

The Affordable Care Act, Medicaid, and the Health Insurance Marketplace

[The Affordable Care Act \(ACA\) law](#), also known as Obamacare, was passed into law in 2010. The ACA law provides comprehensive health insurance reform in the United States.

Every year, different aspects of the ACA take effect. The U.S. Department of Health and Human Services (HHS) created a useful timeline to review the [ACA key features by year](#) (www.hhs.gov/healthcare/facts/timeline/timeline-text.html).

**Click on a year
to see key
features of the
ACA**

[2010](#)

[2011](#)

[2012](#)

[2013](#)

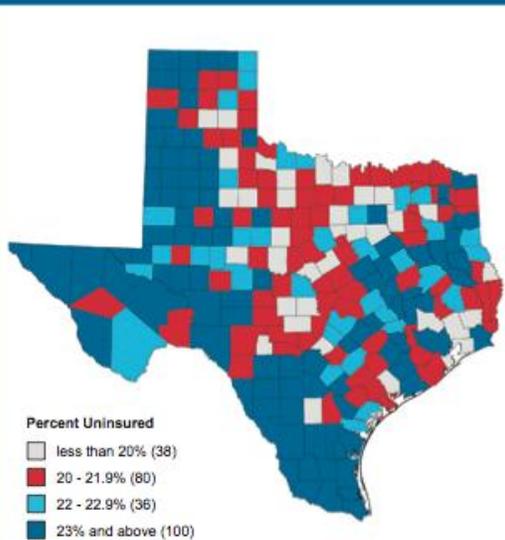
[2014](#)

[2015](#)

In 2014, the ACA requires that most citizens in the U.S. have health insurance. This requirement is especially important for Texas because 33% of Texans do not have insurance according to the Texas Medical Association (TMA). The TMA states “Texas is the uninsured capital of the United States. More than 6.3 million Texans - including 1.2 million children - lack health insurance.”

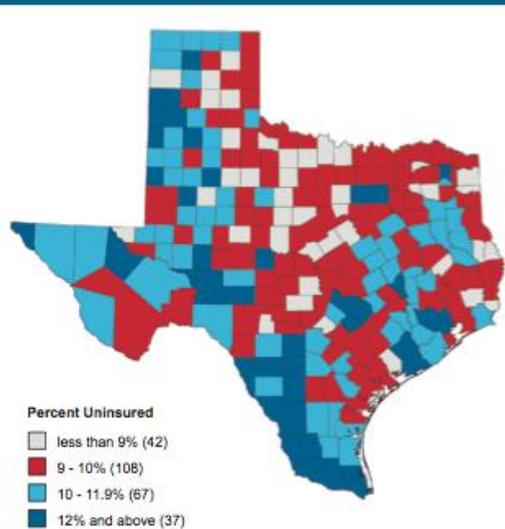
(http://www.texmed.org/Uninsured_in_Texas/)

WIDE RANGE IN TEXAS COUNTIES' 2010 UNINSURED RATES



Source: Cline M, Murdock S. "Estimates of the Impact of the Affordable Care Act on Counties in Texas." Hobby Center for the Study of Texas, Rice University, Report to Methodist Healthcare Ministries, April 2012.

TEXAS COUNTIES' UNINSURED RATES AFTER MODERATE ACA ENROLLMENT



Source: Cline M, Murdock S. "Estimates of the Impact of the Affordable Care Act on Counties in Texas." Hobby Center for the Study of Texas, Rice University, Report to Methodist Healthcare Ministries, April 2012.

“Even moderate enrollment growth in private and public health coverage under the ACA in 2014 would cut Texas’ uninsured number and rate by half.”

The maps on the left are from the study *Estimates of the Impact of the Affordable Care Act on Counties in Texas*, April 2012 conducted at the request of Methodist Healthcare Ministries of South Texas by Michael E. Cline, Ph.D., and Steve H. Murdock, Ph.D.

Further information is provided at the Center for Public Policy Priorities (CPPP) found at: http://forabettertexas.org/images/HC_2012_06_BR_MHMClineMurdock.pdf

The ACA Benefits All Texans

- **Texans with insurance will not need to make any changes to their insurance plan and will have:**
 - 1) Increased benefits and protections provided by the ACA for persons who already have insurance through their employer, and insurance company, or Medicaid or Medicare are listed at <https://www.healthcare.gov/how-does-the-health-care-law-protect-me/>
 - 2) Reduced local property-tax spending on the uninsured for emergency care, mental health, public health and more.
 - 3) A healthier community.

(Fewer Uninsured, More Federal Health Care Dollars with Medicaid Expansion, View Each County in Texas uninsured levels)
http://library.cppp.org/files/3/HC_2012_11_MedicaidCountyData.pdf

- **Texans without insurance will have new opportunities to obtain health insurance by 2014.**
 - The Health Insurance Marketplace (formerly known as the Health Insurance Exchange) will have open enrollment Oct. 1st – March 31st 2014.
 - Texans can find assistance obtaining health insurance through the Health Insurance Marketplace starting on Oct. 1st, 2013.
 - ✓ Online at www.HealthCare.gov
 - ✓ Individuals **1-800-318-2596**

- ✓ Small Businesses [1-800-706-7893](tel:1-800-706-7893)
 - ✓ The Health Insurance Marketplace will provide personal assistance. [Navigators](#) and certified application counselors will provide knowledgeable, in-person enrollment assistance to consumers.
 - ✓ Insurance agents and community-based organizations will also provide assistance.
- **Texas Children will Benefit from the ACA and Texas Medicaid.**

The ACA and Medicaid will provide insurance for more children in Texas. Children who qualify for Medicaid include all children up to age 19 in families with incomes up to 138% of the poverty level (\$32,499 for a family of 4 in 2013). The ACA will allow more families to shop for and buy insurance.

- Some Texans are exempted from the ACA insurance requirement. Blue Cross Blue Shield of Texas provides a simple explanation concerning [exemptions](#).

Texans will shop for health insurance through the Health Insurance Marketplace

The Health Insurance Marketplace will provide Texans who don't have insurance and small businesses with an opportunity to comparison shop for insurance plans.

Who provides the Health Insurance Marketplace in Texas?

Governor Perry declined to run the Health Insurance Marketplace for Texans in July 2012. The U.S. federal government will provide this service for Texans through the United States Department of Health and Human Services (HHS).

- ✓ <http://www.healthcare.gov> is the website provided by

the HHS for Texans and small businesses who wish to apply online for coverage, compare plans, and enroll. The website will be fully functional when online enrollment starts Oct. 1st, 2013.

Important dates for the Health Insurance Marketplace:

October 1st 2013 – March 31st 2014 is open enrollment
January 1st 2014 First date new ACA Health insurance plans can become effective.
March 31st 2014 Enrollment closes.

The Health Insurance Marketplace will help many Texans who don't have coverage buy insurance by providing:

- Increased access to health insurance for individuals, families and small businesses.
- Improved opportunity for health insurance coverage for every person, despite any preexisting conditions.
- A sliding scale financial assistance option for many Texans who earn above 138% of the Federal poverty level (FPL).
- Help obtaining health insurance online, in person or by phone.

The limitations of the Affordable Care Act in Texas

Unfortunately, the poorest adults in Texas, those below the 138% of federal poverty level (FPL), who don't qualify for Medicaid presently, will also not qualify for financial assistance through the Health Insurance Marketplace or for Medicaid because:

- The ACA Expanded Medicaid Program was intended to cover adults who earned less than 138% of the FPL.
- The US Supreme court ruled in 2012 that states do not have to accept federal money or participate in the ACA Expanded

Medicaid Program.

(<http://www.supremecourt.gov/opinions/11pdf/11-393c3a2.pdf>)

- The Texas Legislature and state leadership in 2013 refused to accept the ACA Expanded Medicaid money. Those billions of dollars in Federal money would have provided funds to cover Medicaid insurance for the poorest Texans. At this time, those adult Texans who earn below 138% of the poverty level will not receive any financial assistance from the ACA to purchase a health insurance policy. These Texans will still be able to shop for and buy insurance from the Health Insurance Marketplace.
 - ✓ Ann Dunkelberg with the [Center for Public Policy Priorities \(CPPP\)](#) wrote that *“Estimates of the number of uninsured Texas adults who will be left without a coverage option in the near term range from around 935,000 to as high as 1.3 million (Urban Institute/Kaiser Family Foundation, out of about 1.7 million below 138% of poverty).”*
 - ✓ The CPPP also reports *“statewide support for the Medicaid expansion is strong, with doctors, hospitals, county officials, chambers of commerce, and even the Texas Association of Business eventually supporting the coverage option. Polling by Texas and national firms found 58-59% of Texas voters support accepting federal ACA funds to cover the poorest uninsured adults.”*
- Several Bills in the Texas legislature attempted to bring the ACA Expanded Medicaid money to Texas. The bills didn't pass due to firm opposition from Governor Perry.
(<file://localhost/http://www.texastribune.org/2013:04:08:the-medicaid-expansion-runaround>)
 - ✓ [HB 3376](#) by House Appropriations Committee vice

chairman Rep. Sylvester Turner. This bill would have implemented the ACA Medicaid coverage for poor Texans below the 138% of the FPL. The CPPP stated that these “uninsured Texas workers are highly concentrated in the retail, food service/hotel, health care, and construction sectors”.

- ✓ [HB 3791](#) by Rep. John Zerwas, who serves as the chairman of the HAC subcommittee on Health and Human Services. This bill would have provided a framework for expanding Medicaid including financing provided by a Block Grant .

At this time, the poorest adult Texans will not get financial assistance through the ACA or Medicaid because Texas leadership refused federal money from the ACA Medicaid Expansion.

- ✓ Texas Medicaid does not cover childless adults at all (unless pregnant, fully disabled, or over 65).
- ✓ Employed and working adult Texans (19-65) who make under 138% over the FPL will not receive financial assistance from Medicaid or the ACA. For Example, \$15,856* for a household of one or \$32,499* for a household of four.
- ✓ Texas Medicaid only covers adults with children who have income ranging from 12% to 19% of FPL (This rate was set in Texas in 1985). For Example, for an adult with a family of 3 must earn less than \$308 a month to qualify for Medicaid in Texas.
- ✓ The United States Department of Health and Human Services recommends that individuals and families living in states like Texas that did not expand Medicaid go ahead and apply for ACA insurance.
<https://www.healthcare.gov/what-if-my-state-is-not-expanding-medicaid/#state=texas>

A detailed report by the Center for Public Policy Priorities (CPPP) concerning Texas Medicaid is available at

http://forabettertexas.org/images/HC_2013_02_PP_MedicaidExpansion.pdf

- In addition to not accepting billions dollars in Federal money, the Texas Legislature underfunded the present Medicaid program for 2014 and 2015. Rider 51 of the Texas Budget authorizes The Texas Health and Human Service Commission (HHSC) to find \$400 million in Medicaid spending reductions.

Other Bills that passed concern the ACA and became State Law

- [SB 1795](#) by Sen. Watson creates standards for navigators, persons who will assist Texans in obtaining health insurance.
- [SB 1367](#) will abolish the current Texas high-risk health insurance pool in 2014 when the ACA creates a range of more affordable options in the new Marketplace.

Actions All Texans Can Take to Improve the ACA Implementation in Texas (Including Local Leagues and their Members)

- 1) Stay informed: Read and follow the Texas Treatment Blog at <http://texaswellandhealthy.org>
- 2) Call and write Governor Perry, your Texas legislators and other influential organizations. Encourage Texas leadership to accept federal money from the ACA Expanded Medicaid Program. Expanded Medicaid will provide insurance to the poorest Texas adults. Ask legislators to fix the coverage gap and ensure all Texans have access to health insurance.

(Fewer Uninsured, More Federal Health Care Dollars with Medicaid Expansion, View Each County in Texas uninsured levels)
http://library.cppp.org/files/3/HC_2012_11_MedicaidCountyData.pdf

- 3) LWV members, individuals, or organizations may visit marketplace.cms.gov to partner with HHS and help Texans enroll in the Health Insurance Market.
- 4) Promote the ACA implementation to ensure Texans obtain health insurance through the Health Insurance Marketplace

[The Children's Defense Fund Texas](#) suggests ways to promote ACA implementation in Texas:

- ✓ Post and share helpful online links on personal and local websites.
 - <https://www.healthcare.gov> Available in English and Spanish) The Health Insurance Marketplace web site for individuals and small businesses to compare, shop for, and enroll for health insurance. **Shopping or Open enrollment begins October 1, 2013.**
 - The Dallas Morning News has a visual concerning the Health Insurance Marketplace at <http://dallasmorningnews.tumblr.com/post/58711706323/dallas-morning-news-business-columnist-jim-landers>
- ✓ Write to newspapers, other influential Texans and legislatures in support of the ACA and the opportunities for Texans to obtain health insurance through the Health Insurance Marketplace.
- ✓ Encourage others to promote the ACA and the Health Insurance Marketplace
- ✓ Tell and post positive stories about the ACA and Health Insurance Marketplace such as families getting previously uninsured children insured and adults finally able to obtain insurance through the

Marketplace.

- ✓ Share sad stories about Texans who are left without coverage and would have been covered through the Medicaid expansion.

Some web sites and social media to share stories:

- <http://texaswellandhealthy.org/action/>
- [Facebook.com/HealthCare.gov](https://www.facebook.com/HealthCare.gov)
- [Facebook.com/CuidadoDeSalud.gov](https://www.facebook.com/CuidadoDeSalud.gov)
- <http://facebook.com/KidsWellTexas>

- 5) Local Leagues in Texas should consider asking those running for State office how they will fix the coverage gap and ensure all Texans will have access to health insurance.

Three Key Messages for All Texans

- 1) The ACA ensures millions of Texans can buy affordable insurance in the Health Insurance Marketplace.
- 2) The ACA ensures all Texas families have the opportunity to obtain insurance for their children.
- 3) Texas leaders need to accept the ACA Expanded Medicaid federal money in order to fix the coverage gap. Accepting the federal money will ensure Texans at all income levels have access to affordable healthcare coverage in the Health Care Marketplace.

Sources:

Blue Cross Blue Shield of Texas; Health Care Changes <http://www.bcbstx.com/reformandyou/>

SUPREME COURT OF THE UNITED STATES NATIONAL FEDERATION OF INDEPENDENT BUSINESS ET AL. v. SEBELIUS, SECRETARY OF HEALTH AND HUMAN SERVICES, ET AL.
<http://www.supremecourt.gov/opinions/11pdf/11-393c3a2.pdf>

The Center for Public Policy Priorities; Medicaid Expansion Resource Guide: All the Latest on the Costs and Benefits for Texas, Jan 21 2013, by Anne Dunkelberg
http://forabettertexas.org/images/HC_2013_02_PP_MedicaidExpansion.pdf

Sizing Up the 2014-15 Texas Budget: Medicaid and CHIP; August 8, 2013 Anne Dunkelberg
http://forabettertexas.org/images/HC_2013_08_PP_Budget_MedicaidCHIP.pdf

2013 Texas Legislative Update by Waller <http://www.wallerlaw.com/News-Events/Bulletins/103204/2013-Texas-Legislative-Session-Update>

The Texas Legislature Online; <http://www.capitol.state.tx.us/Home.aspx>

Health Insurance Marketplace; Affordable Care Act. <https://www.healthcare.gov>

2013 Lege Wrap-up Texas: Health Insurance Reform by Stacy Pogue
<https://www.bettertexasblog.org/2013/06/2013-lege-wrap-up-health-insurance-reform/>

The Affordable Care Act and You, by Jim Landers and Michael Hogue in the Dallas Morning [Visual of the Affordable Care Act](http://dallasmorningnews.tumblr.com/post/58711706323/dallas-morning-news-business-columnist-jim-landers) <http://dallasmorningnews.tumblr.com/post/58711706323/dallas-morning-news-business-columnist-jim-landers>

Children's Defense Fund Texas; Supporting Successful ACA Implementation. <http://texaschip.org/pdf/8-13-2013-Successful-Implementation-of-ACA.pdf> <http://texaschip.org/resources.html>

The United States Department of Health and Human Services. ACA Timeline.
www.hhs.gov/healthcare/facts/timeline/timeline-text.html

The U.S. Centers for Medicare & Medicaid Services <http://www.cms.gov/CCIIO/Programs-and-Initiatives/Health-Insurance-Marketplaces/Downloads/navigator-list-8-15-2013.pdf>

Other Resources:

<http://www.enrollamerica.org/states/texas> Useful site for Texas organizations to help promote the ACA and the Health Insurance Marketplace.

[Kaiser Family Foundation State Marketplace Profile](http://kff.org/health-reform/) <http://kff.org/health-reform/>

The Henry J. Kaiser Family Foundation provides information about what states are doing to create and implement health insurance Marketplaces, including the status of state action, how their Marketplaces will be governed and total federal Marketplace grants.

[KidsWell Campaign Weekly Update](#) KidsWell, a state and national advocacy and organizing campaign to ensure successful implementation of health care reform on behalf of children.

[State Refor\(um\) | Texas](#)

The National Academy for State Health Policy has developed an online resource for states with information on health reform implementation.

[Healthcare.gov Implementation Resources | Texas](#)

HHS hub for information related to the implementation. The site includes information such as how grant money is being used and how many individuals will be helped by the expansion of coverage.

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