Georgetown University Health Policy Institute
CENTER FOR CHILDREN AND FAMILIES

VOICES FOR UTAH Children

Utah Parents and Families Would Benefit from Medicaid Expansion

by Alisa Chester, Lincoln Nehring, Sophia Duong, and Joan Alker

Key Points

1. In Utah, uninsured parents account for over one-third of the population potentially eligible for health coverage if the state expands Medicaid.[1] If Utah does not move forward with Medicaid expansion, or an alternative proposal like Governor Gary Herbert's Healthy Utah Plan, a significant coverage gap for parents living with dependent children will remain uninsured.
2. Of low-income, uninsured parents, those who are 26 to 49 years old and have school-aged children (6 to 17 years old) are most likely to be helped by Medicaid expansion in Utah. Of those parents that could benefit from extended Medicaid eligibility, more than two-thirds (68 percent) are employed.
3. Covering parents in Utah offers the state an opportunity to help its children by reducing their uninsured rate, enhancing a family's financial security, and improving the health of parents. Utah ranks 43rd in the U.S. for percent of uninsured children; consequently, there is significant room for improvement.

Introduction

The U.S. has made significant progress in decreasing rates of uninsurance. However, many low-income families in Utah still struggle to obtain health coverage. In 2013 (prior to the Affordable Care Act's major coverage provisions) there were over 400,000 uninsured individuals living in Utah. The Affordable Care Act (ACA) created new opportunities for low-income adults to enroll in coverage, including flexible options for states to expand Medicaid coverage to adults up to 138 percent of the Federal Poverty Level (FPL). Today, twenty-nine states have taken the option to expand Medicaid.[2]

Currently, Utah has not decided on whether to expand Medicaid to the newly eligible adult population, leaving a number of Utah's parents uninsured. At present, Utah's Medicaid program covers parents in a family of three up to 46 percent of the FPL ($749 per month for a family of three).[3] In Utah and other states that do not move forward with the Medicaid expansion, a significant coverage gap for parents will remain.

Of those uninsured parents that could benefit from extended Medicaid eligibility, two-thirds are employed.

Who are the uninsured in Utah?

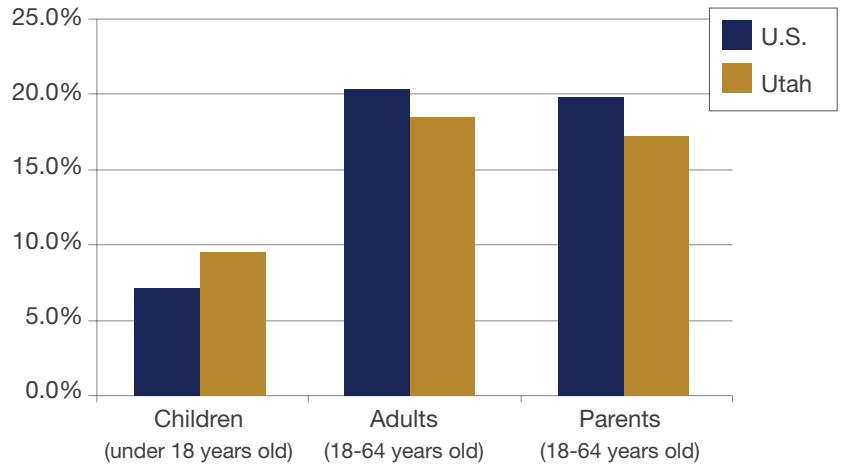
Utah has high rates of uninsurance for children, adults, and parents.

Data reported here is from 2013 and does not reflect the impact of the ACA's major provisions that took effect on January 1, 2014. Full implementation of the ACA will likely improve coverage rates for both adults and children and will be reflected in 2014 data.[4]

- **Utah ranks 43rd among all states and the District of Columbia in percent of uninsured children** (10 percent or 85,000 uninsured children in Utah). By contrast, 7 percent of U.S. children are uninsured. Only eight states had higher rates of uninsured children than Utah.
- Utah also has high rates of uninsurance for adults. Nationally, an average of one in five adults (20 percent) are uninsured. With 19 percent (315,000) of its adult population lacking health coverage, Utah ranks 25th in the nation.
- In the U.S., there are 13.9 million uninsured parents. While Utah is doing better than the national average (20 percent), Utah still has very high rates of uninsured parents. Utah has the 24th highest rate of uninsurance in the nation, with 17 percent (133,000) of all parents uninsured. About one-third of very low-income parents (those with incomes under 138 percent of the FPL) lack health coverage.

Utah ranks 43rd among all states and the District of Columbia in percent of uninsured children.

Figure 1. Rates of Uninsurance in Utah and the U.S., 2013



Who are the potentially eligible parents in Utah?

The population of low-income uninsured parents most likely to be helped by Medicaid expansion in Utah are white, employed, and in young to middle adulthood (26 to 49 years old).

Employment

- **Working parents are most likely to be helped by Medicaid expansion in Utah.**

  Of those that could benefit from extended Medicaid eligibility, more than two-thirds (68 percent) are employed. One quarter (25 percent) of parents are not in the labor force, meaning they are most likely students, homemakers, or otherwise retired workers. Only eight percent of parents are unemployed. One quarter (25 percent) of eligible people are working and have a spouse who is working.

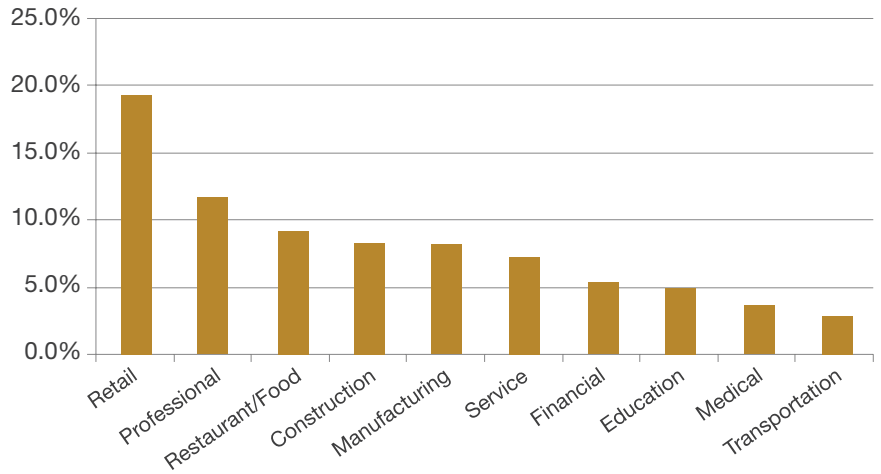
- **About half (49 percent) of all eligible parents work in retail, professional service (scientific, management, administrative and waste management), restaurant, and construction industries.**

  Top professions for potentially eligible uninsured parents include restaurant, construction, department and grocery store, and elementary and secondary school workers.

- **Utah's Medicaid expansion would lead to greater health coverage for the working poor.**

  Compared to their higher income counterparts, poor parents are more likely to go without health coverage. Nearly half (49 percent) of eligible parents live below the poverty line (46 to 100 percent FPL). Accordingly, a little over half (51 percent) of eligible parents live above the poverty line (101 to 138 percent FPL).

Figure 2. Top 10 Industry Sectors for Potentially Eligible Uninsured Parents



Family Demographics

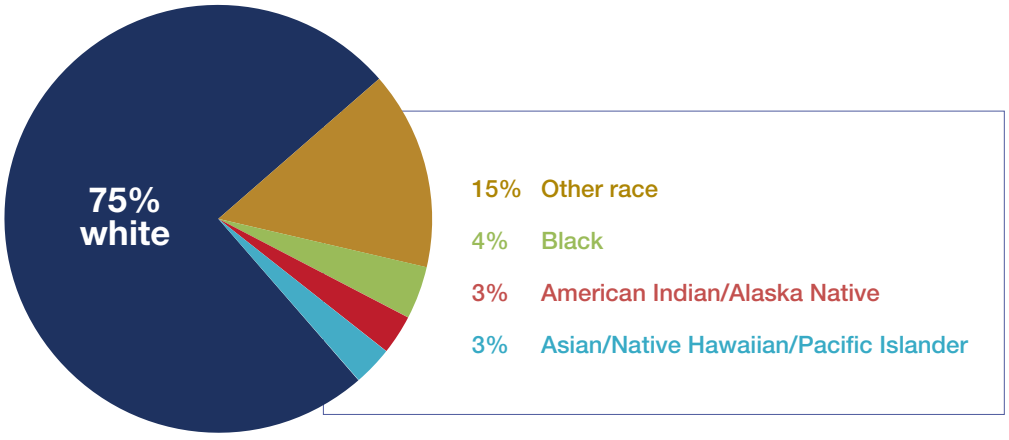
The majority of eligible parents are in young to middle adulthood, between ages 26 and 49 years of age (69 percent). Eligible parents are most likely to have families with one or two children (61 percent). Almost half of families (46 percent) have school-aged children (those ages 6 to 17 years old).

- **Race/Ethnicity**

  Of the eligible parent population, three-fourths are white (75 percent). The remaining quarter of the eligible population identifies as another race (15 percent), Black (4 percent), American Indian/Alaska Native (3 percent), or Asian/Native Hawaiian/Pacific Islander (3 percent).

  Just over one quarter (26 percent) of eligible parents are Hispanic (who may be of any race). Note that Hispanic refers to a person's ethnicity and is a separate and distinct concept from race. See the Methodology section for more information.

Figure 3: Potentially Eligible Parent Population by Race/Ethnicity



Covering Parents is Good for Kids

Covering parents increases the likelihood of children being enrolled in health coverage. With one in ten children lacking health coverage, this is particularly important in Utah.[5] The majority of the uninsured children in Utah are eligible for public coverage but are not enrolled. In fact, only 73 percent of children eligible for public coverage in Utah are actually enrolled in Medicaid or CHIP. Only one state is worse than Utah at enrolling eligible children.[6] Nationally, the children's participation rate is 87 percent.

Extending Medicaid coverage for parents and other low-income adults has proven to be an effective strategy to boost children's enrollment rates. A number of studies have shown the causal link between parent enrollment in Medicaid and their child's subsequent receipt of health coverage.[7] A recently published study in Oregon showed children's odds of receiving Medicaid or CHIP coverage significantly increased if their parents enrolled in Medicaid.[8]

Not only does Medicaid coverage for children lead to better access to health care, but recent studies have also highlighted the positive long-term effects of Medicaid coverage. Children enrolled in Medicaid are more likely to receive well-child care and are significantly less likely to have unmet or delayed needs for medical care, dental care, and prescription drugs due to cost.[9] In the long run, children who were enrolled in Medicaid fare better economically and educationally as adults. One study found that children enrolled in Medicaid had higher wages and, because they contributed more taxes later in life, led the government to recoup most of the dollars spent on Medicaid for children. In addition, Medicaid eligible children were more likely to attend college and had lower rates of mortality than their non-Medicaid eligible counterparts.[10] Medicaid coverage improves access to necessary health care and decreases out-of-pocket spending for low-income adults, increasing financial stability for the whole family.[11]

States choosing to extend Medicaid to parents directly help children by reducing the number of uninsured children, boosting family's financial security, and providing children with better care from healthier parents.

Only 73 percent of children eligible for public coverage in Utah are actually enrolled in Medicaid or CHIP.

Appendix: Profile of Uninsured Parents Potentially Eligible for Medicaid

Age	
18	5%
19-25	17%
26-34	32%
35-49	38%
50-64	9%

Federal Poverty Level	
46-100% of FPL	49%
101-138% of FPL	51%

Race	
White	75%
Other/Multiracial	15%
Black	4%
Asian/Hawaiian/API	3%
American Indian/Alaska Native	3%

Ethnicity	
Hispanic	26%
Not Hispanic	74%

Number of Children	
1	29%
2	32%
3	14%
4	14%
5+	10%

Age of Children	
Presence of young children (under 6 years only)	23%
Presence of school-aged children (6-17 years only)	46%
Presence of both young and school-aged children (under 6 and 6-17 years)	30%

Employment Status	
Employed (Civilian)	68%
Unemployed	8%
Not in Labor Force	25%

Top 10 Industry Sectors	
Retail	19%
Professional Services (accounting, architecture business support, etc.)	12%
Restaurants/Food Services	9%
Construction	8%
Manufacturing	8%
Service (beauty, car wash, maintenance, other)	7%
Financial (banking, insurance, real estate)	5%
Education	5%
Medical (hospitals, dentist, outpatient care)	4%
Transportation	3%

Note: Due to rounding, percentages may not add to 100 percent.

Methodology

Data Source

This brief analyzes 2013 Public Use Microdata Sample (PUMS) from the U.S. Census Bureau American Community Survey (ACS) and applies the PUMS person weight. The U.S. Census Bureau publishes PUMS data on Data Ferrett.

Parents

The estimates presented here focus on parents defined as civilian non-institutionalized adults age 18 to 64 living with a biological, adoptive, or step child under the age of 18 ("own" children). Note that the definition of "own" children excludes foster children since they are not related to the householder.

Health Coverage

Data on health insurance coverage are point-in-time estimates that convey whether a person does not have coverage at the time of the survey. The estimates are not adjusted to address the Medicaid undercount often found in surveys, which may be accentuated by the absence of state-specific health insurance program names in the ACS.

Medicaid Eligibility Under Current Rules

Data on poverty levels includes only those individuals for whom the poverty status can be determined for the last year. Therefore, this population is slightly smaller than the total non-institutionalized population of the U.S. We include only those parents whose income-to-poverty status is determined to be 46 percent to 138 percent of Federal Poverty Level ($8,983.80 to $26,951.40 for a family of three in 2013).

The ACS does not contain sufficient information to determine whether an individual is an authorized immigrant and therefore potentially eligible for Medicaid coverage, we only include those who are classified at citizens (those who are born in the U.S.; born in Puerto Rico, Guam, the U.S. Virgin Islands, or the Northern Marina; born abroad of American parent(s); a U.S. citizen by naturalization).

Demographic and Socio-economic Characteristics

In this brief we report data for all seven race categories and two ethnicity categories for which the ACS provides one-year health insurance coverage estimates. The U.S. Census Bureau recognizes and reports race and Hispanic origin (i.e., ethnicity) as separate and distinct concepts.

To report on an individual's race, we merge the data for "Asian alone" and "Native Hawaiian or other Pacific Islander alone." In addition, we report the ACS category "some other race alone" and "two or more races" as "Other." Except for "Other," all other racial categories refer to respondents who indicated belonging to only one race.

We report "Hispanic or Latino," as "Hispanic." As this refers to a person's ethnicity, these individuals may be of any race. We report data for both "white" parents and "white non-Hispanic parents." The former refers to all parents whose race is reported as white, without regard to their ethnicity; the latter category refers to parents who reported their race as white and do not report their ethnicity as Hispanic. For more detail on how the ACS defines racial and ethnic groups see "American Community Survey and Puerto Rico Community Survey 2013 Subject Definitions."

Employment

This brief reports those who are employed as those who had a job or business and those who are unemployed as those who do not work or are actively looking for work. The labor force is everyone classified as employed or unemployed. People who are not in the labor force are mostly students, homemakers, retired workers, seasonal workers, institutionalized people, and people doing unpaid family work.

As defined by the U.S. Department of Labor Bureau of Labor Statistics, working part-time is working between 1 and 34 hours per week and full time work is 35 hours or more per week.

Limitations of Data

Data provided in this brief should be noted as an estimate. Variables presented are defined using only the information provided on the PUMS and do not include adjustments for possible measurement problems. We did not use statistical models to impute for various socio-demographic factors (e.g., authorized immigration status).

Endnotes

[1] Based on a Georgetown CCF analysis of U.S. Census Bureau American Community Survey (ACS) data, 2013 single year estimates. Georgetown CCF estimated that there are about 27,000 uninsured parents potentially eligible for Medicaid if Utah expands eligibility, accounting for 36 percent of the total newly eligible adult population (see Methodology for complete methodological notes).

[2] Kaiser Family Foundation, "Status of State Action on the Medicaid Expansion Decision," (January 27, 2015), available at http://kff.org/health-reform/state-indicator/state-activity-around-expanding-medicaid-under-the-affordable-care-act/.

[3] T. Brooks *et. al*, "Modern Era Medicaid: Findings from a 50-State Survey of Eligibility, Enrollment, Renewal, and Cost-Sharing Policies in Medicaid and CHIP as of January 2015," Kaiser Commission on Medicaid and the Uninsured (January 2015).

[4] For examples of preliminary data on uninsurance rates in 2014, see federal data from the CDC in "Health Insurance Coverage: Early Release of Estimates From the National Health Interview Survey, January-June 2014;" policy briefs from the Urban Institute's Health Reform Monitoring Survey including "A First Look at Children's Health Insurance Coverage under the ACA in 2014" and "Taking Stock: Health Insurance Coverage for Parents under the ACA in 2014."

[5] G. Kenney, N. Anderson, and V. Lynch, "Medicaid/CHIP Participation Rates Among Children: An Update," Robert Wood Johnson Foundation and Urban Institute (September 2013), available at http://www.rwjf.org/content/dam/farm/reports/issue_briefs/2013/rwjf407769.

[6] G. Kenney, V. Lynch, *et. al*, "Medicaid/CHIP Participation Among Children and Parents," Robert Wood Johnson Foundation and Urban Institute (December 2012), available at http://www.rwjf.org/content/dam/farm/reports/reports/2012/rwjf403218.

[7] Georgetown Center for Children and Families, "Medicaid Expansion: Good for Parents and Children," (January 2014), available at http://ccf.georgetown.edu/wp-content/uploads/2013/12/Expanding-Coverage-for-Parents-Helps-Children-2013.pdf.

[8] J. DeVoe, *et. al*, "Effect of Expanding Medicaid for Parents on Children's Health Insurance Coverage: Lessons From the Oregon Experiment," JAMA Pediatrics 169 (2014): e143145, available at doi:10.1001/jamapediatrics.2014.3145 (accessed February 9, 2015).

[9] J. Paradise and R. Garfield, "What is Medicaid's Impact on Access to Care Outcomes, and Quality of Care? Setting the Record Straight on the Evidence," Kaiser Commission on Medicaid and the Uninsured (August 2013).

[10] D. Brown, *et. al*, "Medicaid as an Investment in Children: What is the Long-Term Impact on Tax Receipts?," Working Paper 20835, National Bureau of Economic Research (January 2015), available at http://www.nber.org/papers/w20835.pdf.

[11] *Ibid*.

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The Center for Children and Families (CCF) is an independent, nonpartisan policy and research center whose mission is to expand and improve health coverage for America's children and families. CCF is based at Georgetown University's Health Policy Institute.

Voices for Utah Children works to make Utah a place where all children thrive. We start with one basic question: "Is it good for kids?" At Voices for Utah Children, we believe that every child deserves the opportunity to reach his or her full potential.

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