

Your County and The ACA: Understanding the Sources

CPPP has compiled data for all 254 Texas counties to illustrate the expected impact of Affordable Care Act (ACA) implementation on uninsured numbers and rates by county. The sources are drawn from respected and reliable experts including the US Bureau of the Census, Texas demographers Michael Cline, Ph.D. and Steve Murdock, Ph.D., and the Texas Health and Human Services Commission.

This document can help you understand what kind of uninsured challenge your county has today, and how that could improve under the ACA in the next several years. The county data sheets compare what uninsured rates would look like with and without the ACA's Medicaid expansion. Also, the sheets include an estimate of how much additional net federal health care revenue would come to your county every year on average from 2014 to 2017. Listed below is an explanation of the sources and rationale for the numbers.

On the County Sheet

Total uninsured today in County: From the **Cline and Murdock** report, which uses US Census American Community Survey data from 2008 and 2009 to estimate current Texas uninsured rates by county.

Uninsured children (under age 19): From the US Census Small Area Health Insurance Estimates (SAHIE), 2010 estimates by Texas county. Texas Medicaid and CHIP coverage is available for poor and near-poor youth until their 19th birthday, so our children and youth have much better coverage than adults 19-64.

Projected uninsured numbers under ACA if Texas expands adult Medicaid: Also from the **Cline and Murdock** report. The authors start with US Census data, and build a model that looks at each county based on current and future coverage rates for 11 different subpopulations. They include factors like variations in numbers of lawful and undocumented immigrants, numbers of government workers, and incomes. Texans who gain insurance from the ACA in the model for each county include those gaining coverage from Medicaid expansion, from higher enrollment by children (already eligible for Medicaid today, but not enrolled), and from private insurance gains through the health insurance Exchange. The report made a range of insurance enrollment estimates—low, moderate, and high—and the county data sheets use the moderate scenario numbers.

Projected uninsured numbers under ACA if Texas does NOT take Medicaid option: **Cline and Murdock** estimate that 49 percent of Texans who are newly insured under the ACA will be US citizen adults (with incomes less than 138 percent of the federal poverty income level, the upper limit for the ACA's Medicaid expansion) and children below 200 percent of the poverty

line (the upper limit for the children's health insurance program, CHIP, today). We reduce by 49 percent each county's number of residents who would gain insurance coverage with full ACA implementation to approximate the impact of eliminating the Medicaid expansion in Texas.

Projected new net annual gain in Medicaid funds for county (2014-2017 average) if Medicaid expanded: Texas Health and Human Services Commission—the state agency that runs Medicaid and CHIP—has estimated the total state dollar costs and federal funds gained under ACA's Medicaid expansion for 2014 through 2017, and presented their data to Texas Senate committees on August 1, 2012. (Under ACA, states will get at least \$9 federal match for every \$1 state funds of the costs of covering new expansion adults, compared to just \$1.50 federal for each \$1 state dollar for the current Medicaid program.)

The HHSC numbers used in these fact sheets include costs for both US citizen adults who would gain Medicaid under the new ACA coverage, and for children who are already eligible for Medicaid today but are not currently enrolled. The increased child enrollment is known as the "welcome mat" effect. Studies in other states have found that (1) when parents are covered, a larger percentage of children also enroll; and (2) when coverage is expanded to new groups, the publicity also draws in persons from previously-eligible groups who for various reasons had never signed up for coverage.

The official HHSC estimate of federal dollars received from 2014-2017 is then reduced by their estimate of state dollars spent to draw the federal match, leaving the figure for the net gain in federal matching funds statewide. The average annual gain over that four-year period is then distributed across the Texas counties in the same proportions as **HHSC's data** show Medicaid health care reimbursements were distributed to health care providers by county in 2010.

Number of Registered Nurses or Family Doctors the annual Medicaid funds gain could support for a year in county: Economists can try to predict how many new jobs will be potentially created in Texas communities if these new net federal health care dollars are allowed to flow through the Texas economy. To keep this fact sheet simple and to avoid arguments over "economic multipliers," we have simply calculated the number of average Registered Nurse salaries each county's new Medicaid funds could pay for in a single year, as well as the number of Family Practice Physicians those dollars could support. We use the **US Department of Labor's Bureau of Labor Statistics'** most recent estimates of average RN and Family Doctor salaries for Texas.

Medicaid and CHIP Today: HHSC provides county enrollment numbers for Medicaid and CHIP on their web site, as well as more detailed data on request.

More about the sources and where you can find them:

Michael E. Cline, Ph.D., and Steve H. Murdock, Ph.D., Hobby Center for the Study of Texas at Rice University; *Estimates of the Impact of the Affordable Care Act on Counties in Texas*, April 2012, conducted for Methodist Healthcare Ministries of South Texas; <http://cphp.org/research.php?aid=1231> ;
http://www.mhm.org/images/stories/advocacy_and_public_policy/Estimates%20of%20the%20Impact%20of%20the%20ACA%20on%20Texas%20Counties_FINAL%20REPORT%20APRIL%202012.pdf

Dr. Murdock is the founding Director of the Hobby Center for the Study of Texas at Rice University, former Texas State Demographer and former Director of the U.S. Bureau of the Census. Dr. Cline is Associate Director of the Hobby Center and previously served as the Director of Research at the Institute for Demographic and Socioeconomic Research and the Assistant Director for the Small Business Development Center National Information Clearinghouse at the University of Texas at San Antonio.

This report supplied the data for Total Uninsured today, Uninsured If ACA fully implemented with Medicaid Expansion, and Uninsured under ACA if Texas does not Allow Medicaid Option:

Uninsured Children: US Census 2010 Small Area Health Insurance Estimates (SAHIE): <http://www.census.gov/did/www/sahie/data/interactive/>

Projected New Net Annual Gain in Medicaid funds for this county (2014-2017 average) if Medicaid expanded: Presentation to Senate Health & Human Services and Senate State Affairs Committees on the Affordable Care Act, August 1, 2012; <http://www.hhsc.state.tx.us/news/presentations/2012/080112-Senate-HHS-ACA-Presentation.pdf> , *Impact to Texas Medicaid of ACA Implementation by Levels of Implementation*, HHSC Strategic Decision Support July 31, 2012.

Distribution by County: *Medicaid Expenditure by County and Service Category*, SFY 2010, unpublished report, Prepared by: Research Team, Strategic Decision Support, Health and Human Services Commission, October 2011.

Numbers of Health Care Providers Potentially Supported by Net gain in Medicaid Funds: Registered Nurses, Family Practice Doctors: data from May 2011 State Occupational Employment and Wage Estimates, Texas, Healthcare Practitioners and Technical Occupations; http://www.bls.gov/oes/current/oes_tx.htm

Medicaid and CHIP Today: Texas Medicaid Program Monthly Eligibles (Med-ID), July cutoff file. Texas Health and Human Services Commission (HHSC), Unpublished data Compiled By: Demographic Analysis Unit, Strategic Decision Support, August 2012.
See also: <http://www.hhsc.state.tx.us/research/index.shtml>

For More Information

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