



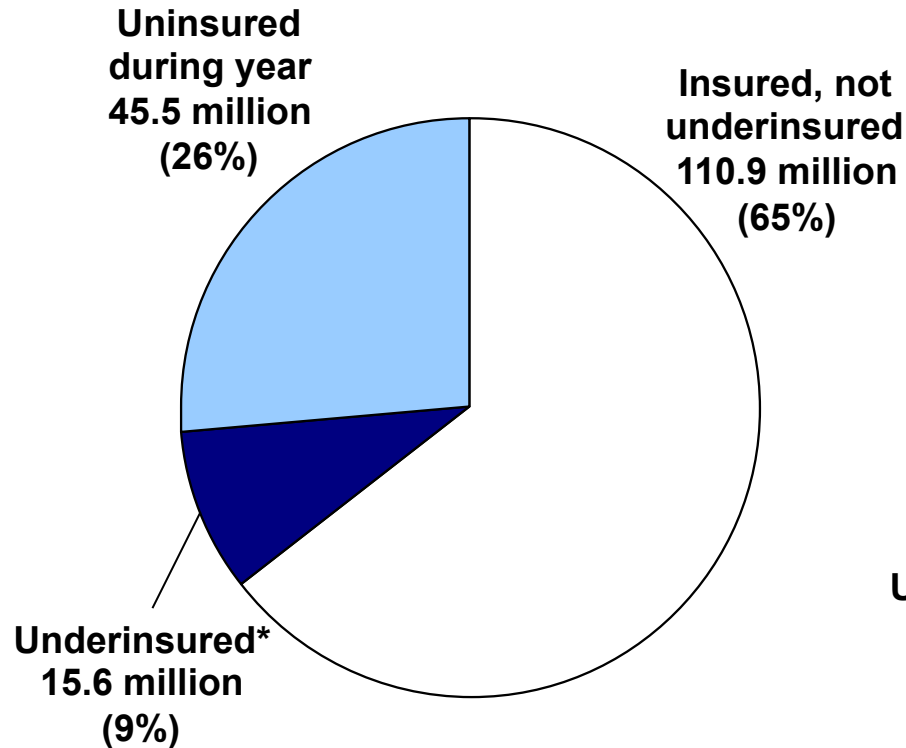
**Affordable Care Act Reforms
Could Reduce the Number of Underinsured
U.S. Adults by 70 Percent**

**Release Briefing Charts
Commonwealth Fund
September 8, 2011**

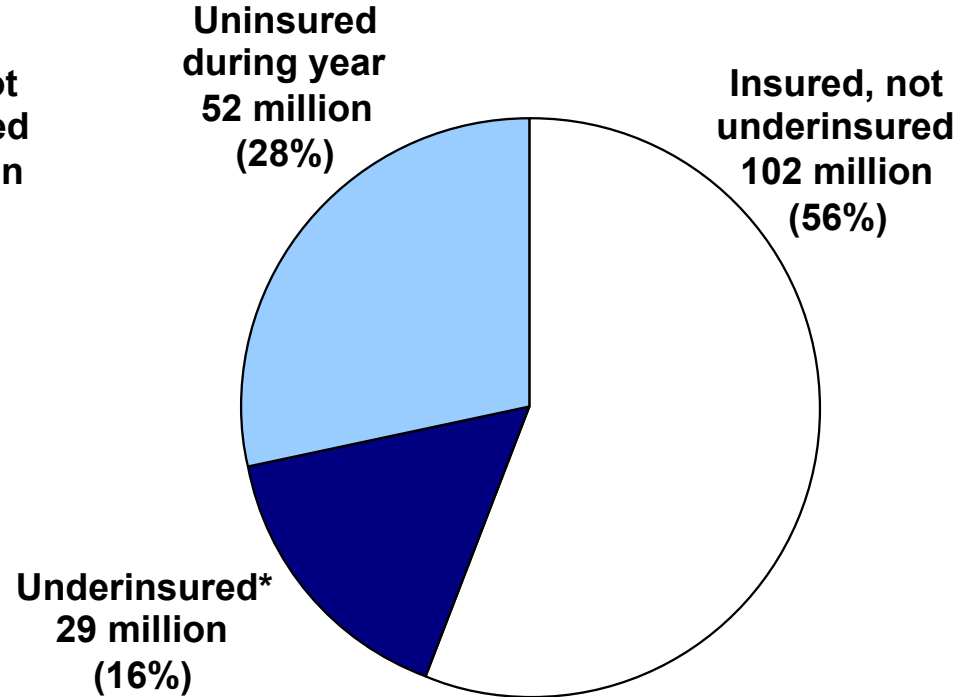
Key Study Findings

- **As of 2010, 29 million adults who were insured all year were underinsured, an 80 percent increase since 2003 (16 million)**
 - **Based on high out-of-pocket cost exposure for medical care relative to income**
- **Including adults uninsured during the year, 81 million adults—44 percent of all adults—were either uninsured or underinsured**
 - **Up from 75 million 2007 and 61 million in 2003**
- **Rates high for middle class (30%). Highest for those with low-wage or modest incomes**
 - **High risk for going without care because of costs and medical debt**
- **Affordable Care Act reforms targeted on income groups most at risk**
 - **When fully implemented, could reduce number of underinsured by 70 percent**

2010: 29 Million Adults Under Age 65 Underinsured, 81 Million Either Underinsured or Uninsured



2003
Adults 19–64
(172 million)



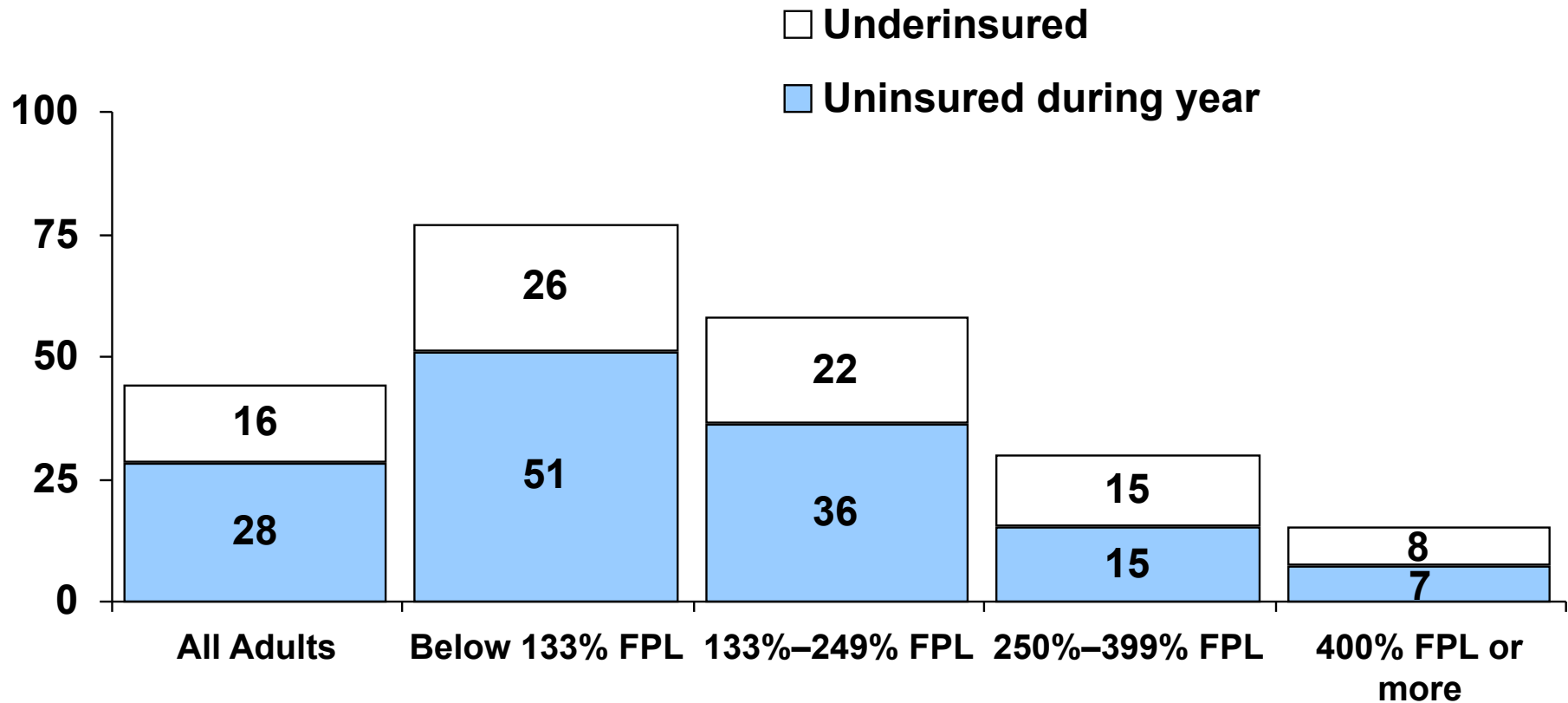
2010
Adults 19–64
(184 million)

* Underinsured defined as insured all year but experienced one of the following: medical expenses equaled 10% or more of income; medical expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income.

Source: C. Schoen, M. Doty, R. Robertson, S. Collins, "Affordable Care Act Reforms Could Reduce the Number of Underinsured U.S. Adults by 70 Percent," *Health Affairs*, Sept. 2011. Data: 2003 and 2010 Commonwealth Fund Biennial Health Insurance Surveys.

Underinsured and Uninsured Adults, by Poverty Group, 2010

Percent of adults (ages 19–64) who are uninsured or underinsured

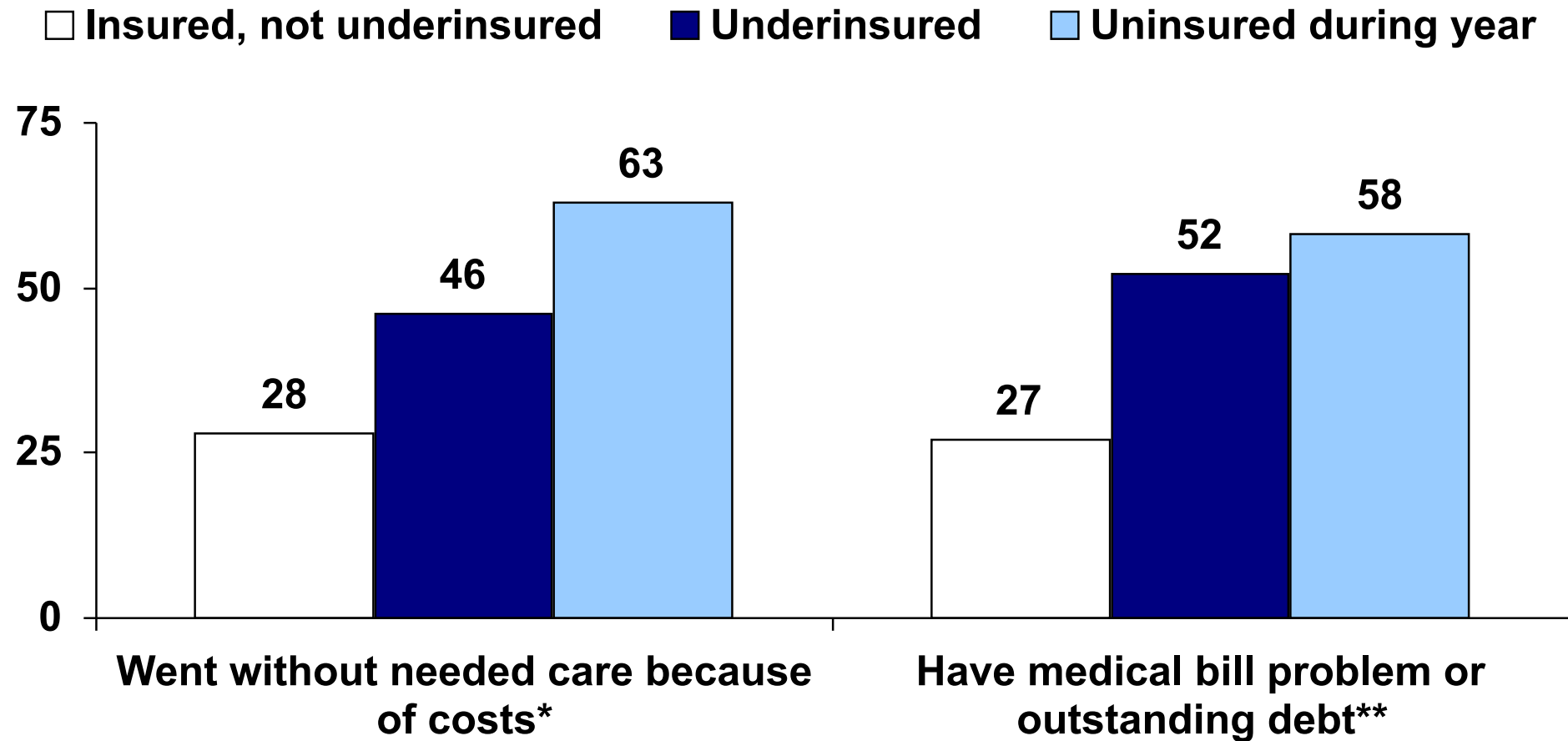


Note: FPL refers to federal poverty level.

Source: C. Schoen, M. Doty, R. Robertson, S. Collins, "Affordable Care Act Reforms Could Reduce the Number of Underinsured U.S. Adults by 70 Percent," *Health Affairs*, Sept. 2011. Data: 2003 and 2010 Commonwealth Fund Biennial Health Insurance Surveys.

Underinsured and Uninsured Adults at High Risk of Going Without Needed Care and of Financial Stress

Percent of adults (ages 19–64)

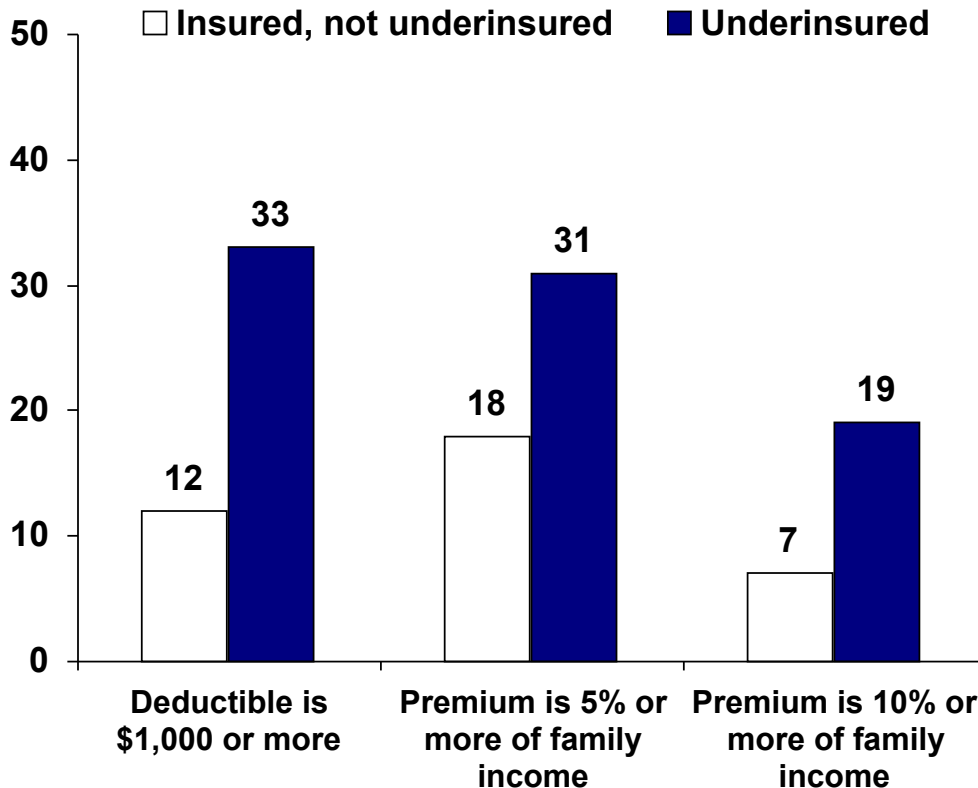


* Did not fill prescription; skipped recommended medical test, treatment, or follow-up; had a medical problem but did not visit doctor; or did not get needed specialist care because of costs. ** Had problems paying medical bills; changed way of life to pay medical bills; or contacted by a collection agency for inability to pay medical bills or medical debt.

Source: C. Schoen, M. Doty, R. Robertson, S. Collins, "Affordable Care Act Reforms Could Reduce the Number of Underinsured U.S. Adults by 70 Percent," *Health Affairs*, Sept. 2011. Data: 2003 and 2010 Commonwealth Fund Biennial Health Insurance Surveys.

Insurance Characteristics

Percent of adults (ages 19–64)



- **Underinsured have plans with benefit limits**
 - **Limits on visits; limits on total amount plans will pay; benefit gaps such as prescriptions**
- **Underinsured have plans with higher deductibles**
 - **33% have a deductible of \$1,000 or more**
- **Underinsured also pay a high share of income for premiums**
 - **31 percent pay 5% or more of income for premiums**
 - **one of five pays 10% or more of income for premiums**

Premiums and Insurance Gaps Put Low- and Modest-Income Adults at Risk

Poverty group	Below 133% FPL	133%–249% FPL	250%–399% FPL	400% FPL or more
Premium 5% or more of income OR uninsured/underinsured	79%	73%	48%	28%
Premium 10% or more of income OR uninsured/underinsured	79%	65%	35%	19%

Note: FPL refers to federal poverty level.

Source: C. Schoen, M. Doty, R. Robertson, S. Collins, "Affordable Care Act Reforms Could Reduce the Number of Underinsured U.S. Adults by 70 Percent," *Health Affairs*, Sept. 2011. Data: 2003 and 2010 Commonwealth Fund Biennial Health Insurance Surveys.

Affordable Care Act: Premium and Cost-Sharing by Poverty Group

Poverty threshold 2011	Income, single or family	Premium as % of income, silver level	Out-of-pocket maximum	Actuarial value
<133%	S: <\$14,484 F: <\$29,726	2%	\$1,983 \$3,967	94%
133%–149%	S:<\$16,335 F:<\$33,525	3% to 4%	\$1,983 \$3,967	94%
150%–199%	S:<\$21,780 F:<\$44,700	4.0% to 6.3%	\$1,983 \$3,967	87%
200%–249%	S:<\$27,225 F:<\$55,875	6.3% to 8.05%	\$2,975 \$5,950	73%
250%–299%	S:<\$32,670 F:<\$67,050	8.05% to 9.5%	\$2,975 \$5,950	70% if silver
300%–399%	S:<\$43,560 F:<\$88,200	9.5%	\$3,967 \$7,933	70% if silver

Note: Actuarial values is the average percent of medical costs covered by a health plan.

Source: S. Collins, M. Doty, R. Robertson, and T. Garber, *Help on the Horizon: How the Recession Has Left Millions of Workers Without Health Insurance, and How Health Reform Will Bring Relief* (New York: The Commonwealth Fund, March 2011).

Policy Implications

- **Affordable Care Act reforms are well targeted**
 - Income-related premiums to 400% of poverty
 - Lower-cost-sharing up to 200% of poverty
- **Reforms could lower number of uninsured by 70 percent**
 - Seven of 10 underinsured and uninsured adults have incomes below 250% of poverty
- **Success will depend on benefit design and choice of plans offered through exchanges**
 - Important to monitor at national and state level
 - Those with modest income remain at risk
- **Affordability long-term requires intensified efforts to slow cost growth**

Methodology

Study data come from The Commonwealth Fund 2010 Biennial Health Insurance Survey

- Nationally representative survey of 4,005 adults living in the continental U.S.
- Includes 2,616 adults ages 19–64
- Conducted by Princeton Survey Research Associates International
- Interviews took place July to November 2010

Underinsured defined as insured all year but experienced one of the following:

- Medical expenses equaled 10% or more of income
- Medical expenses equaled 5% or more of income if low-income (<200% of poverty)
- Deductibles equaled 5% or more of income