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Celebrating 12 Years

THE STATE OF THE ACA REPORT



Affordable Care Act is at its Strongest on its 12th Anniversary:

President Biden will Cement Progress and Build on the Affordable Care Act

March 23, 2022

Today, the Affordable Care Act (ACA) is at the strongest point in its history, thanks to 12 years of diligent implementation efforts, defense alongside the passage, and implementation of the American Rescue Plan Act of 2021. As a result, health care costs are historically low. A record high of 14.5 million people signed up for coverage through the health insurance Marketplaces during the recent Open Enrollment Period (OEP), two new states have expanded Medicaid over the last year, and the health care system is providing access to better quality and more affordable health care to millions of Americans across this country.

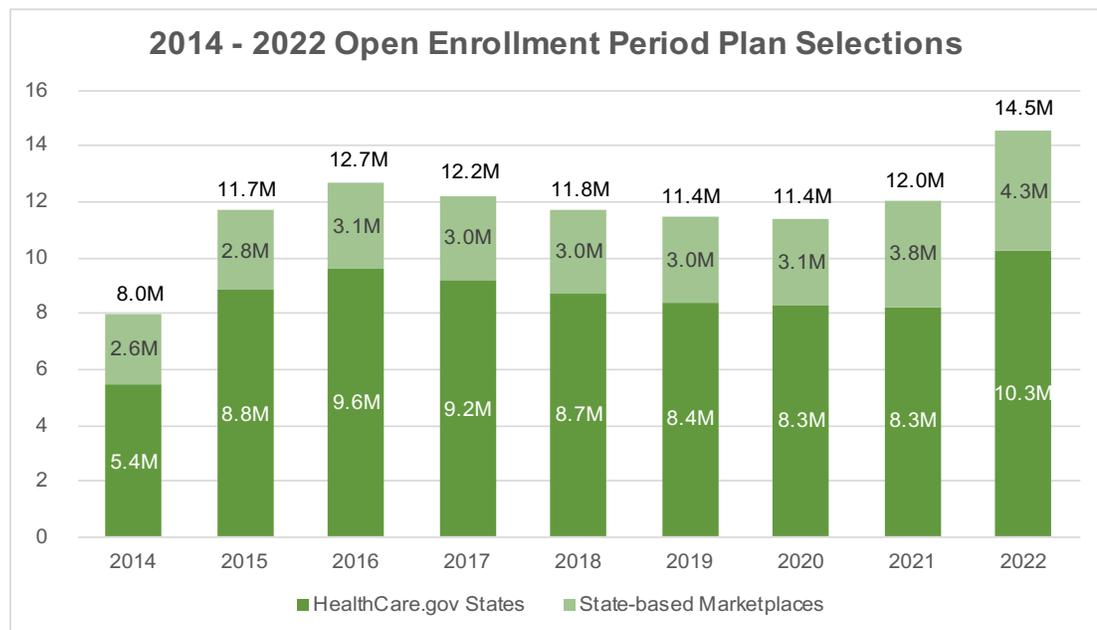
The ACA fundamentally changed the American health care system. It established the health care Marketplaces, allowing consumers without access to affordable, employer-sponsored insurance to access quality coverage. It created Medicaid expansion to help states make Medicaid accessible for people under 138% of the Federal Poverty Level (FPL). It instituted consumer protections that meant people with pre-existing conditions could not be denied health insurance. It reduced costs for seniors by changing cost-sharing in the Medicare program. It changed how we define value-based care and created the Center for Medicare & Medicaid Innovation Center (CMMI), allowing CMS to evaluate innovative approaches to care.

The Biden-Harris Administration has made it a priority to build on the success of the ACA by continuing to invest in and strengthen the law, most notably through the passage of the American Rescue Plan (ARP). The ARP's subsidies enabled record enrollment and eased financial burdens on Americans during the worst public health crisis in a generation. President Biden is committed to extending financial assistance that reduces health coverage premiums for millions of Americans who enroll in Marketplace coverage and closing the Medicaid coverage gap, which would lead 4 million uninsured people to gain coverage.

The report below highlights the historic gains of the ACA under the Biden-Harris Administration, as a result of the American Rescue Plan Act of 2021 and a strong commitment to enrollment outreach, showing the importance of investing in affordable and accessible health care. To view a comprehensive Briefing Book on the ACA, highlighting HHS reports from the past year, visit: <https://aspe.hhs.gov/reports/aca-accomplishments>

Nearly 6 million people newly signed up for Health Coverage on Health Insurance Marketplaces During First Year of Biden-Harris Administration

The 2022 OEP resulted in a record-breaking high of 14.5 million consumers signed up for ACA Marketplace coverage, representing a 2.5 million, or 21% increase, from the 2021 OEP. During the first full year of the Biden-Harris Administration, nearly 6 million new consumers signed up for coverage through the Health Insurance Marketplaces nationwide during the 2021 Special Enrollment Period (SEP) and the 2022 OEP. This includes 2.8 million people who newly enrolled during the SEP and more than 3 million who newly enrolled during the OEP. To view the 2022 Health Insurance Marketplaces Open Enrollment Report, visit: https://www.cms.gov/CCIIO/Resources/Forms-Reports-and-Other-Resources#Health_Insurance_Marketplaces

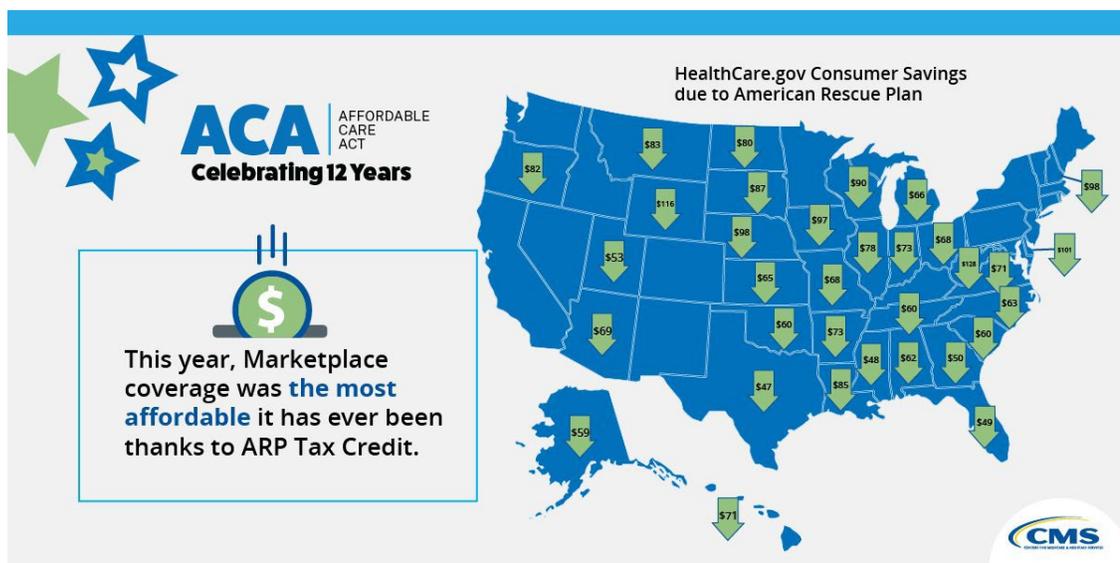


These gains add to the nearly 31 million Americans enrolled in Medicaid or Marketplace ACA-related coverage at the beginning of 2021. Thanks to the ACA, this is the highest number of covered individuals. As a result of the new insurance programs and patient protections offered under the ACA, millions of Americans who do not have health insurance can get it and get the care they need.

Health Care Costs Are Historically Low on the Health Care Marketplaces

In 2021, Biden-Harris Administration passed and implemented the ARP, including provisions which temporarily increased and expanded premium tax credits for consumers. As a result, Marketplace health insurance coverage is the most affordable it has ever been. The ARP lowered health care costs for most consumers. This meant that 4 in 5 consumers were able to find a plan for \$10 or less per month, and 28% of all enrollees selected coverage for \$10 or less after the ACA subsidies during the 2022 Open Enrollment Period.

Without the ARP, the average monthly premium after tax credits would have been \$59 per month higher, or 53 %, had the ARP not been in effect. Nationwide, 2.8 million more consumers are receiving tax credits for 2022 compared to 2021, and 1.1 million consumers previously excluded from financial assistance are now eligible for savings thanks to the ARP.



Demand for Marketplace Coverage is High in States that Have Not Expanded Medicaid

Investing in outreach and engagement has taken HealthCare.gov enrollment to new heights. Under the Biden-Harris Administration, increased outreach in states that have not expanded Medicaid ensured more people in uninsured or underinsured communities understand and know about the high-quality health insurance available to them. As a result, during the 2022 Marketplace OEP, enrollment in states that have not expanded Medicaid increased by 32% compared to the 2021 OEP, while enrollment increased by 12% in states that have expanded Medicaid. Notably, Texas saw a year-over-year increase in plan selections of 42% during the 2022 OEP, and Georgia saw a year-over-year increase of 36% during the 2022 OEP. The table below includes Medicaid non-expansion states' enrollment increases during this year's Open Enrollment compared to last year's Open Enrollment.

State Name	Percentage Increase in Marketplace Enrollment in OEP 2022 Compared to OEP 2021
Alabama	30%
Florida	28%
Georgia	36%
Kansas	22%
Mississippi	29%
North Carolina	25%
South Carolina	31%
South Dakota	32%
Tennessee	29%
Texas	42%
Wisconsin	11%
Wyoming	30%

18.7 Million Adults Are Now Covered Across 39 States and the District of Columbia Due to Medicaid Expansion

In 2021, Oklahoma and Missouri became the two most recent states to expand Medicaid to low-income adults. Since expanding Medicaid on July 1, Oklahoma has enrolled over 260,000 individuals in the program. In October, Missouri kicked off its adult expansion efforts and estimates that an additional 275,000 people are eligible to enroll. Over 18.7 million adults are now covered across 39 states (including the District of Columbia) due to Medicaid expansion, though 12 states have not expanded. The ACA also streamlined the application and enrollment process, making coverage more accessible to eligible individuals. Medicaid is the largest payer for long-term services, supports behavioral health, and covers more than 40% of births in America.

Today, 12 states have not expanded Medicaid to adults under 138% of the FPL as made available under the ACA. The ARP incentivizes states to expand coverage through Medicaid by offering a five percentage point increase in their regular federal matching rate. This is in addition to the 90% federal matching funds currently available through the ACA for medical services for Medicaid expansion enrollees. The President is committed to delivering health care coverage to the 4 million people who remain in the coverage gap – those who are uninsured, but would be eligible for Medicaid if their states expanded – by allowing them access to Affordable Care Act premium tax credits for the first time

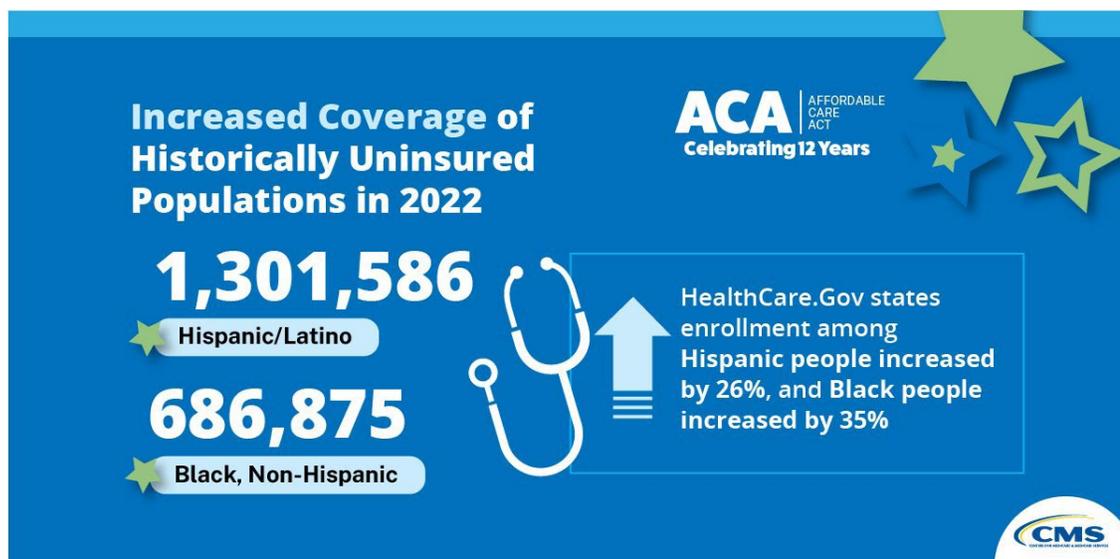
Connecting People to Health Coverage During the COVID-19 Public Health Emergency

Overall, after the passage of the ACA, the uninsured population has declined from roughly 50 million in 2009 to 29 million in the fall of 2021. The uninsured rate in 2021 fell after the Biden-Harris Administration enacted the ARP, opened a SEP, and expanded outreach efforts to historically uninsured communities. The uninsured rate for the U.S. population was 8.9% for the third quarter of 2021 (July - September 2021), down from 10.3% for the last quarter of 2020. Coverage gains occurred among children and working-age adults, with the most significant coverage gains for those with household incomes under 200% of the FPL (roughly \$27,000 for a single adult or \$56,000 for a family of four). Because of the ACA and COVID-19 relief efforts, these individuals and families were able to enroll in the ACA Marketplaces or join and remain in Medicaid in states where the program has expanded for adults under 138% of the FPL.

Building on this success and recognizing an ongoing need for modest-income individuals, the Biden-Harris Administration created a new monthly SEP for consumers with household incomes below 150% of the FPL (around \$19,000 for an individual and \$40,000 for a family of four). On HealthCare.gov, 45% of 2021 SEP enrollees were consumers with household incomes under 150% of the FPL. Most State-based Marketplaces have implemented or have plans to implement the same SEP. The new 150% SEP will make it easier for low-income people to enroll in ACA Marketplace coverage throughout the year and benefit from the ARP savings in 2022. Savings that would be made permanent in legislation President Biden has proposed.

Increased Coverage of Historically Uninsured Populations

The Biden-Harris Administration made a concerted effort to make affordable health care more accessible to historically uninsured and underinsured populations by conducting targeted outreach to historically underserved communities. This included advertising in Chinese (Mandarin and Cantonese), Korean, Vietnamese, Tagalog, and Hindi, and specific campaigns to the Black and Latino communities. As a result of this work, HealthCare.gov states enrollment among Hispanic people increased by 26% and Black people increased by 35%.



Overall, among consumers who attested to a race or ethnicity, 19% identified as Hispanic/Latino, compared to 18% in the 2021 OEP. The percentage of consumers who self-reported as Black, Non-Hispanic increased to 9% from 8% in 2021. Similarly, 20% of HealthCare.gov consumers attested to being Hispanic/Latino, an increase from 19% in 2021, and 11% of enrollees self-reported as Black compared to 9% in 2021. SBM consumers who identified as Hispanic/Latino and those who attested to being Black remained steady at 17% and 5%, respectively, for 2022 and 2021.

Biden-Harris Administration Increased Enrollment Help Available to Consumers

Expanded access to affordable coverage is critical to advancing health equity. Those who are uninsured or underinsured often face barriers to affordable, quality health coverage. This disparity was highlighted during the COVID-19 pandemic when communities of color were disproportionately affected.

The Biden-Harris Administration expanded the help available for consumers to navigate enrollment and coverage options. There were four times as many Navigators— more than 1,500— available to help consumers in nearly every HealthCare.gov state and county during the recent Open Enrollment Period, making health coverage more accessible to everyone. In addition, the Administration reinvested in the Champions for Coverage program, which doubled the number of organizations to more than 2,700 that volunteered to help consumers understand Marketplace coverage this year. The Biden-Harris Administration remains committed to building on the success of the ACA to ensure everyone who needs health care can access it.

The Affordable Care Act Advanced Quality and Accountability in Medicare

The ACA created the Center for Medicare & Medicaid Innovation Center (Innovation Center) to develop and test new health care payment and service delivery models. The Biden-Harris Administration is working through CMS to ensure all Medicare Fee for Service (FFS) beneficiaries and the vast majority of Medicaid beneficiaries will be in a care relationship with accountability for quality and total cost of care by 2030. The CMS Innovation Center has launched more than 50 new models and, from 2018 to 2020, impacted more than 28 million people with Medicare and Medicaid and 528,000 providers and provider groups. In addition, the Medicare Shared Savings Program— established by the Affordable Care Act— has generated consistent savings for Medicare, saving the Trust Fund approximately \$6 billion over the past five years.

The Affordable Care Act closed the Part D prescription drug “donut hole” to make drugs more affordable for older adults. It also reformed payments in traditional Medicare through payment updates to hospitals, skilled nursing facilities, and certain other providers, partly to account for economy-wide productivity improvements and reduced excessive payments to home health agencies and inpatient rehabilitation facilities.

Enrollment in Medicaid and Children’s Health Insurance Program (CHIP) is at a Record High

The ACA expanded access to Medicaid and Children’s Health Insurance Program (CHIP) coverage, increased stability in children’s health insurance coverage, and helped bring uninsured rates for children to record lows. A historic more than 84 million individuals enrolled in Medicaid and CHIP in the 50 states and the District of Columbia who reported enrollment data for September 2021, including more than 77 million individuals enrolled in Medicaid and 6 million individuals enrolled in CHIP. View the Final Medicaid/CHIP Enrollment Report [here](#).

Enrollment for states that have implemented Basic Health Programs (BHP), which the ACA established, is also at a high. In New York and Minnesota, consumers with household incomes at or below 200 percent of the FPL, who are not eligible for Medicaid or the Children’s Health Insurance Program (CHIP), who apply for coverage are enrolled in the applicable state Basic Health Program instead of a Qualified Health Plan (QHP). Year over year, total BHP enrollment increased 8 percent to approximately 1.1 million enrollees during the 2022 OEP. Minnesota’s BHP enrollment increased by 7 percent and New York’s increased by 8 percent from 2021 to 2022.