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Is ACA Coverage Affordable for Low-Income People? Perspectives from Individuals in Six Cities

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Executive Summary

Millions of people have gained access to health insurance coverage under the Affordable Care Act (ACA) through Medicaid and the Marketplaces. While research shows that coverage improves access to care and promotes financial stability, issues around access and affordability remain, and are more acute for the low-income population. To learn more about how low-income individuals have fared with their new coverage, we conducted nine focus groups (three groups with Medicaid enrollees and six groups with low-income Marketplace enrollees) in six states (California, Florida, Maryland, Missouri, Ohio, and Virginia). Many participants were struggling financially and reported substantial debt (including medical debt). Many had ongoing physical and mental health needs and were accessing health services to treat those conditions. Following are key themes from the groups:

1. New coverage did not change underlying financial struggles and hardship due to medical debt incurred prior to gaining coverage. Many participants were stretched financially, had limited capacity to absorb unexpected costs, and struggled with finding secure employment in their area.
2. Medicaid stands up well for the lowest income participants in terms of ease of enrollment, out-of-pocket costs and affordability, and ability to find providers and access care. A small number of participants reported trouble affording care that wasn't covered (particularly for vision or dental) and difficulty finding some providers, including mental health providers.
3. Largely due to premium tax credits in the Marketplace, premiums were generally affordable, but out-of-pocket costs weighed heavily on Marketplace participants, especially those with high deductible plans. Many reported being overwhelmed by plan choices. Some were able to make trade-offs to purchase higher cost plans with lower deductibles to meet anticipated care needs, but not everyone was able to afford higher premiums.
4. The fear of unknown costs was a constant worry for many Marketplace participants. Many got bills for services they thought were covered, such as screenings, colonoscopies and mammograms when issues were discovered and treated. These bills caused many to avoid getting needed care. Marketplace participants also reported trouble affording care that wasn't covered by their plan, notably vision and some dental services.
5. Most participants had accessed care and were positive overall about new ACA coverage through Medicaid and the Marketplace. They were grateful that coverage was available to them, particularly those who had been previously ineligible for Medicaid or barred from private coverage due to pre-existing conditions. However, many Marketplace participants wanted coverage to be more affordable.

Introduction

Since the implementation of the Affordable Care Act in 2010, millions of people have gained health coverage through health insurance Marketplaces and expanded Medicaid in states that have opted to adopt the Medicaid expansion. This new coverage has improved access to care and provided financial protection against medical expenses for many.¹ However, affording this coverage is a problem for some. Particularly for low-income individuals with private insurance through the Marketplaces, premiums and out-of-pocket costs can be difficult to afford, creating barriers to accessing needed care. Although Medicaid offers protection from premiums and deductibles, some beneficiaries may still face challenges getting the care they need. Additionally, problems paying medical bills continue to plague many, even those with insurance.² These problems can be especially acute for low and moderate-income individuals and families, many of whom are burdened by debt and struggle to pay monthly bills.

The ACA expanded Medicaid to nearly all nonelderly adults with incomes at or below 138% of the federal poverty level (FPL). With the June 2012 Supreme Court ruling, the Medicaid expansion effectively became optional for states, and as of January 2016, 31 states and DC had expanded Medicaid eligibility under the ACA. In states that did not adopt the expansion, individuals with incomes between 100-138% FPL are eligible for tax credits in the Marketplace, but Marketplace coverage has more out-of-pocket costs than Medicaid.

This report is based on focus group discussions with low and moderate income adults who gained Medicaid or Marketplace coverage following the implementation of the ACA. It explores several areas about their coverage, including their experiences signing up for coverage; their knowledge of what their plan covers and what factors they weighed in choosing their plan; what they pay for their coverage and their perceptions of whether these costs are affordable; their experiences accessing care; and the impact of out-of-pocket costs on their ability to get needed care. Building on other research in this area, this report provides valuable insights into the ongoing financial struggles facing low-income individuals and the problems they confront affording health coverage.

Methods

The findings are based on nine focus group discussions conducted by the Kaiser Family Foundation and Belden Russonello Strategists in six cities during January and February 2016. Sites included Baltimore, MD; Richmond, VA; Columbus, OH; St. Louis, MO; Oakland, CA; and Tampa, FL. Three of these cities are in states that have expanded Medicaid—California, Maryland, and Ohio—and in these sites, we conducted separate focus groups with individuals (income 50-138% FPL) who were enrolled in Medicaid and with those enrolled in coverage through the Marketplace (income 139-250% FPL). In the three non-expansion states—Florida, Missouri, and Virginia—we conducted focus groups only with individuals (income 100-250% FPL) who were enrolled in coverage through the Marketplace. Annual income at 138% FPL is equal to \$16,242 for an individual and \$27,724 for a family of three in 2015. Annual income at 250% FPL is equal to \$29,700 for an individual and \$50,400 for a family of three.

Each focus group consisted of 9-11 participants, with a total of 91 participants including 30 covered by Medicaid and 61 covered through the Marketplace. Participants were selected to provide a mix of demographic characteristics, including age, race/ethnicity, marriage status, and work status. All individuals had used services since obtaining their current coverage and most reported having at least one chronic condition.

Additionally, all reported that they had trouble affording some aspect of their current coverage, including premiums, deductibles, and/or copayments. (For more details on participants see Appendix A).

Prior to enrolling in their current coverage, three-quarters of those with Medicaid were previously uninsured while about half of those with Marketplace coverage were uninsured. Across both groups, the length of time that participants were uninsured ranged from a few months to many years, with several participants reporting they had been uninsured their entire adult lives. Most participants were aware of the coverage options available through the ACA and signed up when the coverage became available in 2014 or when they lost their previous coverage. Most participants said they learned about new coverage options through the news and media, were eager to have coverage, and signed up when the coverage became available. Some, however, were motivated to sign up to avoid paying the penalty. Often the reason for signing up influenced how they chose their plans.

Key Findings

1. UNDERLYING FINANCIAL STRUGGLES AND HARDSHIP DUE TO MEDICAL DEBT INCURRED PRIOR TO GAINING MEDICAID OR MARKETPLACE COVERAGE REMAIN

Participants reported struggling financially, with many saying they had difficulty paying for basic expenses each month. Most participants in the Medicaid and Marketplace groups were working. Despite improvements in the economy since the recession, most said it was still difficult to find work or full-time jobs, and as a result, many were working part-time. In part, because of the inability in the current job market to find stable, full-time jobs, over half of participants described their financial situation as poor or just getting by. Many participants across both groups said they were having trouble affording basic needs like housing (rent or mortgage), food, utilities and transportation, and were often unable to pay monthly bills. To get by, participants said they relied on family members and churches, in some cases. Participants in the Medicaid groups were more likely to report relying on other social services, but Marketplace participants also said they went to food pantries for support.

Nearly all participants sought ways to cut expenses, including dropping internet or cable television, consolidating cell phone plans, as well as limiting the number of times they eat out. Some juggled bills by skipping some bills one month and others the next month or paying just enough to avoid having services shut off. Most tried to live within their means, but often faced unexpected bills such as car repairs, a leaky roof, or medical expenses that added to their financial struggles.

I think there's jobs, I just think it's hard to get a full time job... most people I know work a couple jobs to equal one full-time job. (Nancy, Richmond Marketplace)

Things are coming up all the time. Whether it's a medical expense, whether it's something that involves your vehicle. All kinds of things can come up at any point in time. If you're just making it, that's going to throw a cramp in your spending, or in your finances. (Donnie, Baltimore Marketplace)

Contributing to financial problems, participants reported a range of chronic and acute health issues, some of which affected their ability to work. Overall the groups reported that they were in “good” health. However, across both the Medicaid and Marketplace groups, participants reported many health conditions. The most common chronic health issues across the groups were high cholesterol and blood

pressure; depression, anxiety, or other mental or emotional conditions; arthritis; asthma/emphysema; and diabetes. Some participants described more serious health problems like cancer, stroke, and autoimmune diseases. A number suffered injuries on the job and others said they suffered from chronic pain. For some, these injuries and illnesses limited their job options and their ability to work, particularly when health conditions, including pain, were not well managed.

I work part-time because of my anxiety. It's a lot easier than working full-time. (Sophie, Baltimore Marketplace)

I was injured on the job, that's why I ended up losing the job. It was a rotator cuff.... I've never seen a company abandon me as fast as, "We love you Paul, but when you get hurt, you're gone." (Paul, St. Louis Marketplace)

The large majority of participants had some or a lot of debt, including debt from medical bills, that contributed to their financial challenges. Nearly three-quarters of participants (64 out of 91) reported having at least some debt, and many reported having a lot of debt. Student loans and medical expenses were the biggest sources of debt, but car loans and credit cards were also contributors. Among participants who reported medical debt, most of the medical expenses were incurred while they were uninsured, though some reported incurring medical debt while previously insured. Participants in both the Medicaid and Marketplace groups reported experiencing significant health problems while they were uninsured, including cancer, stroke, and kidney stones, as well as chronic conditions, such as diabetes and asthma. Getting treatment for these more severe conditions often resulted in large medical bills, but even minor issues, such as a trip to the emergency room for a broken foot, could result in unaffordable medical bills. Many were not able to make payments on this debt and were often sent to collections, ultimately damaging their finances and credit.

I have [student loans], I have been paying it for 16 years. I came out of school owing \$70,000. That's just for the Master's degree. (Womson, Baltimore Marketplace)

There was two years we weren't insured before the whole Obamacare. My wife had cysts she had to have removed and whatnot. We didn't have insurance. She wasn't working. I was the only worker. Couldn't really afford that and pay all your bills at the same time, so that's still piled up...it's affecting the credit. I try to pay when I can, but there's months you can't pay. (Dave, St. Louis Marketplace)

I had a separate physician's bill for one time at the ER...I thought everything was covered but no. It's in my closet. I'll pay it eventually. (Shaeeda, Baltimore Medicaid)

2. MEDICAID COVERAGE STANDS UP WELL FOR THE LOWEST INCOME PARTICIPANTS IN TERMS OF ENROLLMENT, ACCESS AND OUT OF POCKET COSTS

Most participants with Medicaid said the enrollment process was simple and appreciated the ability to enroll online. Medicaid participants reported applying for their coverage through multiple avenues. Many applied through new websites, either through their state's integrated Marketplace and Medicaid website or directly through the Medicaid agency website. Some received help enrolling at a provider's office when they sought care or with the help of an enrollment assister. While most reported that the process was easy, a small number experienced delays in obtaining coverage and others had problems with the website. Some participants had to pick a Medicaid managed care plan once they enrolled. If they did not pick a plan

they may have been assigned to a plan. Participants said they chose the plan based on brand or reputation and if they could keep their doctor.

With the new Medicaid expansion they have a hotline you can call now where if you sent in your paperwork or if you do it online, they answer the phone right away and answer questions and its great customer service. I couldn't believe how good it was compared to dealing with the local Job and Family Services office. (Rachel, Columbus Medicaid)

I applied online. It took me like 10 or 15 minutes. You put in social security numbers. How much you make. I didn't hear from them for a while. I think it took like two months or maybe three months before I got a letter. Eventually I got a letter saying I was approved. They send you packets with different providers. You pick a provider. They send you an insurance card. Then we had insurance. (Johntai, Baltimore Medicaid)

Several participants reported confusion and difficulty signing up for Marketplace coverage in the first year; for those signing up for the first time or renewing their coverage in 2015 the process was smoother. A number of participants said they first signed up in the fall of 2013 so they would have coverage beginning in January 2014. Those applying early indicated they faced problems with the website and other difficulties enrolling in coverage. Some faced delays in the process and reported receiving conflicting or incorrect information from enrollment assisters or the call center when they sought assistance with their application. In contrast, participants signing up for the first time in 2015 indicated the website was more functional and the process was easier. Similarly, those who renewed their Marketplace coverage in 2015 reported the process to be free of the problems from the first year and relatively easy to navigate. Despite improvements, many individuals had trouble figuring out their income, and therefore, eligibility for subsidies. Many low-income individuals may have multiple jobs, or jobs without steady income streams, so projecting their income for the year for purposes of determining eligibility for subsidies is difficult.

I felt that the website was also built for people in really traditional jobs. I'm an independent contractor, so I don't get pay stubs every two weeks. Verifying my income and all that stuff was not easy for someone in my position. (Shannon, Baltimore Marketplace)

At first they had problems with the website but once that got going, I went to the family services and on the computer it took me like maybe five minutes. It was really easy. (Billy, Columbus Marketplace)

Participants with Medicaid described their coverage as comprehensive and affordable. Despite being screened for having affordability issues as a condition for participation in the focus group, Medicaid participants expressed satisfaction with their coverage, describing it as very affordable and providing coverage, in most cases, for the services they need. Several participants noted their affordability challenges stemmed from medical debt they were trying to pay off, unrelated to their current Medicaid coverage. They thought that coverage through Medicaid could help address prior medical bills and were disappointed when they learned that would not be the case. Once they gained coverage, participants with Medicaid obtained care to address ongoing health needs. Especially for those who were uninsured prior to enrolling in Medicaid, having coverage meant they were able to get treatment and medications for chronic conditions, including diabetes, asthma, and mental health issues. Participants appreciated not having to pay premiums and while they noted modest copayment requirements for certain services, they said these were affordable. Participants who previously had private insurance contrasted the low out-of-pocket costs in Medicaid to the larger copayments for doctor's visits they paid previously.

It was a relief to not have to always worry about what the co-pay was going to be this time. When I had private insurance I was always worried about whether or not I was going to be able to afford the visit. (Johntai, Baltimore Medicaid)

I've gone once [to the doctor] and it was completely covered. They didn't want a copay or anything. (Cynthia, Columbus Medicaid)

I think the good thing with this is I know the visit's going to be covered. I don't have to worry about how much am I going to have to shell out at the end of the visit and the guess work around how much it will be. (Shaeeda, Baltimore Medicaid)

A small number of Medicaid participants said they had problems affording services not covered by insurance, particularly dental and vision, and finding some doctors. Medicaid does not always cover vision or dental for adults or alternative treatments such as acupuncture or chiropractic care. Some participants faced out-of-pocket costs for these services; others avoided accessing these services knowing they could not afford the costs. In addition, some Medicaid enrollees reported difficulty finding certain types of providers, such as mental health providers.

I don't want to have dental work because I don't have dental coverage and dentists are so expensive. (Daniel, Oakland Medicaid)

I think with specialists like chiropractors, mental health, optometry things like that, [Medicaid] could be a little better. (Jason, Columbus Medicaid)

Most Medicaid enrollees thought that paying a monthly premium would be difficult. Medicaid participants in the three locations do not face a monthly fee or premium. A limited number of states have approval or are seeking approval to impose these fees on their Medicaid expansion population, particularly for enrollees at or above 100% of poverty. Most Medicaid enrollees in these groups valued their coverage and said they would be able to pay a small amount for coverage. However, most participants felt that a fee of up to 2% of income (\$20-\$25 for an individual or \$50-\$55 for a family of four with incomes up to 138% of poverty) was high and would be a burden to pay.

It would be a struggle. (Deborah, Baltimore Medicaid)

It feels reasonable right now because I have an income and I don't have a lot of debt...But there have been times in my life where I was so poor and so much in debt, there is no way I could have afforded even twenty dollars a month. (Rachel, Columbus Medicaid)

I wouldn't have it probably. I'd probably just go without. (Jana, California Medicaid)

3. WHILE PREMIUMS WERE GENERALLY AFFORDABLE, OUT-OF-POCKET COSTS WEIGHED HEAVILY ON MARKETPLACE PARTICIPANTS

Understanding of health insurance concepts, particularly deductibles and out-of-pocket maximums, varied widely among participants. Many Marketplace participants reported being overwhelmed by the plan choices and had difficulty weighing different plan options. They admitted being confused by terms like deductibles and out-of-pocket maximums when first signing up. As a result, they reported focusing more on the monthly cost of the coverage in the first year. That price sensitivity, in

combination with their lack of understanding how insurance works, led some to select a plan with a lower premium but higher deductible. Knowledge improved as participants gained experience using their coverage. Most participants switched plans after their first year of coverage; some sought to avoid large premium increases while others sought a better balance between premiums and deductibles. After using their coverage for a year, some participants reported placing greater emphasis on choosing plans with lower out-of-pocket costs or those in which their providers participated when they renewed their coverage.

No one ever explained to you what deductibles were or what the difference between a premium and a deductible was, or why they were different. (Joanne, Richmond Marketplace)

It's just more simplification of the whole thing would be nice. There's too many options, and in essence you don't know the results of what you choose, until you actually have an operation, and then you get that \$6,600 [bill from the deductible]. (Paul, St. Louis Marketplace)

I think everybody was more prepared because they were going in this year with better information than the first year. At first it was money and now they're through it for a year so now, they know that they need a lower deductible and they're willing to pay a higher premium. (Billy, Columbus Marketplace)

I did want to stay with my doctor, but the reason I chose the specific plan from the specific organization was balancing out what I pay per month, how it's subsidized and the deductible... (Roger, Oakland Marketplace)

Availability of premium tax credits helped to make premiums affordable for many Marketplace enrollees. The premium tax credits available to low and moderate income individuals and families were important to making coverage affordable for participants. Many acknowledged that without the subsidies they received, their premiums would have been too high for them to afford each month. Some participants who had previous coverage through an employer or coverage they purchased on their own, found premiums to be lower in the Marketplace than what they had paid before. While most participants said their monthly premium was affordable, several reported having missed a premium payment because of unexpected expenses in a particular month. These individuals and families were constantly having to balance competing expenses, sometimes having to choose between paying their premium or buying food or keeping their electricity on. In addition, some mentioned it was difficult to determine eligibility for the subsidies due to fluctuations in income.

I had private insurance and I was paying through the nose, \$700 and \$600...when I signed up for Covered California that first year my rates dropped to like \$250 for roughly the same type of coverage. (Po, Oakland Marketplace)

What I have now, the premium is really low, and my doctors are in it. (Michelle, St. Louis Marketplace)

We just haven't paid [the premium] this month...I'll pay the bills first. Whatever is left, I'll deal with the incidentals. (Shannon, Baltimore Marketplace)

I'm getting a premium, but I know I have to pay it back as soon as I file my taxes. I work as a waiter, and the year that they took my taxes, not much was reported. This year, I know every tax credit I got, I have to pay back as soon as I file. Not looking forward to that. (Zak, Baltimore Marketplace)

Participants expressed concern about their ability to afford the out-of-pocket costs related to their plan deductibles, especially those participants with higher deductible plans. Nearly all participants reported their plan included an annual deductible that required them to pay out of pocket for

services before their insurance would take effect. These deductibles ranged from less than \$500 to over \$6,000 for those with individual coverage and double these amounts for those with family coverage. When asked whether they could afford their full deductible, if needed, responses varied. While some said no, others had included the deductible in the calculation of their costs for the coverage and felt they could afford it. For participants enrolled in high deductible bronze plans, the costs associated with the deductibles prevented them from getting care they felt they needed. These participants described feeling as if they were uninsured for anything other than a catastrophic event. Some described their coverage as a backstop against financial ruin should a severe health care issue arise, rather insurance that covered needed medical services. As a consequence, some participants said they did not go the doctor or get treatment for chronic conditions because they knew they could not afford the costs.

My insurance last year, like I said, the deductible was really high. They didn't really cover much. I was left with a lot of bills. I would just suffer through anything to not have to pay it. (Kimberly, Richmond Marketplace)

There's just too much out-of-pocket. Way too much. (Paul, St. Louis Marketplace)

I'd really like to see some specialists but I know I wouldn't be able to afford the copay. I have \$2,000-\$3,000 out of pocket every year that I, I can't afford that. That's why I have health insurance. If I could afford \$3,000, why would I need health insurance? (Matthew, Richmond Marketplace)

It's a Bronze plan and the deductible is like \$6,000, so basically it's a catastrophic plan and I've never used it. (Po, Oakland Marketplace)

Sometimes, it's hard making those choices. I don't want to decide whether to get medical treatment that I crucially need, as opposed to buying dinner. (Womson, Baltimore Marketplace)

Some participants reported making financial trade-offs to purchase plans with lower deductibles so they could get care they anticipated needing during the year. Choosing plans with lower deductibles or those that offered broad provider networks was particularly important for participants with ongoing health needs. Participants with greater understanding of how health insurance works and what to look for in a plan were able to weigh competing priorities of price versus out-of-pocket costs to select plans that would enable them to access the care they expected to need during the year. These participants reported spending a great deal of time examining different options and investigating provider networks so that they could make an informed choice. However, only those with greater financial resources were able to make these choices. Some participants who needed ongoing care said they could not afford the higher premiums associated with the lower deductible plans.

You see, with me being diabetic, high blood pressure...I needed a good medication ... you know, a good drug program ...so I had to go with the higher premiums. (Alan, Tampa Marketplace)

At the marketplace, I got the most expensive plan that I could get because I knew I had to have surgery and I got the deductible...I think \$1,150... and I knew that my surgery would be covered ...but I still got to pay premiums and whatnot and I had to pay the deductible. The same with this year, I had surgery again so I just kept the same insurance. If I didn't have the issue that I have I probably would have just gotten the basic with the \$6,000 cap or whatever. (Brandy, Columbus Marketplace)

4. THE FEAR OF UNKNOWN COSTS WAS A CONSTANT WORRY FOR MANY PARTICIPANTS, WHICH CAUSED MANY TO AVOID NEEDED CARE

Despite some challenges, many Marketplace participants, particularly those with lower deductible plans, reported accessing needed care. Participants offered many examples of being able to go to the doctor or get needed care once they enrolled in their Marketplace coverage. They reported getting treatment for chronic conditions, such as diabetes or high blood pressure, and for mental health conditions, including anxiety and depression. Several participants said they were able to get long-standing issues addressed, and in some cases, finally had surgeries they had been putting off for years. Many also said they were able to get check-ups and routine screenings. Coverage of prescription drugs was particularly important for many. However, some participants expressed frustration that their drugs weren't covered or were included in a higher tier, which meant they were forced to pay large monthly copayments.

Before I had health coverage, this was probably 3 years ago, it turns out, I had pneumonia for a month and the cough went on for another year. I just never went to the doctor. I didn't have insurance. Finally, when I did end up getting coverage, I was told, "You have damage in your lungs from this cough that's been going on for a year." I was able to get medication for that. (Chris, Richmond Marketplace)

The few visits I've gone in for would have buried me in debt if I didn't have insurance. I'll pay the \$65 dollars... if it saves me from getting a \$10,000 bill for what I thought was a routine test. (Shannon, Baltimore Marketplace)

[Since gaining insurance] I filled some cavities and just took care of some stuff before I'd actually lose my front tooth and not be able to fix it. That's a real scare because that affects your everyday life...people look at you different. (Billy, Columbus Marketplace)

However, when they used their coverage, nearly all Marketplace participants reported receiving an unexpected bill for services they thought were covered. Several participants, even those with lower deductible plans, said they were afraid to use their coverage because they worried about hidden costs, including lab tests or procedures that were not covered. In some cases, the bills participants received were the result of not yet having met the deductible for the year. However, in other cases, participants reported receiving bills because they failed to get prior authorization for the service, or because the claim was denied, or because the service was provided by a participating provider but at a non-participating facility. Several participants reported bills related to receiving a colonoscopy. In this case, participants scheduled the colonoscopy believing it would be covered as a preventive screening. However, when a polyp was discovered and removed, they received a bill for the procedure. Participants said it was impossible to anticipate these types of bills in advance, leading some to forego care to avoid unexpected costs. Some participants contacted the insurance companies and were able to resolve the problems. For others, these bills presented a financial burden, and many reported they were still paying them off.

Even though I have coverage, just for me. I still try not to go to the doctor. I try. I don't want a bill. Every time I go to the doctor, they send me a bill in the mail. Here we go. Fax me this. Fax me that. Send me this. Prove this. Prove that. It's ridiculous. (Regina, Baltimore Marketplace)

You get a procedure done that you're supposed to get done, a colonoscopy. You read the information in your health plan that says, "We cover screenings, screenings are free," but if you find something it's not covered. I went in and got it done thinking, I'm perfectly healthy, there's nothing wrong with me. "Oh no, we had to take something out." Well I'm glad they

found it... Now it's like I get this series of bills. Now the premium is higher than it was and you have medical bills. What I've done is I've not gone in to get blood screens anymore because I don't know what they're going to pay for. (Margie, Columbus Marketplace)

I broke my arm and my hip and everything. I was covered by the insurance but the ambulance wasn't. It was \$900 just to take me to the hospital... Nobody tells you; I didn't know that it wasn't covered. I thought it was a free service. (Laura, Tampa Marketplace)

We never hardly go to the eye doctor anymore, even though we both have glaucoma because it's like \$300, one visit to the ophthalmologist. (Dave, St. Louis Marketplace)

A number Marketplace participants said they had problems affording services not covered by insurance, particularly dental and vision, and finding some doctors. In particular, participants consistently reported that vision care, glasses, some prescription drugs, and alternative treatments (such as acupuncture or chiropractic care) were not covered. Some said they had trouble getting dental care or certain medical supplies. For participants who needed these services and supplies, they either paid out of pocket for the care or did not get the care because they could not afford it. Some also reported difficulty finding certain doctors, particularly mental health providers. In some cases, participants were forced to pay out of pocket to see specialists who were out-of-network.

It covers children but not adult [vision]. I pay for my glasses out of pocket. It's cheaper than getting vision insurance. (JoAnna, Richmond Marketplace)

This year, I saw on my card that I had dental... I'd gone to the dentist and I said, "Oh good, I have dental." It turns out my dental, if somebody knocks my teeth off, I'm covered, but just to get x-rays, or cleaning, or fillings, or anything else I'm not covered. (David, St. Louis Marketplace)

5. OVERALL, MOST WERE POSITIVE ABOUT ACA COVERAGE AND GRATEFUL THAT COVERAGE WAS AVAILABLE TO THEM

Most participants were positive about their Medicaid and Marketplace coverage and were grateful that coverage was available to them, particularly those with pre-existing conditions. Many noted that they were able to get care and diagnose long-standing medical issues. Many with chronic needs like diabetes or asthma, highly valued their coverage and the ability to see doctors and get necessary medications. A number of individuals who had previously had private or employer coverage found Medicaid and Marketplace coverage comparable in benefits and much more affordable. Some participants who had been unable to get coverage in the individual market before the ACA due to pre-existing health conditions were especially grateful for the coverage.

For me I'm glad I have the healthcare because there's been a couple of situations this year if I didn't I would have been out of work for a lot longer making less money. In the long run I was able to work because of it. (Zak, Baltimore Marketplace)

I thank God for the marketplace because if I had to pay that [for surgery] out of pocket, I just would have had to live through the pain and I wouldn't be able to have kids anymore...if I'd had insurance before, we would've caught it much, much sooner. It wouldn't have been the issue that it is today. (Brandy, Columbus Marketplace)

I feel grateful too especially about my health care for my kids. My son has had to have surgery. He has had multiple broken bones. Things that would have been so expensive if I was uninsured and paying for it. (Rachel, Columbus Medicaid)

Insurers turned me down [because my wife had cancer]. That's why I was glad that they have this. Nobody can deny you because of previous or prior medical problem. That saved my wife because she has so many medical problems. We could never get insurance for her. (David, St. Louis Marketplace)

I feel blessed because having asthma and being uninsured, to get proper medication and not being able to work because of the asthma... I feel healthier and I am able to work when I can when I need to now. Those four or five years that I didn't have it [health insurance] was a very rough time. It was a struggle. (William, Columbus Medicaid)

While they were appreciative of the coverage, many Marketplace participants wanted better coverage that was more affordable. While people were grateful for coverage, unexpected bills, dealing with insurance companies, and facing known deductibles were sources of stress which made those with Marketplace coverage fearful to use the coverage they had. They were particularly frustrated by the out-of-pocket costs, which were unaffordable to many and wanted insurance that didn't come with so many hidden costs. They also wanted a more streamlined system that was easier to navigate and better information to know whether services would be covered and what their out-of-pocket costs would be.

Before my surgery, I would say, probably 10 hours a week on the phone, back and forth, getting things approved. Just, I was like, this is causing me more stress than anything I've ever dealt with in my whole life... How in God's name are we giving you so much money? There's no other industry where I would give you this much money to treat me this way. (Rebecca, Richmond, Marketplace)

I feel like I do somewhat well. I'm able to meet my bills. I own a home and everything. I have a modest savings, but at the same time, my deductible is extremely high. It's what I can afford. I know that all it takes is one accident or something to happen and all of my savings is wiped out. (Chris, Richmond Marketplace)

Yeah I have a mixed feeling...in my prior life when I was working full time and had health insurance. I never had to worry about if I got sick, would I be able to pay this bill or whatever. Now with this insurance and because I only work part time, it's kind of like, I have insurance but is it going to be covered? Is something not going to work out to my advantage? I'm going to owe money." (Joy, Columbus Marketplace)

Yeah, it's good to have coverage. Just in general I wish insurance was better in some way, but is this a better option? I'm not so sure it is, not the \$6,600 [deductible]. I would rather if we had a choice and I would rather have a better choice. This is not the best thing. (Paul, St. Louis Marketplace)

Without coverage, many felt like they would be stressed, anxious and face negative health and financial consequences. Across Medicaid and Marketplace groups, participants said they would worry about their health and finances if they lacked coverage. For those with on-going issues, loss of coverage would mean that they could lose access to needed services or prescription drugs. For those without on-going health issues, they feared they would not be able to access primary and preventive care and that an emergency or accident would have devastating financial consequences.

I would probably suffer an anxiety attack from shock! I would limit my doctor's visits to extreme emergencies and take my medication every other day instead of daily. (Kym, Baltimore Medicaid)

I would not go to the doctor for well visits – or even if I were sick. I would only go to the emergency room in a crisis or to the free medical clinic at my church. I would definitely be worried and “what if I get sick” is always hanging over my head. (Corey Ann, Columbus Marketplace)

I feel very secure having the 87 silver plan from Covered CA. If I didn't have coverage I might move to Canada or to another country where I could buy health insurance. (Roger, Oakland Marketplace)

PANIC!! I would feel scared and vulnerable! I would cut back on utilization and wait longer to seek care. (Julia, Tampa Marketplace)

Conclusion

Millions of people have gained access to health insurance coverage under the ACA through Medicaid and the Marketplaces. Focus groups with low-income individuals who have Medicaid or Marketplace coverage in California, Florida, Maryland, Missouri, Ohio, and Virginia reveal that many are struggling financially—they have difficulty paying their bills each month and many are burdened by debt (including medical debt). Their new coverage did not change these underlying financial struggles. However, gaining coverage enabled many to access care they needed to treat ongoing conditions giving them peace of mind.

Participants with Medicaid were generally able to access care with few out-of-pocket costs. This protection from out-of-pocket costs provided by Medicaid was important as participants with Medicaid had incomes below 138% FPL, and thus, had limited capacity to shoulder any extra costs. For Marketplace participants, premiums were generally affordable largely due to the tax credits, but some struggled with their monthly payments. In addition, out-of-pocket costs and, the fear of unexpected bills were a constant worry for Marketplace participants and caused many to avoid needed care. In states that did not expand Medicaid, individuals with incomes between 100-138% FPL can receive coverage through the Marketplace, but coverage through Medicaid would be more affordable with fewer out-of-pocket costs if their state expanded.

Most participants were positive about gaining coverage and grateful that coverage was available to them, particularly those who had been barred from coverage due to pre-existing conditions. While many Marketplace participants wanted more affordable coverage and protection from unexpected costs, they agreed that without coverage, they would not be able to access needed care and would face more stress, anxiety and worry about getting sick and how to pay for care.

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Appendix A: Overview of Focus Group Participants

	Medicaid				Marketplace						
	Baltimore	Columbus	Oakland	Medicaid Total	Baltimore	Columbus	Oakland	Richmond	St. Louis	Tampa	Marketplace Total
Total	10	10	10	30	10	10	10	11	10	10	61
Gender											
Male	4	5	4	13	5	5	4	5	5	3	27
Female	6	5	6	17	5	5	6	6	5	7	34
Age											
22-35	3	4	3	10	4	3	0	5	3	1	16
36-50	4	4	3	11	2	4	5	3	2	1	17
51-64	3	2	4	9	4	3	5	3	5	8	28
Marital Status											
Married	2	3	1	6	4	5	1	4	5	3	22
Single	5	5	5	15	4	4	5	4	2	2	21
Living with Partner		1	1	2	1	1	3	1	1	1	8
Divorced / Separated	2	1	2	5	1	0	1	2	2	3	9
Widowed	1		1	2						1	1
Employment Characteristics											
Full-Time	2	2	3	7	3	7	4	7	4	3	28
Part-Time	4	7	3	14	6	2	4	4	6	5	27
Unemployed	4	1	4	9	1	0	2	0	0	2	5
Educational Attainment											
Did not Finish High School	0	0	0	0	1	0	0	0	0	0	1
High School Graduate	2	3	2	7	0	2	1	3	2	0	8
Some College	6	3	6	15	4	3	3	5	1	5	21
College Graduate	2	4	2	8	5	5	6	3	7	5	31
Dependent Status											
Children under 19	6	5	4	15	3	3	2	6	3	3	20
No Children	4	5	6	15	7	7	8	5	7	7	41
Race/Ethnicity											
White	3	6	4	13	4	7	6	6	5	6	34
Black	6	2	3	11	6	2	3	4	4	1	20
Hispanic	0	0	2	2	0	0	0	0	1	3	4
Asian	0	0	0	0	0	0	1	0	0	0	1
Other	1	0	1	2	0	1	0	1	0	0	2

Endnotes

¹ Garfield, R and K Young. *How Does Gaining Coverage Affect People's Lives? Access, Utilization, and Financial Security among New Insured Adults*. (Washington, DC: Kaiser Family Foundation), June 19, 2015. Available at: <http://kff.org/health-reform/issue-brief/how-does-gaining-coverage-affect-peoples-lives-access-utilization-and-financial-security-among-newly-insured-adults/>

² Hamel, L, et. al. *The Burden of Medical Debt: Results from the Kaiser Family Foundation/New York Times Medical Bills Survey*. (Washington, DC: Kaiser Family Foundation), January 5, 2016. Available at: <http://kff.org/health-costs/report/the-burden-of-medical-debt-results-from-the-kaiser-family-foundationnew-york-times-medical-bills-survey/>