



Know the Facts

The Affordable Care Act Is Working in Texas

December 10, 2014

With a new open enrollment period upon us, here are the facts about how health care reform is working in Texas. The insurance marketplace is here to stay, and people will continue to have access to quality plans and financial assistance through the Affordable Care Act, or ACA. As more and more people obtain coverage through the ACA, they will gain a better understanding of what the law means for them. A recent Gallup poll found that the majority of Americans who purchased new health insurance policies through the ACA marketplace over the past year are as satisfied as other Americans with their health insurance: 71 percent rated their coverage “excellent” or “good,” compared with 72 percent among all those who have coverage.¹

Last year, more than 770,000 Texans obtained health insurance thanks to the ACA.² Among those, an overwhelming majority qualified for financial assistance to help cover the cost of care.³ Whether you are thinking of signing up for health insurance or have already purchased coverage on the marketplace, shopping around during this year’s open enrollment period could mean big savings.

Texas by the numbers

Who has benefited

- **733,757 Texans signed up for health care through the federal exchange.** During last year’s open enrollment period, 733,757 people—more than half of all eligible Texans—signed up for health insurance on the federal exchange.⁴
- **More than 8 in 10 Texans qualified for tax credits that, on average, made plans 76 percent cheaper.** Eighty-four percent of Texans who signed up for a plan received tax credits to make their insurance more affordable. Tax credits lowered the cost of the average plan from \$305 to \$72, a 76 percent decrease.⁵

The deadlines to sign up are approaching

To re-enroll in different coverage or enroll in new coverage beginning January 1, the deadline is

December 15, 2014.

The final deadline to sign up for health coverage in 2015 is

February 15, 2015.

- **38,959 Texans signed up for health care through Medicaid.** During the same open enrollment period, 38,959 people signed up for health insurance through Medicaid, even though Texas chose not to expand the program.⁶
- **Texas' uninsured rate fell by 3 percentage points after open enrollment.** From 2013 to mid-2014, Texas' uninsured rate decreased from 27 percent to 24 percent.⁷

Who can still benefit

- **In Texas, 24 percent of residents are still uninsured.** Despite the success of the ACA in allowing thousands of Texans to sign up for health coverage, 24 percent of the state still lacks insurance.⁸
- **Financial assistance is available, and you could pay as little as \$146 per month for coverage.** A 40-year-old nonsmoker who earns \$30,000 annually in Texas can find a bronze plan that costs \$146 per month once tax credits are factored in and a silver plan that costs \$208 per month.⁹
- **948,000 Texans could benefit from Medicaid expansion if Texas lawmakers put people over politics.** Because Gov. Rick Perry (R) and other Republican lawmakers refused to accept Medicaid expansion under the ACA, 948,000 Texans fall into Texas' "coverage gap," meaning their incomes are higher than the \$3,736-per-year limit—for a family of three in 2014—to qualify for traditional Medicaid but too low to qualify for insurance subsidies on the exchange.¹⁰
- **Texas turned down \$8.6 billion in economic growth by refusing to expand Medicaid.** If Texas had accepted federal funding to expand Medicaid in 2014, the state would have seen its economy grow by \$8.6 billion over two years.¹¹

Have insurance? Shopping around could get you a better plan

- **The number of insurers participating in Texas' exchanges increased from 12 to 15, increasing competition.** Three new insurers joined Texas' federal exchange for this year's open enrollment period, bringing the total number to 15 insurers.¹² They offer 1.5 times as many plans on the exchange as last year.¹³
- **Choosing lower-cost premium plans could result in savings of \$2 billion.** If everyone nationwide who previously signed up in the marketplace switched to the lowest-cost premium plan in the same metal level—silver, for example—their combined actions would create \$2 billion in savings for consumers and taxpayers.¹⁴

Need help?

Go to www.HealthCare.gov to start the application process.

If you need assistance, you can get free, in-person help from an expert in your community to guide you through the process. Go to localhelp.healthcare.gov to find assistance near you.

You can sign up over the phone by calling 1.800.318.2596.

Endnotes

- 1 Frank Newport, "Newly Insured Through Exchanges Give Coverage Good Marks," Gallup, November 14, 2014, available at <http://www.gallup.com/poll/179396/newly-insured-exchanges-give-coverage-good-marks.aspx>.
- 2 Kaiser Family Foundation, "State Marketplace Statistics," available at <http://kff.org/health-reform/state-indicator/state-marketplace-statistics/> (last accessed November 2014); Centers for Medicare & Medicaid Services, *Medicaid & CHIP: April 2014 Monthly Applications, Eligibility Determinations, and Enrollment Report* (U.S. Department of Health and Human Services, 2014), available at <http://www.medicaid.gov/affordablecareact/medicaid-moving-forward-2014/downloads/april-2014-enrollment-report.pdf>.
- 3 Office of the Assistant Secretary for Planning and Evaluation, *Premium Affordability, Competition, and Choice in the Health Insurance Marketplace, 2014* (U.S. Department of Health and Human Services, 2014), p. 23, available at <http://aspe.hhs.gov/health/reports/2014/Premiums/2014MktPlacePremBrf.pdf#page=23>.
- 4 Kaiser Family Foundation, "State Marketplace Statistics."
- 5 Office of the Assistant Secretary for Planning and Evaluation, *Premium Affordability, Competition, and Choice in the Health Insurance Marketplace*.
- 6 Centers for Medicare & Medicaid Services, *Medicaid & CHIP: April 2014 Monthly Applications, Eligibility Determinations, and Enrollment Report*.
- 7 Dan Witters, "Arkansas, Kentucky Report Sharpest Drops in Uninsured Rate," Gallup, August 5, 2014, available at <http://www.gallup.com/poll/174290/arkansas-kentucky-report-sharpest-drops-uninsured-rate.aspx>.
- 8 Ibid.
- 9 Cynthia Cox and others, "Analysis of 2015 Premium Changes in the Affordable Care Act's Health Insurance Marketplaces" (Menlo Park, CA: Kaiser Family Foundation, 2014), available at <http://kff.org/health-reform/issue-brief/analysis-of-2015-premium-changes-in-the-affordable-care-acts-health-insurance-marketplaces/>.
- 10 Rachel Garfield and others, "The Coverage Gap: Uninsured Poor Adults in States that Do Not Expand Medicaid – An Update" (Menlo Park, CA: Kaiser Family Foundation, 2014), available at <http://kff.org/health-reform/issue-brief/the-coverage-gap-uninsured-poor-adults-in-states-that-do-not-expand-medicaid-an-update/>; Kaiser Commission on Medicaid and the Uninsured, "Medicaid Eligibility for Adults as of January 1, 2014" (Menlo Park, CA: Kaiser Family Foundation, 2013), available at <http://kaiser-familyfoundation.files.wordpress.com/2013/10/8497-medicaid-eligibility-for-adults-as-of-january-1-2014.pdf>.
- 11 Families USA, "Texas's Economy Will Benefit from Expanding Medicaid" (2013), available at http://familiesusa.org/sites/default/files/product_documents/TX-and-Medicaid-Expansion.pdf.
- 12 Office of the Assistant Secretary for Planning and Evaluation, *Health Plan Choice and Premiums in the 2015 Health Insurance Marketplace* (U.S. Department of Health and Human Services, 2014), p. 14, available at <http://aspe.hhs.gov/health/reports/2015/premiumReport/healthPremium2015.pdf>.
- 13 McKinsey Center for U.S. Health System Reform, "2015 Individual Exchange information, last updated November 19, 2014," p. 49, available at http://healthcare.mckinsey.com/sites/default/files/McKinsey_2015_individual_rate_filings.pdf#page=49 (last accessed November 2014).
- 14 Office of the Assistant Secretary for Planning and Evaluation, *Health Plan Choice and Premiums in the 2015 Health Insurance Marketplace*, p. 2.