



# Health Insurance Coverage in Minnesota: An Update

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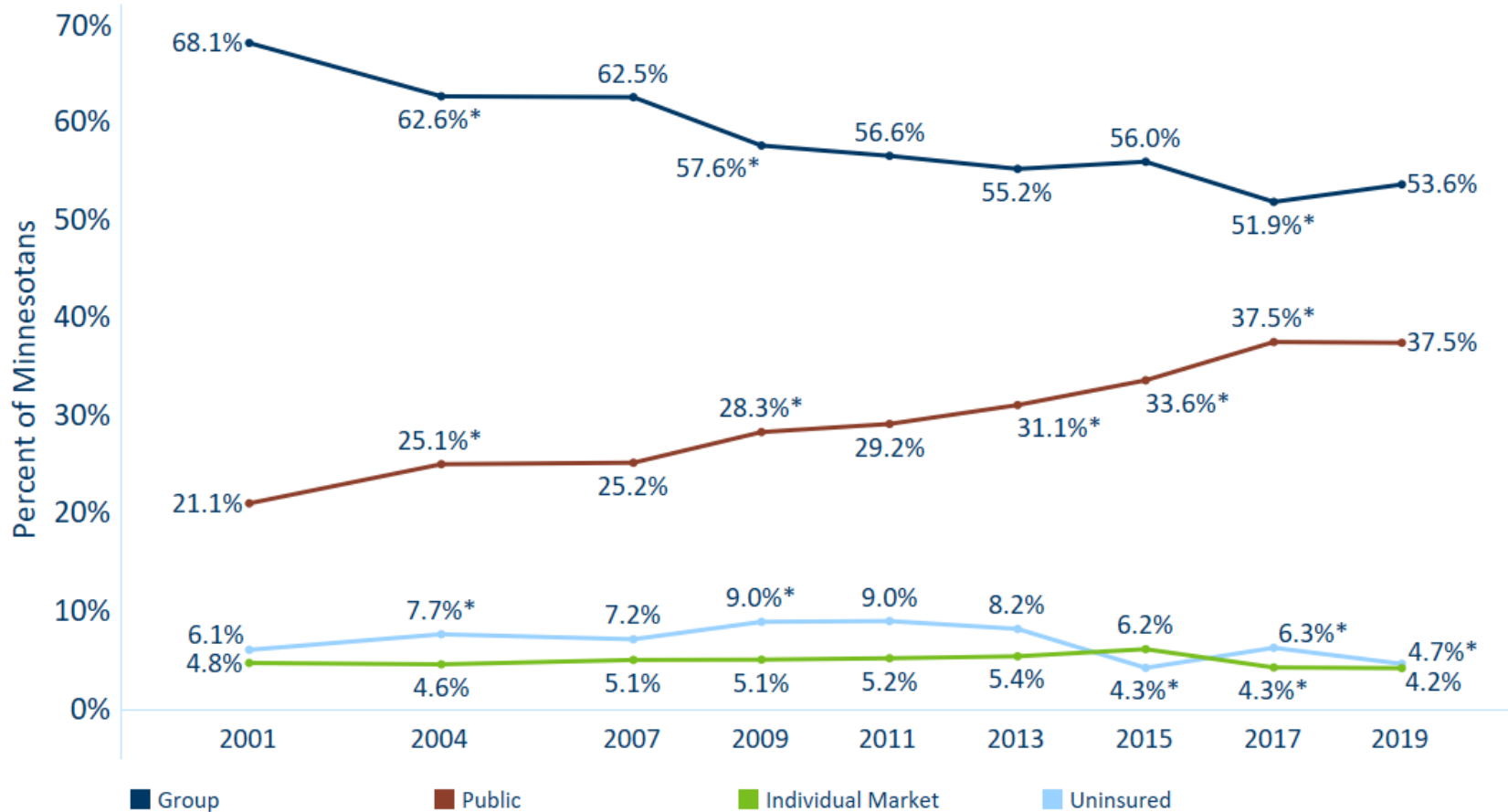
PROTECTING, MAINTAINING AND IMPROVING THE HEALTH OF ALL MINNESOTANS

- Current coverage in Minnesota
- Who does not have coverage?
- COVID-19 Pandemic and health insurance coverage
- Individual market and transitions in coverage



# Health Insurance Coverage in Minnesota: 2019 and 2020

# Health Insurance Coverage Increased from 2017 to 2019



- Employer coverage increased between 2017 and 2019\*
- Public coverage has been rising since 2013, and remained steady
- The percent of Minnesotans without health insurance decreased to 4.7%

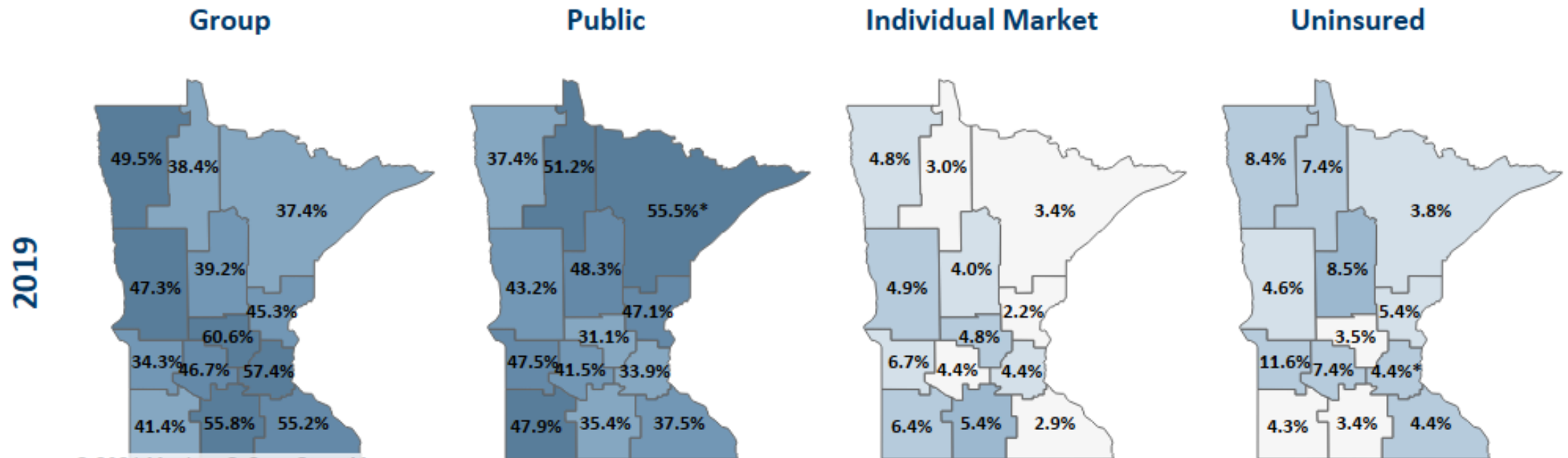
\*Increase significant at the 90% level

Source: Minnesota Health Access Surveys, 2001 to 2019

Estimates that rely solely on household survey data differ slightly from annual estimates that include both survey and administrative data.

\* Indicates statistically significant difference (95%) level from prior year shown.

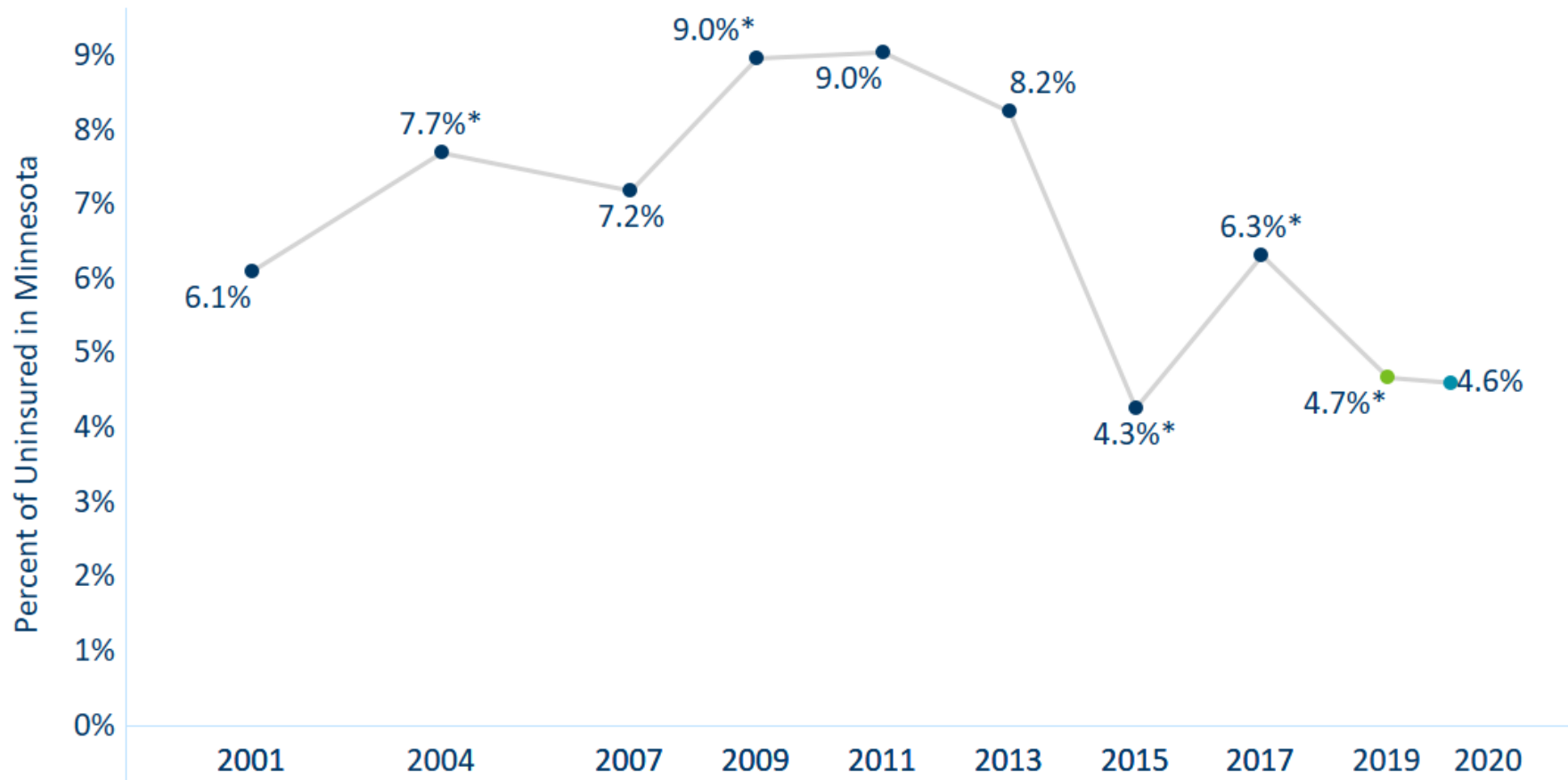
# Geographic Distribution of Health Insurance Coverage



Source: 2019 Minnesota Health Access Survey

\* Indicates statistically significant difference (95% level) from 2017

# Uninsurance Remained Low through Mid-2020

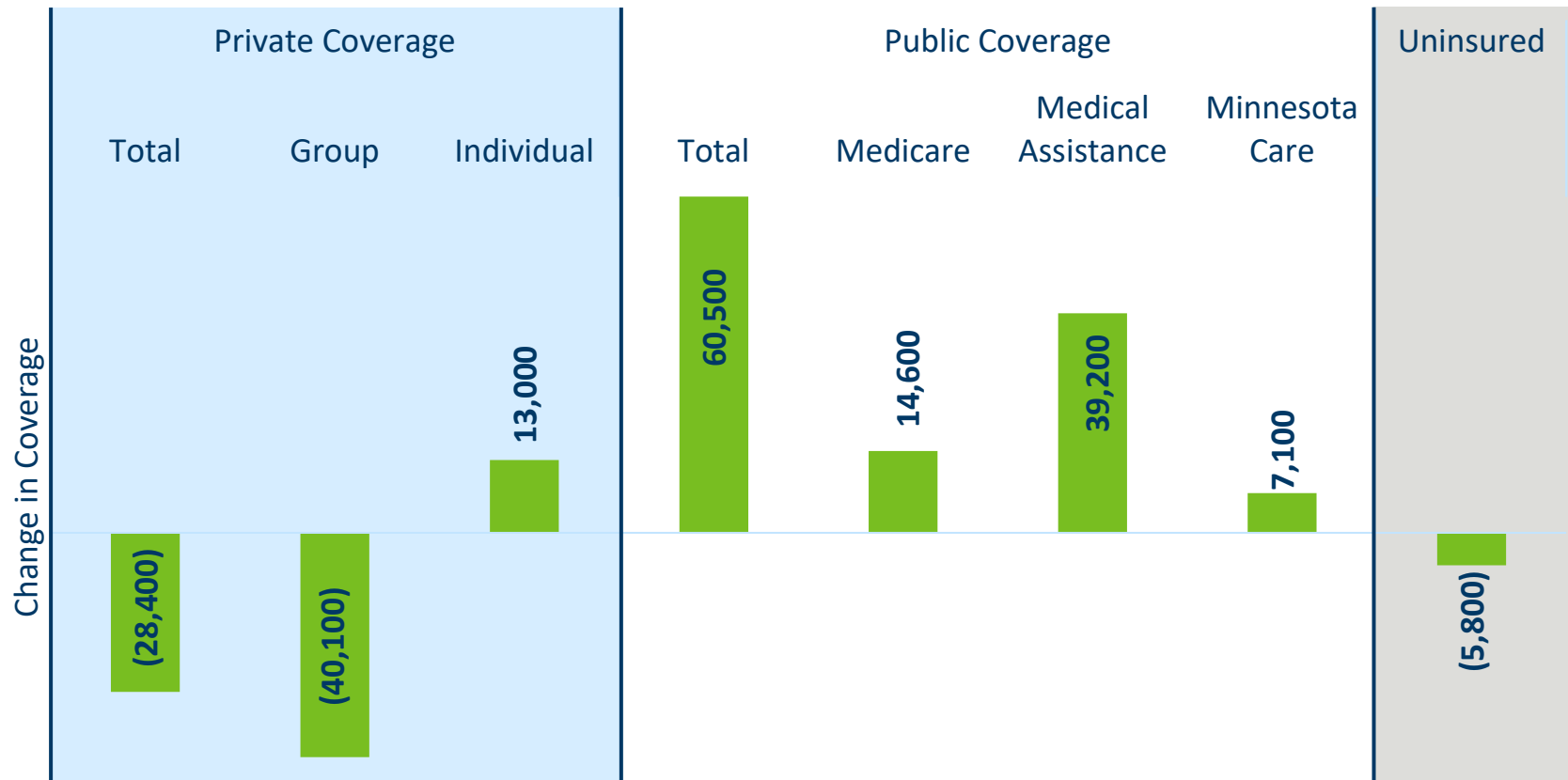


Sources: Minnesota Health Access Surveys, 2001 to 2019; Administrative data from Minnesota Department of Health 2020 Coverage Survey, 2020

\* Indicates statistically significant difference (95%) level from prior year shown.

Note: In 2019, the Minnesota Health Access Survey moved from an exclusively random digit dial (RDD) frame to a dual RDD and address-based sample (ABS) frame.

# How Coverage Changed under COVID-19 Pandemic



- Reasons for change:
  - Policy decisions that helped people maintain public coverage
  - Easy access to coverage through MNSure
  - Job losses focused in industries and job classes that are less likely to have coverage through an employer

Source: Minnesota Department of Health, Health Economics Program 2019 Minnesota Health Access Survey and 2020 Health Insurance Enrollment Survey. Fully-insured group coverage and self-insured group coverage are combined. Not shown: short-term health insurance plans (which represents 0.1% of people covered) and other public programs (which represents 1.1% of people covered). They are included in Table 1 in the Supplement: Data and Methods.

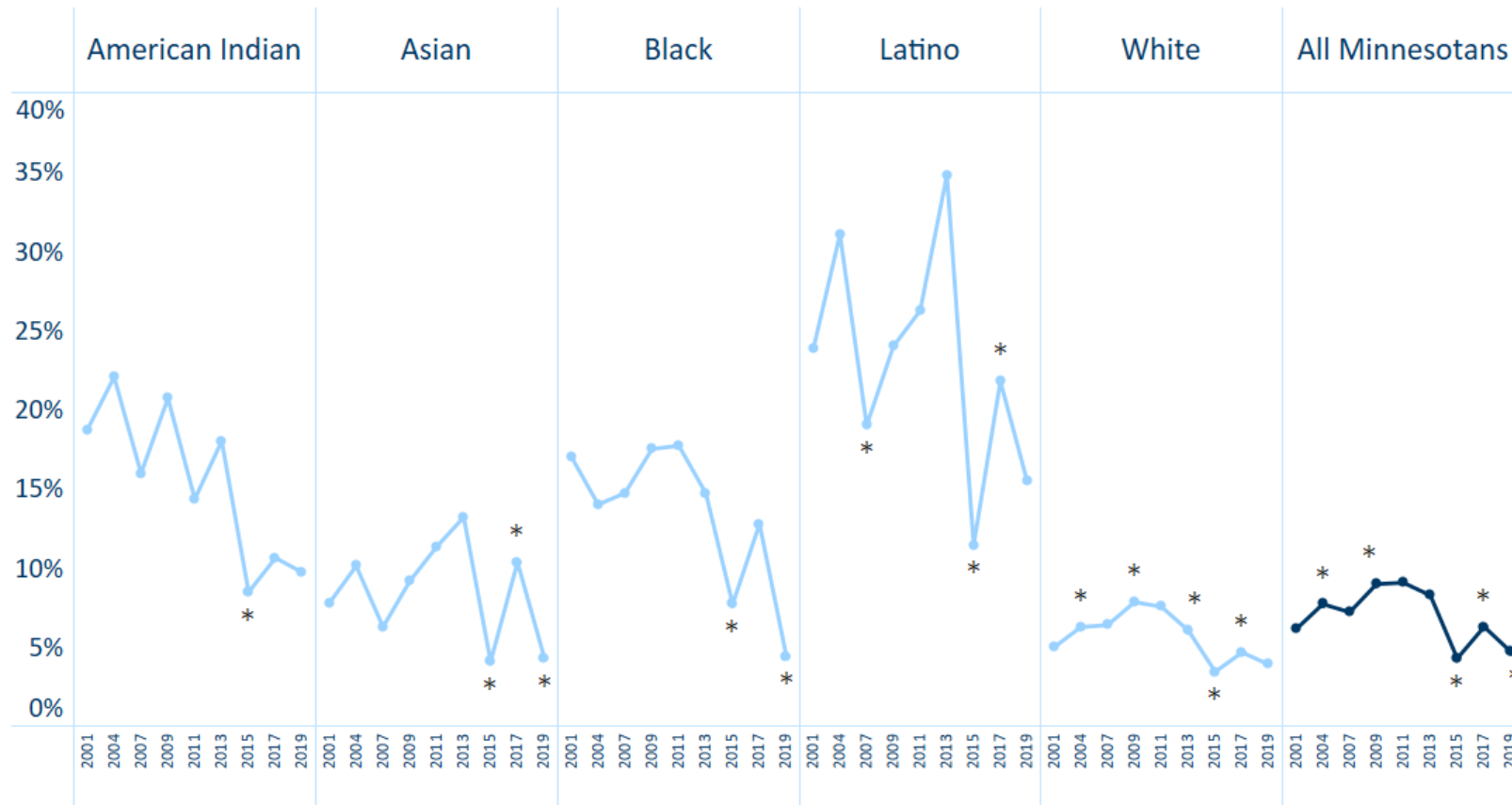
# Who Does Not Have Coverage?



# Characteristics of Minnesotans without Health Insurance

- More likely to:
  - Have lower incomes
  - Be People of Color or American Indians
  - Have high school education or less
  - Be aged 18 to 34
  - Be born outside the United States
- Equally likely to be employed, but:
  - More likely to have a temporary or seasonal job
  - More likely to work for an employer with 100 or fewer employees

# Uninsurance Rates by Race and Ethnicity

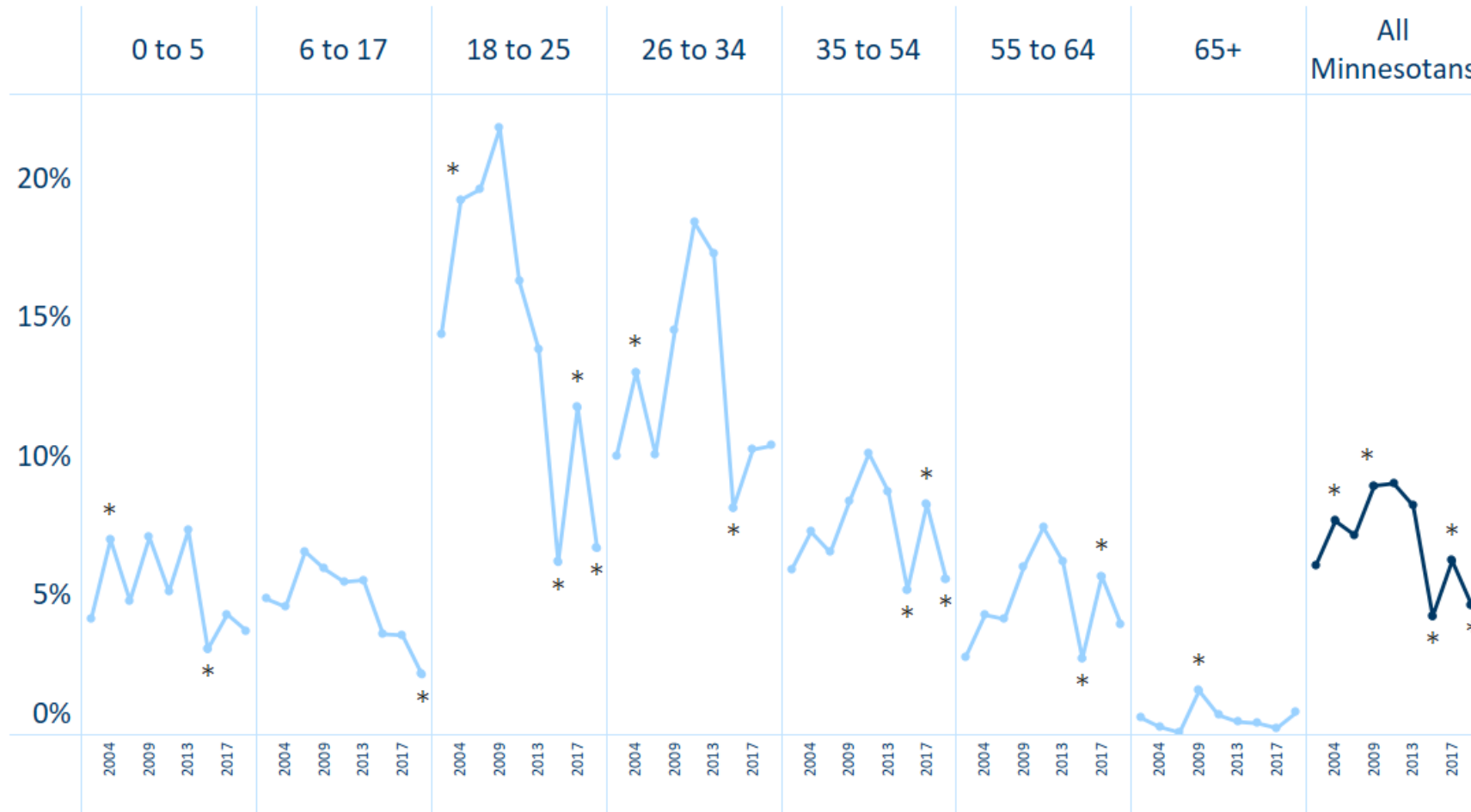


Source: Minnesota Health Access Surveys, 2001 to 2019

\* Indicates statistically significant difference (95%) level from prior year shown.

Note: Distribution adds to more than 100% since individuals could choose more than one race/ethnicity.

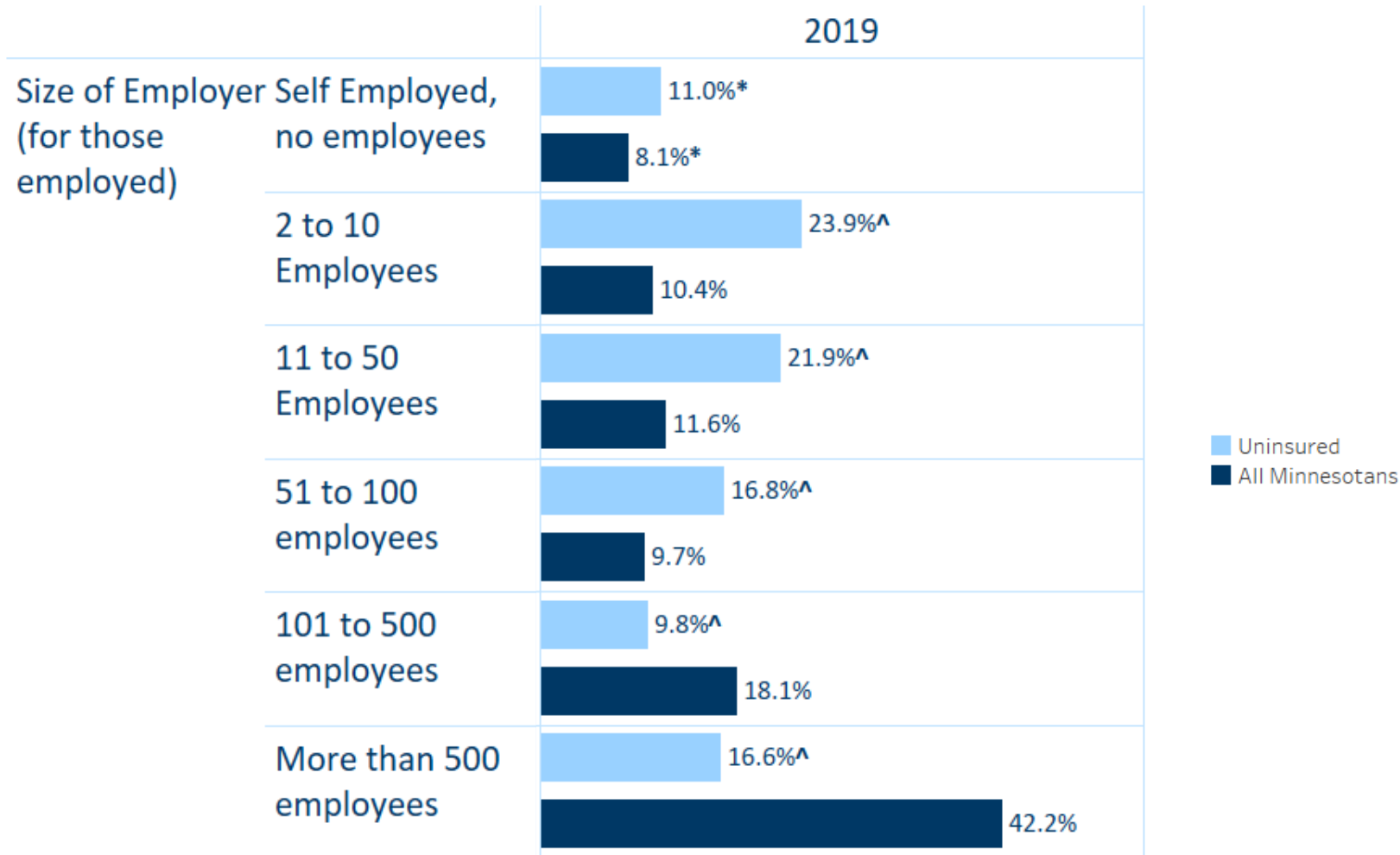
# Uninsurance Rates by Age



Source: Minnesota Health Access Surveys, 2001 to 2019

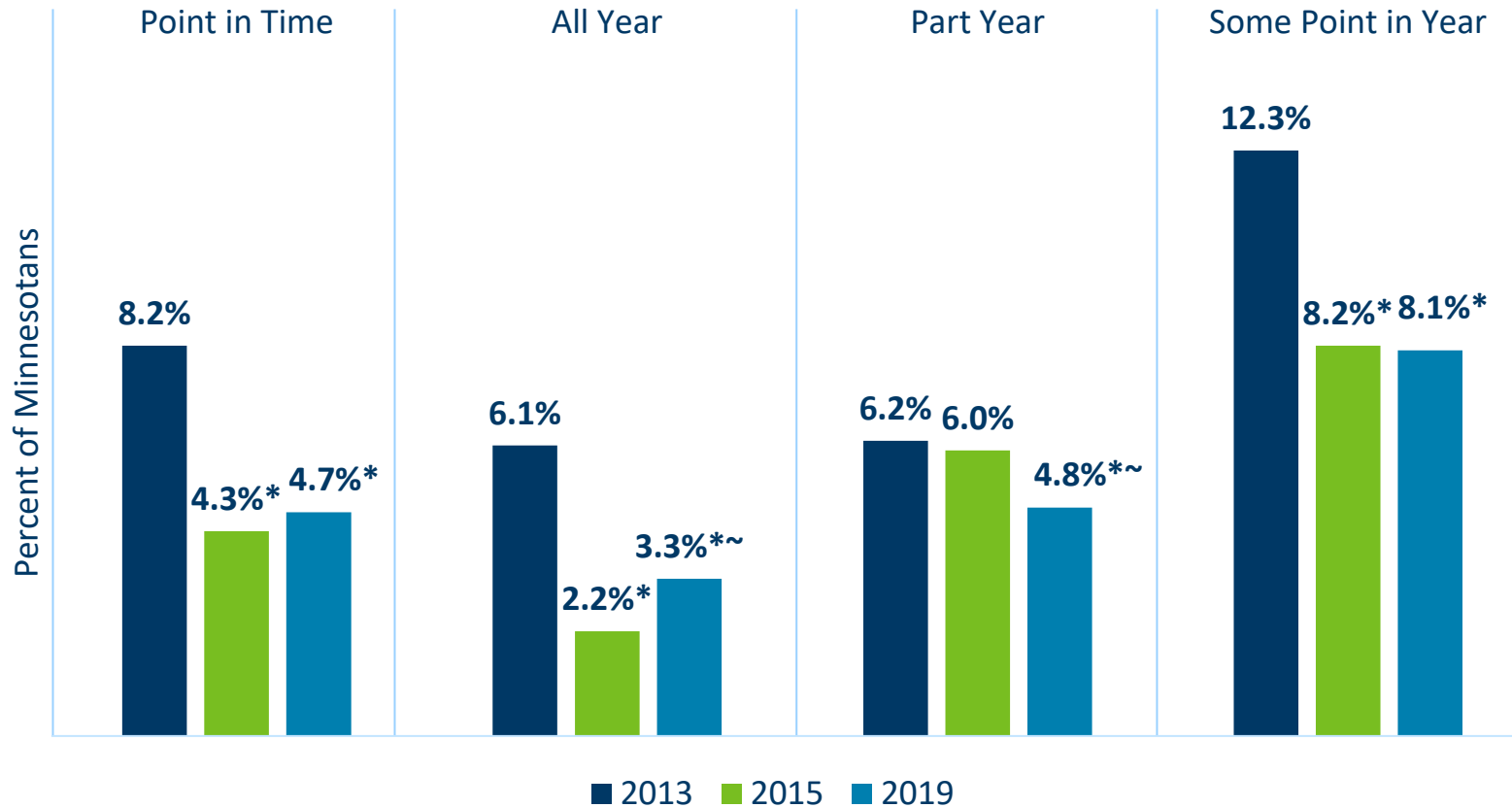
\* Indicates statistically significant difference (95%) level from prior year shown.

# Employment Characteristics of Minnesota's Uninsured Population: Size of Employer



# Fewer Minnesotans are Long-Term Uninsured under the ACA

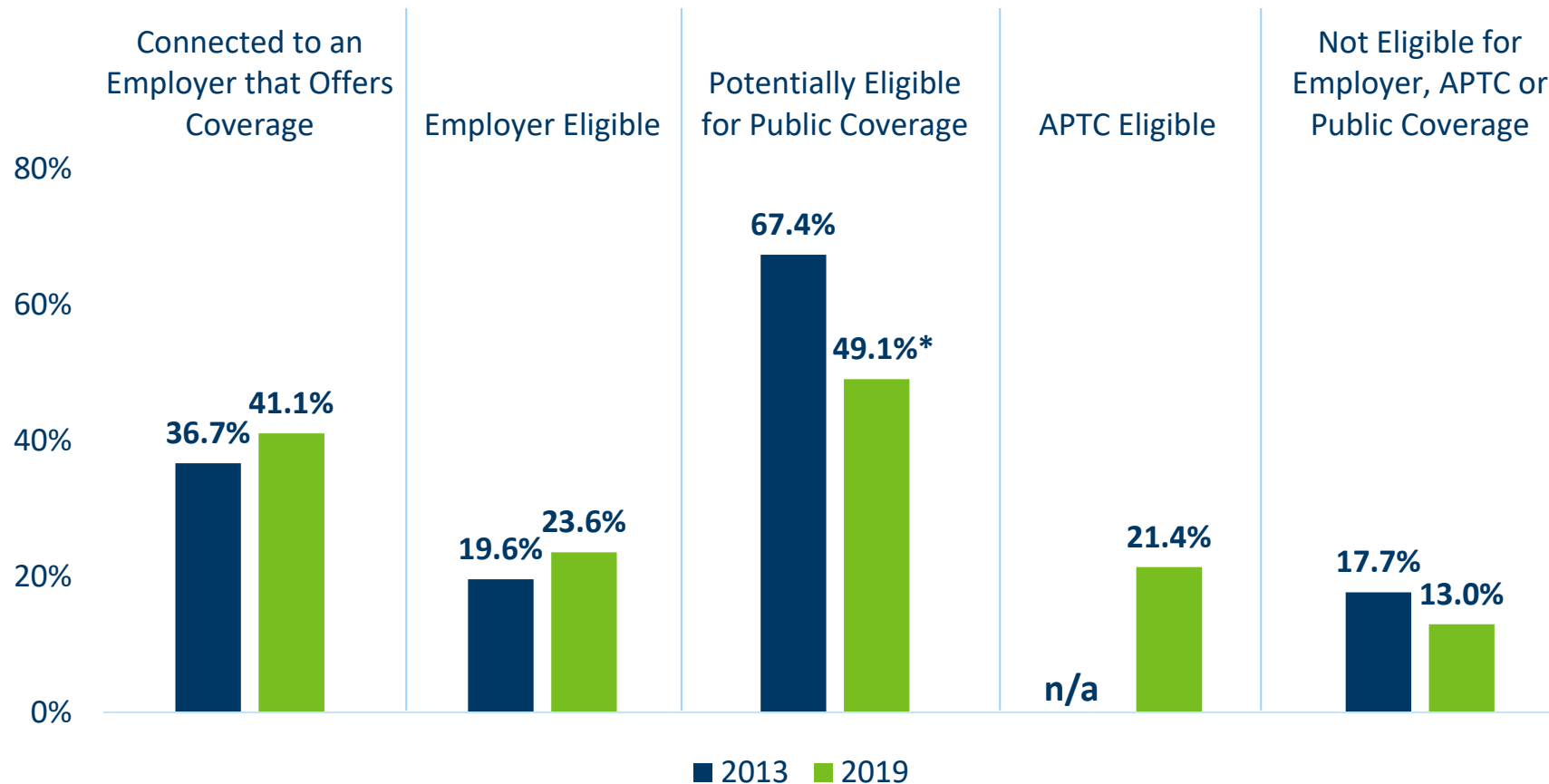
Alternative Measures of Uninsurance



- Long-term uninsured accounted for half of the uninsured in 2013
- Since passage of the ACA, the percent of Minnesotans uninsured all year has decreased
- Part year uninsured in 2019 is at its lowest level since 2001

\* Indicates statistically significant difference from 2013 at the 95% level  
 ~ Indicates statistically significant difference from 2015 at the 95% level  
 Source: Minnesota Health Access Surveys 2013, 2015 and 2019

# Potential Access to Coverage for the Uninsured

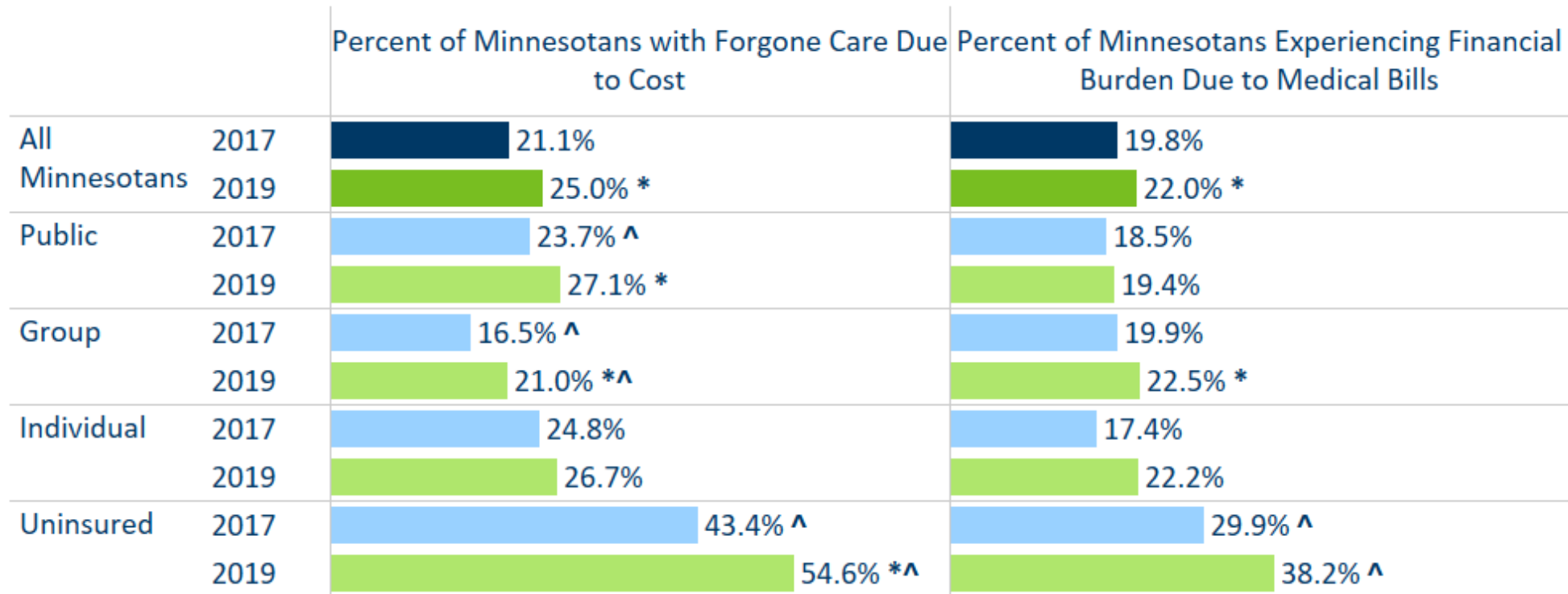


\* Indicates statistically different from previous year at 95% level.

1 Employer offer: percent of uninsured who work for or have a family member who works for an employer offering coverage. 2 Employer eligible: percent of uninsured who are eligible for coverage through an employer. 3 Potentially public eligible: based on family structure, income, and eligibility for employer coverage. Income limits changed between 2013 and 2014. 4 Advance Premium Tax Credits (APTC). Potential eligibility is based on income and eligibility for employer coverage only, and does not consider premiums.

Note: The employer eligible, potentially public eligible, and not eligible for employer or public coverage categories add to more than 100 percent because some of the uninsured are potentially eligible for both employer or public coverage.

# Forgone Care Due to Cost and Financial Burden by Coverage



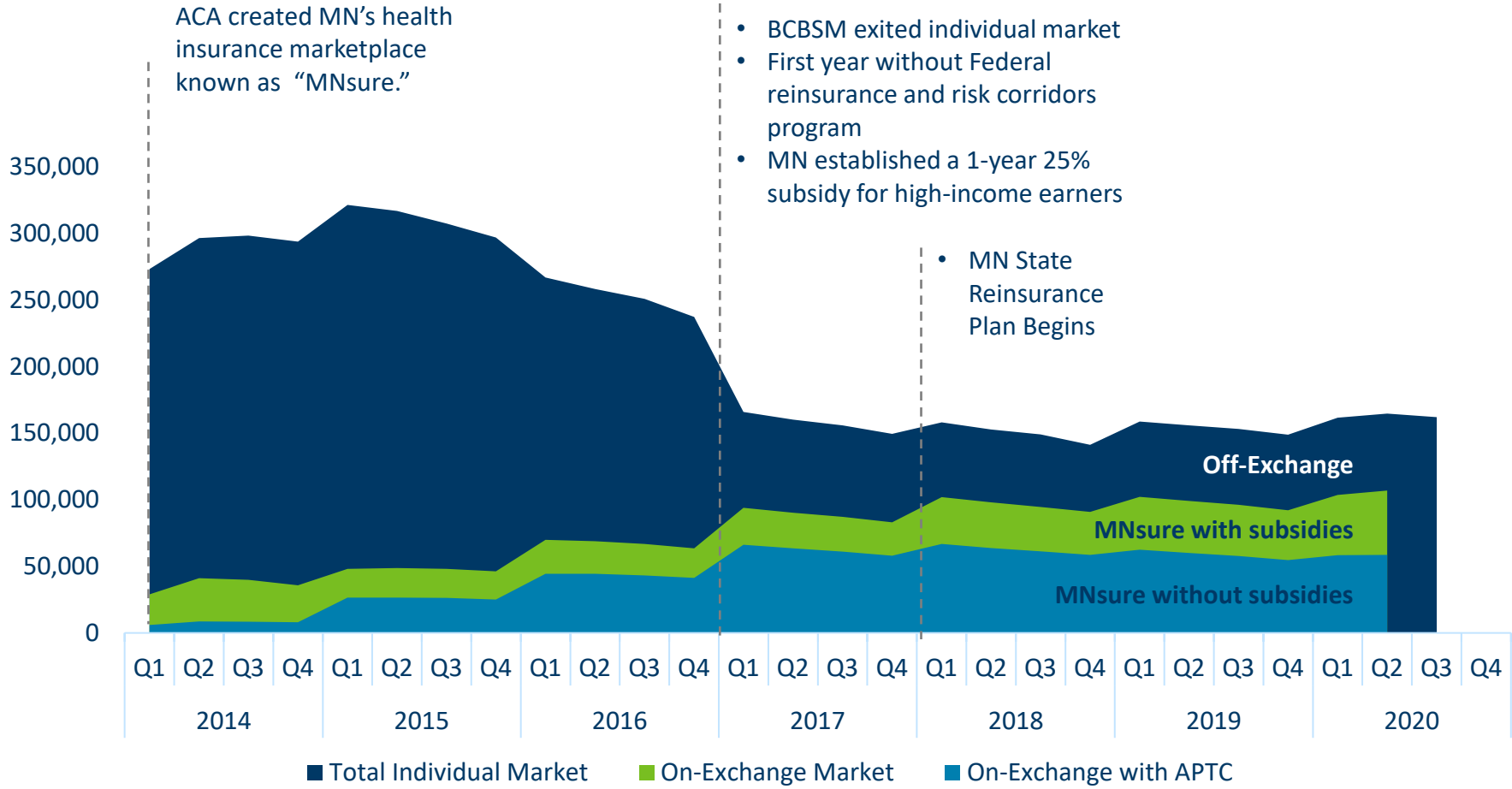
- Uninsured have higher rates of forgone care and financial burden
- Individual market the next highest
- Increase between 2017 and 2019 was due to people with Group coverage

# Individual Market and Transitions in Coverage



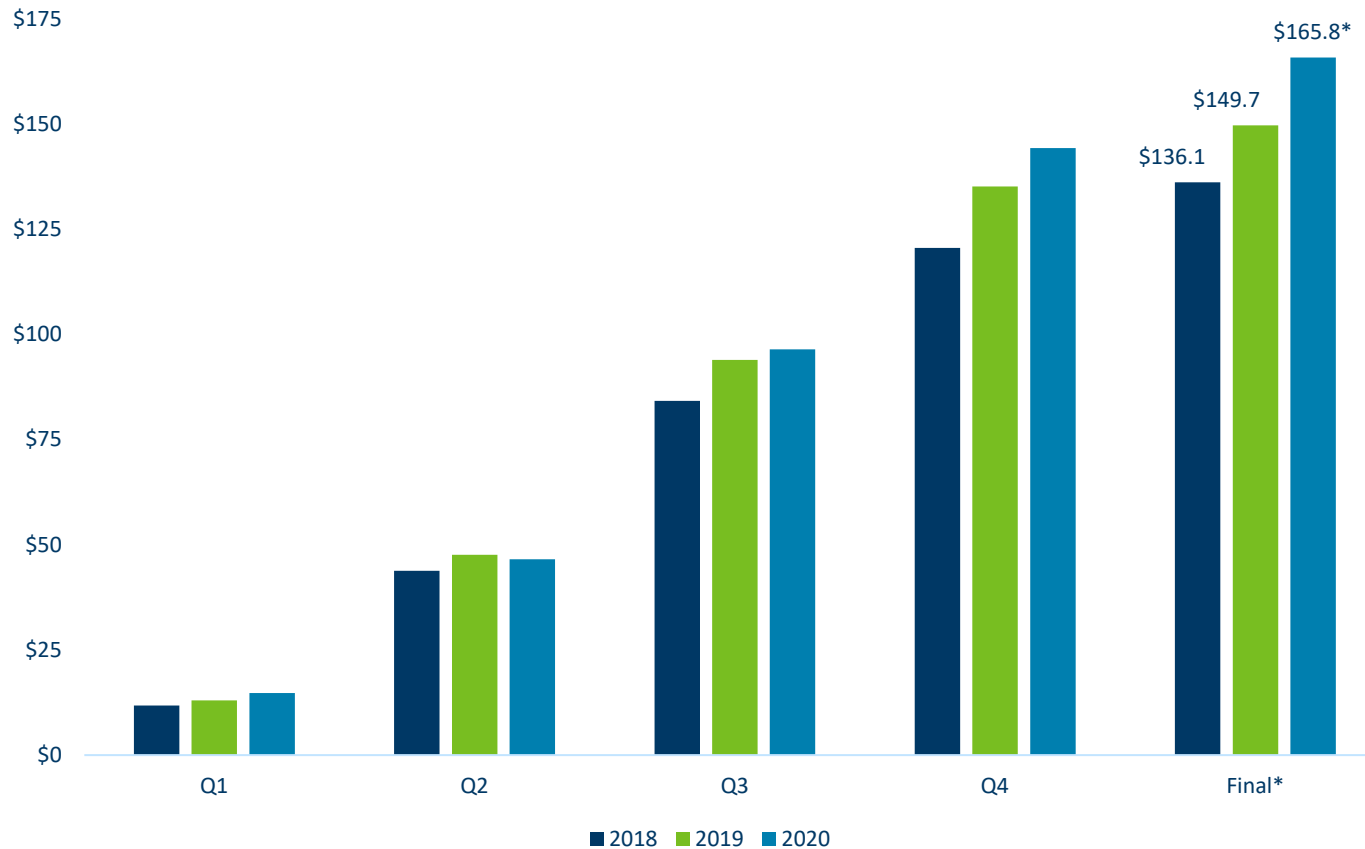
# Individual Market in Minnesota

- Enrollment in MNsure has steadily increased since 2014
- Overall the Individual market saw a substantial decline in 2017, and has been growing slowly since then
- The number of Minnesotans receiving subsidies has remained relatively stable



# Reinsurance

Quarterly Reinsurance: Minnesota Premium Security Plan



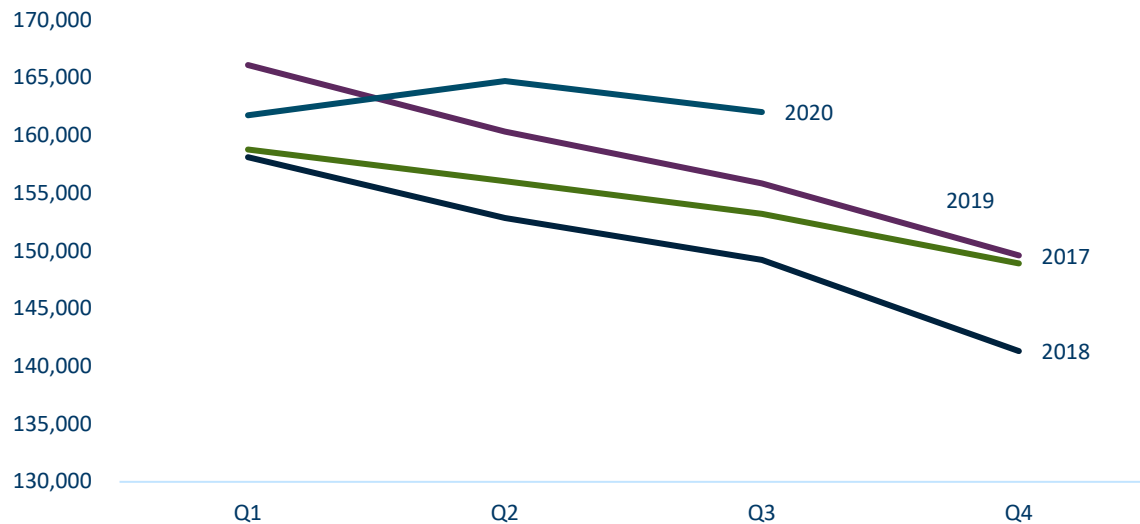
- Reinsurance costs have increased approximately \$15 million each year
- 2020 Results are on track to continue this trend

# Individual Market will Remain a Key Policy Area

- How effective will refinements to ACA provisions be?
- How much appetite will MN have to subsidize the market to support affordability for a small number of people
- Who will the market serve in the post-COVID-19 period?
- How do we determine if the market “works” and do we answer this question in isolation?
- There is much we don’t know, but we can do a better job:
  - Transitions in coverage
  - Plan selection and protection
  - Effectiveness in promoting health vs. health care

# Changes to Watch 2020 and 2021

Quarterly Covered Lives: Minnesota Individual Market



Source: MDH Health Economics Program analysis of NAIS Health Plan Financial Supplemental Exhibit on Premiums, Enrollment, and Utilization, 2012 – 2020.

Note: Q1, Q2, and Q3 figures are estimates, as health plans are not required to report state-specific data in any quarter except for Q4. Thus, the enrollment, spending, and utilization data from other states appears in the data of health plans that offer plans in Minnesota and other states in those quarters. To generate estimates for Q1 and Q2 2020, we use historical enrollment data to scale data for plans with non-MN enrollment. This was done by excluding two plans with Q1 and Q2 data that did not have any enrollment in MN in 2019, as well as by scaling down the reported figures of one plan by the quotient of 2019 Q4 enrollment and 2020 Q1 (or Q2) enrollment.

MNSure's special enrollment period in response to COVID-19 ran through April 21, 2020.

<https://www.mnsure.org/news-room/news/index.jsp?id=34-428517>

- Impact of February to May open enrollment
- 2020 open enrollment showed up in quarterly data
- Pent-up demand from 2020 services not received?
- Impact on 2022 premiums
- Reinsurance

# Thank you.

Health Economics Program Home Page ([www.health.state.mn.us/healthconomics](http://www.health.state.mn.us/healthconomics))

Health Care Market Statistics (Chartbook Updates) ([www.health.state.mn.us/data/economics/chartbook/index.html](http://www.health.state.mn.us/data/economics/chartbook/index.html))

Interactive Health Insurance Statistics ([mha.web.health.state.mn.us/Welcome.action](http://mha.web.health.state.mn.us/Welcome.action))

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# Data Sources and Methods Appendix

## 2019 Minnesota Health Access Survey

- **General Population Survey – Biennial since 2007**
  - 2001 to 2017: Telephone Random-Digit Dial (RDD)
    - Landline, added cell-phone in 2009, added pre-paid cell phone oversample in 2015
  - 2019: RDD and Address-Based sample (ABS) with web, phone and paper response options
  - Funding by legislative appropriation, MDH, DHS
- **2019 Stats:**
  - 11,533 Respondents
    - 7,860 ABS (24.3% response rate)
    - 3,673 RDD (16.2% response rate)
  - Fielding September – December 2019
  - Weighted to MN Population using 2018 American Community Survey (ACS)

## 2020 Coverage Survey

Estimated uninsured and coverage change using monthly enrollment figures and Minnesota Health Access Survey

- **Private Coverage**
  - Covered Lives at the end of October 2019, April 2020 and July 2020
  - 12 Health insurance companies with largest commercial enrollment
  - Individual coverage, fully-insured group coverage, self-insured group coverage, and short-term plans
- **Public Coverage**
  - Monthly enrollment from MN Department of Human Services (Medical Assistance and MinnesotaCare)
  - Monthly enrollment files from Center for Medicare and Medicaid Services (Medicare)

## National Association of Insurance Commissioners (NAIC) Data

- Plans provide quarterly reports of enrollment, member months, and some claims use
- Cannot determine enrollment on/off MNsure