

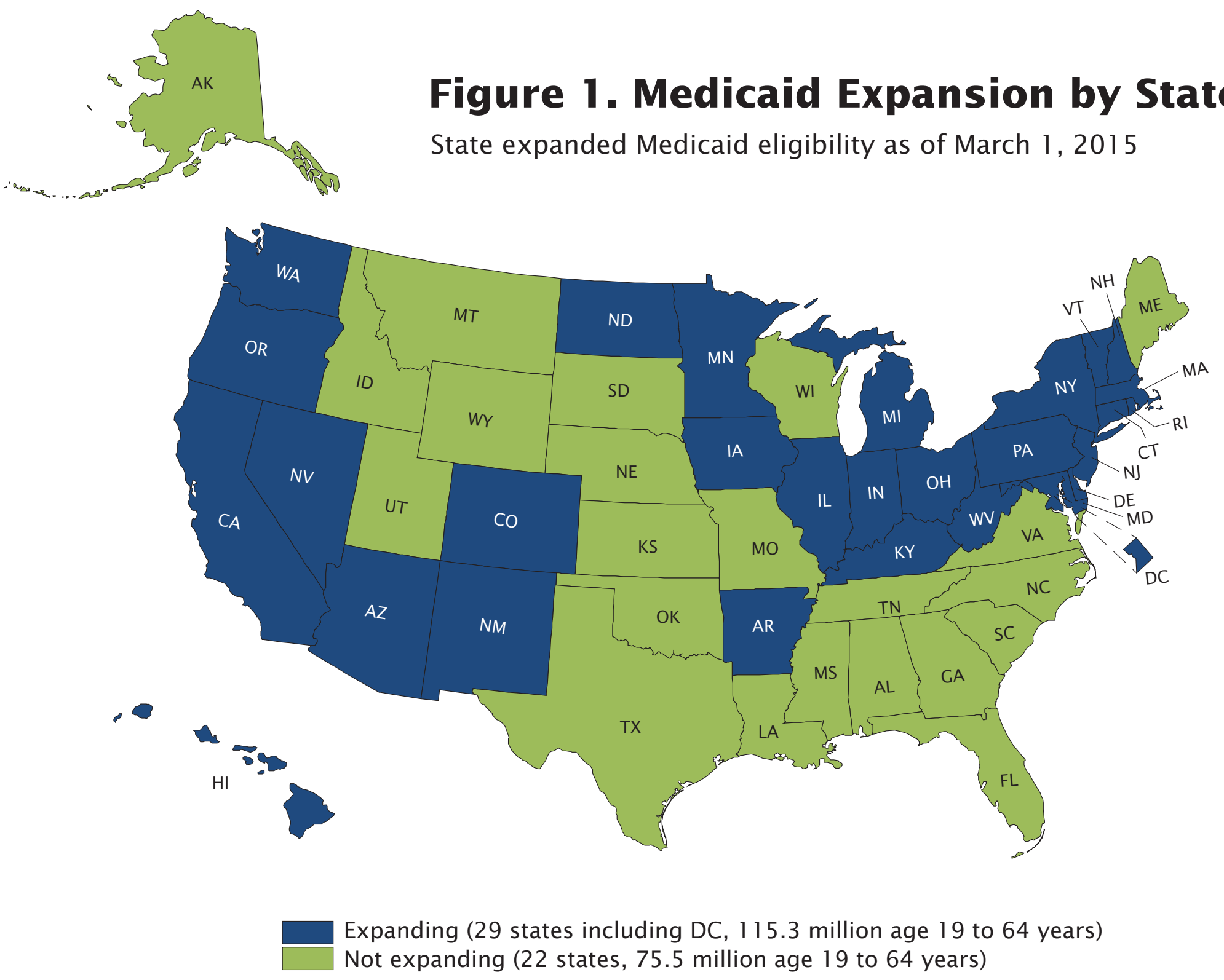
# Health insurance disparities and the Affordable Care Act: Where could inequality decline?

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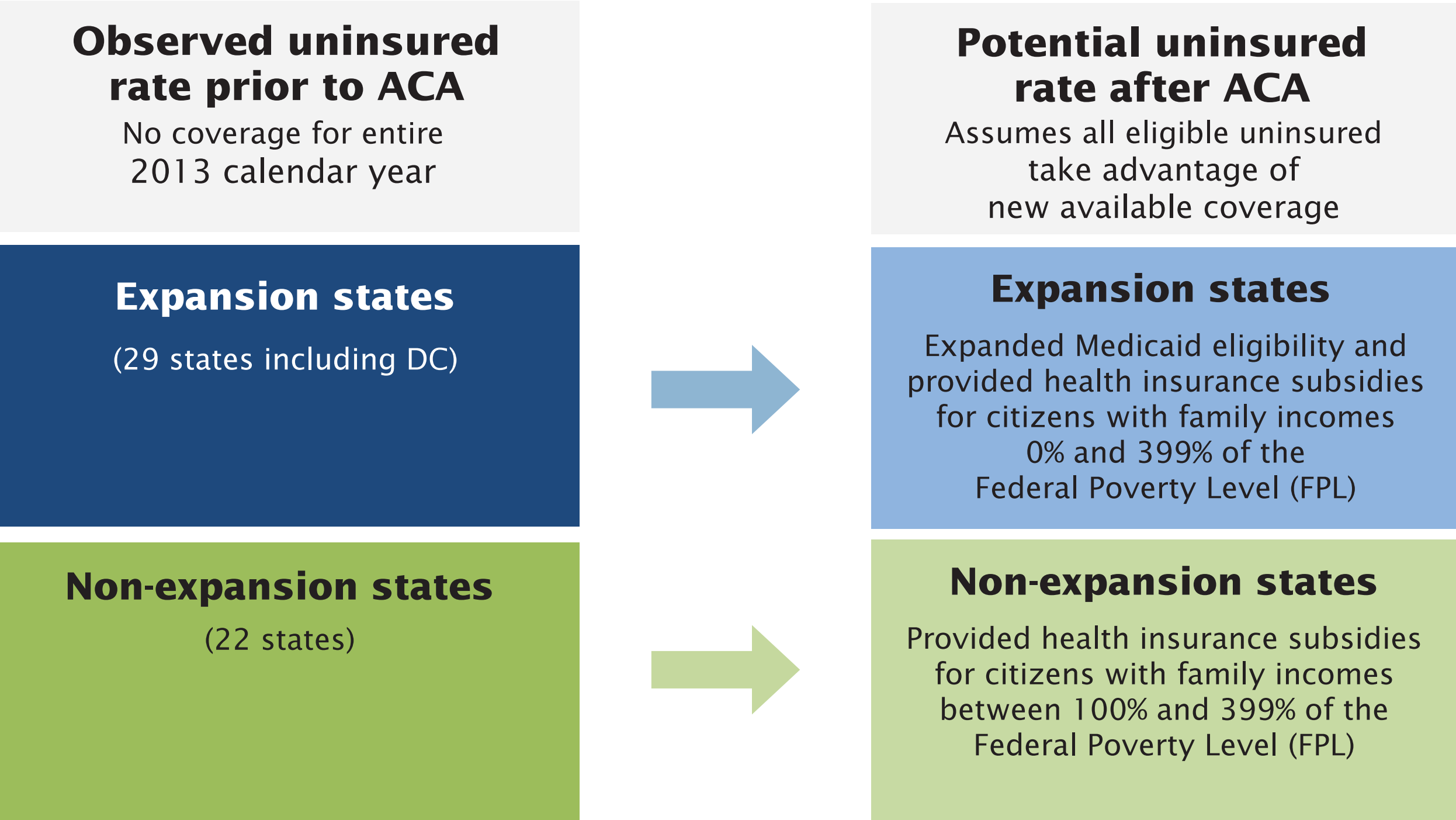
## Introduction

In 2014, the Patient Protection and Affordable Care Act (ACA) increased access to health insurance for millions of Americans. Based on income, some people may receive subsidies and tax credits to buy insurance, while others may qualify for Medicaid in certain states. Could these changes help to reduce disparities in health insurance? How could Medicaid expansion affect these changes?



## Data and Methods

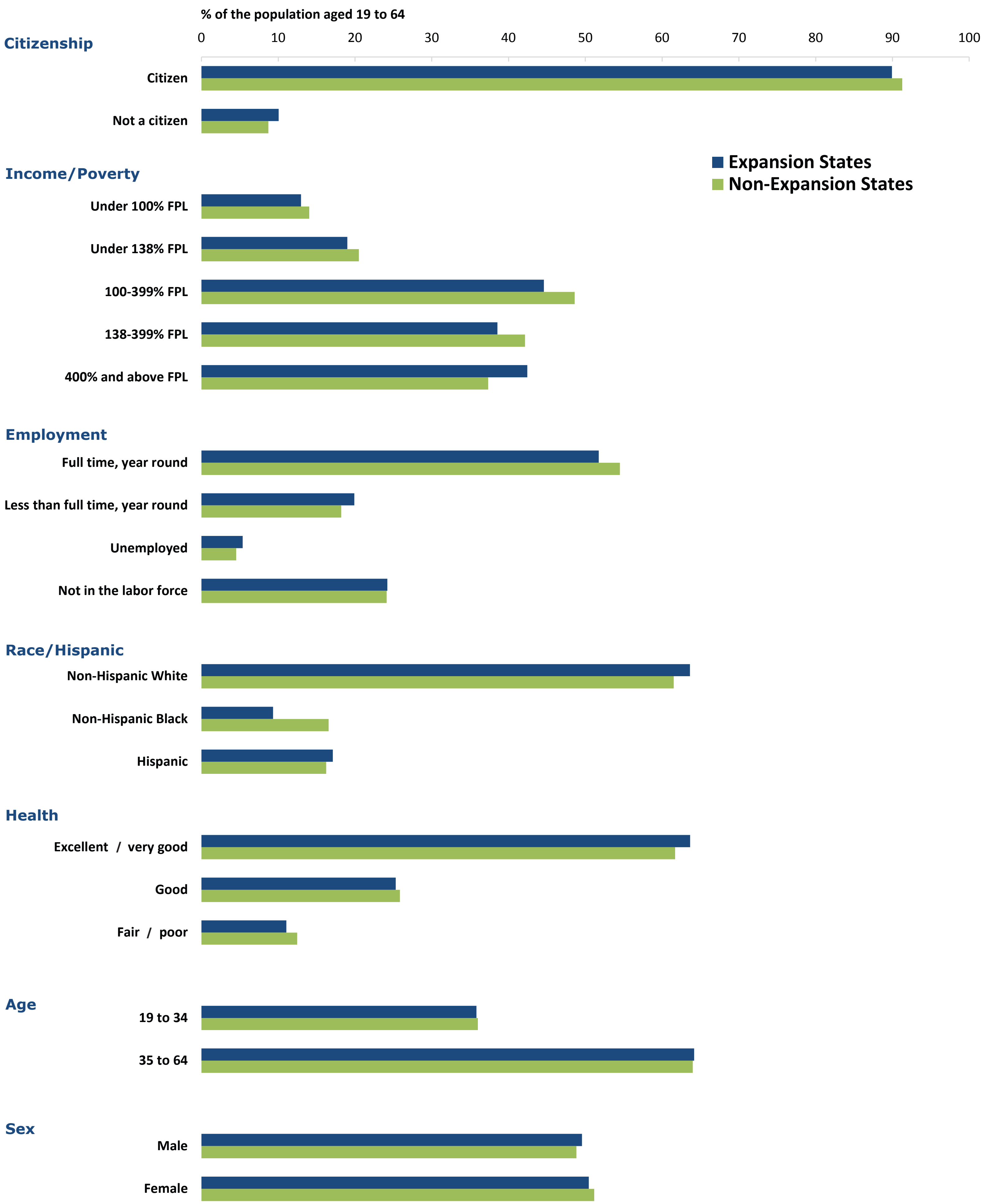
**Source:** 2014 Current Population Survey Annual Social and Economic Supplement (CPS ASEC). **Sample:** 117,090. **Universe:** 19 to 64 year-olds (people most affected by the ACA changes). **Inequalities** are calculated using difference-in-difference to estimate coverage gaps.



## Results

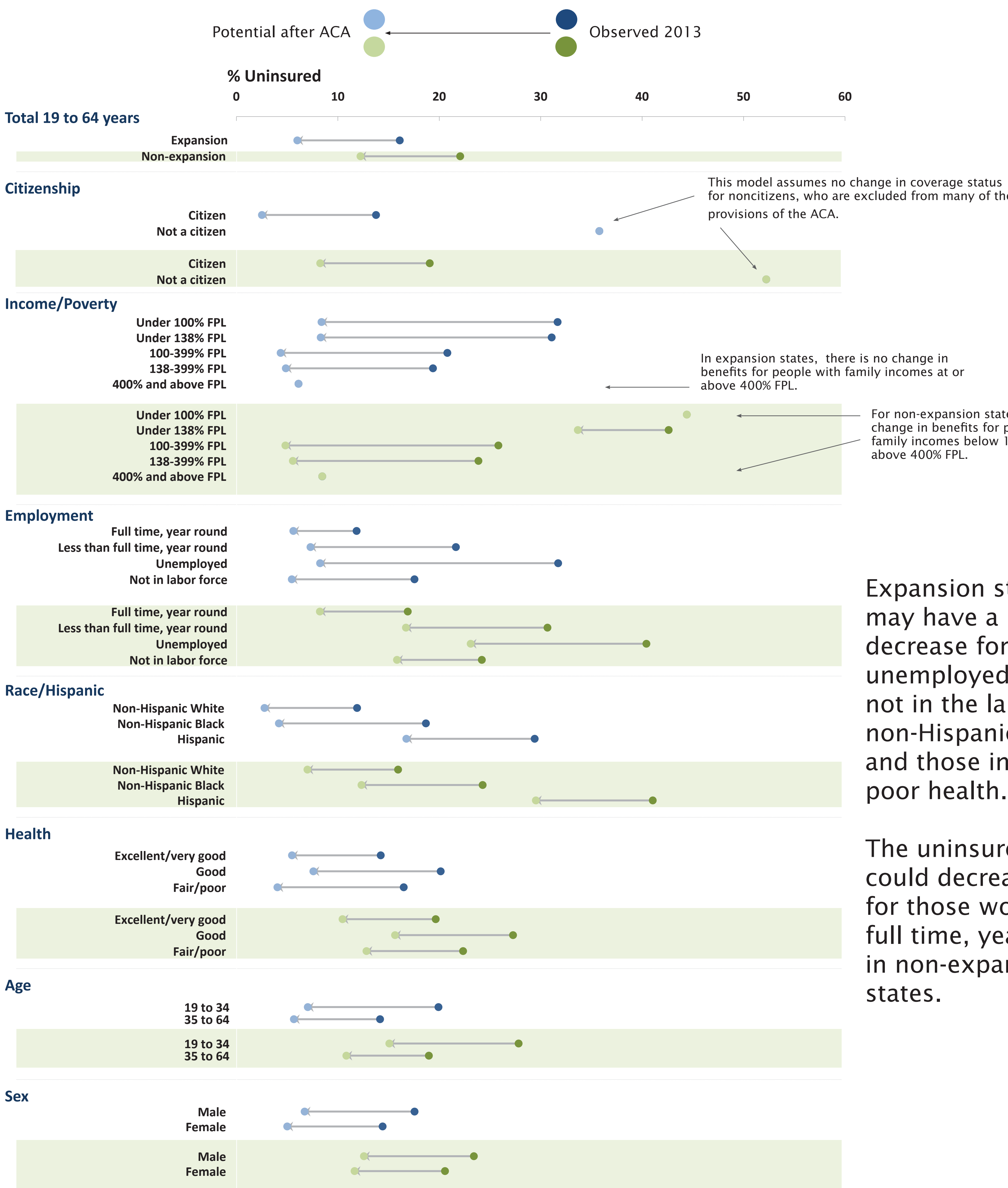
Expansion and non-expansion states are similar, but expansion states are slightly wealthier, and have more non-Hispanic Whites, Hispanics, and noncitizens. Non-expansion states have more non-Hispanic Blacks and full time, year round workers.

Figure 2. Characteristics of the Population



The observed uninsured rate is lower in expansion states than in non-expansion states for every characteristic. The ACA has the potential to reduce the uninsured rate for all groups, except for noncitizens and those otherwise ineligible due to family income.

Figure 3. Observed and Potential Uninsured Rates



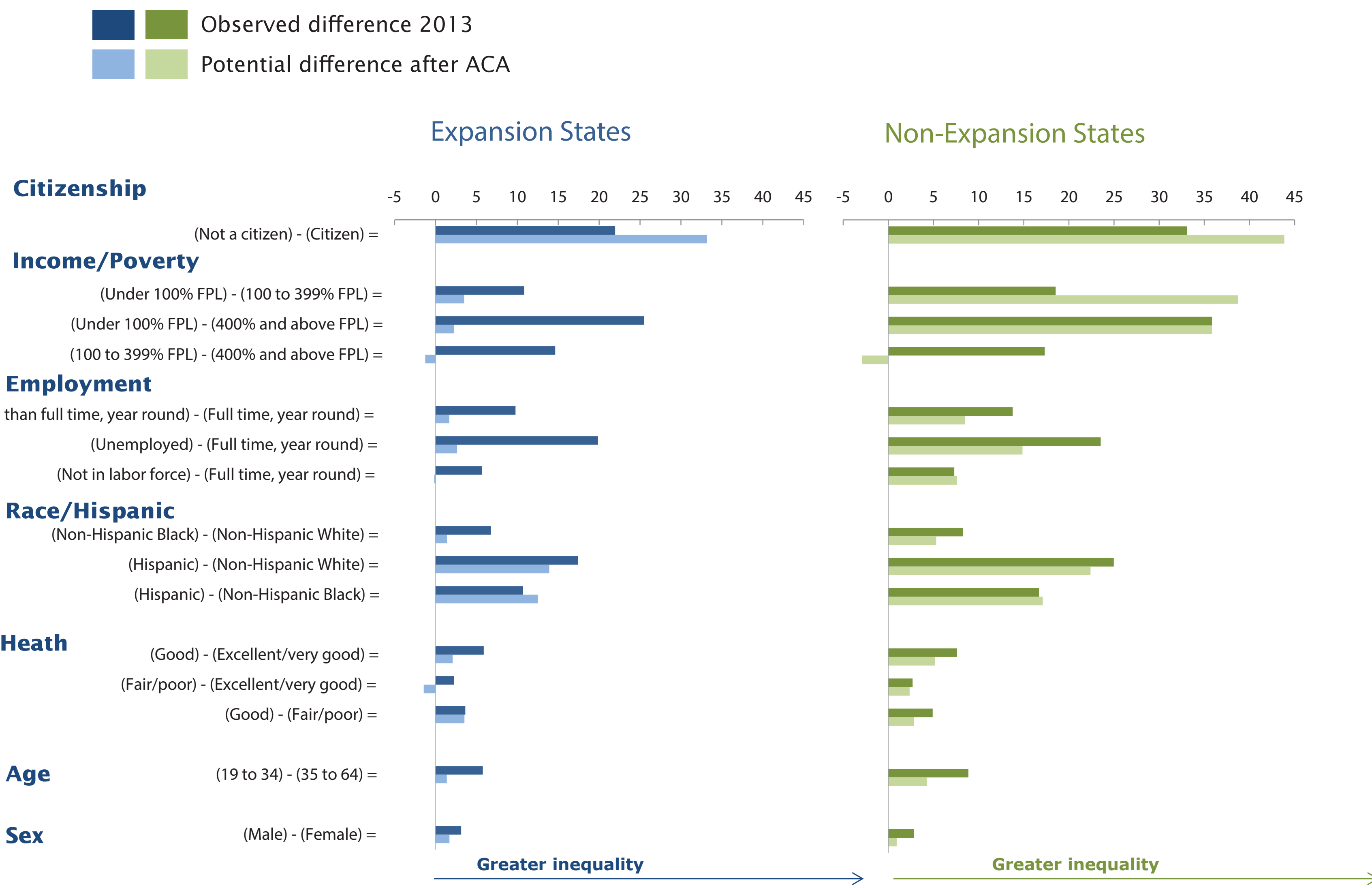
Expansion states may have a larger decrease for the unemployed, those not in the labor force, non-Hispanic Blacks, and those in fair or poor health.

The uninsured rate could decrease more for those working full time, year round in non-expansion states.

## Discussion

We find that the ACA could reduce many disparities in health insurance coverage, in both expansion and non-expansion states. Inequalities might increase only in groups ineligible for ACA benefits.

Figure 4. Inequalities in Uninsured Rate  
(Difference in percent uninsured)



Could Medicaid expansion states have a greater reduction in health insurance inequalities than non-expansion states? For most characteristics, the answer is “no.” This is partly due to the magnitude of inequalities in coverage above the poverty threshold and to the composition of the populations in expansion and non-expansion states.

However, disparities in the uninsured rate between those working full time, year round and other labor force statuses could decrease more in expansion states than in non-expansion states. Additionally, the coverage gap between non-Hispanic Blacks and Whites could decline more where Medicaid expanded.

This research establishes a benchmark to evaluate how closely future changes in the uninsured rate associated with the ACA meet the potential for bridging disparities.