

Impact of the Affordable Care Act in West Virginia

Thousands of West Virginians have gained coverage, and hundreds of thousands more have had their coverage substantially improved

Today, the U.S. Department of Health and Human Services released an extensive compilation of state-level data illustrating the substantial improvements in health care for all Americans over the last six years. The data show that the uninsured rate in West Virginia has fallen by 59 percent since the Affordable Care Act (ACA) was enacted in 2010, translating into 156,000 West Virginians gaining coverage. And, in addition to residents who would otherwise be uninsured, hundreds of thousands more West Virginians with employer, Medicaid, individual market, or Medicare coverage have also benefited from new protections as a result of the law.

“As our nation debates changes to the health care system, it’s important to take stock of where we are today compared to where we were before the Affordable Care Act,” said Secretary Sylvia M. Burwell. “Whether West Virginians get coverage through an employer, Medicaid, the individual market, or Medicare, they have better health coverage and care today as a result of the ACA. Millions of Americans with all types of coverage have a stake in the future of health reform. We need to build on our progress and continue to improve health care access, quality, and affordability, not move our system backward.”

Highlights of today’s data release include:

Employer Coverage: 976,000 people in West Virginia are covered through employer-sponsored health plans. Since the ACA was enacted in 2010, this group has seen:

- **An end to annual and lifetime limits**: Before the ACA, 581,000 West Virginians with employer or individual market coverage had a lifetime limit on their insurance policy. That meant their coverage could end exactly when they needed it most. The ACA prohibits annual and lifetime limits on policies, so all West Virginians with employer plans now have coverage that’s there when they need it.
- **Young adults covered until age 26**: An estimated 12,000 young adults in West Virginia have benefited from the ACA provision that allows kids to stay on their parents’ health insurance up to age 26.

- **Free preventive care:** Under the ACA, health plans must cover preventive services — like flu shots, cancer screenings, contraception, and mammograms — at no extra cost to consumers. This provision benefits 772,905 people in West Virginia, most of whom have employer coverage.
- **Slower premium growth:** The average premium for West Virginia families with employer coverage grew 5.2 percent per year from 2010-2015, compared with 7.6 percent over the previous decade. Assuming West Virginia premiums grew in line with the national average in 2016, family premiums in West Virginia are \$3,000 lower today than if growth had matched the pre-ACA decade.
- **Better value through the 80/20 rule:** Because of the ACA, health insurance companies must spend at least 80 cents of each premium dollar on health care or care improvements, rather than administrative costs like salaries or marketing, or else give consumers a refund. West Virginians with employer coverage have received \$1,401,499 in insurance refunds since 2012.

Medicaid: 575,645 people in West Virginia are covered by Medicaid or the Children’s Health Insurance Program, including 228,688 children and 46,046 seniors and people with disabilities covered by both Medicaid and Medicare. The ACA expanded Medicaid eligibility and strengthened the program for those already eligible.

- **68,000 West Virginians have gained coverage through Medicaid:** An estimated 68,000 West Virginians have health insurance today because West Virginia expanded Medicaid under the ACA. Coverage improves access to care, financial security, and health, resulting in an estimated 8,000 more West Virginians getting all needed care, 9,700 fewer West Virginians struggling to pay medical bills, and 80 avoided deaths each year.
- **Thousands of West Virginians with a mental illness or substance use disorder are getting care:** Thanks to expansion and improved access to treatment, an estimated 6,000 fewer West Virginians are experiencing symptoms of depression.
- **West Virginia is saving millions in uncompensated care costs:** Instead of spending \$70 million on uncompensated care, which increases costs for everyone, West Virginia is getting \$840 million in federal support to provide low-income adults with much needed coverage.
- **Children, people with disabilities, and seniors can more easily access Medicaid coverage:** The ACA streamlined Medicaid eligibility processes, eliminating hurdles so that vulnerable West Virginians could more easily access and maintain coverage.
- **West Virginia is improving care coordination:** Building on Medicaid expansion, West Virginia is introducing delivery system reforms that will improve care and bring down costs by encouraging better

coordination among providers and testing out new ways to pay providers for quality health care.

Individual market: 33,235 people in West Virginia have coverage through the Marketplace. Individual market coverage is dramatically better compared to before the ACA:

- **No discrimination based on pre-existing conditions:** Up to 799,920 people in West Virginia have a pre-existing health condition. Before the ACA, these West Virginians could have been denied coverage or charged an exorbitant price if they needed individual market coverage. Now, health insurance companies cannot refuse coverage or charge people more because of pre-existing conditions.
- **Tax credits available to help pay for coverage:** Before the ACA, only those with employer coverage generally got tax benefits to help pay for health insurance. Now, 29,163 moderate- and middle-income West Virginians receive tax credits averaging \$388 per month to help them get covered through HealthCare.gov.
- **Women pay the same as men:** Before the ACA, women were often charged more than men just because of their gender. That is now illegal thanks to the ACA, protecting roughly half the people of West Virginia.
- **Greater transparency and choice:** Before the ACA, it was virtually impossible for consumers to effectively compare insurance plan prices and shop for the best value. Under the ACA, West Virginia has received \$4 million in federal funding to provide a more transparent marketplace where consumers can easily compare plans, choosing among 13 plans on average.

Medicare: 423,500 people in West Virginia are covered by Medicare. The ACA strengthened the Medicare Trust Fund, extending its life by over a decade. In addition, Medicare enrollees have benefited from:

- **Lower costs for prescription drugs:** Because the ACA is closing the prescription drug donut hole, 45,280 West Virginia seniors are saving \$54 million on drugs in 2015, an average of \$1,197 per beneficiary.
- **Free preventive services:** The ACA added coverage of an annual wellness visit and eliminated cost-sharing for recommended preventive services such as cancer screenings. In 2015, 213,916 West Virginia seniors, or 71 percent of all West Virginia seniors enrolled in Medicare Part B, took advantage of at least one free preventive service.
- **Fewer hospital mistakes:** The ACA introduced new incentives for hospitals to avoid preventable patient harms and avoidable readmissions. Hospital readmissions for West Virginia Medicare

beneficiaries dropped 7 percent between 2010 and 2015, which translates into 777 times West Virginia Medicare beneficiaries avoided an unnecessary return to the hospital in 2015.

- **More coordinated care:** The ACA encouraged groups of doctors, hospitals, and other health care providers to come together to provide coordinated high-quality care to the Medicare patients they serve. 11 Accountable Care Organizations (ACOs) in West Virginia now offer Medicare beneficiaries the opportunity to receive higher quality, more coordinated care.

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