

U.S. Health Reform—Monitoring and Impact

Workers Gaining Health Insurance Coverage Under the ACA

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With support from the Robert Wood Johnson Foundation (RWJF), the Urban Institute is undertaking a comprehensive monitoring and tracking project to examine the implementation and effects of health reform. The project began in May 2011 and will take place over several years. The Urban Institute will document changes to the implementation of national health reform to help states, researchers and policymakers learn from the process as it unfolds. Reports that have been prepared as part of this ongoing project can be found at www.rwjf.org and www.healthpolicycenter.org.

One major aim of the Patient Protection and Affordable Care Act (ACA) was to increase health insurance coverage. This brief highlights the ACA's impact on insurance coverage in working families, in light of the policy uncertainty surrounding ACA repeal and replace and the potential phase-out of Medicaid expansions and reductions in marketplace premium subsidies available to low-income people. Using data from the American Community Survey and the Current Population Survey, we examine changes in total coverage (i.e., all insurance types, including public insurance, employer-sponsored insurance, and individual plans) for workers and their family members from 2010 to 2015, by occupation type and state. Our main findings are as follows:

- Roughly 9.5 million workers under age 65 gained coverage from 2010 to 2015, along with 5.2 million family members. These 14.7 million Americans make up 77 percent of all those who gained coverage under the first six years of the ACA.
- Sorting workers by occupation, coverage gains appeared to target need well. Occupations that had lower rates of coverage and employer-sponsored insurance (ESI), lower wages, and lower earnings before the ACA saw greater gains.
 - » In occupations where less than 70 percent of workers had health insurance in 2010, the median increase in coverage by 2015 was 13.4 percentage points. In occupations where 70–80 percent of workers had coverage in 2010, the median increase was 9.2 percentage points. Median increases were 6.1 and 2.3 percentage points, respectively, in occupations where

80–90 percent and more than 90 percent of workers had coverage in 2010.

- » Among occupations that paid average hourly wages of less than \$15 in 2010, coverage increased at a median rate of 13.9 percentage points. For occupations with hourly wages of \$15–20, \$20–30, and more than \$30, coverage increased by 7.1, 2.6, and 1.7 percentage points, respectively.
- Among the workers gaining coverage, 6.0 million (63 percent) lived in states that expanded their Medicaid programs under the ACA. The remaining 3.5 million (37 percent) lived in states that did not expand their programs. Coverage gains were larger in expansion states (7.2 percentage points) than nonexpansion states (6.4 percentage points). Hundreds of thousands of workers gained coverage in Florida (770,000) and Texas (915,000), even though neither state chose to expand Medicaid.
- State coverage expansions appeared well-targeted to need. Among Medicaid expansion and nonexpansion states, those with the lowest coverage levels in 2010—such as Florida and Texas—saw the greatest coverage increases among workers and their families.

By expanding health insurance coverage for workers, the ACA has helped counter the trends of increasingly unaffordable health care costs and steady erosion of employer-based health benefits. Repealing and replacing the ACA with either the Senate's Better Care Reconciliation Act (BCRA) or the House's American Health Care Act (AHCA) would reduce the coverage gains among low-wage workers and their families.

INTRODUCTION

Most working-age Americans with health insurance get it through an employer—either their own or a family member’s. But employer-sponsored insurance rates had been declining for decades, especially for low-wage workers and workers in small firms,¹ before Congress passed the Patient Protection and Affordable Care Act in 2010. Publicly assisted coverage was unavailable to most workers who did not receive health coverage on the job. In the median state, working parents were ineligible for Medicaid if their income exceeded 64 percent of the federal poverty level (FPL).² Workers with incomes above Medicaid thresholds were generally ineligible for any help, and Medicaid in all but a few states did not cover workers without dependent children, no matter how low their income.

The ACA provided new ways for workers to obtain coverage, reduced coverage costs for many workers, and gave employers new incentives to offer health insurance. Health insurance marketplaces, combined with subsidies for premium assistance offered to workers with incomes between 100 and 400 percent of FPL, provided new ways for workers to buy coverage and, in many cases, to reduce its cost. Medicaid coverage became available to workers with incomes below 138 percent of FPL, including childless adults, who lived in expansion states. The ACA’s employer mandate requires firms with 50 or more full-time-equivalent employees to provide ESI for their full-time workers (the employer mandate had not gone into full effect in 2015 and applied only to firms with 100 or more full-time-equivalent employees). And, the ACA’s individual mandate, which imposed a penalty for going without health insurance coverage, provided an additional incentive for previously uninsured workers to seek coverage or take offers of employer-sponsored coverage.

The large increases in health insurance coverage attributable to the ACA have been well documented.³ According to the latest estimates from government sources, 20.0 million Americans

have gained coverage under the ACA as of 2016.⁴ Studies have examined how the gains vary by income, family structure, geography, age, race/ethnicity, and parental status, but few have focused on the broad coverage gains for workers and their families.⁵ This brief examines health insurance coverage among workers and their family members from 2010 to 2015 under the ACA, focusing on changes by occupation and state. We find that workers of all occupation types experienced increases in their insurance coverage, but the increases were greatest among occupations that, in 2010, had lower hourly wages, weekly earnings, health insurance coverage rates, and ESI coverage rates. We also find that the number of uninsured workers declined in all states, but the greatest coverage gains occurred in states that expanded Medicaid under the ACA. Across all states, those with lower coverage levels in 2010 experienced larger coverage gains. Put simply, the ACA’s coverage gains appear well-targeted to need among workers and their families.

As Congress deliberates repealing the ACA and replacing it with a bill that resembles the Better Care Reconciliation Act (BCRA) or the American Health Care Act (AHCA), we note that ACA provisions are associated with large increases in insurance coverage for working families. The House version of the AHCA phases out the Medicaid expansions and lowers marketplace premium subsidies for those who are older, lower-income, or living in high-premium areas.⁶ The BCRA also phases out the Medicaid expansions and lowers marketplace premium subsidies for low-income individuals (eligibility ends at 351 percent of FPL instead of 400 percent, and the premium cap as a share of income is higher).⁷ We find that coverage gains for workers were higher among low-wage workers and among workers in states that expanded their Medicaid programs. These findings suggest that repealing and replacing the ACA with either the AHCA or the BCRA would reduce the coverage gains among low-wage workers and their families that occurred under the ACA.⁸

FINDINGS

We use data from the American Community Survey (ACS) to compute overall coverage rates from all sources and ESI rates by occupation and state. We calculate these rates for 2010 and 2015 as well as 2010 uninsured and ESI rates adjusted for demographic changes in the population between these periods (see the Data and Methods box for details). Similarly, we use the monthly Current Population Survey (CPS) to calculate hourly wage rates and earnings by occupation type in 2010, also adjusted for demographic changes. We calculate the change in the number of people gaining coverage by using the

difference between the 2015 actual rate and the 2010 adjusted rate multiplied by the estimated 2015 population.

Coverage Gains in Working Families by Occupation

Table 1 reports the number of workers gaining coverage from 2010 to 2015 by occupation. It also reports the number of workers’ family members gaining coverage. Occupations are listed in order of increasing insurance coverage rates as measured in 2010.

Table 1: Change in Insurance Coverage from 2010 to 2015 by Occupation

Occupation	Number of workers, 2015	Coverage rate, 2015	Adjusted 2010 coverage rate	Change, 2010–15 (% pt.)	Number Gaining Coverage in Working Families		
					Workers	Family members	Total
All occupations	139,484,000	88.5%	81.6%	6.8	9,533,000	5,187,000	14,720,000
< 70% insured in 2010	21,172,000	71.9%	58.5%	13.4	2,834,000	1,325,000	4,159,000
Farming, fishing, and forestry	998,000	63.7%	49.5%	14.2	142,000	91,000	233,000
Food preparation and serving	7,629,000	74.0%	56.5%	17.5	1,338,000	374,000	1,712,000
Construction and extraction	7,211,000	69.9%	60.3%	9.5	688,000	497,000	1,185,000
Building and grounds cleaning and maintenance	5,333,000	73.1%	60.6%	12.5	666,000	370,000	1,036,000
70–80% insured in 2010	36,109,000	86.2%	76.6%	9.6	3,466,000	1,702,000	5,168,000
Personal care and service	5,125,000	84.8%	70.8%	13.9	713,000	243,000	956,000
Transportation and material moving	8,668,000	83.2%	73.2%	10.0	863,000	476,000	1,339,000
Health care support	3,438,000	87.9%	77.1%	10.9	373,000	171,000	544,000
Extraction workers	206,000	86.0%	79.4%	6.5	13,000	20,000	33,000
Installation, maintenance, and repair	4,524,000	86.8%	79.5%	7.2	327,000	217,000	544,000
Sales and related	14,149,000	88.1%	79.7%	8.3	1,177,000	590,000	1,767,000
80–90% insured in 2010	32,333,000	90.7%	84.8%	5.9	1,908,000	1,133,000	3,041,000
Production	8,542,000	86.9%	80.0%	6.9	593,000	424,000	1,017,000
Arts, design, entertainment, sports, and media	2,741,000	91.0%	83.7%	7.3	199,000	60,000	259,000
Office and administrative support	18,070,000	91.9%	86.5%	5.4	982,000	585,000	1,567,000
Protective service	2,981,000	93.6%	89.1%	4.5	134,000	69,000	203,000
> 90% insured in 2010	49,870,000	95.7%	93.0%	2.7	1,323,000	997,000	2,320,000
Management, business, science, and arts	14,495,000	94.1%	91.0%	3.1	447,000	362,000	809,000
Community and social services	2,355,000	95.1%	92.4%	2.7	64,000	64,000	128,000
Education, training, and library	8,330,000	96.0%	92.5%	3.5	290,000	145,000	435,000
Business operations specialists	3,679,000	95.9%	93.5%	2.4	90,000	53,000	143,000
Legal	1,544,000	96.6%	93.5%	3.1	48,000	25,000	73,000
Health care practitioners and technicians	8,374,000	96.2%	94.1%	2.1	175,000	180,000	355,000
Financial specialists	3,127,000	97.0%	94.8%	2.2	70,000	59,000	129,000
Life, physical, and social science	1,239,000	97.0%	94.9%	2.1	26,000	18,000	44,000
Computer and mathematical	4,163,000	97.1%	95.4%	1.7	73,000	59,000	132,000
Architecture and engineering	2,565,000	97.2%	95.6%	1.6	40,000	34,000	74,000

Source: Urban Institute analysis of 2010 and 2015 American Community Survey data (IPUMS-USA, University of Minnesota, www.ipums.org).

Notes: Cells may not sum to totals because of rounding. The adjusted 2010 coverage rate reflects the demographic and geographic composition of the 2015 population.

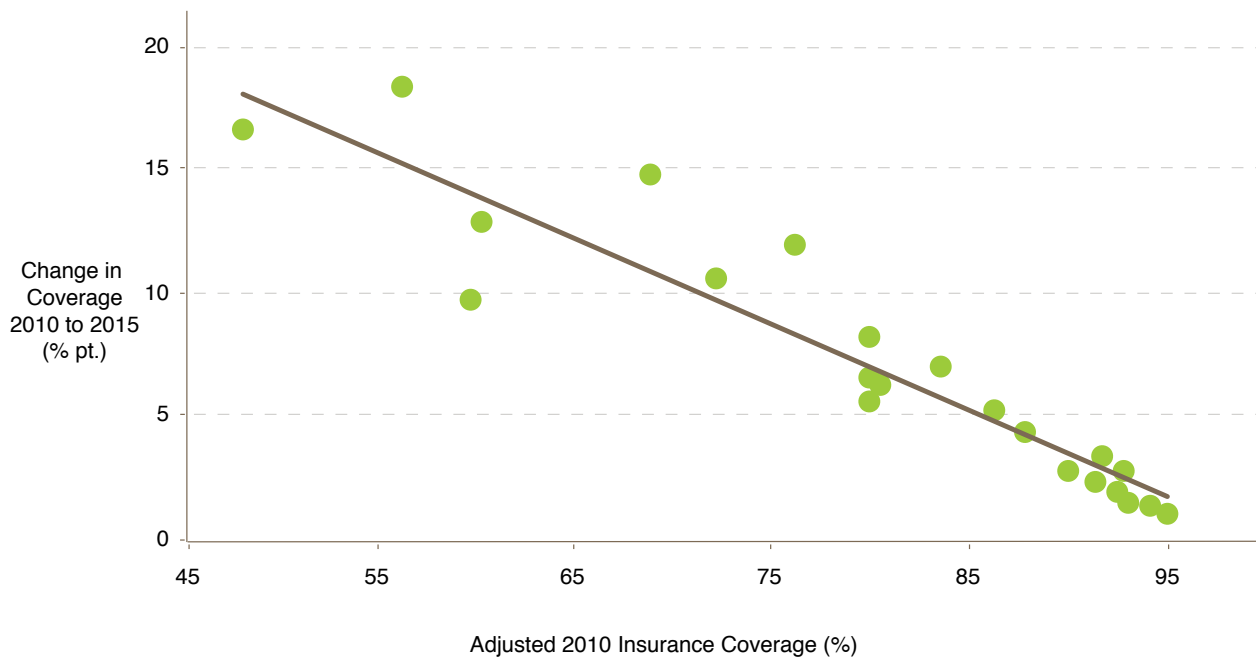
In total, 139.5 million workers were age 18 to 64 in 2015, of whom 88.5 percent had some form of health coverage. In 2010, 81.6 percent of workers had health insurance after adjusting for compositional changes in the worker population over the period. This 6.8 percentage-point increase translates to 9.5 million newly insured workers, along with 5.2 million of their family members, totaling 14.7 million people in working families gaining coverage under the ACA. An estimated 19.2 million nonelderly people gained coverage between 2010 and 2015,⁹ so approximately 77 percent of them were workers and their family members.

Coverage expansion in working families was widespread, benefiting workers in all occupations. For example, 1.3 million workers in food preparation and serving occupations gained coverage along with 374,000 family members. Nearly 1.2 million workers in sales and related occupations and 590,000 family members became insured. And 982,000 office and

administrative support workers gained coverage from 2010 to 2015, along with 585,000 family members.

Coverage gains from 2010 to 2015 tended to be higher for workers with lower coverage rates in 2010 (Table 1 and Figure 1). In the several higher-wage occupations with 2010 coverage rates above 90 percent, coverage gains through 2015 averaged 2.7 percentage points, ranging from 1.6 percentage points for architecture and engineering to 3.5 percentage points for education, training, and library occupations. By contrast, among the lower-wage occupations with baseline coverage rates below 70 percent, coverage gains averaged 13.4 percentage points, ranging from 9.5 percentage points for construction and extraction to 17.5 percentage points for food preparation and serving. Because coverage gains under the ACA were generally larger in occupations with lower baseline rates, variation across occupations narrowed between 2010 and 2015.

Figure 1: Change in Occupation-level Insurance Coverage from 2010 to 2015 and 2010 Insurance Coverage Rate



Source: Urban Institute analysis of 2010 and 2015 American Community Survey data (IPUMS-USA, University of Minnesota, www.ipums.org).
 Note: The adjusted 2010 coverage rate reflects the demographic and geographic composition of the 2015 population.

Table 2 reports coverage gains between 2010 and 2015 along with three other characteristics of occupations measured in 2010: ESI coverage rates, average hourly wages, and average weekly earnings. Occupations are listed in order of increasing average wage. Rates of workers covered by employers (their own or a family member's) varied substantially across occupations. Higher-wage occupations tended to have higher

ESI coverage rates in 2010 than lower-wage occupations. For example, 48.2 percent of workers in personal care and service occupations (with hourly wages averaging \$12.74) had coverage through an employer in 2010, compared with 84.0 percent of workers in education, training, and library occupations (with hourly wages averaging \$22.35).

Table 2: Change in Insurance Coverage Rates from 2010 to 2015 and 2010 Employment Measures by Occupation

Occupation	Change in coverage rate, 2010–15 (% pt.)	Adjusted 2010 ESI rate	Adjusted 2010 hourly wage	Adjusted 2010 weekly earnings
All occupations	6.8	70.1%	\$20.38	\$860
Hourly wage < \$15 in 2010	14.3	45.9%	\$11.71	\$442
Food preparation and serving	17.5	39.3%	\$10.10	\$390
Farming, fishing, and forestry	14.2	34.0%	\$10.37	\$449
Building and grounds cleaning and maintenance	12.5	45.8%	\$12.22	\$459
Personal care and service	13.9	48.2%	\$12.74	\$465
Health care support	10.9	60.9%	\$13.15	\$492
Hourly wage \$15–20 in 2010	7.4	67.8%	\$16.98	\$719
Transportation and material moving	10.0	62.1%	\$15.12	\$678
Production	6.9	71.5%	\$15.81	\$669
Office and administrative support	5.4	76.0%	\$16.41	\$645
Sales and related	8.3	64.6%	\$17.03	\$739
Construction and extraction	9.5	49.0%	\$18.92	\$789
Extraction workers	6.5	74.9%	\$19.26	\$1,133
Protective service	4.5	81.2%	\$19.42	\$891
Installation, maintenance, and repair	7.2	70.3%	\$19.53	\$839
Hourly wage \$20–30 in 2010	3.1	82.3%	\$26.77	\$1,155
Community and social services	2.7	82.6%	\$20.92	\$850
Education, training, and library	3.5	84.0%	\$22.35	\$888
Arts, design, entertainment, sports, and media	7.3	66.2%	\$25.43	\$1,037
Business operations specialists	2.4	84.6%	\$27.09	\$1,181
Health care practitioners and technicians	2.1	85.2%	\$27.37	\$1,095
Life, physical, and social science	2.1	87.1%	\$28.01	\$1,197
Financial specialists	2.2	86.4%	\$29.10	\$1,266
Management, business, science, and arts	3.1	80.6%	\$29.31	\$1,365
Hourly wage > \$30 in 2010	1.9	87.9%	\$32.62	\$1,431
Architecture and engineering	1.6	90.3%	\$31.70	\$1,378
Computer and mathematical	1.7	89.0%	\$33.02	\$1,418
Legal occupations	3.1	81.0%	\$33.12	\$1,556

Source: Urban Institute analysis of 2010 and 2015 American Community Survey and Current Population Survey data (IPUMS-USA and IPUMS-CPS, University of Minnesota, www.ipums.org).

Notes: Coverage change and employer-sponsored insurance (ESI) coverage rates are estimated using American Community Survey data. Weekly earnings and hourly wages are estimated using monthly Current Population Survey data. The adjusted 2010 employment measures reflect the demographic and geographic composition of the 2015 population.

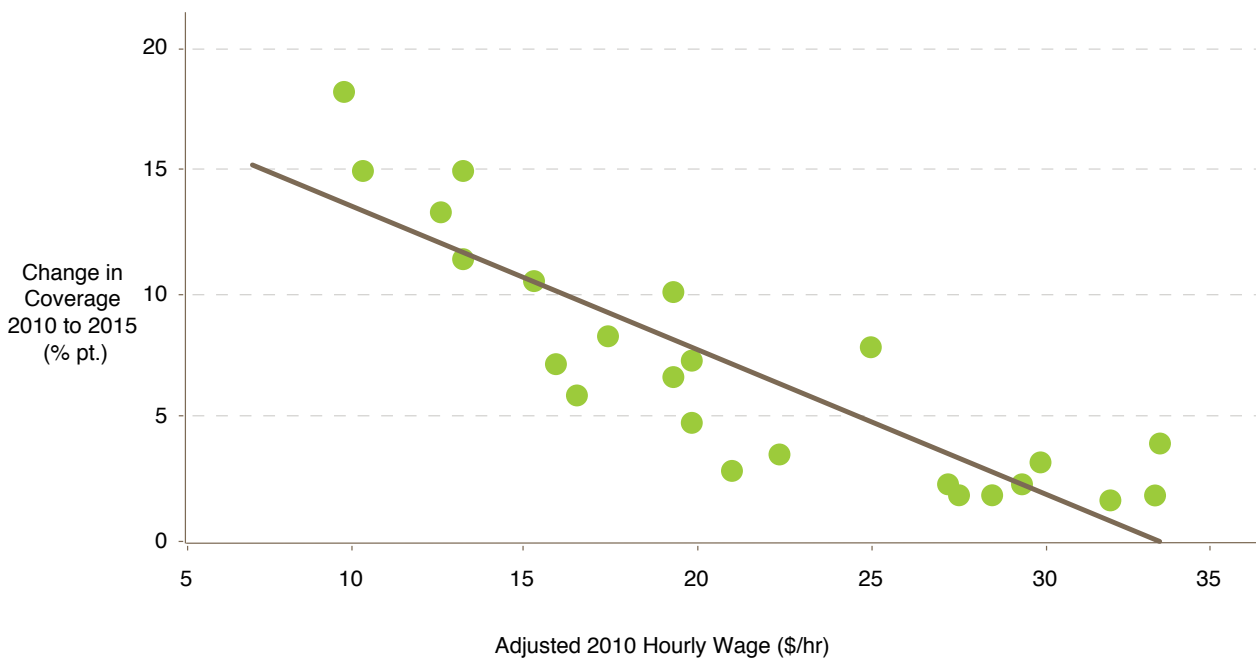
Occupations with lower rates of employer-sponsored coverage in 2010 tended to have larger gains in total insurance coverage by 2015. Only 39.3 percent of workers in food preparation and serving occupations had ESI in 2010, and their rate for all coverage types increased 17.5 percentage points under the ACA. Sales and related occupations, which had a 64.6 percent ESI rate in 2010, experienced a gain in insurance coverage under the ACA of 8.3 percentage points. Workers in occupations with 2010 ESI coverage rates in the 80 to 90 percent range experienced modest gains in total coverage by 2015, ranging from 1.7 to 4.5 percentage points. These findings indicate that coverage gains under the ACA were well-targeted to workers who did not previously receive health insurance coverage through an employer.

Workers earning lower wages had larger percentage-point gains in coverage from 2010 to 2015, compared to those earning higher wages (Table 2 and Figure 2). In occupations with hourly wages of less than \$15 in 2010, coverage gains ranged from 10.9 percentage points for health care support

to 17.5 percentage points for food preparation and serving. In occupations with hourly wages of more than \$30, gains from 2010 to 2015 ranged from 1.6 percentage points for architecture and engineering to 3.1 percentage points for legal occupations. The data points in Figure 2 and the line of best fit show a close inverse relationship between wage rates in 2010 and coverage gains from 2010 to 2015.

Gains in coverage from 2010 to 2015 across occupations were also strongly associated with average weekly earnings, which combines wage rates and hours worked (Table 2). In occupations with average weekly earnings of less than \$500, coverage gains ranged from 10.9 to 17.5 percentage points. Coverage gains tended to be smaller for workers with higher earnings (Table 2), similar to the results for wage levels (Figure 2). These findings suggest that coverage gains were well-targeted to workers who were less able to afford health insurance premiums, whether buying individual coverage or paying the worker's share of employer-based coverage.

Figure 2: Change in Occupation-level Insurance Coverage from 2010 to 2015 and 2010 Hourly Wage



Source: Urban Institute analysis of 2010 and 2015 American Community Survey and Current Population Survey data (IPUMS-USA and IPUMS-CPS, University of Minnesota, www.ipums.org).
 Note: The adjusted 2010 hourly wage reflects the demographic and geographic composition of the 2015 population.

Table 3 summarizes the findings on how coverage gains for workers from 2010 to 2015 vary by the baseline characteristics of occupations. Among occupations that, in 2010, had coverage rates below 70 percent, the median increase by 2015 was 13.4 percentage points. For occupations with baseline coverage between 70 and 80 percent, the median increase was 9.2 percentage points. Median increases were 6.1 and 2.3 percentage points for occupations with baseline coverage rates of 80–90 percent and above 90 percent, respectively. Similarly,

coverage gains were largest for occupations with lower levels of ESI coverage in 2010.

Among occupations that paid average hourly wages less than \$15 in 2010, coverage increased at a median rate of 13.9 percentage points. For occupations with wages of \$15–20, \$20–30, and more than \$30, coverage increased by 7.1, 2.6, and 1.7 percentage points, respectively. A similar pattern emerges when occupations are grouped by weekly earnings in 2010. Across all baseline measures, coverage gains for workers under the ACA were well-targeted to need.

Table 3: Change in Insurance Coverage Rates from 2010 to 2015 by Occupation Characteristics in 2010

2010 characteristics		Median coverage increase (% pt.)	Range of coverage increases (% pt.)	Occupational categories
Coverage rate	< 70%	13.4	9.5–17.5	4
	70–80%	9.2	6.5–13.9	6
	80–90%	6.1	4.5–7.3	4
	> 90%	2.3	1.6–3.5	10
Employer-sponsored insurance rate	< 60%	13.9	9.5–14.2	5
	60–75%	7.3	6.5–10.9	7
	75–85%	3.1	2.4–5.4	7
	> 85%	2.1	1.6–2.2	5
Hourly wages	< \$15	13.9	10.9–17.5	5
	\$15–20	7.1	4.5–10.0	8
	\$20–30	2.6	2.1–7.3	8
	> \$30	1.7	1.6–3.1	3
Weekly earnings	< \$500	13.9	10.9–17.5	5
	\$500–800	8.3	5.4–10.0	5
	\$800–1,200	3.5	2.1–7.3	9
	> \$1,200	2.2	1.6–3.1	5

Source: Urban Institute analysis of 2010 and 2015 American Community Survey and Current Population Survey data (IPUMS-USA and IPUMS-CPS, University of Minnesota, www.ipums.org).

Coverage Gains in Working Families by State

Table 4 shows the number of workers and their family members gaining coverage in each state. States are grouped by whether they had expanded Medicaid as provided under the ACA by mid-2015. The largest percentage-point gains (from 10.6 to 12.2) in worker coverage were in California, New Mexico, Oregon, and West Virginia, all four of which expanded Medicaid coverage under the ACA. The smallest percentage-point gains

(from 1.3 to 3.4) were in Hawaii, Maine, Massachusetts, South Dakota, Vermont, and Wisconsin. Hawaii, Massachusetts, and Vermont had already expanded coverage before the ACA; by 2010, their worker coverage rates were above 90 percent. Maine, South Dakota, and Wisconsin also had relatively high 2010 coverage rates, from 86.0 to 89.3 percent; Maine and Wisconsin had significantly expanded eligibility for Medicaid before the ACA.

Table 4: State Change in Insurance Coverage for Workers and their Family Members from 2010 to 2015 by Medicaid Expansion Status

	Number of workers, 2015	Coverage rate, 2015	Adjusted 2010 coverage rate	Change, 2010–15 (% pt.)	Number Gaining Coverage in Working Families		
					Workers	Family members	Total
All states	139,484,000	88.5%	81.6%	6.8	9,533,000	5,187,000	14,720,000
Expansion states							
Arizona	2,726,000	86.2%	79.6%	6.6	180,000	123,000	303,000
Arkansas	1,171,000	88.1%	78.8%	9.4	110,000	45,000	155,000
California	16,965,000	88.8%	77.8%	11.0	1,866,000	1,264,000	3,130,000
Colorado	2,569,000	89.8%	81.7%	8.2	210,000	119,000	329,000
Connecticut	1,655,000	92.8%	88.7%	4.2	69,000	8,000	77,000
Delaware	412,000	93.2%	86.1%	7.0	29,000	NP	NP
District of Columbia	346,000	96.2%	91.1%	5.2	18,000	NP	NP
Hawaii	620,000	95.8%	93.4%	2.3	14,000	15,000	29,000
Illinois	5,758,000	91.0%	83.7%	7.3	422,000	211,000	633,000
Indiana	2,871,000	88.6%	83.1%	5.5	158,000	70,000	228,000
Iowa	1,452,000	94.3%	88.9%	5.4	79,000	26,000	105,000
Kentucky	1,781,000	92.2%	82.8%	9.4	168,000	72,000	240,000
Maryland	2,808,000	92.3%	86.8%	5.5	154,000	64,000	218,000
Massachusetts	3,223,000	96.6%	94.4%	2.1	69,000	32,000	101,000
Michigan	4,181,000	92.2%	85.0%	7.2	302,000	105,000	407,000
Minnesota	2,677,000	95.0%	89.5%	5.5	146,000	65,000	211,000
Nevada	1,237,000	85.0%	77.3%	7.7	96,000	101,000	197,000
New Hampshire	653,000	91.2%	87.0%	4.2	28,000	13,000	41,000
New Jersey	4,057,000	88.6%	84.2%	4.4	179,000	100,000	279,000
New Mexico	805,000	84.8%	74.1%	10.7	86,000	47,000	133,000
New York	8,831,000	90.6%	84.9%	5.7	503,000	240,000	743,000
North Dakota	366,000	91.9%	88.3%	3.6	13,000	NP	NP
Ohio	5,049,000	92.2%	86.2%	6.0	305,000	129,000	434,000
Oregon	1,751,000	90.8%	80.2%	10.6	185,000	83,000	268,000
Pennsylvania	5,575,000	92.7%	88.0%	4.6	258,000	112,000	370,000
Rhode Island	486,000	93.7%	86.4%	7.2	35,000	NP	NP
Vermont	299,000	93.3%	90.1%	3.2	10,000	NP	NP
Washington	3,176,000	91.7%	83.9%	7.8	247,000	131,000	378,000
West Virginia	689,000	92.4%	80.2%	12.2	84,000	32,000	116,000
Expansion state total	84,189,000	90.8%	83.7%	7.2	6,023,000	3,207,000	9,230,000

Table 4: Continued

	Number of workers, 2015	Coverage rate, 2015	Adjusted 2010 coverage rate	Change, 2010–15 (% pt.)	Number Gaining Coverage in Working Families		
					Workers	Family members	Total
All states	139,484,000	88.5%	81.6%	6.8	9,533,000	5,187,000	14,720,000
Nonexpansion states							
Alaska	325,000	83.5%	77.8%	5.7	19,000	8,000	27,000
Alabama	1,901,000	87.4%	83.5%	4.0	75,000	53,000	128,000
Florida	8,300,000	82.6%	73.4%	9.3	770,000	443,000	1,213,000
Georgia	4,315,000	83.9%	77.6%	6.3	272,000	129,000	401,000
Idaho	690,000	84.3%	77.6%	6.8	47,000	40,000	87,000
Kansas	1,301,000	89.1%	84.4%	4.7	61,000	24,000	85,000
Louisiana	1,893,000	85.0%	77.0%	7.9	150,000	41,000	191,000
Maine	591,000	89.4%	86.0%	3.4	20,000	NP	NP
Mississippi	1,120,000	84.7%	79.7%	4.9	55,000	45,000	100,000
Missouri	2,655,000	88.6%	84.6%	4.0	107,000	32,000	139,000
Montana	450,000	85.3%	79.4%	6.0	27,000	9,000	36,000
Nebraska	892,000	90.8%	85.0%	5.8	52,000	10,000	62,000
North Carolina	4,235,000	85.8%	80.4%	5.4	228,000	151,000	379,000
Oklahoma	1,601,000	82.8%	75.1%	7.7	123,000	48,000	171,000
South Carolina	1,989,000	86.7%	80.4%	6.3	126,000	83,000	209,000
South Dakota	388,000	88.1%	86.9%	1.3	5,000	NP	NP
Tennessee	2,767,000	87.3%	82.7%	4.6	126,000	47,000	173,000
Texas	11,813,000	79.8%	72.1%	7.7	915,000	614,000	1,529,000
Utah	1,298,000	87.5%	82.4%	5.0	65,000	42,000	107,000
Virginia	3,764,000	89.3%	85.1%	4.2	157,000	63,000	220,000
Wisconsin	2,738,000	92.7%	89.3%	3.3	91,000	46,000	137,000
Wyoming	267,000	87.5%	80.9%	6.7	18,000	12,000	30,000
Nonexpansion state total	55,293,000	84.9%	78.5%	6.4	3,509,000	1,940,000	5,449,000

Source: Urban Institute analysis of 2010 and 2015 American Community Survey data (IPUMS-USA, University of Minnesota, www.ipums.org).

Notes: Expansion states are those that expanded their Medicaid programs on or before July 1, 2015. The District of Columbia is classified as a state. The adjusted 2010 coverage rate reflects the demographic and geographic composition of the 2015 population.

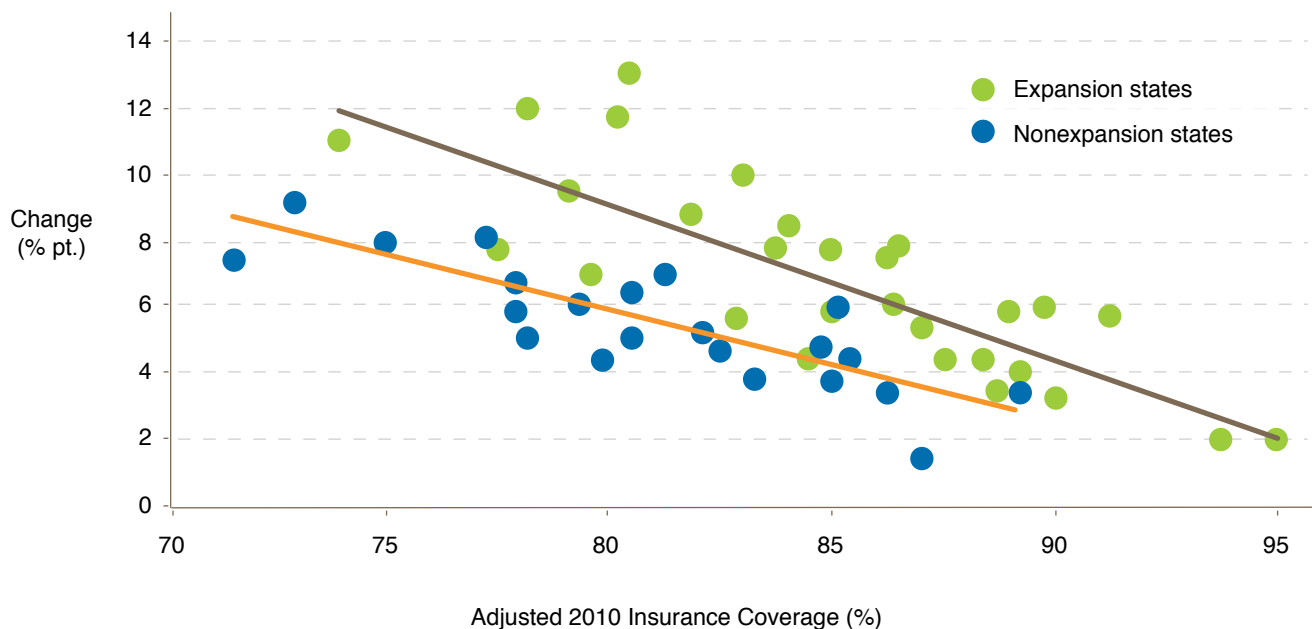
NP = nonprecise estimate. We do not report estimates for which the margin of error (two times the standard error) exceeds 30 percent of the average coverage rates.

Between 2010 and 2015, 6.02 million workers and 3.21 million family members gained coverage in states that expanded Medicaid under the ACA; 3.51 million workers and 1.94 million family members gained coverage in states that did not expand Medicaid. The coverage gains for workers were higher in Medicaid expansion states (7.2 percentage points) than in nonexpansion states (6.4 percentage points). If we exclude the states that had already expanded Medicaid coverage to levels similar to the ACA's by 2010 (Delaware, Massachusetts, New York, Vermont, and Washington, D.C.), we find an even larger difference between expansion states and nonexpansion states: 7.6 percentage points versus 6.4 percentage points. Despite not expanding Medicaid, Florida and Texas had very large coverage gains among working families under the ACA: 770,000 workers and 443,000 family members in Florida, and 915,000 workers and 614,000 family members in Texas. Among all nonexpansion

states, these two had the highest shares and numbers of uninsured workers in 2010.

Figure 3 plots the state-level changes in coverage between 2010 and 2015 against 2010 coverage rates for expansion and nonexpansion states. This figure illustrates two main points. First, Medicaid expansion states (green dots and brown trend line) generally show larger coverage changes than nonexpansion states (blue dots and orange trend line), even when they had similar baseline coverage rates. Second, both trend lines show a sharp inverse relationship between baseline coverage levels and increased coverage under the ACA. Put simply, among both expansion and nonexpansion states, the ACA improved coverage the most in states with the highest baseline levels of uninsured workers. Coverage gains were thus well-targeted by state as well as occupation.

Figure 3: Change in State-level Insurance Coverage for Workers from 2010 to 2015 and 2010 Insurance Coverage Rate, by Medicaid Expansion Status



Source: Urban Institute analysis of 2010 and 2015 American Community Survey data (IPUMS-USA, University of Minnesota, www.ipums.org).
 Note: The adjusted 2010 coverage rate reflects the demographic and geographic composition of the 2015 population.

To summarize the data in Table 4 and Figure 3, Table 5 reports the median percentage-point coverage increase within groups of states classified by their coverage rate in 2010 and their Medicaid expansion status. Among states with coverage rates for workers below 80 percent in 2010, the median expansion state experienced a 9.4 percentage-point increase in coverage by 2015, whereas the median nonexpansion state experienced a 6.8 percentage-point increase. States with higher 2010

coverage rates had smaller gains. Median percentage-point gains in coverage were higher in Medicaid expansion states than nonexpansion states, apart from states with 2010 worker coverage rates above 90 percent (because no nonexpansion states had a baseline rate that high). These findings suggest that Medicaid expansion under the ACA helped cover workers, especially in states that had the lowest coverage rates for workers before the main provisions of the ACA took effect.

Table 5: State-Level Changes in Insurance Coverage from 2010 to 2015 by 2010 Coverage Rate and Medicaid Expansion Status

Coverage rate, 2010	Medicaid expansion status	Median coverage increase (% pt.)	Range of coverage increases (% pt.)	Number of states
< 80%	Expansion	9.4	6.6–10.7	5
	Nonexpansion	6.8	4.9–9.3	9
80–85%	Expansion	7.8	4.4–12.2	9
	Nonexpansion	4.9	4.0–6.7	8
85–90%	Expansion	5.5	3.6–7.2	11
	Nonexpansion	3.4	1.3–5.8	5
> 90%	Expansion	2.8	2.1–5.2	4
	Nonexpansion	n/a	n/a	0

Source: Urban Institute analysis of 2010 and 2015 American Community Survey data (IPUMS-USA, University of Minnesota, www.ipums.org).
 Notes: Expansion states are those that expanded their Medicaid programs on or before July 1, 2015. The District of Columbia is classified as a state.
 n/a = not applicable

DISCUSSION

Employer-sponsored health insurance has been, and remains, the largest source of health insurance for nonelderly adults in the United States. Yet many workers are uninsured. For some employers, particularly small firms and those with predominately low-wage workers, paying for ESI makes little economic sense. In 2010, annual ESI premiums averaged \$5,049 for a single adult and \$13,770 for a family. By 2016, those costs had risen to \$6,435 and \$18,142.¹⁰ The cost for family coverage exceeds the annual \$15,080 income of a full-time, year-round worker paid the federal minimum wage of \$7.25 an hour.

In 2010, 70.1 percent of workers had employer-sponsored coverage from their own or a family member’s employer, and 81.6 percent of workers had some form of health insurance. The ACA included many provisions designed to increase health insurance coverage for workers and nonworkers alike. From 2010 to 2015, we estimate that 9.5 million workers gained health insurance coverage under the ACA, increasing their coverage rate from 81.6 in 2010 to 88.5 percent in 2015. In addition, 5.2 million family members of workers gained health insurance under the ACA. Assuming that 19.2 million people gained coverage from 2010 to 2015,¹¹ our findings suggest that most people gaining coverage under the ACA were workers and their family members. These findings run contrary to the concerns of some observers that the ACA primarily benefits nonworking populations that are “freeloading” and “undeserving” of public assistance.¹²

Workers across all occupation groups saw gains in coverage from 2010 to 2015, but the size of the gains varied greatly. Workers

in occupations with lower average wages and lower average earnings (accounting for hours worked) had larger gains in coverage. The occupations with the largest coverage gains also tended to be those with the least insurance coverage, as well as those with the least employer-sponsored coverage, in 2010. Thus, the coverage gains were largest among workers more likely to be missed by employer coverage.

Coverage gains for workers from 2010 to 2015 were larger in states that expanded Medicaid (7.2 percentage points) than those that did not (6.4 percentage points). For workers in occupations with average hourly wages below \$15, insurance coverage increased 12.9 percentage points in states that expanded Medicaid and 10.7 percentage points in states that did not. Thus, the ACA’s Medicaid expansion appears to have helped provide health insurance coverage to workers and their dependents.

Labor markets over recent decades have produced stagnant wages, declines in employer-sponsored coverage, and a hollowing out of well-paying middle class jobs. From 1979 to 2013, wages remained stagnant for middle-wage workers and fell for low-wage workers.¹³ ESI coverage of the nonelderly population fell 11 percentage points (16 percent) from 1999 to 2013.¹⁴ By expanding health insurance coverage for workers, the ACA helped counter the trends of increasingly unaffordable health insurance costs and steady erosion of employer-based health benefits.

DATA AND METHODS

The primary data source for this brief is the American Community Survey (ACS). Starting in 2005, the ACS provides demographic, employment, and health insurance information for more than 2 million Americans each year. Using 2010 and 2015 ACS data for nonelderly adults (ages 19–64) from the Integrated Public Use Microdata Series (IPUMS), we estimate health insurance coverage rates for workers, including employer-based coverage, by workers' occupation type.

We also use data from the Current Population Survey (CPS), which provides monthly updates on the status of labor markets. We use CPS information on workers' wages, number of hours worked per week, and earnings per week. Questions on these topics are asked of approximately a quarter of CPS respondents each month. We pool all months in 2010 and all months in 2015 to establish an annual average of these outcomes by occupation. Hourly wage rates in the CPS are only assessed for workers who reported working for an hourly wage; we calculate the hourly wage rate for all other workers by dividing their reported weekly earnings by the number of hours worked.

In both the ACS and CPS, we use the IPUMS-harmonized 2010 Census Bureau occupation classification system to group workers into broad occupation categories. Observation counts within detailed occupation categories are too small to provide precise estimates, so we aggregate occupations into 24 predefined categories. We then estimate occupation-specific uninsured and ESI rates (from the ACS) as well as industry-specific wages, hours worked, and weekly earnings (from the CPS). All estimates use individual-level survey weights.

Between 2010 and 2015, factors other than the ACA may have affected workers' coverage status, wages, and earnings (i.e., macroeconomic improvements or decreased labor supply from an aging population). To help separate these factors

from the ACA, we compare our 2015 coverage and labor measures with a "counterfactual" 2010 estimate that is adjusted to reflect the demographic and occupational composition of 2015. Specifically, we calculate the weighted average for each outcome measure by crossing all combinations of age groups, gender, education, race and ethnicity, occupation classifications, industrial classifications, and state. We then match the 2010 outcome by cell to the corresponding cell in 2015. We refer to this as the "adjusted" 2010 estimate. The maximum deviation between the actual and adjusted 2010 measures are small: 1.2 percentage points for uninsured rates, 1.4 percentage points for ESI rates, 7.5 percent for earnings, and 5.0 percent for hourly wage rates.

We also estimate the number of workers' family members that gained coverage from 2010 to 2015. To make this estimate, we identified family units in the ACS. All individuals under age 65 within families that include a single worker with a listed occupation are included as family members of workers in that occupation. For individuals in families that include two workers with listed occupations, we allocate them with equal probability randomly as family members of one of the two workers. For the small number of families that have more than two workers, we allocate nonworkers with equal probability randomly to one of the two working family members in occupations with the highest wages.

In analyzing coverage changes by state, we separate expansion and nonexpansion states based on their Medicaid expansion status for most of 2015. Therefore, we classify Indiana (expansion effective February 1, 2015), Michigan (April 1, 2014), New Hampshire (August 15, 2014), and Pennsylvania (January 1, 2015) as expansion states; and Alaska (September 1, 2015), Montana (January 1, 2016), and Louisiana (July 1, 2016) as nonexpansion states.¹⁵

ENDNOTES

1. See Figures 1.A and 2.A in: Blavin F, Holahan J, Kenney G, Chen V. *A Decade of Coverage Losses: Implications for the Affordable Care Act*. Washington: Urban Institute and the Robert Wood Johnson Foundation; 2012. <http://www.urban.org/research/publication/decade-coverage-losses-implications-affordable-care-act>.
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