Changes in Health Coverage by Race and Ethnicity since the ACA, 2010-2018

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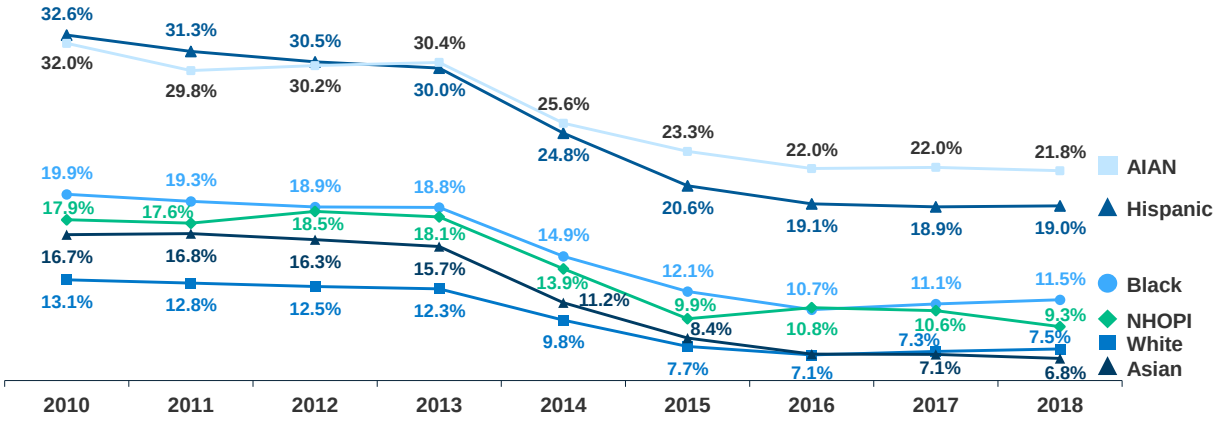
Executive Summary

The Affordable Care Act (ACA) created new health coverage options that provided an opportunity to narrow longstanding racial and ethnic disparities in health coverage. This brief examines how health coverage by race and ethnicity has changed since enactment of the ACA in 2010 and after the Trump Administration took office in 2017 and made changes that affect the availability of and enrollment in coverage. It is based on KFF analysis of American Community Survey data for the nonelderly population.

There were large coverage gains for groups of color under the ACA. Coverage rates increased for all racial/ethnic groups between 2010 and 2016, with the largest increases occurring after implementation of the ACA Medicaid and Marketplace coverage expansions in 2014 (Figure 1). Hispanics had the largest percentage point decrease in their uninsured rate, which fell from 32.6% to 19.1% between 2010 and 2016. Blacks, Asians, and American Indians and Alaska Natives (AIANs) also had larger percentage point decreases in their uninsured rates compared to Whites over that period. Beginning in 2017, and continuing in 2018, coverage gains stalled and began reversing for some groups, with small but statistically significant increases in the uninsured rates for Whites and Blacks, which rose from 7.1% to

Figure 1

Uninsured Rates for the Nonelderly Population by Race and Ethnicity, 2010-2018



NOTE: Includes individuals ages 0 to 64. AIAN refers to American Indians and Alaska Natives, NHOPI refers to Native Hawaiians and Other Pacific Islanders.
SOURCE: KFF analysis of the 2010-2018 American Community Survey.

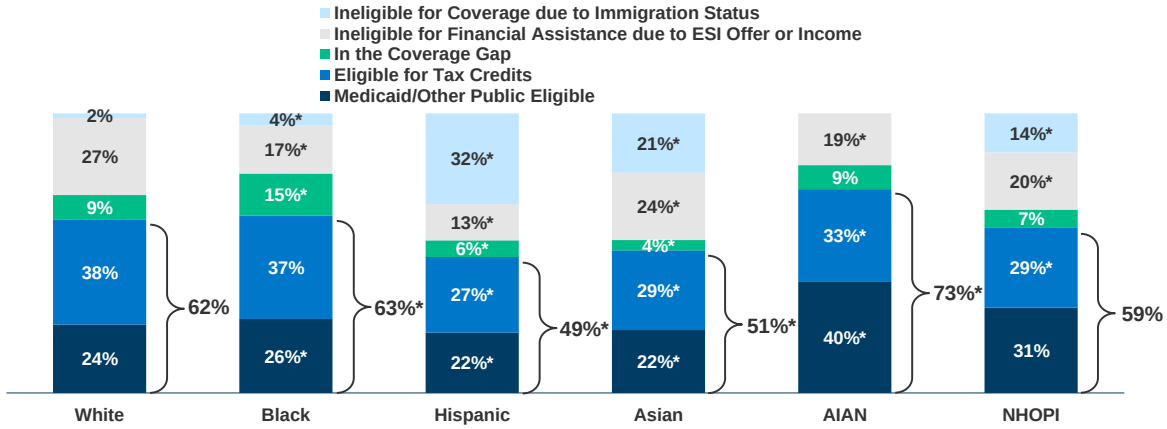
7.5% and from 10.7% to 11.5% respectively. Among children, there was also a statistically significant increase in the uninsured rate for Hispanics, which rose from 7.6% to 8.0% between 2016 and 2018.

The coverage gains under the ACA reduced percentage point differences in uninsured rates between some groups of color and Whites, but disparities persist. As of 2018, most groups of color remained more likely to be uninsured compared to Whites. Moreover, despite the larger coverage increases for groups of color, the relative risk of being uninsured compared to Whites did not improve for some groups. For example, Blacks remained 1.5 times more likely to be uninsured than Whites from 2010 to 2018, and the Hispanic uninsured rate remained over 2.5 times higher than the rate for Whites.

Opportunities remain to narrow disparities in coverage by enrolling eligible people in Medicaid or Marketplace coverage, but eligibility varies by racial and ethnic group. Eligibility for ACA coverage among the remaining uninsured varies across racial and ethnic groups (Figure 2). For example, uninsured Blacks are more likely than Whites to fall in the coverage gap in states that have not expanded Medicaid, and uninsured Hispanics and Asians are less likely than Whites to be eligible for financial assistance with coverage, in part, reflecting higher shares of noncitizens who face immigrant eligibility restrictions among these groups compared to Whites.

Figure 2

Eligibility for ACA Coverage Among Nonelderly Uninsured by Race/Ethnicity as of 2018



NOTE: * Indicates statistically significant difference from Whites at the p<0.05 level. Totals may not sum due to rounding. Persons of Hispanic origin may be of any race but are categorized as Hispanic for this analysis; other groups are non-Hispanic. Includes nonelderly individuals 0-64 years of age. AIAN refers to American Indians and Alaska Natives. NHOPI refers to Native Hawaiians and Other Pacific Islanders. Eligible for Tax Credits share includes MN and NY who are eligible for coverage through the Basic Health Plan.

SOURCE: KFF analysis based on 2019 Medicaid eligibility levels and 2018 American Community Survey.

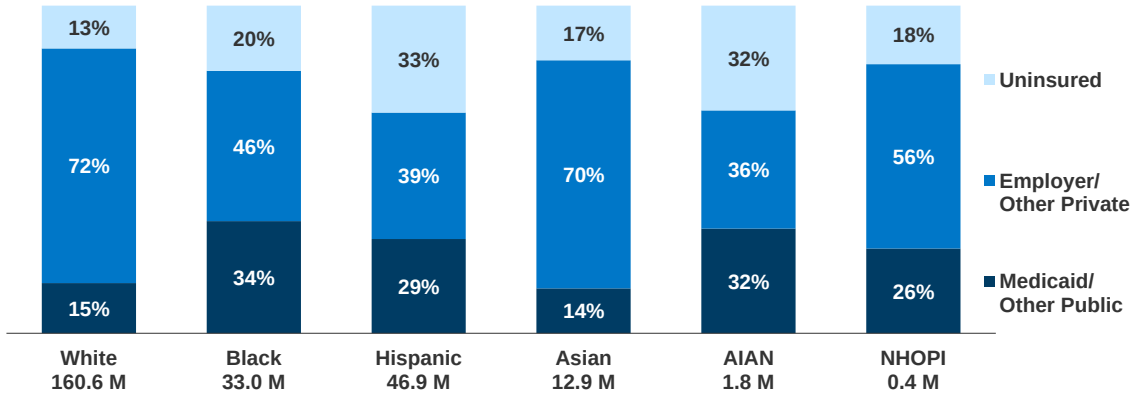
The direction that coverage moves in going forward has implications for disparities and people's access to care and overall health and well-being. Looking ahead, recent policy changes and current federal priorities could lead to further coverage declines. Research shows that having health insurance makes a key difference in whether, when, and where people get medical care and ultimately how healthy they are.[1] As such, future trends in coverage will have a significant impact on disparities in health access and use as well as health outcomes over the long-term.

Coverage by Race/Ethnicity Prior to the ACA

Prior to the ACA, people of color were significantly more likely to be uninsured than Whites. In 2010, when the ACA was enacted, 46.5 million people or 17.8% of the total nonelderly population were uninsured. People of color were at much higher risk of being uninsured compared to Whites, with Hispanics and AIANs at the highest risk of lacking coverage (Figure 3). The higher uninsured rates among groups of color reflected limited access to affordable health coverage options. Although, the majority of individuals have at least one full-time worker in the family across racial and ethnic groups, people of color are more likely to live in low-income families that do not have coverage offered by an employer and have difficulty affording private coverage when it is available. While Medicaid helped fill some of this gap in private coverage for groups of color, prior to the ACA, Medicaid eligibility for parents was limited to those with very low incomes (often below 50% of the poverty level), and adults without dependent children—regardless of how poor—were ineligible under federal rules.[2]

Figure 3

Health Coverage of Nonelderly Individuals by Race/Ethnicity, 2010



Note: Persons of Hispanic origin may be of any race but are categorized as Hispanic for this analysis; other groups are non-Hispanic. Includes nonelderly individuals 0-64 years of age. NHOPI refers to Native Hawaiians and Other Pacific Islanders. AIAN refers to American Indians and Alaska Natives. All values have a statistically significant difference from the White population at the p<0.05 level.

Source: KFF analysis of 2010 American Community Survey, 1-Year Estimates.

The ACA Coverage Expansions

The ACA created new coverage options for low- and moderate-income individuals. The ACA included provisions to promote employer-based coverage, extend dependent coverage in the private market up to age 26, and prevent insurers from denying people coverage or charging them more due to health status. As enacted, it also required most people to have health insurance coverage or be subject to a tax penalty. Further, as of 2014, the ACA expanded Medicaid coverage to nearly all adults with incomes at or below 138% of poverty in states that adopted the expansion and made tax credits available for people with incomes up to 400% of poverty who purchase coverage through a health insurance Marketplace.

Since taking office in 2017, the Trump Administration has made policy changes that affect the availability of and enrollment in coverage. These changes include decreased funds for outreach and enrollment assistance, introduction of plans to compete with ACA Marketplace plans, elimination of the penalty for not having coverage, guidance encouraging states to seek waivers to add new eligibility requirements for Medicaid coverage, and changes to immigration policy that are leading to increased fears among immigrant families about participating in Medicaid and CHIP.

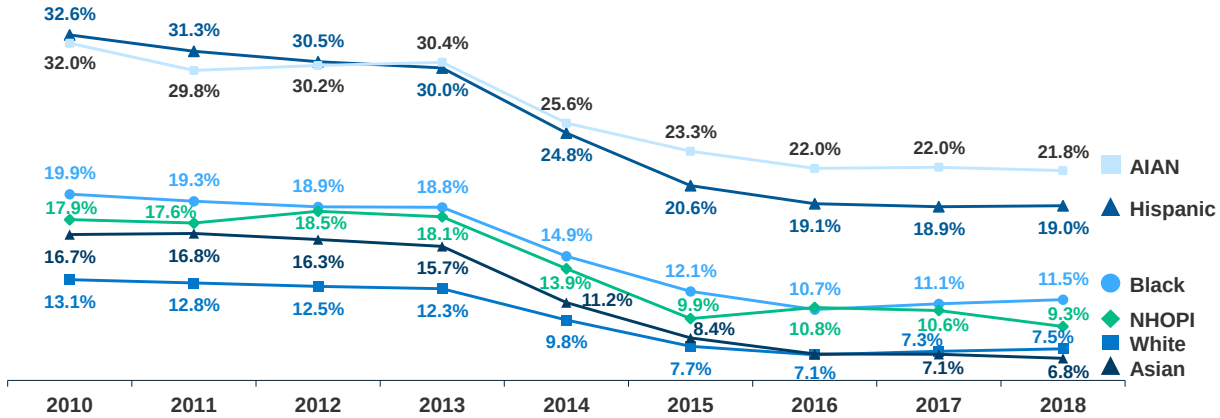
Changes in Coverage by Race/Ethnicity, 2010-2018

Following enactment of the ACA in 2010, people of color experienced large coverage gains. Coverage increased for all racial/ethnic groups between 2010 and 2016, with the largest increases occurring after implementation of the Medicaid and Marketplace coverage expansions in 2014 (Figure 4). Hispanics had the largest percentage point increase in coverage, with their uninsured rate falling from 32.6% to 19.1% between 2010 and 2016. Blacks, Asians, and American Indians and Alaska Natives (AIANs) also had larger percentage point increases in coverage compared to Whites over that period.

Beginning in 2017, and continuing in 2018, coverage gains stalled and began reversing for some groups. The uninsured rate for the total nonelderly population increased from 10.0% in 2016 to 10.4% in 2018. Whites and Blacks had small but statistically significant increases in their uninsured rates, which rose from 7.1% to 7.5% and from 10.7% to 11.5%, respectively. Asians were the only racial and ethnic group to have significant decrease in their uninsured rate, which dropped from 7.1% to 6.8%. These data did not show a significant change in the uninsured rate for Hispanics between 2016 and 2018 for the total nonelderly population. However, there was a statistically significant increase in the uninsured rate for Hispanic children over this period, which rose from 7.6% to 8.0% between 2016 and 2018, and other data sources show a rise in the uninsured rate among Hispanics overall.[3]

Figure 4

Uninsured Rates for the Nonelderly Population by Race and Ethnicity, 2010-2018

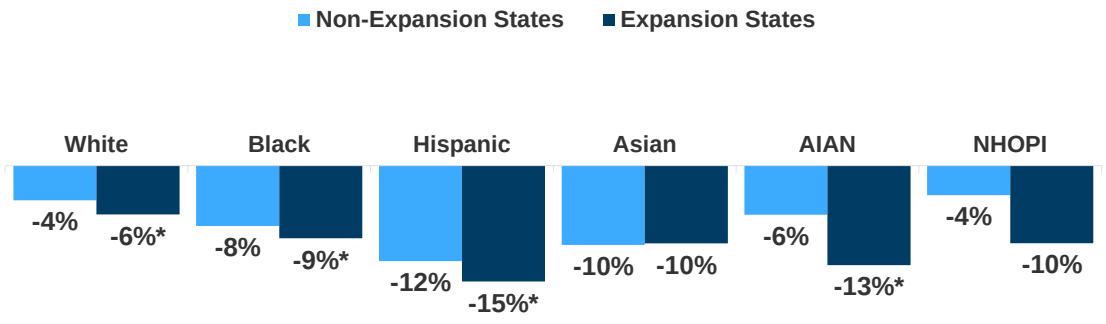


NOTE: Includes individuals ages 0 to 64. AIAN refers to American Indians and Alaska Natives, NHOPI refers to Native Hawaiians and Other Pacific Islanders.
SOURCE: KFF analysis of the 2010-2018 American Community Survey.

Whites, Hispanics, and Blacks had larger coverage gains in states that implemented the ACA Medicaid expansion compared to the gains in states that have not expanded. States that expanded Medicaid began with lower uninsured rates compared to states that have not adopted the expansion prior to the ACA. Coverage gains occurred in both expansion and non-expansion states across racial and ethnic groups. However, Whites, Blacks, Hispanics, and AIANs had larger percentage point declines in their uninsured rate in expansion states compared to the declines in states that have not expanded Medicaid (Figure 5). There was no significant difference in the change for Asians or NHOPIs between expansion and non-expansion states.

Figure 5

Percentage Point Change in Uninsured Rates from 2010 to 2018 by Race/Ethnicity and State Medicaid Expansion Status



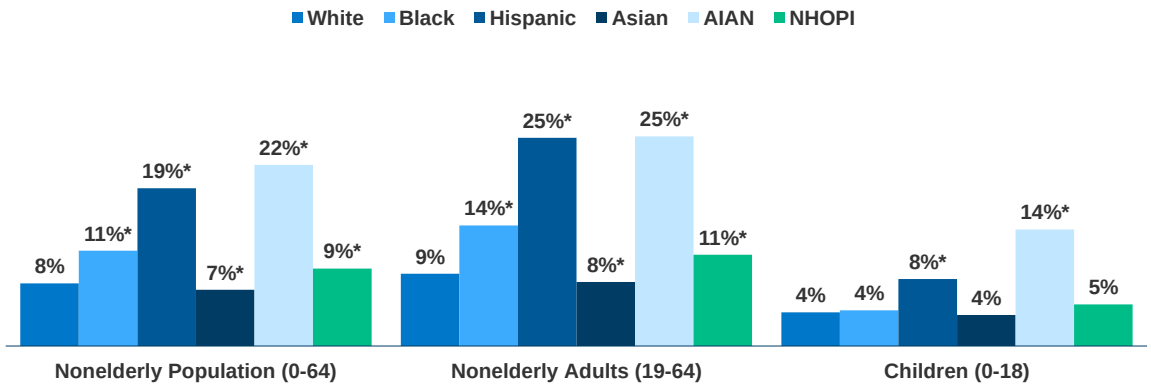
Note: * Indicates statistically significant difference from non-expansion states at the p<0.05 level. Persons of Hispanic origin may be of any race but are categorized as Hispanic for this analysis; other groups are non-Hispanic. AIAN refers to American Indians and Alaska Natives and NHOPI refers to Native Hawaiians and Other Pacific Islanders. Includes nonelderly individuals 0-64 years of age. State Medicaid expansion status is as of 2018.

Source: KFF analysis of 2010 and 2018 American Community Survey, 1-Year Estimates.

Despite the large coverage gains for groups of color under the ACA, disparities in coverage persist. The coverage gains that occurred under the ACA reduced percentage point differences in uninsured rates between groups of color and Whites. However, as of 2018, Blacks, Hispanics, AIANs, and NHOPIs remained more likely to be uninsured compared to Whites. AIANs and Hispanics were at the highest risk of being uninsured, with 22% of AIANs nearly one in five (19%) Hispanics lacking coverage compared to 8% of Whites (Figure 6). Uninsured rates for children were lower than rates for adults, but Hispanic children and AIAN children were still significantly more likely than White children were to lack coverage as of 2018. Moreover, even though percentage point differences between uninsured rates for groups of color and Whites narrowed, the relative risk of being uninsured compared to Whites did not improve for some groups. For example, throughout the period from 2010 to 2018, Blacks remained 1.5 times more likely to be uninsured than Whites, the Hispanic uninsured rate remained over 2.5 times higher than the rate for Whites, and the uninsured rate for AIANs grew from 2.4 to 2.9 times higher than the uninsured rate for Whites.

Figure 6

Uninsured Rates Among Nonelderly Individuals by Race/Ethnicity, 2018



Note: * Indicates statistically significant difference from Whites at the p<0.05 level. Persons of Hispanic origin may be of any race but are categorized as Hispanic for this analysis; other groups are non-Hispanic. Includes nonelderly individuals 0-64 years of age. NHOPI refers to Native Hawaiians and Other Pacific Islanders. AIAN refers to American Indians and Alaska Natives.

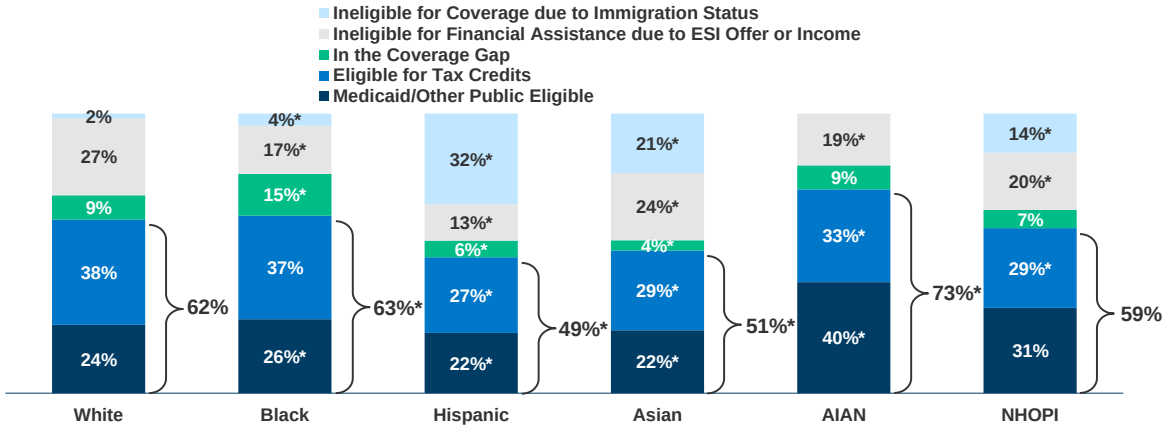
Source: KFF analysis of 2018 American Community Survey, 1-Year Estimates.

Eligibility among the Remaining Uninsured

Enrolling eligible individuals in Medicaid or Marketplace coverage could further advance coverage gains, but eligibility varies across racial and ethnic groups and many remain ineligible for assistance. In 2018, 27.9 million nonelderly people lacked health insurance. An estimated 57% of this population is eligible for financial assistance for coverage through Medicaid (24%) or the Marketplaces (33%).[4] However, eligibility varies across racial and ethnic groups and many remain ineligible for assistance. For example, uninsured Blacks are more likely than Whites are to fall in the coverage gap in states that have not expanded Medicaid, and uninsured Hispanics and Asians are less likely compared Whites to be eligible for coverage options, in part, reflecting higher shares of noncitizens who face immigrant eligibility restrictions among these groups compared to Whites (Figure 7).

Figure 7

Eligibility for ACA Coverage Among Nonelderly Uninsured by Race/Ethnicity as of 2018



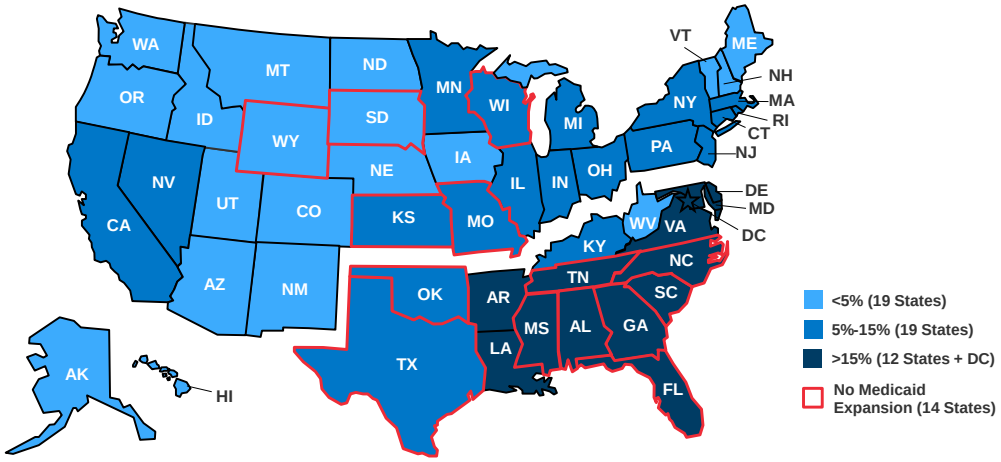
NOTE: * Indicates statistically significant difference from Whites at the p<0.05 level. Totals may not sum due to rounding. Persons of Hispanic origin may be of any race but are categorized as Hispanic for this analysis; other groups are non-Hispanic. Includes nonelderly individuals 0-64 years of age. AIAN refers to American Indians and Alaska Natives. NHOPI refers to Native Hawaiians and Other Pacific Islanders. Eligible for Tax Credits share includes MN and NY who are eligible for coverage through the Basic Health Plan.

SOURCE: KFF analysis based on 2019 Medicaid eligibility levels and 2018 American Community Survey.

Uninsured nonelderly Blacks are more likely than Whites to fall in the coverage gap because a greater share live in states that have not implemented the Medicaid expansion. Nationwide, 2.3 million poor adults fall into a coverage gap in the 14 states that had not adopted the ACA Medicaid expansion to adults as of February 2020. Blacks make up a greater share of the population in the South, where most states have not expanded Medicaid (Figure 8).

Figure 8

Share of Total Nonelderly Population that is Black by State and Medicaid Expansion Status as of January 2020



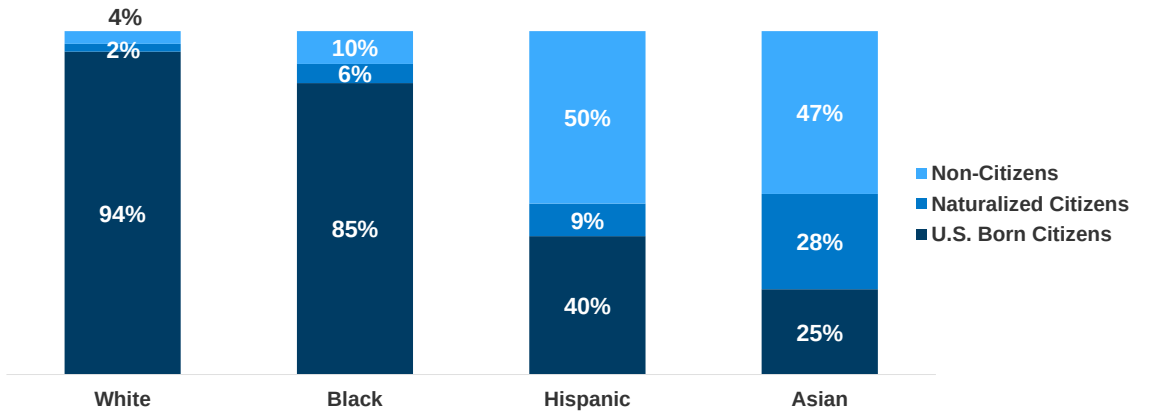
Note: Includes nonelderly individuals 0-64 years of age and non-Hispanic Blacks.

Source: KFF analysis of 2018 American Community Survey, 1-Year Estimates and KFF, Status of State Action on the Medicaid Expansion Decision, as of January 2020, https://www.kff.org/health-reform/state-indicator/state-activity-around-expanding-medicaid-under-the-affordable-care-act/.

Uninsured nonelderly Hispanics and Asians are less likely than Whites to be eligible for coverage, because they include larger shares of noncitizens who are subject to eligibility restrictions (Figure 9). Under the ACA, lawfully present immigrants continue to face eligibility restrictions for coverage, with many having to wait five years after obtaining lawful status before they may enroll in Medicaid coverage. Undocumented immigrants are not eligible to enroll in Medicaid and are prohibited from purchasing coverage through the Marketplaces.

Figure 9

Citizenship Status of Nonelderly Uninsured Population by Race/Ethnicity, 2018



Note: Numbers may not sum due to rounding. Persons of Hispanic origin may be of any race but are categorized as Hispanic for this analysis; other groups are non-Hispanic. Includes nonelderly individuals 0-64 years of age. All values have a statistically significant difference from the White population at the p<0.05 level.
Source: KFF analysis of 2018 American Community Survey, 1-Year Estimates.

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Looking Ahead

Opportunities remain to increase coverage and narrow disparities by enrolling eligible uninsured individuals into coverage, and these opportunities would increase if additional states adopted the Medicaid expansion. As of February 2020, 14 states have not adopted Medicaid expansion.[5] Expansion in additional states would make more low-income individuals eligible for coverage, increasing opportunities to reduce coverage disparities, particularly among Blacks, who currently are more likely to live in Southern states that have not adopted the Medicaid expansion. Expansion activity is ongoing in several states. For example, efforts are underway in Oklahoma and Missouri to put Medicaid expansion on the ballot in 2020, while expansion negotiations between the Governor and legislature continue in Kansas.

Recent policy changes and current federal priorities could lead to further coverage declines looking forward. The ACA contributed to large coverage gains across racial and ethnic groups between 2010 and 2016. However, this trend began to reverse for some groups in 2017, when coverage stalled and began to reverse for some groups. As noted, beginning in 2017, the Trump Administration made a

series of changes that affected the availability of and enrollment in coverage. For example, it decreased funds for outreach and enrollment assistance, introduced health plans to compete with ACA Marketplace plans, eliminated the penalty for not having coverage, encouraged and approved waivers from states to add new eligibility requirements for Medicaid coverage, and made immigration policy changes that have increased fears among immigrant about participating in Medicaid and CHIP. The administration is pursuing additional changes, such as supporting litigation to overturn the ACA, releasing guidance allowing states to cap funding for Medicaid, and adding eligibility verification requirements to Medicaid that could further curtail coverage options and lead to increases in the uninsured rate. Moreover, the continually shifting immigration policy environment, including new public charge rules that govern who may receive a green card or be granted entry into the U.S., will likely lead to decreased participation in Medicaid and CHIP broadly among immigrant families, which would disproportionately affect Hispanic and Asians, who include larger share of noncitizens compared to other groups.

The directions that coverage and coverage disparities move in going forward have implications for people's access to care and overall health and well-being. Research shows that having health insurance makes a key difference in whether, when, and where people get medical care and ultimately how healthy they are.[6] Uninsured people are far more likely than those with insurance to postpone health care or forgo it altogether. Being uninsured can also have financial consequences, with many unable to pay their medical bills, resulting in medical debt. As such, future trends in coverage will have a significant impact on disparities in health access and use as well as health outcomes over the long-term.

Data and Methods

This brief is based on KFF analysis of American Community Survey data for the nonelderly population between ages 0-64. See Distribution of Eligibility for ACA Health Coverage Among those Remaining Uninsured as of 2018 for more information on methods used to estimate eligibility for coverage among the uninsured. Throughout the brief, individuals of Hispanic origin may be any race, but are classified as Hispanic for this analysis; all other groups are limited to non-Hispanic individuals.

Endnotes

[1] Jennifer Tolbert, Kendal Orgera, Natalie Singer, and Anthony Damico, *Key Facts about the Uninsured Population* (Washington, DC: KFF, December 2019), https://www.kff.org/uninsured/issue-brief/key-facts-about-the-uninsured-population/.

[2] Martha Heberlein, Tricia Brooks, Samantha Artiga, and Jessica Stephens, *Getting into Gear for 2014: Shifting New Medicaid Eligibility and Enrollment Policies into Drive* (Washington, DC: KFF, November 21, 2013), https://www.kff.org/medicaid/report/getting-into-gear-for-2014-shifting-new-medicaid-eligibility-and-enrollment-policies-into-drive/

[3] Current Population Survey data show a statistically significant increase in the uninsured rate for Hispanics between 2017 and 2018, driven by decreases in both public and private coverage. Berchick, Edward R., Jessica C. Barnett, and Rachel D. Upton, Current Population Reports, P60-267(RV), Health Insurance Coverage in the United States: 2018, U.S. Government Printing Office, Washington, DC, November 2019, https://www.census.gov/content/dam/Census/library/publications/2019/demo/p60-267.pdf.

[4] KFF State Health Facts, *Distribution of Eligibility for ACA Health Coverage Among those Remaining Uninsured as of 2019*, accessed January 2020, https://www.kff.org/health-reform/state-indicator/distribution-of-eligibility-for-aca-coverage-among-the-remaining-uninsured/.

[5] KFF, *Status of State Medicaid Expansion Decisions: Interactive Map*, accessed February 2020, https://www.kff.org/medicaid/issue-brief/status-of-state-medicaid-expansion-decisions-interactive-map/.

[6] Jennifer Tolbert, Kendal Orgera, Natalie Singer, and Anthony Damico, *Key Facts about the Uninsured Population* (Washington, DC: KFF, December 2019), https://www.kff.org/uninsured/issue-brief/key-facts-about-the-uninsured-population/.