

The Affordable Care Act: National Gains of the Initial Enrollment Period and Drawbacks among California State University Students and Their Families

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Introduction

The Patient Protection and Affordable Care Act (ACA) was signed into law in March of 2010. The aim of the comprehensive health reform law is to make quality health insurance more affordable and accessible to Americans. Nationwide, the ACA was implemented via State-Based Marketplaces (SBMs) or by Federally-facilitated Marketplaces (FFMs). FFMs refer to states with a marketplace that is partially or fully run by the Department of Health and Human Services, while SBMs refer to states that have their own state-based marketplace (Department of Health and Human Services, 2014). California has its own SBM, known as Covered California, where consumers can essentially compare and enroll in health care plans. During its initial enrollment period—October 1, 2013 to April 19, 2014—the ACA had its share of positive gains experienced by Americans, but it also had drawbacks that negatively affected lower-income and mixed status families. A summary of the gains and drawbacks of the ACA among California State University students and their families will be examined.

Gains of the ACA

National enrollment exceeds expectations. The ACA had been met with strong criticisms prior to its implementation. Common health insurance policies, such as charging higher rates for those with pre-existing conditions, were to become unlawful under the ACA. Opponents of the ACA feared that those who enrolled in health coverage plans through the marketplace would disproportionately be individuals with higher risk of illness and medical usage (Hogberg, 2013). Having a disproportionate amount of individuals who use a greater amount of medical resources would strain the health care system

and the marketplace. For the marketplace to be successful and for premiums to not rise dramatically, enough young, healthy adults age 18 to 34 years would need to be in the pool of insured individuals—to offset the high medical expenses of those who are older and ill (Cunningham & Bond, 2013; Hogberg, 2013).

Despite initial concerns, enrollment in the marketplace during the first open enrollment exceeded expectations (U.S. Department of Health and Human Services, 2014). Over eight million Americans enrolled in health insurance plans through the Health Insurance Marketplace (SBMs and FFM) (U.S. Department of Health and Human Services, 2014). California led enrollment in the country with over 1, 400,000 individuals selecting a plan through Covered California (U.S. Department of Health and Human Services, 2014). Based on national statistics, 2.2 million (28%) individuals who enrolled in the marketplace were between the ages of 18-34 (U.S. Department of Health and Human Services, 2014). The large percentage of young adults who enrolled in the marketplace is evidence that contradicts the concept of the “young invincibles” not enrolling in coverage plans. Young invincibles is a term referring to 18-36 year olds; this age group tends to be healthier and tends to use fewer health care services than other age groups, who are typically older and have more chronic illnesses (Hogberg, 2013). One common belief was that young invincibles did not have health coverage because of a perceived invincibility to illness, disease, or accidents; however, a poll of CSU students indicates that the primary barrier for health coverage among this population is affordability (California Health Line, 2014).

Enrollment exceeds expectations in California. Among states implementing their own marketplace (SBMs), California led the way with over 1 million individuals selecting a plan through Covered California (Department of Health and Human Services, 2014). California had a large representation of diverse racial and ethnic groups enroll in coverage plans, when compared to national levels. In California, ethnic and racial enrollment ranked Whites as first (35%), followed by Latinos (28%), Asians (21%), Mixed Races (6%), Unknowns (4%), and African-Americans (3%) (U.S. Department of Health and Human Services, 2014). These proportions can be compared to national rankings that also demonstrate Whites ranked as first, but with a higher proportion, (62.9%), followed by African-Americans (16.7%), Latinos (10.7%), Asians (7.9%), and Mixed Races (1.3%). California's greater enrollment of various racial and ethnic groups mirrors the ethnic and racial heterogeneity within California.

In terms of the reduction of uninsured university-going individuals, the California State University CSU system had a 60% drop in the number of uninsured individuals on their campuses (California Health Line, 2014). A large reduction of uninsured individuals among the CSU may be partly attributable to the efforts of the CSU Health Insurance Education Project (CSU HIEP). Covered California provided \$1.25 million in funding to CSU HIEP for outreach and education efforts aimed at increasing awareness and enrollment of the Affordable Care Act among CSU students and their families. The CSU is a target population as it has over 400,000 students and is, therefore, the largest system of four-year college institutions in the nation (California State University, 2014). A Certified Outreach and Education staff member under CSU HIEP has noted that high enrollment in Covered California plans may be due to the ease of enrollment, available resources, and affordability (Sandoval, 2014). Clearly, the ACA has had dramatic gains in increasing the number of individuals with health coverage nationwide. There are, however, some drawbacks of the ACA, as some populations have experienced issues with estate recovery

programs and with mixed-family enrollment. As a Covered California Certified Outreach and Education staff member and Campus Coordinator for CSU Fullerton under CSU HIEP, I witnessed CSU Fullerton students and their families struggle with some aspects of the enrollment process. I will discuss two key drawbacks of the ACA: issues of estate recovery and mixed-family enrollment.

Drawbacks of the ACA

Estate recovery. The ACA expanded Medicaid eligibility to include individuals under the age of 65 who have incomes of up to 133% of the federal poverty level (FPL) (Centers for Medicare and Medicaid Services, n.d.). Medical is California's Medicaid program; Medical provides public health insurance for low-income individuals (California Department of Health Care Services, 2014). The eligibility expansion opened the door for the enrollment of previously ineligible Medical recipients—recipients who were later alarmed to learn of the Medicaid estate recovery program. The Medicaid estate recovery mandate has existed since Medicaid's 1965 inception and allows states to recover estates from Medicaid recipients who are deceased and 1) were over age 65 when receiving benefits and 2) have no surviving spouse or minor child or adult disabled child (U.S. Department of Health and Human Services, 2005).

Consumers, however, argue that the estate recovery program was not explained nor mentioned as part of the protocol when they were enrolling into Medical. Although estate recovery is applicable in cases where an individual is deceased, students still expressed strong sentiments of discomfort—particularly among students who planned to live in the parents' household or keep the family home after their parents' passing. CSU Fullerton students and their families found themselves in difficult situations, where they did not want to access health services, consultations, or prescription-use and would rather self-prescribe and self-medicate in an attempt to avoid debt and a possible large estate recovery in later life. Avoidance of medical services leads to the same consequences of being uninsured: individuals

are forgoing preventative care and early screening and treatment to save costs, but are at risk of facing the much higher fees of a progressed disease, emergency room visits, or hospitalizations.

Homeowners, among others, are a group particularly concerned with risking the loss of their financial assets. Graduate students were a particular subpopulation within CSU Fullerton students that expressed concern over this issue. Many graduate students were homeowners or had hopes of purchasing a home and expressed concern over not fully understanding how estate recovery would impact their lives. Fear stemmed from confusion in various cases. Each state has different policies for the estate recovery mandate, and Medicaid recipients must know the intricacies of state law to fully understand the extent and impact of estate recovery for their case.

Mixed family enrollment. The enrollment process among CSU students and their families demonstrated to have its own set of unique barriers for families of different legal and incomes statuses. California has the largest immigrant population. With over 10 million immigrants, 27% of Californians are foreign-born and 27% of immigrants in California are undocumented (Department of Homeland Security, 2013). The strong immigrant presence was clear during open enrollment for Covered California. Students and parents expressed concern over their families' mixed immigrant status. Families expressed fears of deportation and not wanting to implicate family members who are not legally present. Many CSU students confided in CSU HIEP Campus Coordinators about their fears regarding the potential deportation of their love ones. These concerns exist, even though the U.S. Immigration and Customs Enforcement has stated that

information provided for enrollment in the marketplace will not be used for other purposes, such as investigation of undocumented cases (U.S. Department of Homeland Security, 2013). The ACA has placed a strong effort on easing immigration-related distress by providing health educators, enrollment counselors, and webinars aimed at the enrollment navigation process for mixed immigration status families (U.S. Department of Health and Human Services, 2014). Despite the federal efforts to ease immigrant concerns, it will take time for these families to trust that their marketplace inquiries will not put their loved ones at risk.

Conclusion

The Affordable Care Act has exceeded its enrollment goals. Young invincibles have been noted as a group that understands the value of health coverage and that uninsured rates are more of a consequence of affordability than a consequence of perceived invincibility. Although the ACA and Covered California have worked to reduce the number of uninsured individuals, there are still barriers to enrollment into coverage plans. Two key barriers among CSU students are hesitance regarding estate recovery programs and concerns regarding mixed-family enrollment. As the ACA and Covered California continue on to subsequent enrollment periods, it is critical to see how these barriers to enrollment are ameliorated; it is also critical to examine any potential systemic impact of these barriers on enrollment rates and disparities.

Disclaimer

The opinions expressed in this editorial are my own and do not reflect the opinions of the California State University Health Insurance Education Project.

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