment	Percent of Statewide Population
BadgerCare Children	424,184	33% of children
BadgerCare Adults (parents, caretaker, childless adults)	238,834	7% of adults <age 65
Other BadgerCare - Pregnant Women, Youths Exiting Foster Care, Income Extensions, Express Enrollment	108,508	
<b>Total BadgerCare</b>	<b>775,619</b>	<b>14% of Total Population</b>
Elderly/Blind/Disabled	223,557	
Other Coverage	182,841	
<b>Total Medicaid</b>	<b>1,182,017</b>	<b>21% of total population</b>

<b>Total Consumers Effectuating Enrollment in ACA Marketplace Plans, February 2018</b>	<b>200,557</b>	<b>6% of population &lt;age 65</b>
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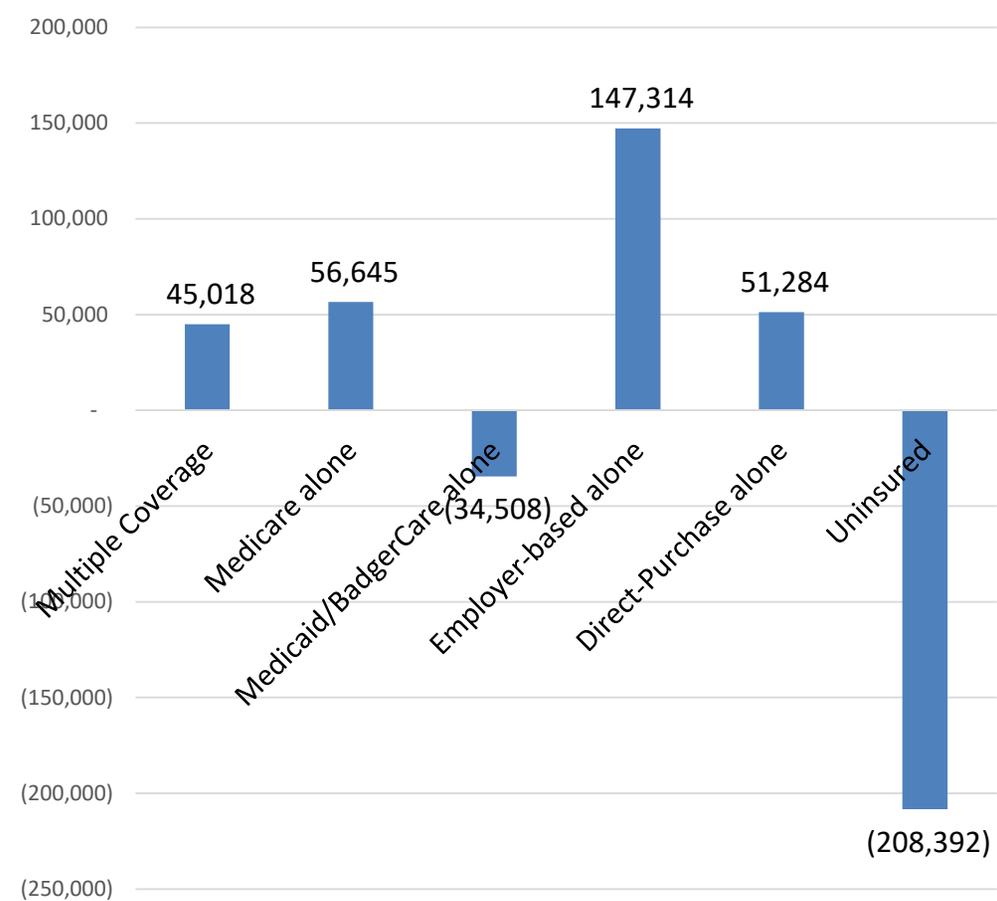
Data Sources: 1, 2, 6

## How Did the Uninsured Decrease?

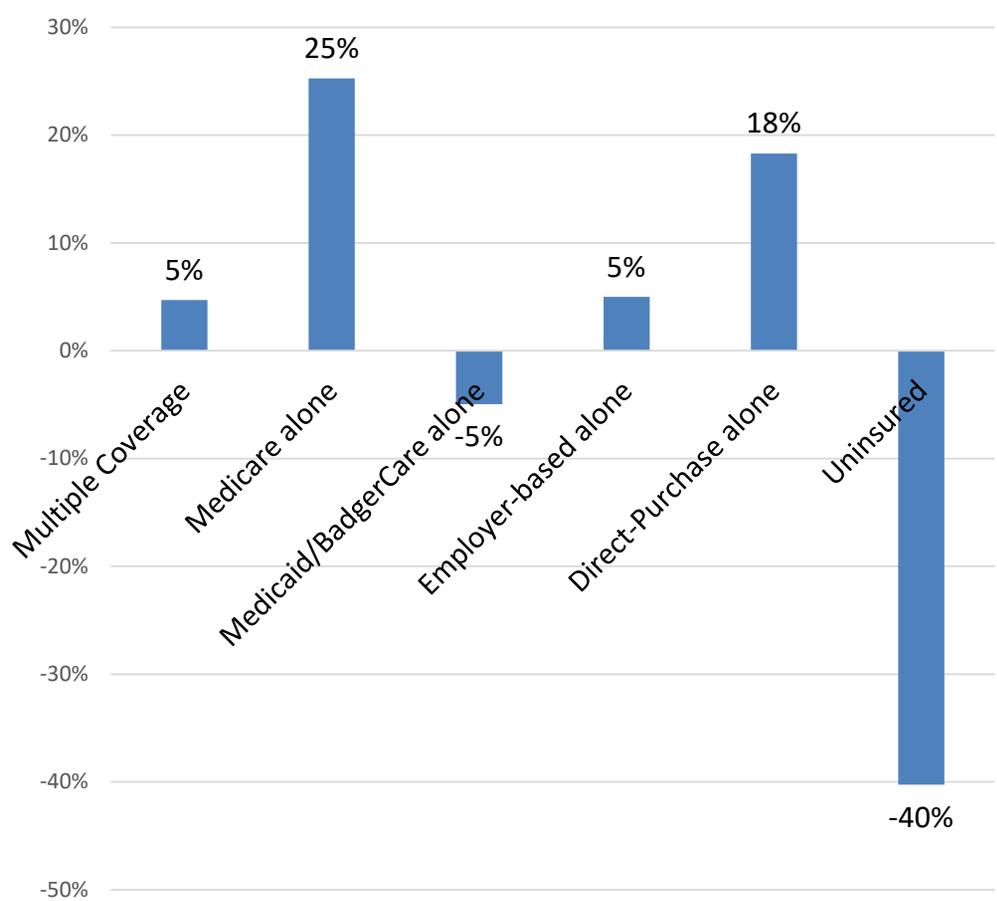
### Overall Changes in Source of Health Insurance Coverage, 2013-2017

- More Wisconsin residents gained employment-based health insurance as the economy improved.
- Increase in direct-purchase of individual health insurance, most through the Marketplace.
- Some people may come to these coverages from other sources of coverage, but the net increase in both employer-sponsored and direct-purchase individual coverage accounts for most of the reduction in the overall number of uninsured.

**Change in Coverage, 2013-2017**



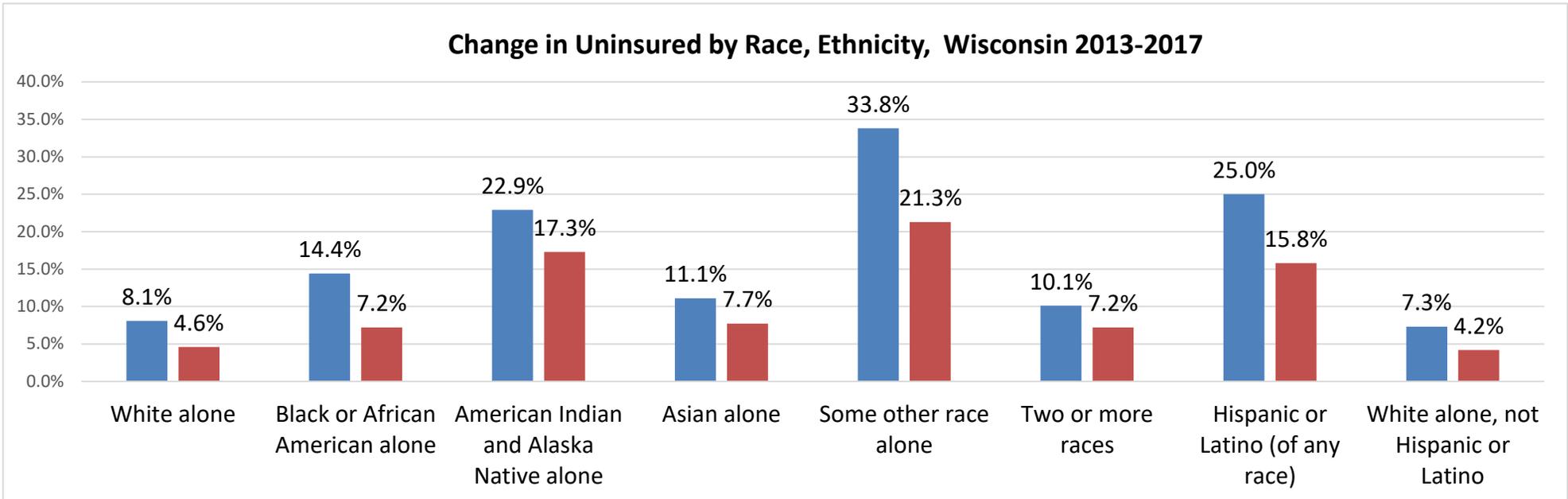
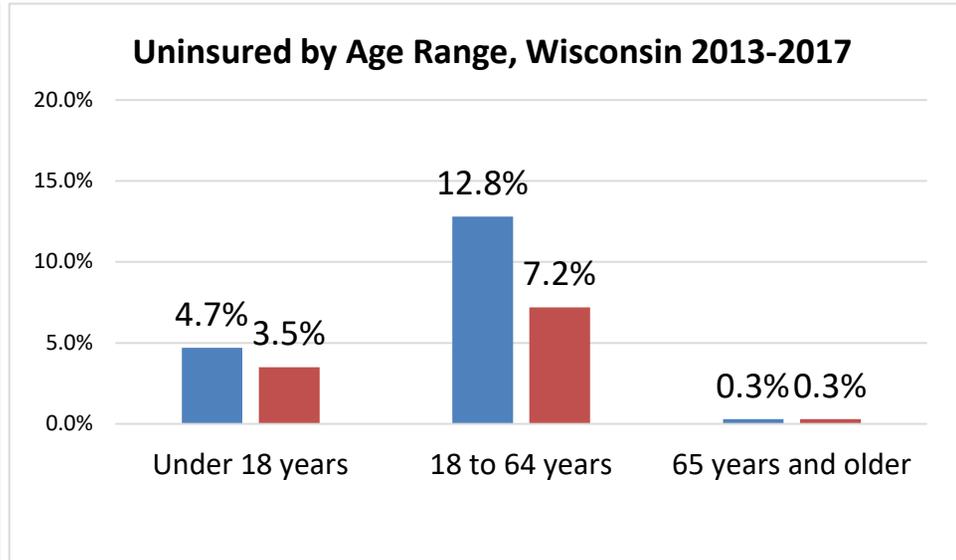
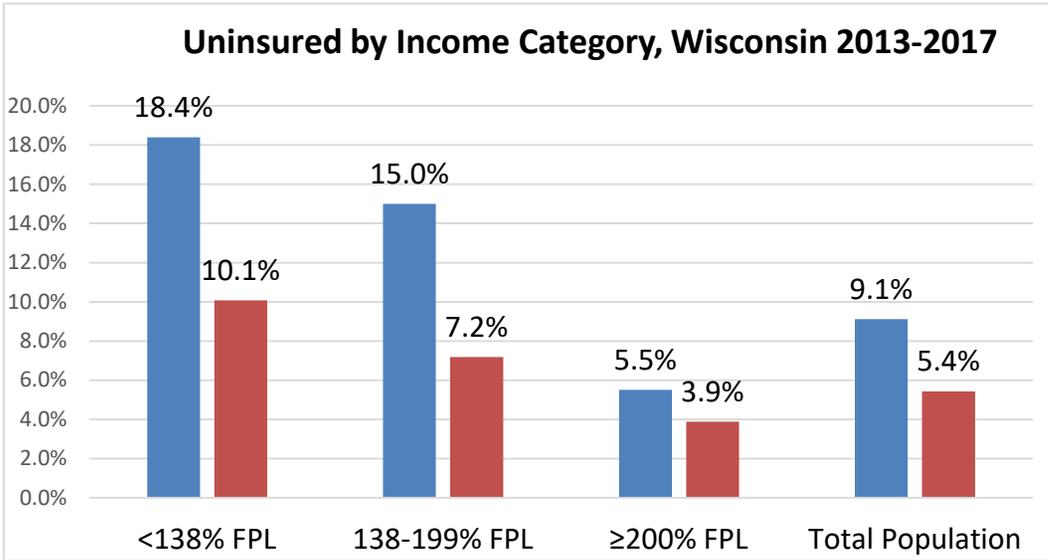
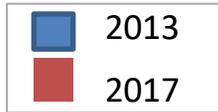
**Percent Change in Coverage, 2013-2017**



Data Source: 1

# Uninsured Trends Wisconsin, 2013-2017

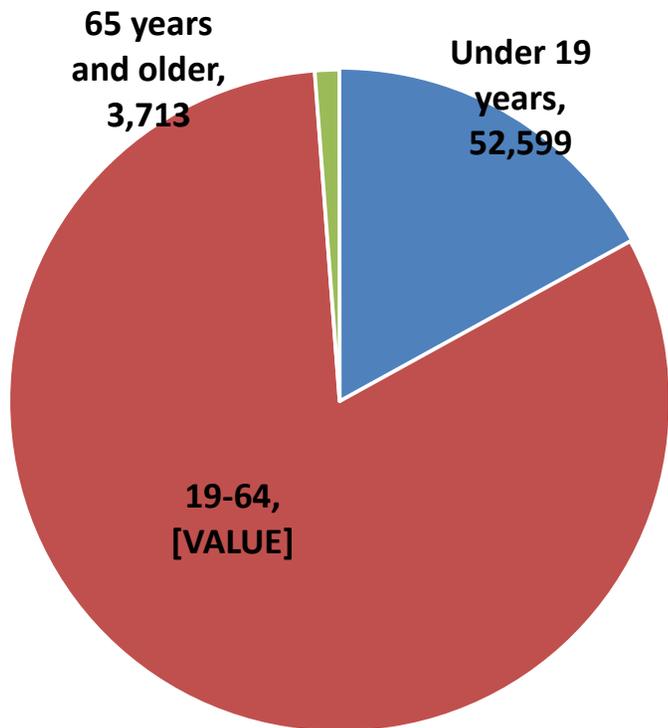
- Substantial declines in uninsured occurred across the population.
- Largest declines in rates of uninsured occurred among persons in the lowest income groups, persons ages 19-25 years old, and among racial and ethnic minorities.



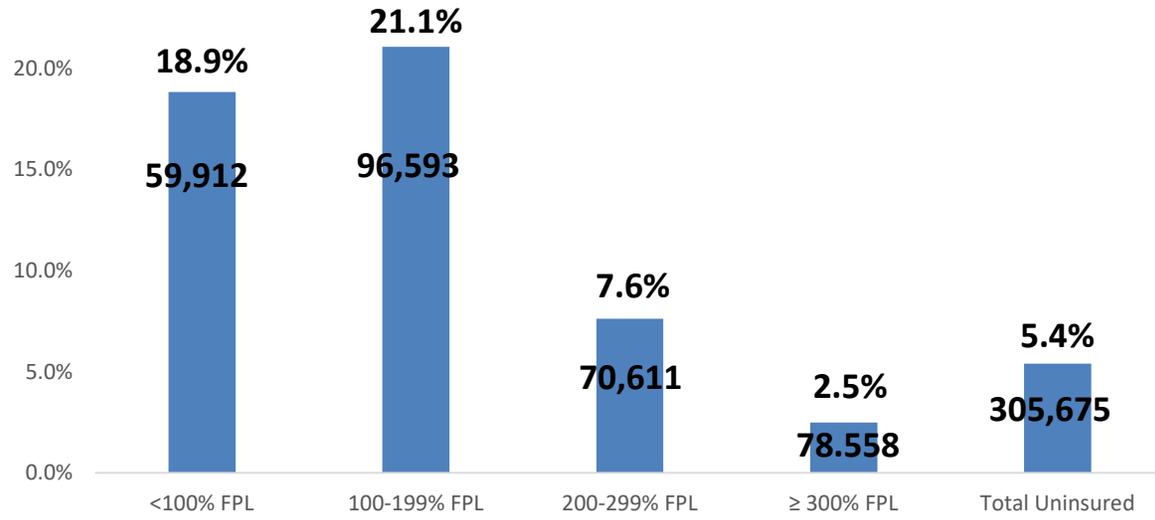
# Who is Still Uninsured?: Wisconsin Residents who Remained Uninsured, ACS 2017

## Total Number of Uninsured Individuals, By Age

Children under the age of 19 make up about 17% of the remaining uninsured, with an estimated 52,599 in that age range remaining uninsured in Wisconsin as of 2016.

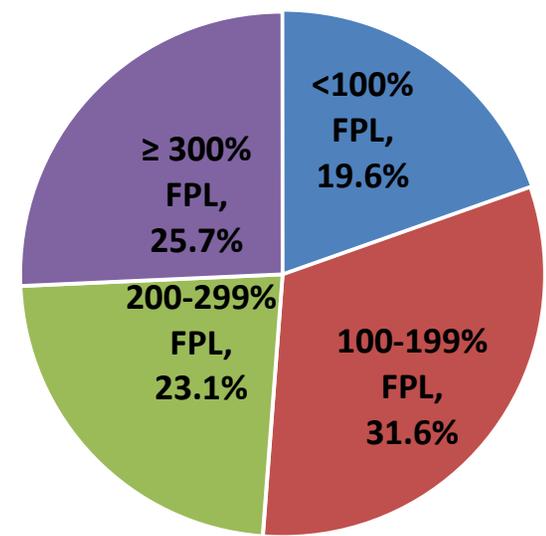


## Total Number of Uninsured Individuals, By Income



Persons 100-199% FPL most likely to be uninsured: 21.1% compared to 2.5% for persons >300% FPL, and account for 32% of all uninsured Wisconsin residents.

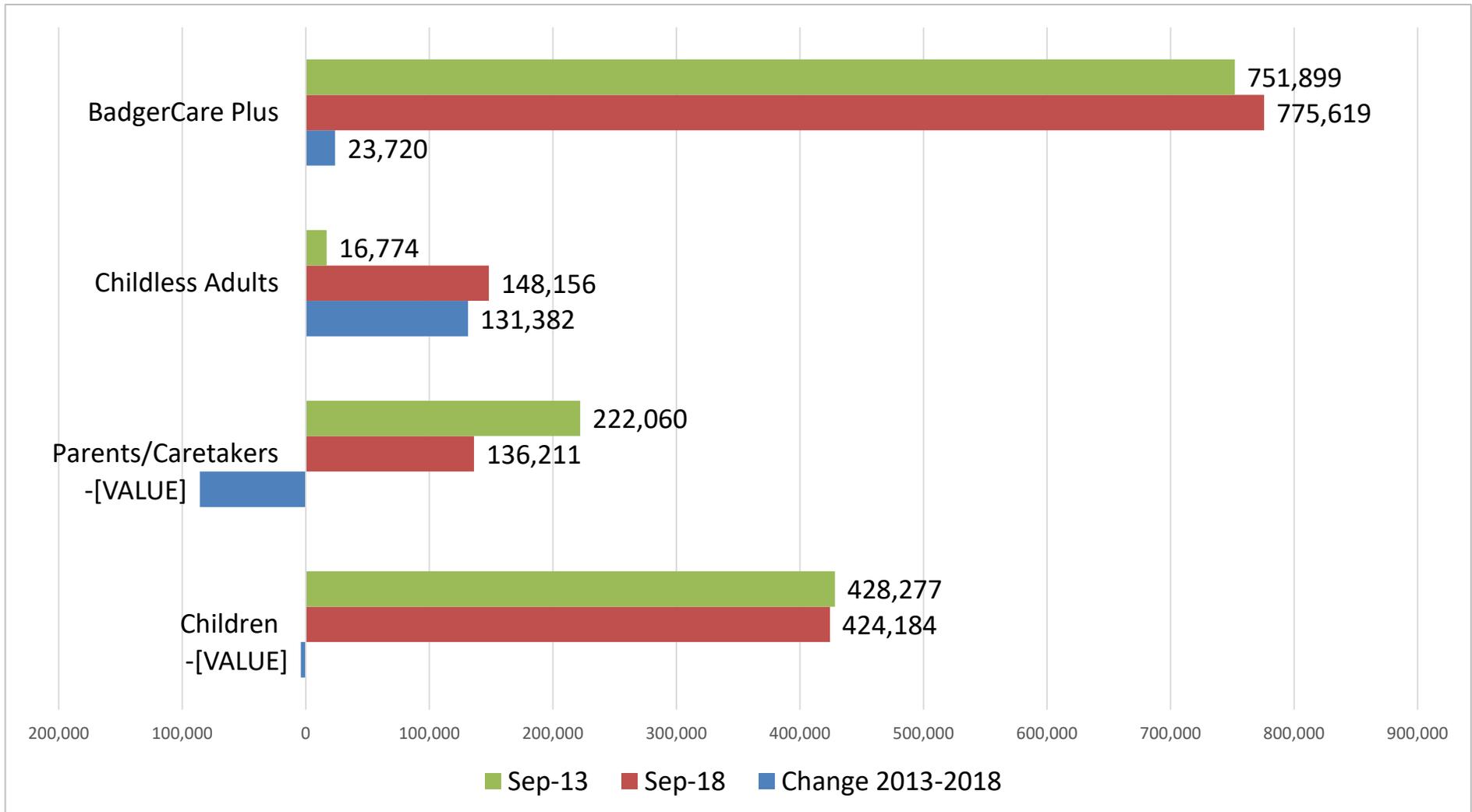
But persons above 200% FPL account for nearly half (49%) of all uninsured persons in Wisconsin.



Data Source: 1

## Pre- and Post-ACA Medicaid/BadgerCare Enrollment

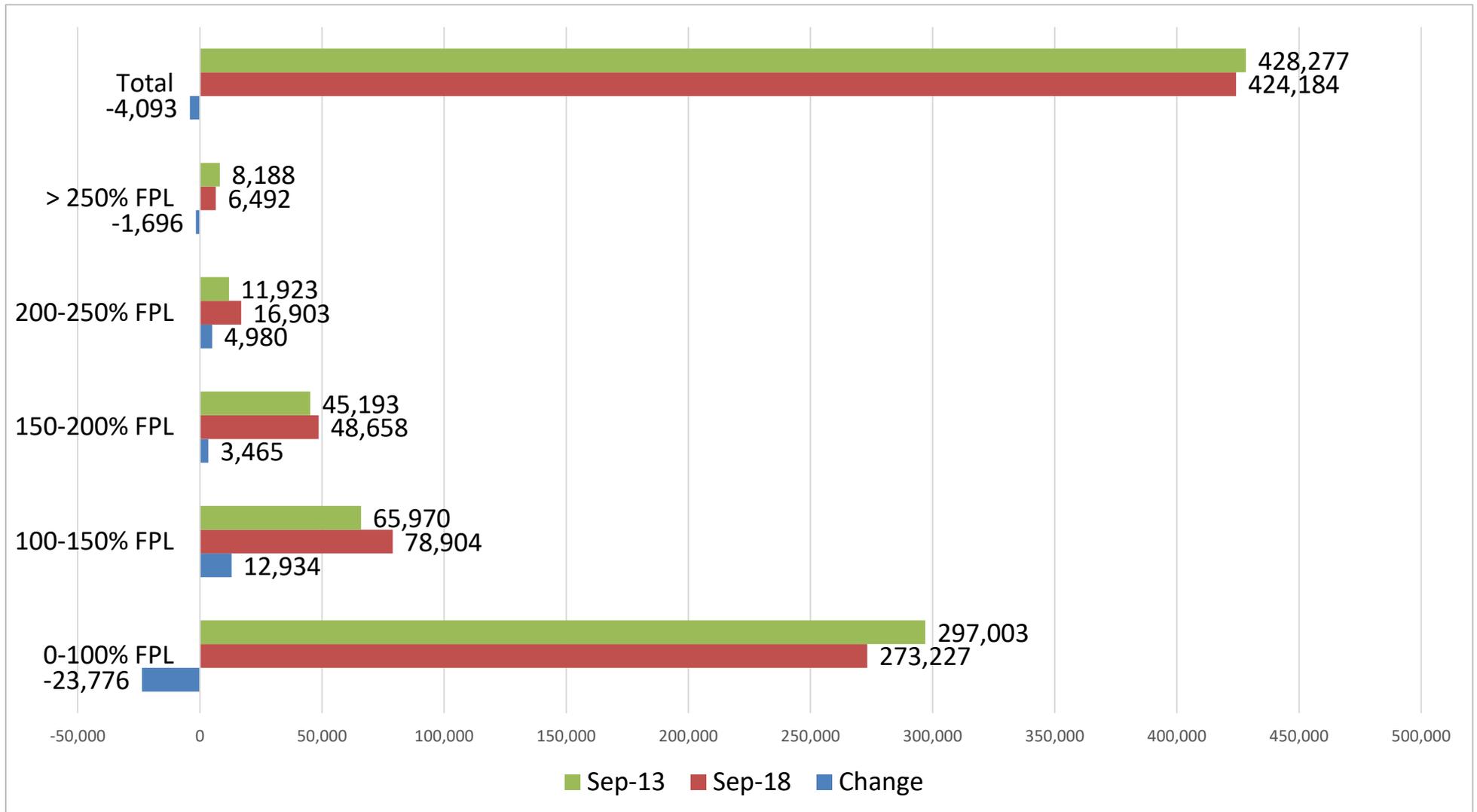
- In Wisconsin, total BadgerCare enrollment increased by 23,509 persons (3.2%) from 2013-2018, due to the increased eligibility for adults without dependent children (“childless adults”).
- Enrollment of childless adults has increased nearly eight-fold since 2013, to nearly 150,000 BadgerCare members.
- Parent and caretaker BadgerCare enrollment has declined by 39% since September 2013. Most of this reflects the changes that took effect in April 2014 that removed eligibility for adults over 100% FPL.



Data Source: 2

## Children's Pre- and Post-ACA Medicaid/BadgerCare Enrollment

- Children's enrollment overall has declined slightly, with some interim fluctuations, since 2013.
- Family income for most children enrolled in Medicaid is below 100% FPL.
- That coverage group experienced an 8% decline in enrollment since 2013.

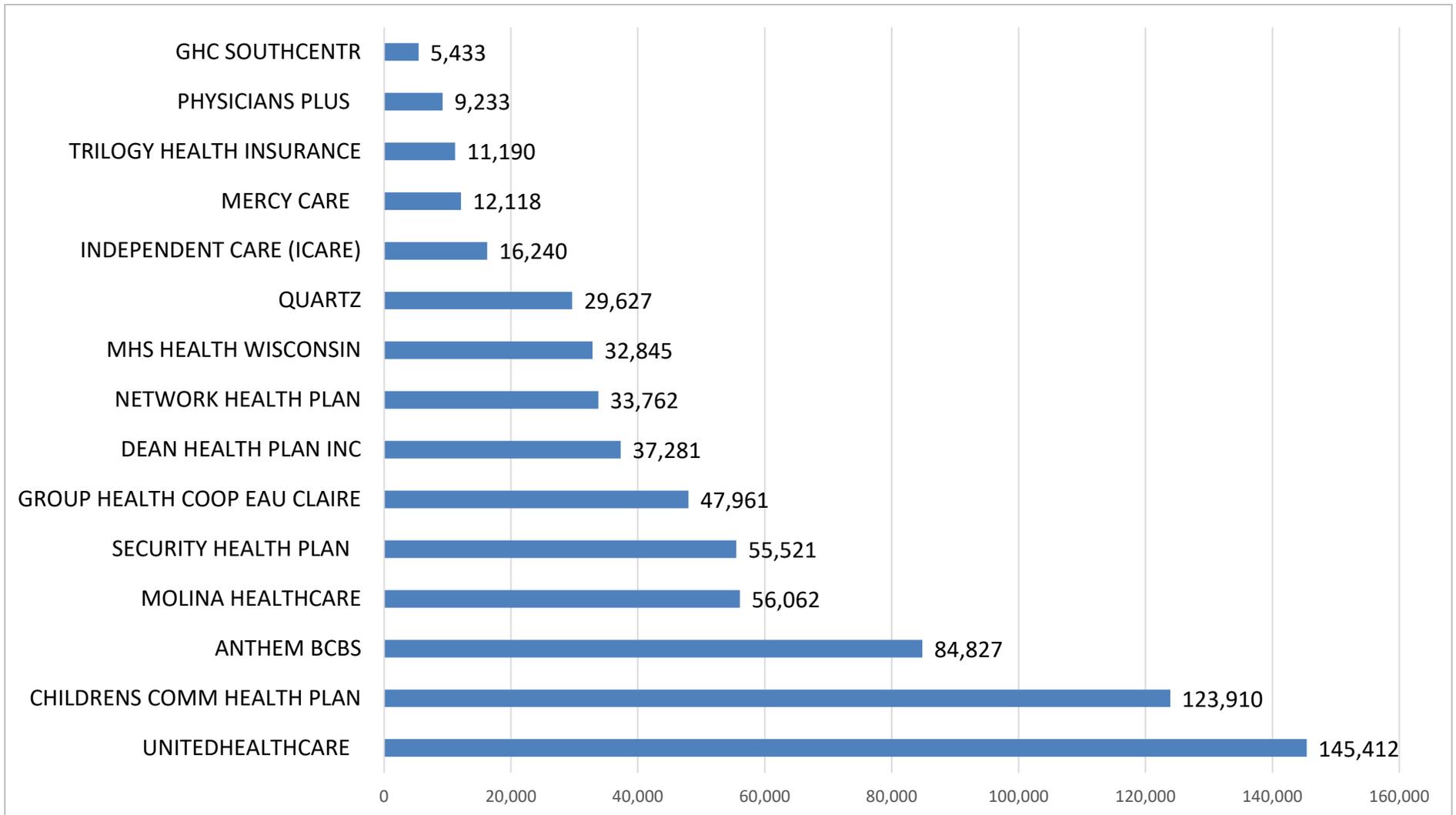


Note: This does not include changes in coverage extensions under "Transitional Medical Assistance" (TMA)

Data Source: 2

# HMO Managed Care Enrollment, BadgerCare Members, September 2018

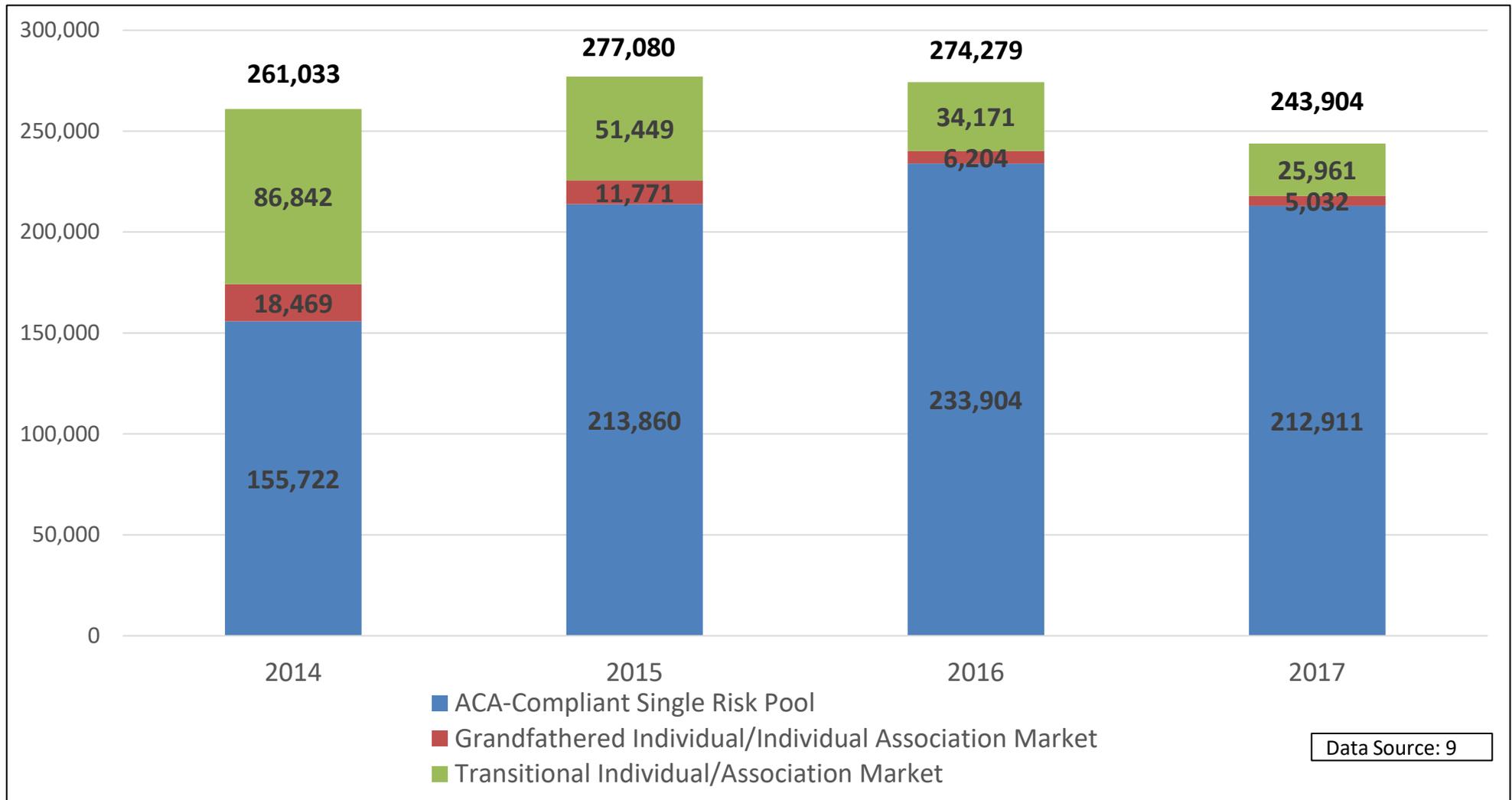
- As of September 2018, about 700,000 BadgerCare Members were enrolled in 15 Managed Care Organizations statewide.
- UnitedHealthcare and Children’s Community Health Plans together enroll about 38% of BadgerCare members.



Data Source: 3

## Wisconsin Individual Market Health Insurance: Overall Enrollment Trend

- ACA-compliant single risk pool (includes both on- and off-exchange): **Subject to all ACA provisions, such as coverage of essential health benefit package and no annual or lifetime benefit limits.**
- Grandfathered Individual/Individual Association Market (policies issued on or before March 23, 2010): **Not subject to most provisions of the ACA.**
- Transitional Individual/Association Market (policies issued between March 24, 2010 and December 1, 2013). **Subject to limited provisions of the ACA.**



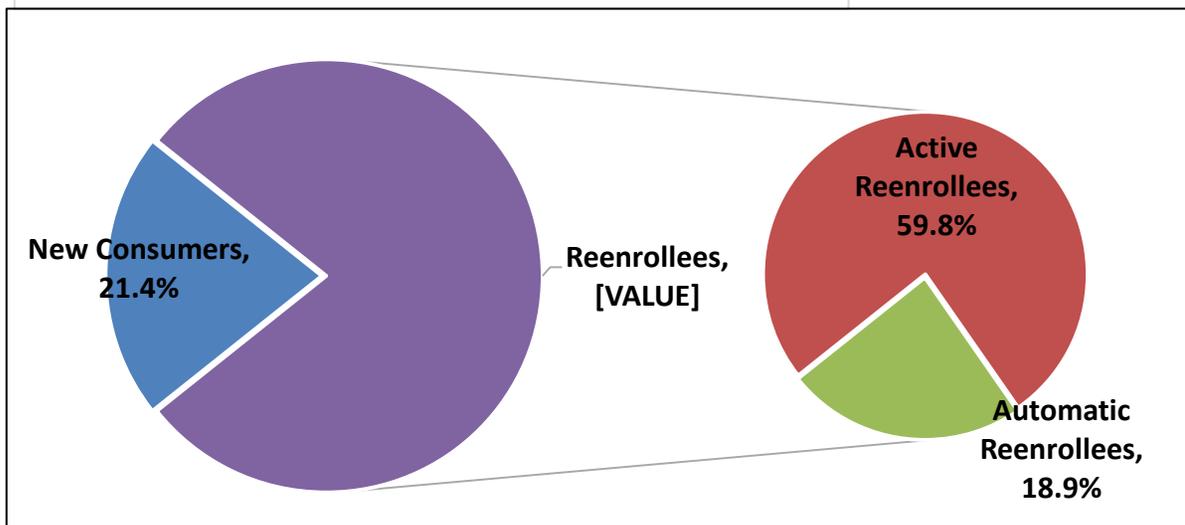
## Plan Selections: Open Enrollment Trend 2016-18

- Plan selections remained strong for 2018, despite the enrollment period reduction from 12 to 6 weeks.
- Effectuated enrollment refers to those consumers who pay select a plan and pay their first month premium to activate their coverage.
- In 2018, 88% of Wisconsin consumers who selected an ACA Marketplace plan went on to effectuate their enrollment, resulting in 200,557 actual plan enrollments in February 2018.

Open Enrollment Plan Year (Enrollment Period Length)	Number of Plan Selections
OE 2016 (12 weeks)	239,034
OE 2017 (12 weeks)	242,863
OE 2018 (6 weeks)	225,435

2018 ACA Plans	Number of Plan Selections	Percent of Plan Selections
Effectuating Coverage through February 2018	200,557	88%
Consumers with Premium Subsidies (APTCs)	166,310	82%
Consumers with Cost-Sharing Reductions (CSRs)	89,436	45%

### 2018 Plan Selections: Enrollment Mode



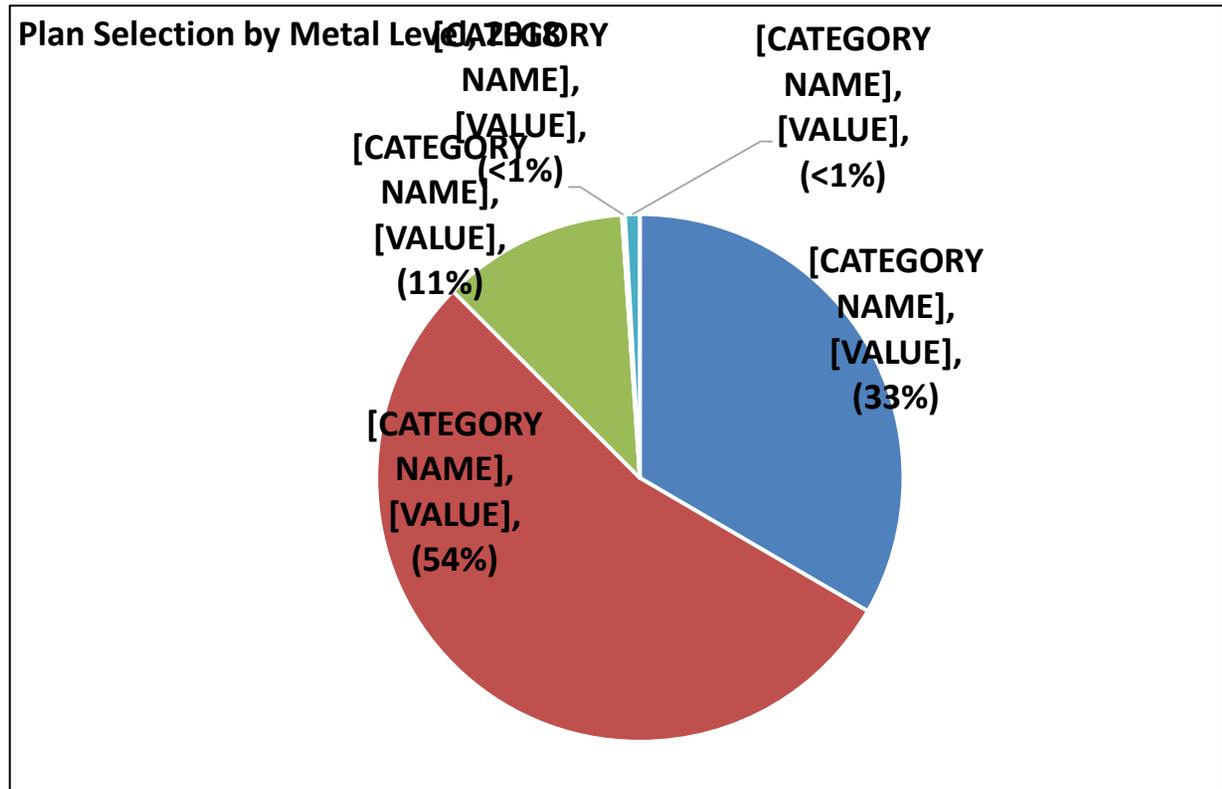
- Of those selecting ACA plans in 2018, 79% were re-enrollees, while one-quarter were new enrollees.
- Most re-enrollees actively re-enroll, with an enrollment assister or directly via Healthcare.gov, rather than relying on the auto-reenrollment process.

Data Source: 4, ,5,6, 7

# Wisconsin Plan Premiums and Subsidies (Advance Premium Tax Credits-APTC)

Total Effectuated Coverage, February 2018, N=200,557	Number	Percent
Consumers with Advance Premium Tax Credits (APTCs)	176,410	88%
Consumers with Cost Sharing Reductions (CSRs)	89,436	45%
Average APTC among consumers receiving APTC	\$665	
Average Premium after APTC among consumers receiving APTC	\$106	

Metal level plan	Average monthly premium	Average monthly premium after APTC
Bronze	\$626	\$209
Silver	\$833	\$158
Gold	\$759	\$278



Data Source: 5, 6, 10, 11.

## Wisconsin Plan Premiums and Subsidies (Advance Premium Tax Credits-APTC)

- Premiums began rising substantially for 2017 plans, with an uncertain federal policy environment.
- Nonetheless, ACA premium subsidies (APTC) shield consumers with incomes < 400% FPL from the premium increases, because the subsidy increases when the premium rises.

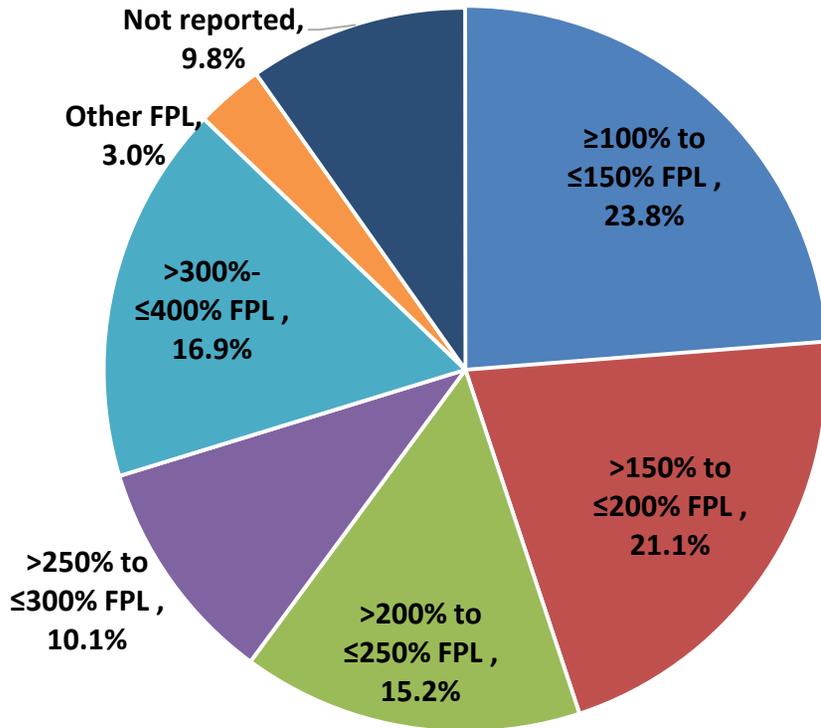
	2014	2015	2016	2017	2018
Monthly Premium, Average Benchmark Plan, 40-year old	\$298	\$306	\$319	\$368	\$569
Percent change	--	3%	4%	15%	55%
Monthly Premium, Average Lowest Cost Plan, 27-year-old	\$195	\$198	\$207	\$250	\$342
Percent change	--	2%	5%	21%	37%

	27-year-old with household income of \$25,000 (~210% FPL)			Family of four with household income of \$60,000 (~125% FPL)		
	Benchmark premium before subsidy (APTC)	APTC (premium subsidy) amount	Monthly premium after subsidy (APTC)	Benchmark premium before subsidy (APTC)	APTC (premium subsidy) amount	Monthly premium after subsidy (APTC)
<b>2017</b>	\$302	\$161	<b>\$141</b>	\$1,094	\$690	<b>\$404</b>
<b>2018</b>	\$468	\$329	<b>\$139</b>	\$1,695	\$1,296	<b>\$399</b>

Data Source: 5, 6, 10, 11, 12

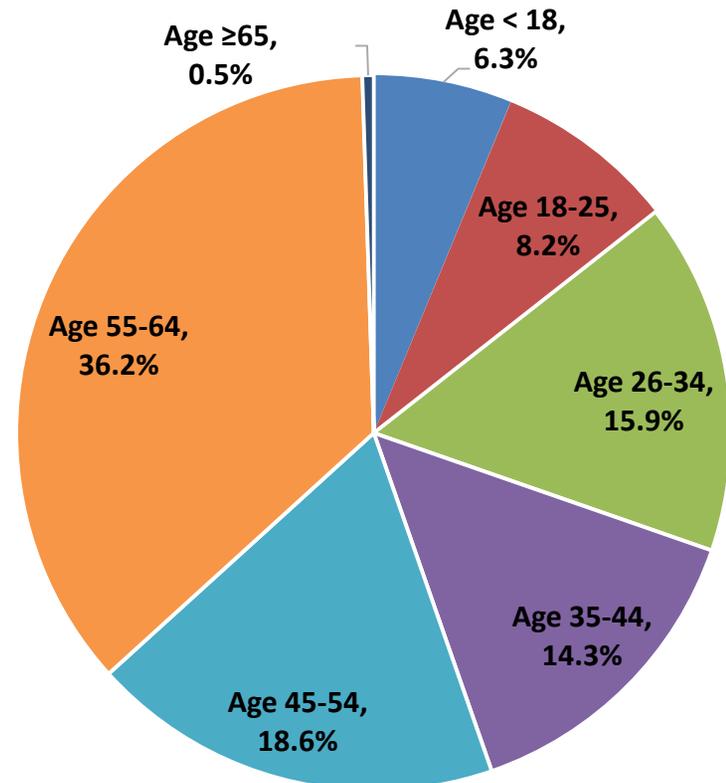
## Wisconsin ACA Plan Selections: Open Enrollment 2018

**Plan Selections by Income Range**



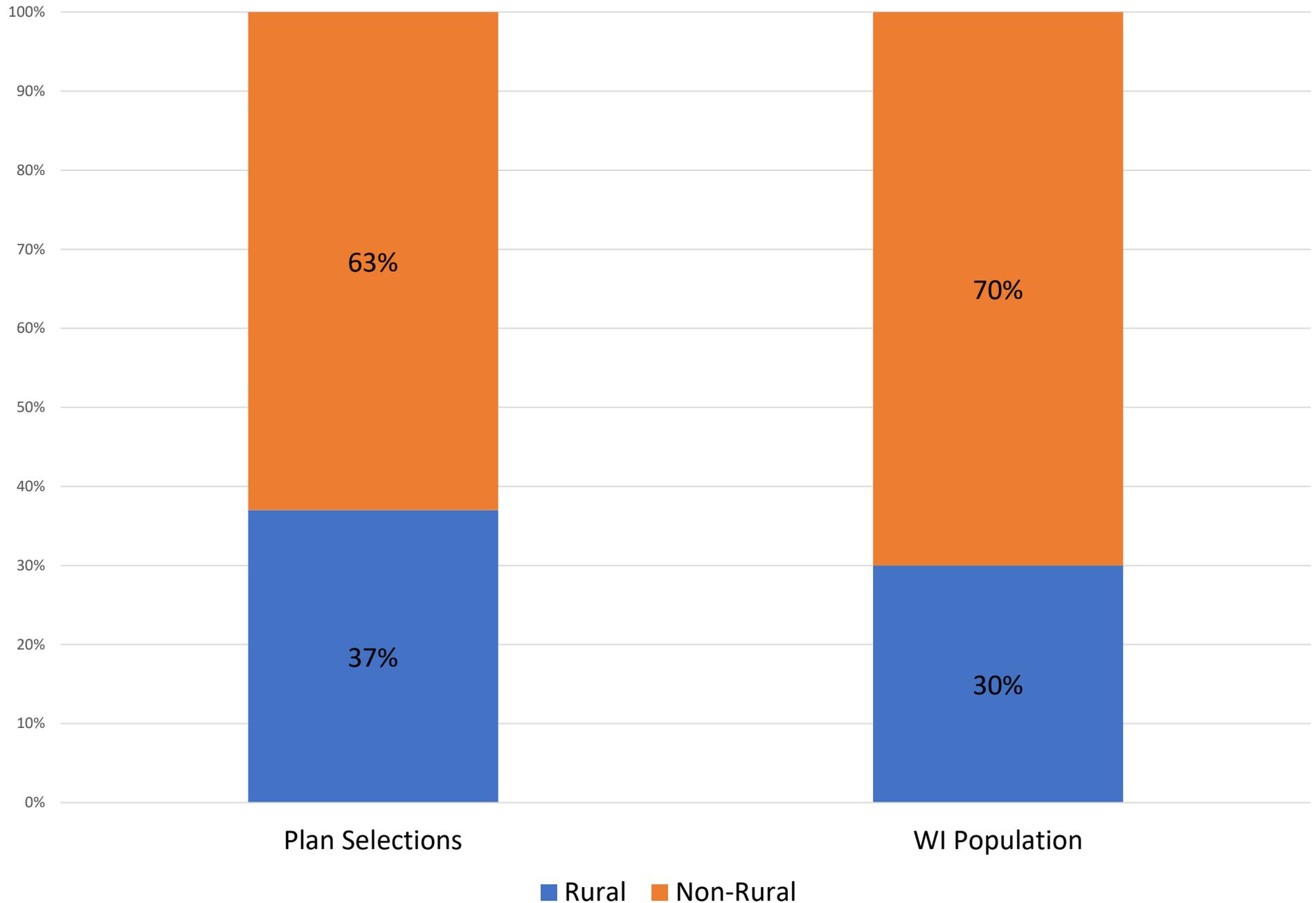
- Consumers ages 18-34 make up about 24% of ACA plan selections.
- Consumers with incomes less than 200% FPL make up about 45% of ACA plan selections.

**Plan Selections by Age Group 2018**



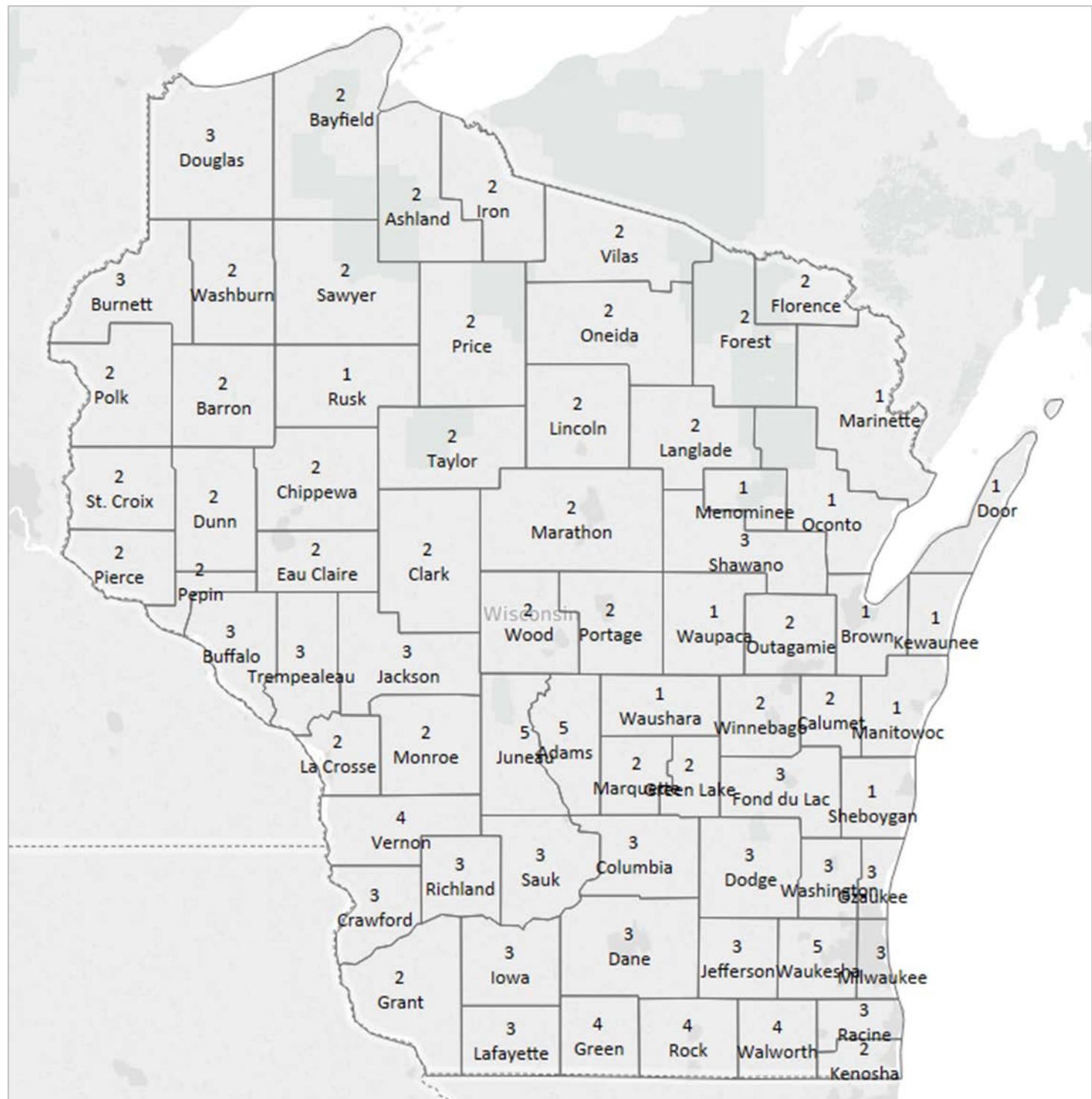
Data Source: 5

## Plan Selections, 2018, Rural and Non-Rural, Compared to Overall Wisconsin Population



Data Source: 5

**Number of insurance carriers offering plans in Wisconsin, by county, for 2018 through the ACA Marketplace**



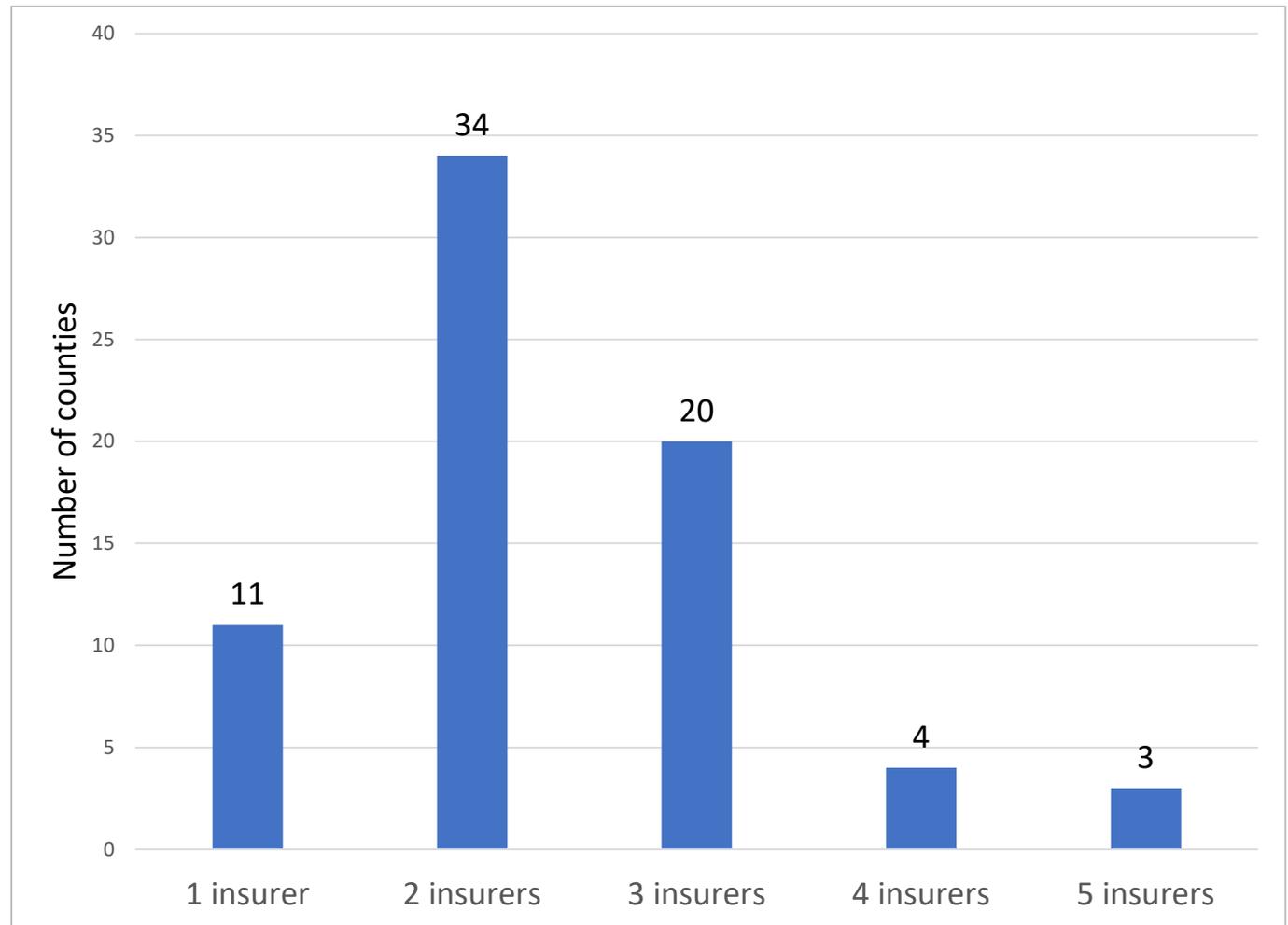
Data Source: 8

# Number of Counties by Number of Insurers offering Plans through the ACA Marketplace

- 27 Wisconsin counties have at least three insurance carriers offering ACA plans.
- 34 Wisconsin counties have two carriers offering ACA plans
- 11 counties have only one insurance carrier offering ACA plans

## Insurers Offering Plans, 2018

Aspirus Arise  
Children's Community Health  
Common Ground  
Dean Health Plan  
Group Health Coop  
Health Partners  
Medica  
MercyCare  
Network Health  
Security Health  
Gunderson/Unity/Quartz



Data Source: 8

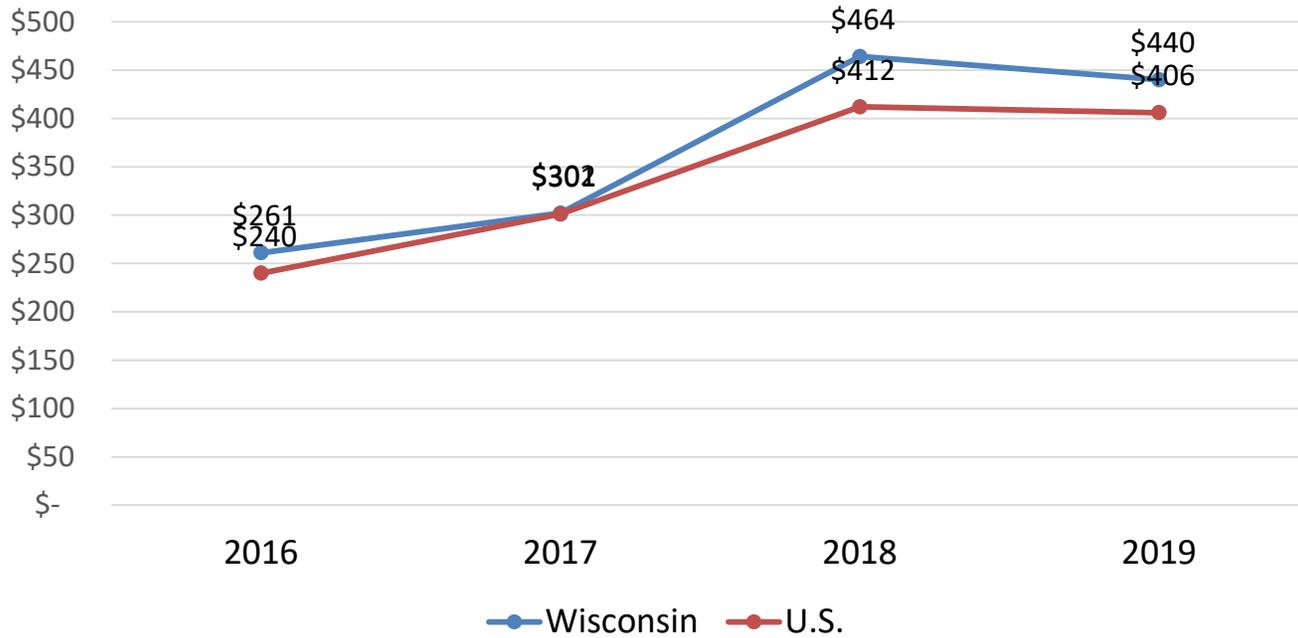
## Wisconsin ACA Marketplace Rate Filings, July 2018

- Insurers offering plans on the ACA Marketplace for the 2019 plan year submitted preliminary premium rates in July 2018.
- Most plans project rate decreases in 2019, with a range of a 14% increase to a 19% decrease.

Issuer	Requested Rate Change
<a href="#">Aspirus Arise Health Plan</a>	<a href="#">POS</a> 13.65%
	<a href="#">HMO</a> 12.88%
<a href="#">Children's Community Health Plan</a>	8.84%
<a href="#">Common Ground Healthcare Cooperative</a>	-18.94%
<a href="#">Dean Health Plan</a>	-11.89%
	-14.79%
<a href="#">Group Health Cooperative of South Central Wisconsin</a>	4.51%
	0.17%
<a href="#">HealthPartners Insurance Company</a>	-0.12%
	-0.20%
<a href="#">Medica Health Plans of Wisconsin</a>	1.39%
	-6.06%

Issuer	Requested Rate Change
<a href="#">MercyCare HMO</a>	9.20%
<a href="#">Molina Healthcare of Wisconsin</a>	-19.01%
<a href="#">Network Health Plan</a>	<a href="#">SE WI</a> -3.53%
	<a href="#">NE WI</a> -7.56%
<a href="#">Security Health Plan of Wisconsin, Inc.</a>	11.95%
	10.17%
<a href="#">Unity Health Plans</a>	-8.88%
	-11.04%
<a href="#">Wisconsin Physicians Svc Insurance Corp</a>	-18.70%
	-1.23%
<a href="#">WPS Health Plan, Inc.</a>	<a href="#">HMO</a> 2.28%
	<a href="#">POS</a> 0.72%

Premium Trend, Benchmark Plan, 2016-2019

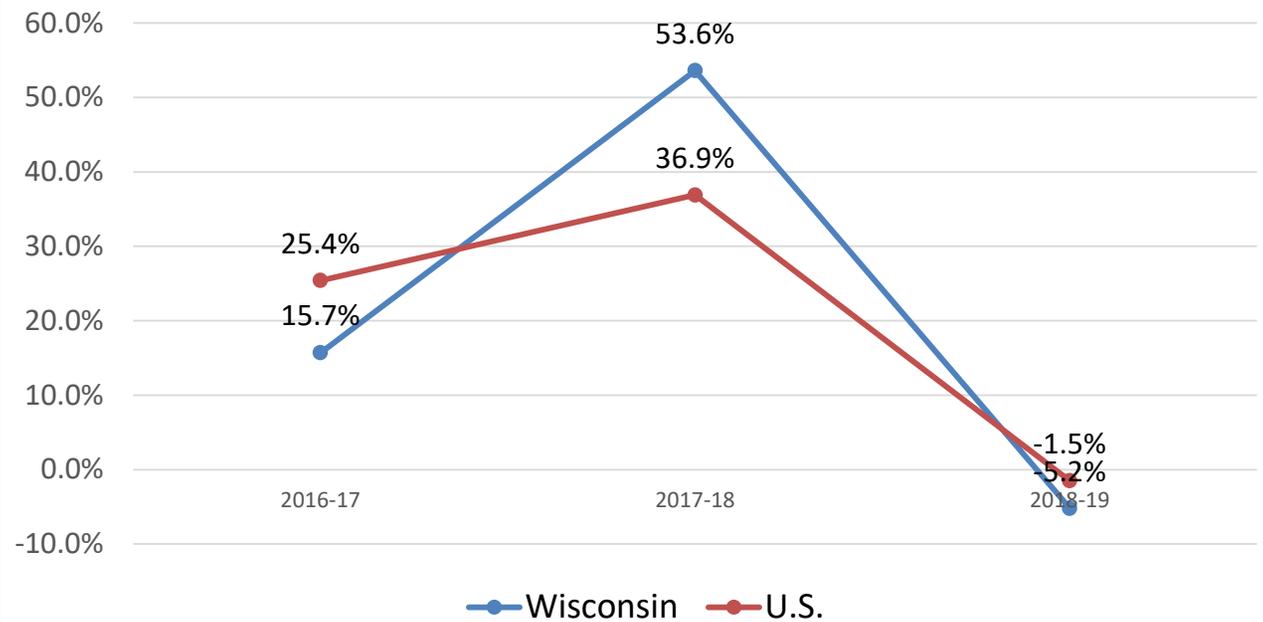


Benchmark Plan = Second-Lowest Cost Silver Plan

Wisconsin's average ACA Marketplace health plan rates have been slightly higher than the national average, and have followed the national trend over time.

For the 2019 plan year, the premium rates changes have declined substantially in Wisconsin and nationally. Wisconsin's trend rates increase more than the national average in 2017-18, and are now decreasing slightly more than the national rate of decrease for 2019.

Annual Premium Rate Changes, Benchmark Plan, 2016-2019



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