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Data Brief

UC Berkeley Center for Labor Research and Education
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March 2016

DATA BRIEF

Who Had Medi-Cal and Who Remained Uninsured in the First Year of Expansion?

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Summary

Despite the strong growth in the number of Medi-Cal beneficiaries since the passage of the Affordable Care Act (ACA) and the state's decision to expand Medicaid, some Californians who are eligible for coverage are still uninsured. Using data from the 2014 California Health Interview Survey (CHIS), this brief compares non-elderly adults who were enrolled in Medi-Cal with non-elderly adults who were income-eligible for comprehensive Medi-Cal coverage but remained uninsured during 2014, the first year of the Medicaid expansion. Males and young adults eligible for Medi-Cal were less likely to enroll than females and adults 30 and over, respectively. The primary reasons for remaining uninsured included perceptions of ineligibility and being "in process" of getting insurance. Recommendations include targeted outreach to hard-to-enroll groups as well as encouraging low-income uninsured Californians to apply for Medi-Cal even if they are unsure of their eligibility.

Background

The Affordable Care Act (ACA) expanded access to Medicaid (Medi-Cal in California) coverage for millions of Americans. The Supreme Court's 2012 ruling made this expansion optional, but California was one of the states to implement the expansion. Medi-Cal enrollment has grown significantly, in part due to the transition of over 650,000 early enrollees into the program on January 1, 2014.[1] Average monthly Medi-Cal enrollment in California grew by 3.9 million people from mid-2013 to November 2015, with an estimated 11.5 million full-scope enrollees as of November 2015.[2] According to CHIS 2014, over 1 million non-elderly adults were eligible for Medi-Cal but uninsured. This brief focuses on the demographic profile of uninsured Californians in 2014 and provides baseline estimates that can be used to assess progress in Medi-Cal enrollment in the future.

Males and Adults Under 30 were Less Likely to have Enrolled

Among non-elderly adults who were eligible for Medi-Cal but uninsured in 2014, 45 percent were under 30 years of age and 51 percent were male, both significant differences from the profile of the non-elderly adults enrolled in Medi-Cal. Thirty-three percent of Medi-Cal enrollees were under 30 years of age, and 39 percent were male. The share of the enrollees who were Latino, 52 percent, was slightly lower than the 59 percent of the uninsured, but not significantly so (Figure 1).

Despite some variation, there was no significant difference between the enrolled and the eligible-but-uninsured populations in the proportion of people with limited English proficiency, employed full-time (defined as 30 or more hours per week), or foreign-born (Figure 2).

The Uninsured Used Services Less and had Lower Rates of Chronic Conditions

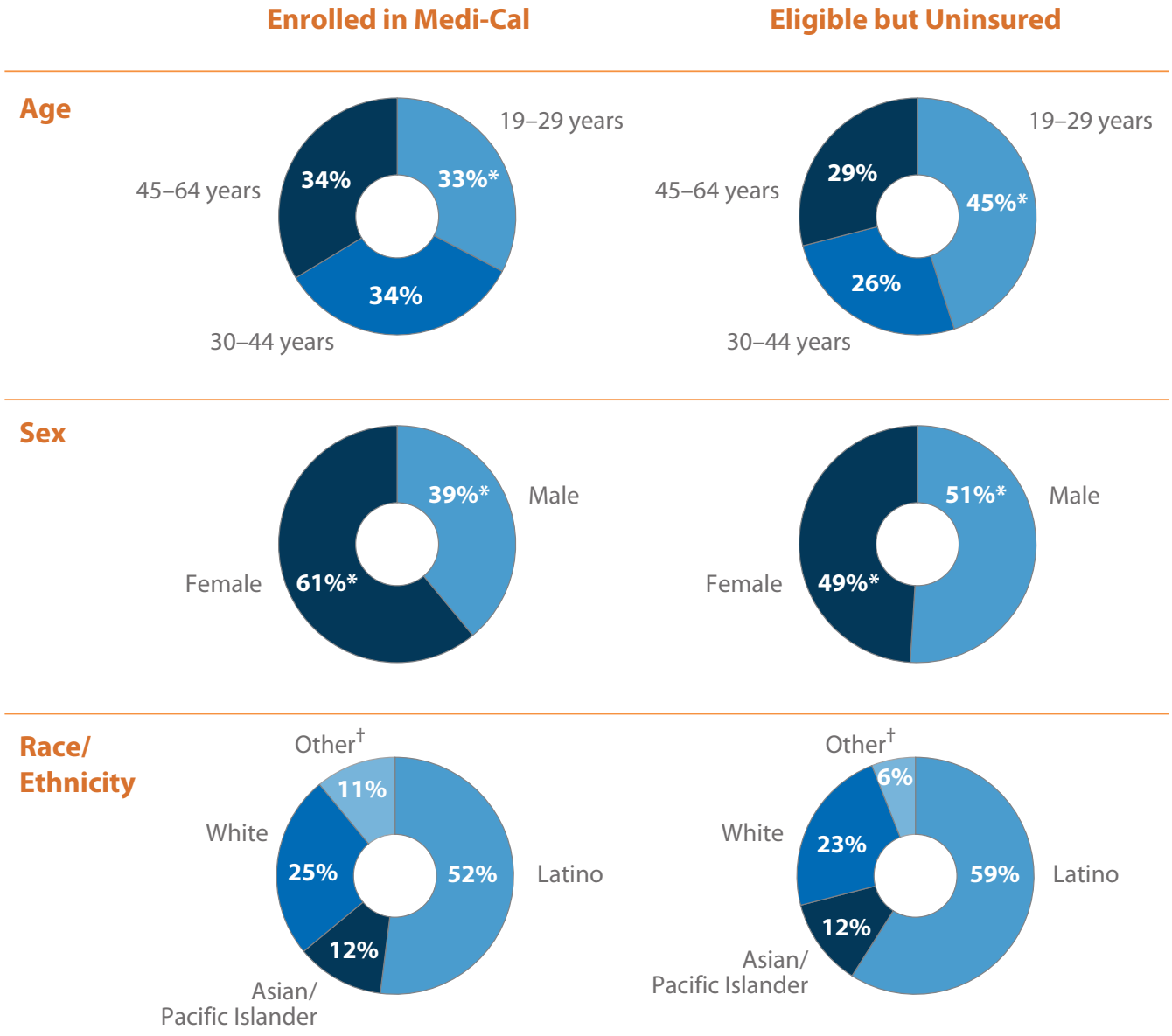
The uninsured did not differ significantly in self-reported health status from Medi-Cal enrollees (Figure 3). However, the uninsured were significantly less likely to report having at least one chronic condition—32 percent, compared to 45 percent of enrollees.

In addition, only 11 percent of the uninsured had been to the emergency room in the past 12 months, while 32 percent of those enrolled in Medi-Cal had done so. Furthermore, 44 percent of the uninsured had not seen a doctor in the last year, compared to 24 percent of Medi-Cal enrollees. Enrollees and the uninsured had a similar likelihood of having delayed care or a prescription in the last year.[3]

Reasons for Remaining Uninsured: Eligibility Concerns and Applications in Process Top the List

Among the uninsured, 22 percent thought that they were ineligible for Medi-Cal and another 13 percent didn't know if they were eligible (Figure 4). 20 percent reported that they were in the process of getting insurance, a reflection of the major backlog Medi-Cal experienced in its first year of expansion, which has since largely been resolved. Fifteen percent hadn't taken action, and only 14 percent didn't have insurance by choice, reporting that they "didn't need it because healthy," "don't like/want welfare," or "don't believe in health insurance." The remaining 16 percent listed other barriers such as "paperwork too difficult," "too expensive," "didn't know [Medi-Cal] existed," or "other."

Figure 1. Demographics of Medi-Cal Enrolled and Medi-Cal Eligible but Uninsured Adults Age 19-64



† African American, American Indian/Alaska Native, and other single/multiple races were combined due to small sample size

* Statistically significant difference at the .05 threshold

Figure 2: Demographics of Medi-Cal Enrolled and Medi-Cal Eligible but Uninsured Adults Age 19-64

	Share of Enrolled	Share of Eligible but Uninsured
Limited English Proficient (not well/not at all)	21%	25%
Full-time employed (30+ hours/week)	37%	45%
Foreign-born	41%	38%

Figure 3: Health and Utilization of Medi-Cal Enrolled and Medi-Cal Eligible but Uninsured Adults Age 19-64

	Share of Enrolled	Share of Eligible but Uninsured
Excellent/very good/good health	67%	72%
1+ chronic conditions	45%*	32%*
No doctor visit in past year	24%*	44%*
Been to Emergency Room in past year	32%*	11%*
Delayed getting prescription or other care in past year	28%	26%

* Statistically significant difference at the .05 threshold

Figure 4: Main Reason Uninsured but Eligible Adults Age 19-64 Are Not Enrolled in Medi-Cal

Main Reason Not Enrolled in Medi-Cal	Share of Eligible but Uninsured
Perceived ineligible	22%
Income too high, not eligible	
Not eligible due to citizenship / immigration status	
Other not eligible	
Had public coverage dropped / canceled	
In process of getting insurance	20%
Haven't taken action	15%
No reason / has not applied	
Don't know how to apply / haven't applied yet	
Chose not to have insurance	14%
Don't believe in health insurance	
Don't need it because healthy	
Don't like / want welfare	
Didn't know if eligible	13%
Other	16%
Paperwork too difficult	
Too expensive	
Didn't know it existed	
Other	

Options for Enrolling the Remaining Uninsured in Medi-Cal

Those who may be eligible for Medi-Cal but are not enrolled can apply for coverage when they arrive at a clinic or hospital. However, the opportunity to address health concerns before they lead to further deterioration and the need for costly services is lost. Compared to enrollees, the eligible uninsured are less likely to receive preventive care such as mammograms and cholesterol monitoring, and less likely to report having a regular place of care and usual doctor.[4] Options for enrolling the remaining uninsured in Medi-Cal include the following.

Focus on harder-to-reach populations: Males and adults under 30 years of age were more common among the uninsured than among enrollees because they were more likely to have been childless adults who were newly eligible for Med-Cal under the ACA.[5] More of these newly eligible childless adults have recently signed up for coverage; future survey results will reveal whether or not these discrepancies by age and sex persist.

There were not statistically significant differences in limited English proficiency or Latino ethnicity between the enrolled and the uninsured Medi-Cal populations. Nevertheless, sizable numbers of uninsured were limited English proficient and/or Latino. Outreach efforts are needed in the primary languages spoken by the remaining uninsured. Outreach efforts to Latinos should consider that some Latino families with undocumented family members are worried that signing up for health insurance will draw attention to that family member's immigration status—data from the Kaiser Family Foundation indicates that half of the uninsured Latino adults they surveyed were very or somewhat worried about this issue.[6]

Use health care interactions as enrollment opportunities: It is not surprising that the uninsured have lower health care use—those who do need services are more motivated to apply for coverage and may have the opportunity to do so at the clinic or hospital. Also, some uninsured individuals may hesitate to seek the care they need due to affordability concerns. Nevertheless, many of the uninsured had used some services in the past year. These interactions with the health care system provide an opportunity to enroll the uninsured in coverage, as well as to educate those who are insured about options for coverage should their status change. Most California community health centers and hospitals have staff who can help people enroll in coverage, and Medi-Cal allows for Hospital Presumptive Eligibility to get people into Medi-Cal right away. Individuals who accessed care but still reported being uninsured may have failed to provide needed documentation, not completed their applications, confronted the Medi-Cal application backlog (discussed below), or sought care prior to October 2013 when enrollment efforts began. These final two reasons are primarily specific to 2014; if these enrollment opportunities at clinics and hospitals are being maximized, future CHIS results should show that even fewer of the uninsured had seen a doctor or been to the emergency room in the last year.

Increase awareness of eligibility criteria: A sizeable population appeared eligible for Medi-Cal but thought they were ineligible. These people may have had a recent change in circumstances, been uninformed about changes in Medi-Cal eligibility rules such as removing the asset test and expanding eligibility to childless adults, or not understood Medi-Cal's complex eligibility rules. Continued outreach and education can help lower perceived eligibility barriers (such as having assets, or being a legal permanent resident for less than five years) and reduce the ranks of those eligible but uninsured.

Continue to monitor enrollment in future years: 2014 Medi-Cal enrollment was characterized by dramatic increases as well as implementation challenges. A major Medi-Cal backlog in

enrollment in the first half of 2014 affected at least 900,000 applications, the result of the sheer volume of applications as well as glitches with the new computer system created by the state and health insurance marketplace Covered California.[7] This likely is reflected in the 20 percent of the uninsured who said they were "in process" of getting insurance. As determinations are now being made in a more timely manner, future data should show a lower share who report being uninsured due to an application "in process."

The demographic profile of those enrolled will also have changed as the newly eligible have become a larger share of enrollees. Growth in Medi-Cal under the ACA was particularly strong among the newly eligible: 2.5 million had enrolled as of December 2014[8] and enrollment growth among this group in 2015 outpaced growth of other eligibility categories.[9] As new data become available, it will be important to monitor progress and examine whether the disparities found in 2014 persist and if other disparities emerge.

Appendix: Methodology and Data Caveats

Data are from the 2014 CHIS, which was conducted throughout the calendar year. As such it reflects an average estimate across the year, but does not reflect how many had gained coverage by the end of the year.

This report uses 2014 CHIS data with a sample size that is approximately half of the two-year cycle required for more stable estimates. The 2013 data could not be included in this analysis since it was gathered prior to implementation of ACA. The smaller sample size leads to less stable estimates for specific subgroups and differences between groups that are not statistically significant.

Those identified as undocumented who report having only Medi-Cal coverage were excluded from this brief since in 2014 the vast majority would have had emergency Medi-Cal, with only a small number already enrolled in full-scope Medi-Cal after being granted Deferred Action for Childhood Arrivals (DACA)—estimates indicate that fewer than 11,000 individuals with DACA had enrolled in Medi-Cal as of mid-2014.[10]

The enrolled group included citizen or lawfully present adults age 19 to 64 who reported Medi-Cal coverage in CHIS, with the exception of the small group that reported Medicare coverage. The uninsured but eligible group included citizen or lawfully present adults age 19 to 64 who reported being uninsured. Eligibility was determined based on family income.

The analysis excluded children and the elderly because changes to Medi-Cal eligibility under the ACA had an insignificant impact on children or elderly who were categorically eligible for Medi-Cal prior to the ACA.

There are some low-income Californians who are eligible for Medi-Cal coverage but not enrolled because they have insurance coverage through an employer or another source; these people are not included in the analysis.

Endnotes

[1] There were approximately 650,000 Low Income Health Program enrollees who transitioned into Medi-Cal on January 1, 2014 according to administrative data. See DHCS Research and Analytical Studies Division Medi-Cal Statistical Brief Medi-Cal's Historic Period of Growth: A 24-Month Examination of How the Program has Changed since December 2012, August 2015.

[2] Center for Medicare and Medicaid Services, Medicaid & CHIP: November 2015 Monthly Applications, Eligibility Determinations and Enrollment Report, January 27, 2016.

[3] Delays could be due to cost or lack of insurance, or other reasons such as inconvenience or procrastination.

[4] Baicker K and Finkelstein A. "The Effects of Medicaid Coverage—Learning from the Oregon Medicaid Experiment." *New England Journal of Medicine*. Volume 365, Number 8, pages 683-685, August 25, 2011.

[5] The Medi-Cal population had and will likely continue to have a higher share of women than men because pregnant women can qualify at higher income thresholds, and because low-income adults are disproportionately female.

[6] Kaiser Family Foundation, California's Previously Uninsured After The ACA's Second Open Enrollment Period: Wave 3 of the Kaiser Family Foundation California Longitudinal Panel Survey—Chartpack, July 2015.

[7] In March 2014 there were 900,000 pending applications, and by June 2014 there were 600,000, according to a July 14, 2014, letter from DHCS to CMS. As of December 1 there were 99,900 applications pending 45 days or more, according to the December 3, 2014, Medi-Cal Eligibility, Enrollment & Benefits Update to the Medi-Cal Stakeholder Advisory Committee. In January of 2015 a judge ruled in favor of applicants who had sued the state, ordering the Department of Health Care Services to comply with the 45-day limit for processing applications.

[8] DHCS Research and Analytical Studies Division Medi-Cal Statistical Brief, Medi-Cal's Historic Period of Growth: A 24-Month Examination of How the Program has Changed since December 2012, August 2015.

[9] Authors' calculations based on aid codes M1, L1, and 7U in RASD pivot tables from Medi-Cal Certified Eligibles—Recent Trends.

[10] DACA enrollees in Medi-Cal cannot be isolated by aid code, but the enrollee population with the relevant citizenship/immigration status indicator code (PRUCOL documented) grew by less than 11,000 from August 2012, when the DACA program was implemented, to June 2014. DHCS Research and Analytical Studies Division Medi-Cal Statistical Brief, Medi-Cal's Non-Citizen Population: A Brief Overview of Eligibility, Coverage, Funding, and Enrollment, October 2015.

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ACKNOWLEDGEMENTS

Thanks to Tara Becker for her assistance with data analysis. We would like to thank Beth Capell, Carolyn Wang Kong, Elizabeth Landsberg, and Cathy Senderling McDonald for their review of this brief. We appreciate the work of Jenifer MacGillvary, Sandy Olgeirson, Sarah Lawton, and Gwen Driscoll in preparing this report. Funding for this brief was provided by Blue Shield of California Foundation.