



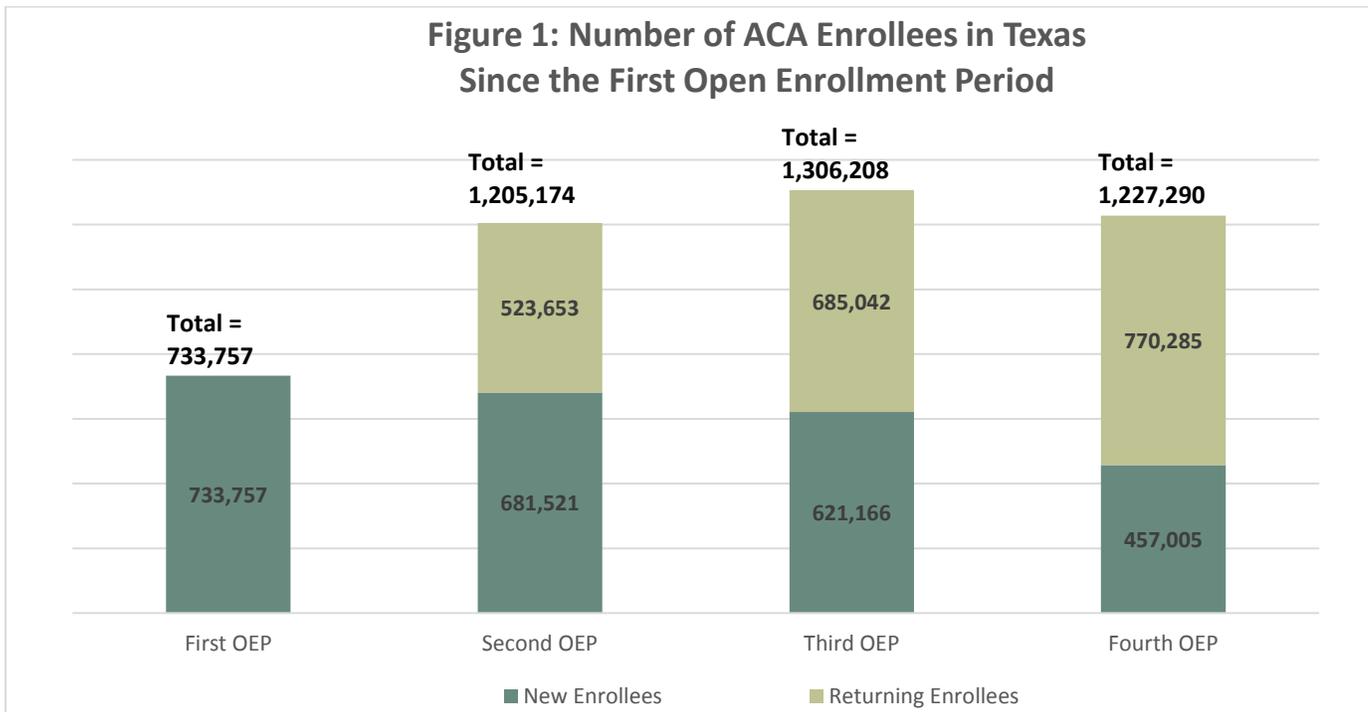
## Analysis of 2017 Affordable Care Act (ACA) Enrollment Data in Texas: Key Highlights and Implications for Future Healthcare Legislation

Elena Marks, Shao-Chee Sim, Robiel Abraha  
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Given the current policy discussions and news coverage about the repeal and replacement of the Affordable Care Act (ACA), we conducted a detailed analysis of [recently-released ACA enrollment data for Texas from Centers for Medicare & Medicare Services \(CMS\) for the fourth open enrollment period \(OEP\)](#), compared to the enrollment information from the first three ACA OEPs [reported earlier](#). We also discuss the implications of the proposed American Health Care Act on Texas.

### Finding 1: Number of ACA enrollees in Texas tops 1.2 million consistently over the past three open enrollment periods

As the chart below shows, there was a slight dip in the total ACA enrollment data in Texas during the most recent OEP (November 1, 2016 to January 31, 2017) from the previous OEP. A total of 1,227,290 Texans enrolled in health insurance coverage through the ACA marketplace during the most recent OEP, as compared to 1,306,208 during the third OEP. Of the Texans who enrolled in coverage, 63% (770,285) were returning consumers and 37% (457,005) were new consumers. 55% of enrollees were women and most 84% of enrollees lived in urban areas.

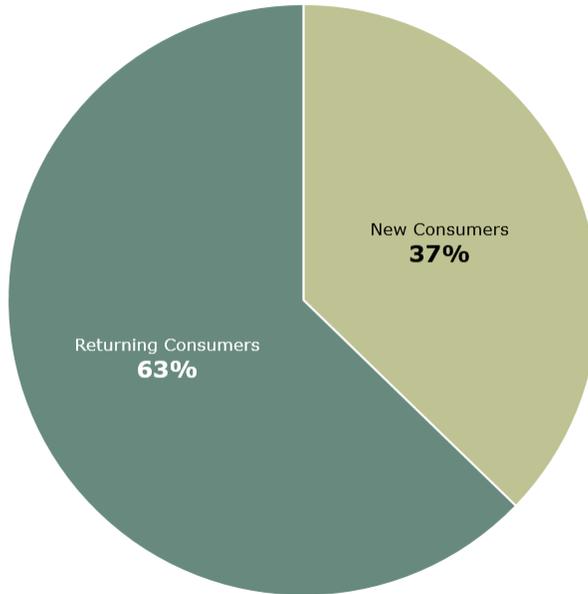




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### Most enrollees were returning consumers

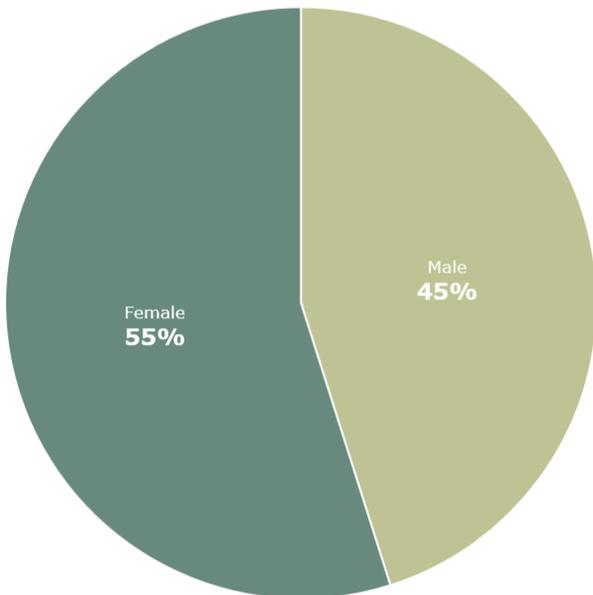
Percent of total number of ACA marketplace consumers in Texas who were new consumers versus returning consumers, 2017



Source: Centers for Medicare & Medicaid Services (CMS), Health Insurance Marketplaces 2017 Open Enrollment Period: Final State-Level Public Use File

### Most Texas enrollees were women

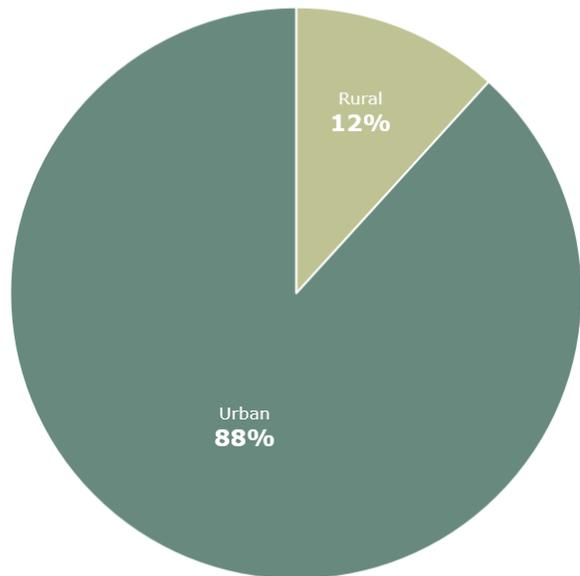
Total number of marketplace enrollees in Texas by gender, 2017



Source: Centers for Medicare & Medicaid Services (CMS), Health Insurance Marketplaces 2017 Open Enrollment Period: Final State-Level Public Use File

### Most enrollees lived in urban areas

Total number of marketplace enrollees in urban and rural areas in Texas, 2017



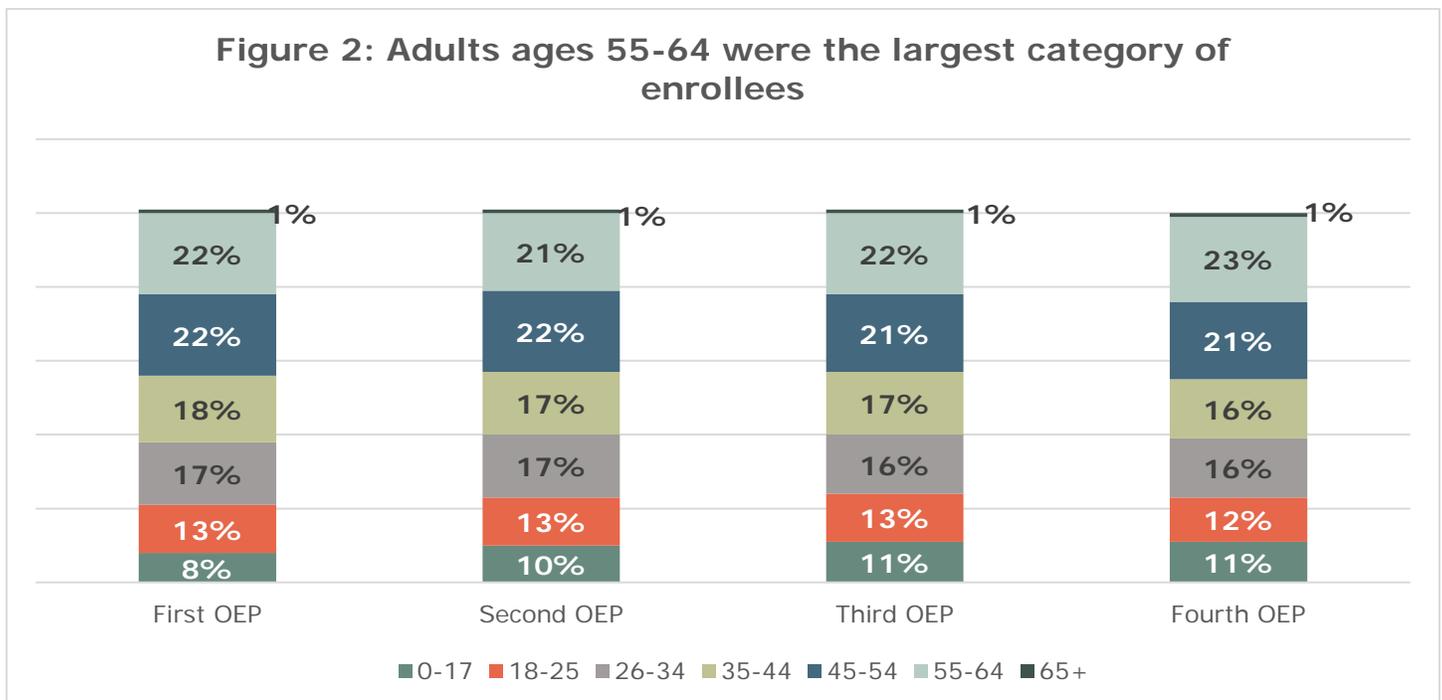
Source: Centers for Medicare & Medicaid Services (CMS), Health Insurance Marketplaces 2017 Open Enrollment Period: Final State-Level Public Use File



The high ACA enrollment number in Texas (which is only second to Florida among federally-facilitated marketplaces) continues to reflect the ongoing need of Texans for affordable health coverage despite the uncertainty with the federal law.

**Finding 2: Adults ages 55 - 64, low-income and moderately low-income individuals were among the key demographic groups of Texas enrollees**

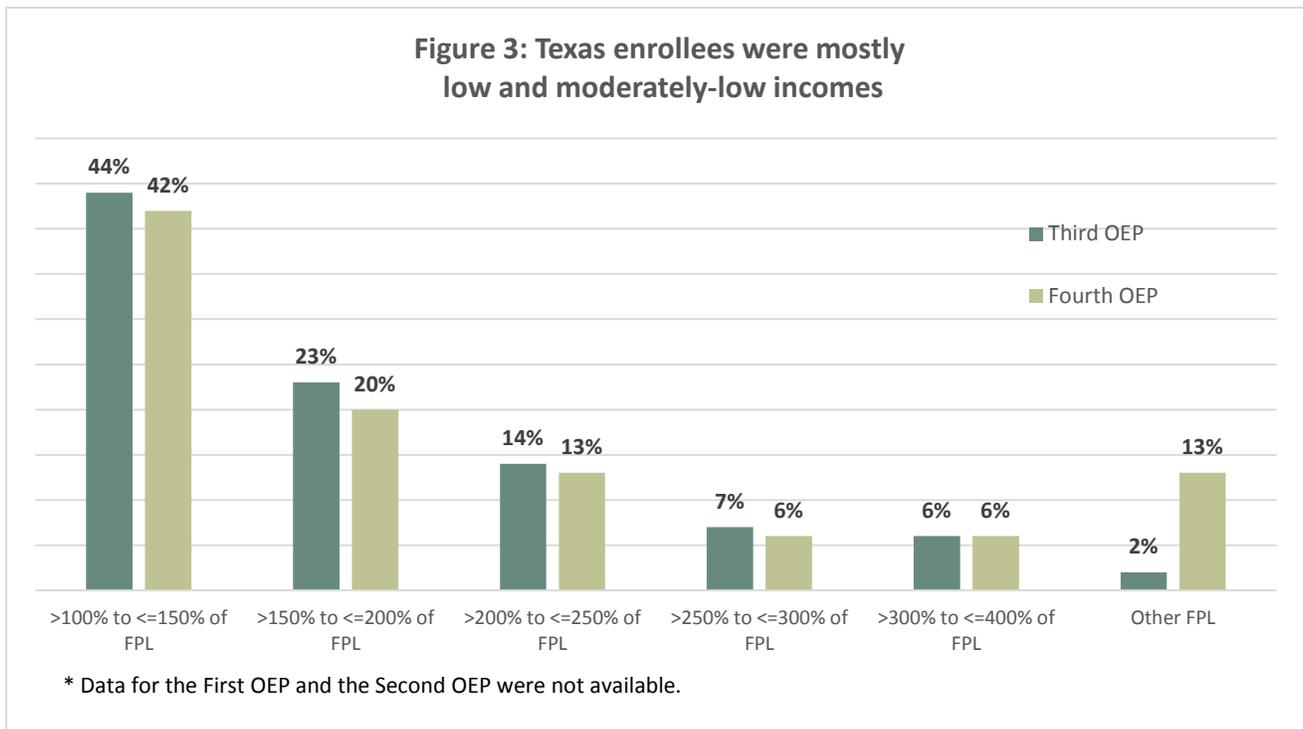
As Figure 2 shows, the age distribution of ACA enrollees has been pretty consistent over the past four OEPs. During the most recent OEP, adults ages 55-64 comprised 23% of all enrollees, followed by adults 45 to 54 at 21%.



As Figure 3 shows, six in 10 ACA enrollees in Texas had low or moderately-low incomes during the most recent OEP. This trend is fairly consistent with the past two OEPs, although there was a spike in the percentage of “Other FPL” category during the 2017 OEP. Consumers who do not request financial assistance are not required to provide their incomes.



According to CMS, unknown income accounts for approximately two-thirds of the total "Other FPL" category.

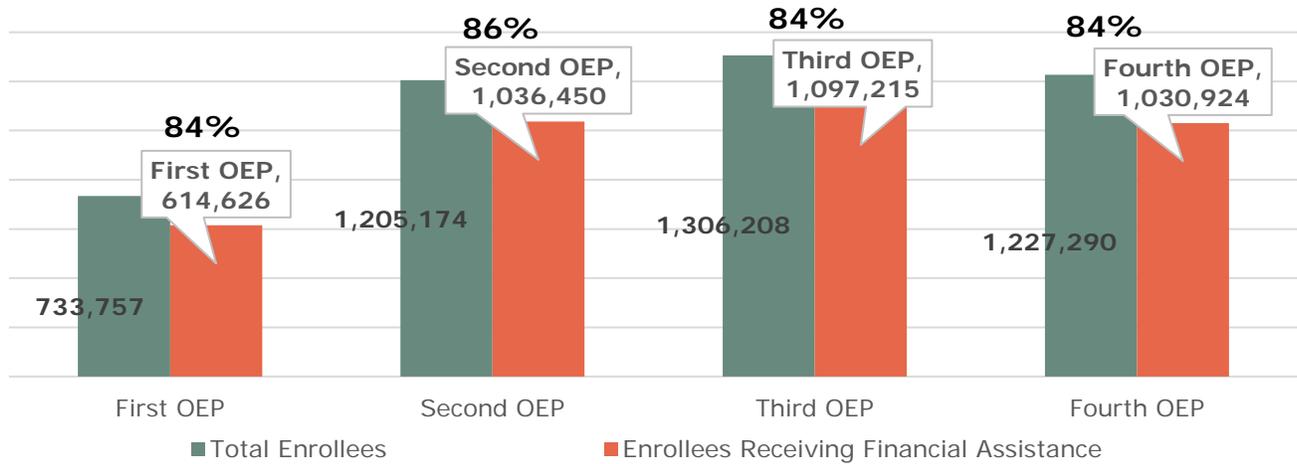


**Finding 3: More than 8 in 10 Texas enrollees received financial assistance. Federal tax credits have reduced the costs of premiums by more than 75%.**

As Figure 5 shows, more than 1 million Texans enrollees, or 84% of the enrollees, received financial assistance mainly in the form of premium tax credits during the most recent OEP. This trend is consistent across all four OEPs.

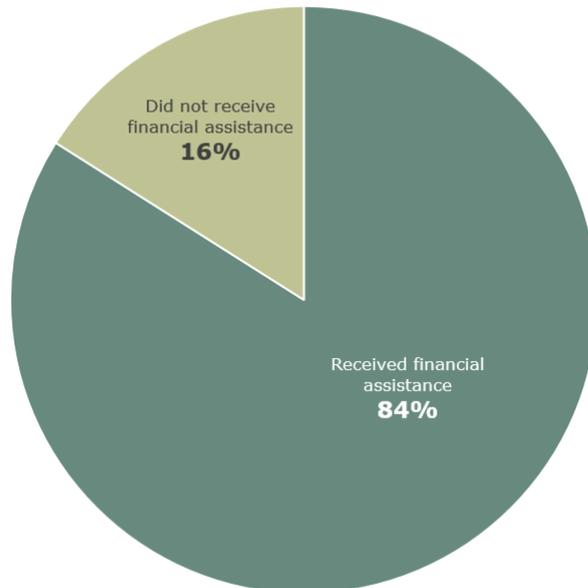


**Figure 5: Number and Percent of Texan Enrollees With Financial Assistance Across Four Open Enrollment Periods**



**Most enrollees received financial assistance**

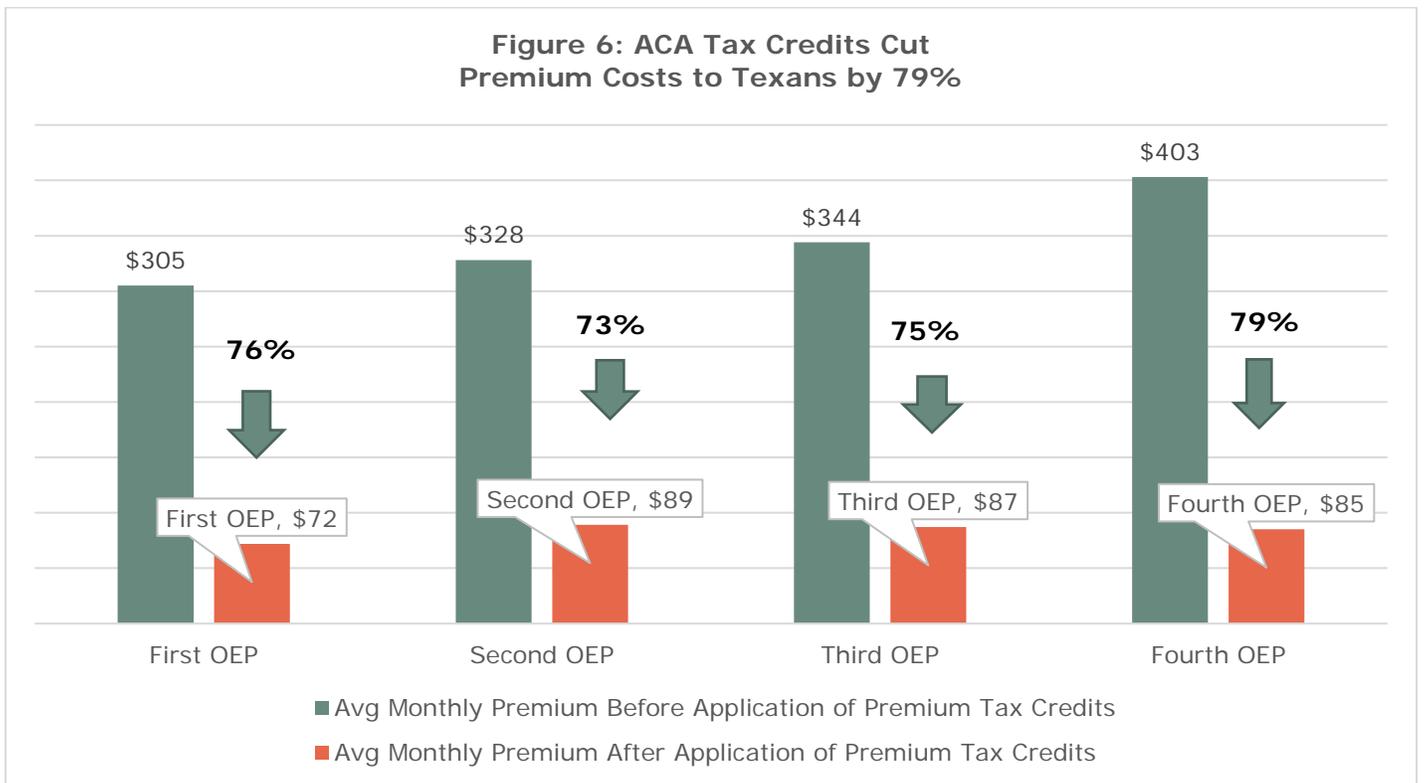
Percent of total number of ACA marketplace consumers in Texas who received advanced premium tax credits and/or cost sharing subsidies, 2017



Source: Centers for Medicare & Medicaid Services (CMS), Health Insurance Marketplaces 2017 Open Enrollment Period: Final State-Level Public Use File



Federal financial assistance has provided Texas enrollees with significant reductions in monthly premiums across all four OEPs. As shown in Figure 6, before the application of premium tax credits, the average premium for marketplace plans ranged from \$305 per month in the first OEP to \$403 per month in the fourth OEP. After federal tax credits were applied, Texans experienced, on average, a 76% reduction in monthly premiums with average premiums dropping to \$72 per month in the first OEP to \$85 per month in the fourth OEP.

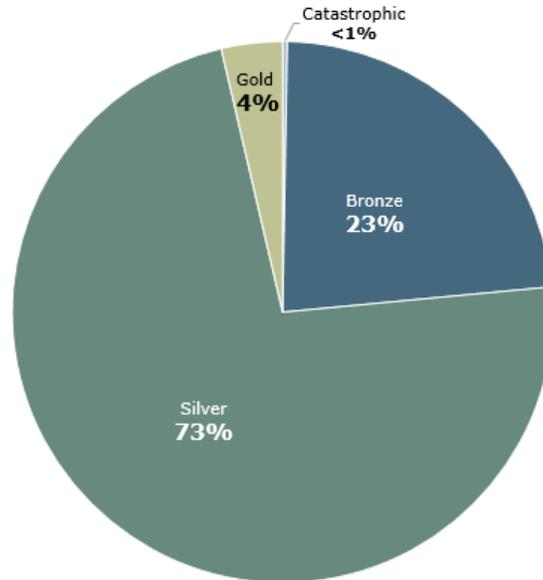


In addition to tax credits, as discussed in EHF's [previous ACA enrollment report](#), people with incomes between 100% to 250% of FPL who select a silver plan were also eligible for a supplementary cost sharing subsidy, which 57-59% of Texas enrollees have received. Most Texas enrollees selected either a silver plan or a bronze plan.



### Most Texas enrollees selected a Silver or Bronze plan

Total number of marketplace enrollees in Texas by metal level of plan, 2017



Source: Centers for Medicare & Medicaid Services (CMS), Health Insurance Marketplaces 2017 Open Enrollment Period: Final State-Level Public Use File

### Policy discussion: What are the implications of the proposed American Health Care Act on Texas?

As previously reported in [EHF Issue Brief #21](#), while the uninsured rate of adult Texans dropped from 25.5% in 2013 to 18.5% in 2015, Texas still maintains the highest uninsured rate in the country. The proposed American Health Care Act (AHCA), however, does not directly address the health coverage needs of the remaining 4.6 million uninsured Texans. As recently reported by the [Congressional Budget Office](#), the AHCA would eventually eliminate all the coverage gains realized under the ACA over the last several years. It is very concerning that the AHCA will most likely worsen the uninsured rate in Texas in the coming years unless federal and state policy makers consider other health coverage expansion options.

Specifically, one of the key features of the proposed AHCA is to replace the ACA's sliding scale tax credits (which adjust for income, age, and cost of insurance depending on locality) with a flat tax credit (that adjusts only for age). Therefore, the major groups of ACA enrollees in Texas as identified in this analysis, such as low income and moderately low income individuals (less than 200% of FPL), and older adults (ages 55-64), will not fare well under the proposed AHCA plan.



The recent ACA enrollment data also reveals that more than 1 million Texans (or 8 in 10 Texans) received federal tax credit under the ACA. The federal tax credits allowed them to pay only \$85 for their monthly premium cost, a reduction in premium of 79%. Again, many Texans will not be getting similar premium reduction under the flat tax credit proposal of AHCA. As Congress continues to discuss and debate AHCA, we recommend policy makers to pay much-needed attention to address the health coverage needs of the most vulnerable populations in Texas.