Press Release For Immediate Release September 19, 2012 **Contact** Brian Stephens

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Study Finds Health Care Law Could Cut Texas Uninsured Rate in Half

If Texas fully implemented the Affordable Care Act (ACA), including expanding Medicaid, the state's uninsured rate could decrease by half or more in 2014, according to a study commissioned by Methodist Healthcare Ministries of South Texas, Inc. and authored by Dr. Michael Cline, associate director of the Hobby Center for the Study of Texas at Rice University, and Dr. Steve Murdock, former Texas state demographer and former U.S. Bureau of the Census director. The researchers found that every Texas county would see a drop in their uninsured rates and as many as 4.4 million Texans would gain health coverage.

In their study, summarized by the Center for Public Policy Priorities in a policy brief titled <u>Choices and Challenges</u>, Cline and Murdock used the 2010 U.S. Census American Community Survey to estimate the uninsured populations of Texas counties and then estimated three levels of potential impact the Affordable Care Act would have on Texas counties.

"The Hobby Center researchers' work really drives home the enormous positive impact that the ACA can have for Texas families if we include the Medicaid expansion opportunity for adults," said Anne Dunkelberg, Associate Director of Center for Public Policy Priorities and author of the policy brief summarizing the research. "Even moderate enrollment by Texans could transform access to care and reduce local governments' costs for the uninsured."

With a limited enrollment in the expanded Medicaid and the private health insurance market under the Affordable Care Act, 1.4 million Texans would gain coverage; with a moderate level of enrollment, 3 million would be insured; and finally, with enhanced enrollment, up to 4.4 million Texans would gain health insurance coverage.

"We can't afford to ignore the findings in this study, given Texas currently has the highest uninsured rate in the nation," emphasized Kevin C. Moriarty, President and CEO of Methodist Healthcare Ministries of South Texas, Inc. "We, as a state, as families, and as individuals have so much to gain even with a modest implementation of the ACA—not to mention healthcare as an industry which will realize tremendous gains through additional funding of previously uninsured patient visits."

Cline and Murdock's study, <u>Estimates of the Impact of the Affordable Care Act on Counties in Texas</u> and finds that the Medicaid expansion is projected to account for half of Texas' potential coverage gains under the ACA, with increased private insurance accounting for other half. The Medicaid expansion is critical to reduce Texas' uninsured rate in half, which would better the lives of so many families in our state. The



rate of uninsured Texans would drop from 25 percent to 11.6 percent, with about 3 million Texans gaining new health coverage under a moderate enrollment scenario.

With nearly one in four of the 25 million Texans lacking health coverage today, Texas has the most to gain from the Affordable Care Act and expanding Medicaid to include adults with incomes below 133 percent of the federal poverty level. Texas has an opportunity to dramatically decrease the uninsured rate, improve families' economic security, and reduce uncompensated care costs that burden hospitals.

Texas should move forward with setting up an effective health insurance "exchange" to help consumers pick the best plan and price for their needs through a competitive health insurance marketplace. Texas should also implement the Medicaid expansion and ensure our Medicaid enrollment system is prepared to interact with the new exchange so low-income Texans can move between the public and private systems without gaps or hassles. Texas should also pick "benchmark" minimum standards for the health services every insurance plan will cover starting in 2014. Finally, the state should re-open the Texas Department of Insurance's Consumer Assistance office and fully equip TDI with the tools it needs to help Texas increase coverage.

"We know this will make an important difference in people's lives based on what we hear time and again from those served in our clinics and the programs we support throughout South Texas—the difference between paying rent, or getting health care, buying food or getting much-needed medicines," said Moriarty. "This study makes the choices before our policy makers clear, and invites them to make that difference."

Cline and Murdock's study, as well at the center's policy brief summarizing the researchers' findings, were supported by Methodist Healthcare Ministries of South Texas, a private, faith-based, not-for-profit organization dedicated to providing medical, dental, and health-related human services to low-income families and the uninsured in South Texas. The findings and conclusions presented in this brief are solely those of the center, as are any errors or omissions.

For More Information

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About the Center

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