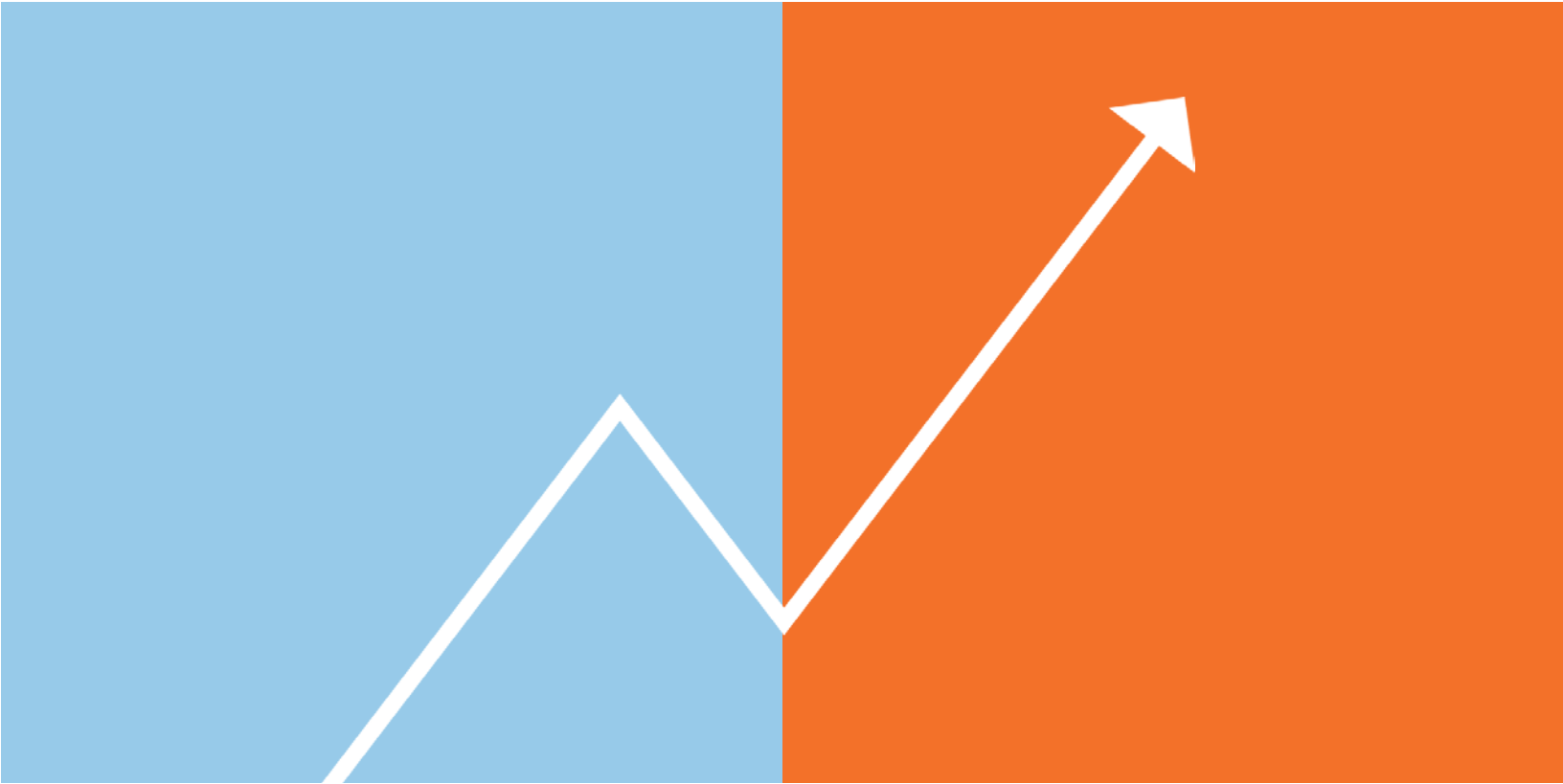


Early Returns:

First Year Covered California and Expanded Medi-Cal Enrollment Trends in Merced County



September 2014



Prepared by Pacific Health Consulting Group
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Executive Summary

Early Returns: First Year Covered California and Expanded Medi-Cal Enrollment Trends in Merced County

In January 2014, more than three-quarters of the 50,700 uninsured residents in Merced County became newly eligible for expanded health insurance coverage options, including access to the new Covered California marketplace and expanded eligibility under the Medi-Cal program.

Beginning in October 2013, Merced County public and private stakeholders, including the County Department of Public Health, Human Services Agency, community-based agencies, community health centers and other community stakeholders, partnered in widespread efforts to increase awareness of coverage options and facilitate enrollment by eligible uninsured residents.

This issue brief reviews enrollment outcomes and enrollee characteristics from the first Covered California Open Enrollment Period (through April 15, 2014) and the first six months of Adult Medi-Cal Expansion enrollment (through June 31, 2014). Although these results are preliminary, they offer a glimpse of Merced County's early success as well as potential opportunities to strengthen enrollment efforts going forward. Some key findings include the following:

Many uninsured residents were low income. Prior to the Affordable Care Act (ACA) coverage expansion, about 43% of uninsured residents were below the Medi-Cal income eligibility threshold of 138% of the Federal Poverty Level (FPL). An estimated 37,550 uninsured residents were likely eligible for either free full-scope coverage under Medi-Cal or premium subsidies through Covered California.

Many residents eligible for Covered California likely did not enroll. Although it is unknown how many of the 8,403 Covered California enrollees were previously uninsured, it is likely that more than two-thirds of uninsured Merced County residents eligible for Covered California remain without coverage. An estimated 23,250 uninsured residents were projected to be eligible to enroll into Covered California.

Lower income residents enrolled disproportionately into Covered California. Individuals eligible for premium subsidies made up 94% of Covered California enrollments in Merced County, despite representing just 81% of eligible uninsured residents. In California overall, 88% of Covered California enrollees were eligible for premium subsidies.

Medi-Cal outreach and enrollment appeared to be extremely successful. Between January and June 2014, nearly 14,000 newly eligible adults enrolled into Medi-Cal (known as the Adult Medi-Cal Expansion). Nearly half, or 45%, of newly eligible enrollees were "young invincibles" aged 19 to 34.

Hispanics/Latinos were under-represented in both Medi-Cal and Covered California enrollment. Although Hispanics/Latinos represented 70% of the Merced County uninsured, they comprised 53% of Adult Medi-Cal Expansion enrollees and 41% of Covered California enrollees.

Certified Enrollment Counselors (CECs) played a critical role. Merced County CECs accounted for 28% of completed Covered California enrollments compared to just 9% in California overall. In addition, Merced County CECs submitted twice as many completed Medi-Cal applications as Covered California enrollments. The top six producing Certified Enrollment Entities in the County completed over 5,400 Medi-Cal applications.

Geographic enrollment reflected the distribution of the uninsured. Merced County stakeholders appeared to be successful at enrolling residents throughout the County into Medi-Cal and Covered California in proportion to the number of uninsured in each geographic region.

Merced County Coverage Expansion Snapshot

Merced County Uninsured Profile

- 50,700 uninsured
- 43% <138% FPL
- 70% Hispanic/Latino

Covered California Enrollment (During Open Enrollment)

- 8,403 completed enrollments
- 94% eligible for subsidies
- 29% aged 18 to 34
- 41% Hispanic/Latino

Medi-Cal Enrollment

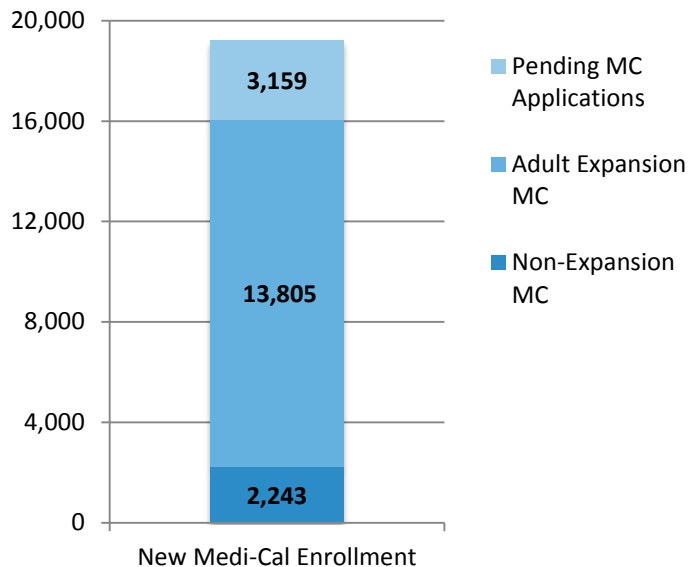
- 13,805 Adult Medi-Cal Expansion Enrollees
- 45% aged 19 to 34
- 53% Hispanic/Latino

Covered California Enrollment Characteristics

	Merced County (N=8,403)	California
Subsidy Eligibility		
Eligible for Subsidies	94%	88%
Age		
Less than 18	4%	6%
18 to 25	13%	12%
26 to 34	16%	17%
35 to 44	18%	17%
45 to 54	26%	24%
55 to 64	24%	24%
Ethnicity		
Latino/Hispanic	41%	28%

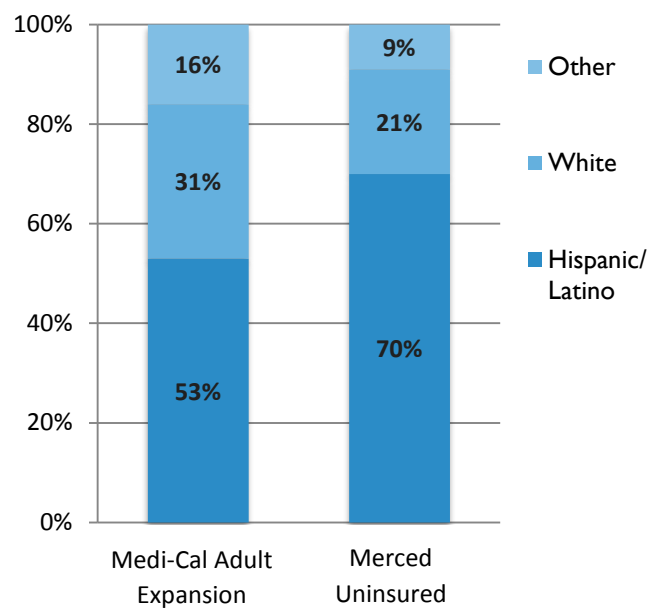
Source: Covered California

New Medi-Cal Enrollment in Merced County January 1 – June 30, 2014



Source: Merced County Human Services Agency, Data Report on Adult Expansion Medi-Cal Enrollment Demographics: January 1 to June 31, 2014 and 2009-11 American Community Survey 3-Year

Ethnicity of Adult Medi-Cal Expansion in Merced County



Source: Merced County Human Services Agency, Data Report on Adult Expansion Medi-Cal Enrollment Demographics: January 1 to June 31, 2014

A Profile of the Merced County Uninsured

Prior to coverage expansion under the Affordable Care Act (ACA), an estimated 50,700 Merced County residents, or 20%, were uninsured. Key characteristics of Merced County's uninsured are highlighted below:

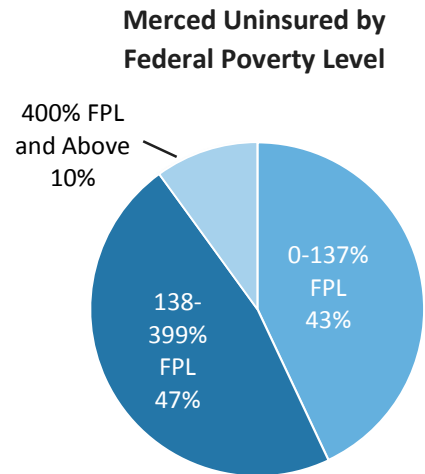
Income and Poverty. A very high percentage of uninsured residents were low income. Overall, 43% of uninsured residents were below 138% of the Federal Poverty Level (FPL) and another 47% of uninsured residents were between 138% and 400% FPL. According to the 2014 Federal Poverty Guidelines, a family of four at 138% FPL earns about \$32,900 annually.

Age Distribution. More than 9 in 10 uninsured residents were aged 18 to 64. Approximately 6,000 uninsured residents were under age 18.

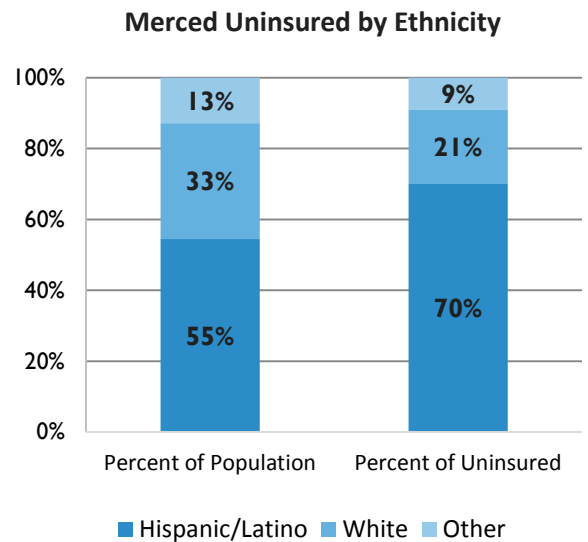
Ethnicity. A disproportionate number of Hispanics/Latinos were uninsured. Hispanics/Latinos represented 70% of the Merced County uninsured despite making up just 54% of the overall county population.

Geographic Distribution. An estimated 58% of Merced County's uninsured residents resided in the Merced metropolitan area and about 23% lived in the west side communities that include Los Baños, Dos Palos, South Dos Palos, El Nido and Gustine. An additional 16% lived in the communities of Livingston, Delhi, Hilmar and Cressey.

Citizenship. An estimated 17,500, or 35%, of Merced County uninsured were non-citizens. Importantly, a large proportion of these residents were likely legal residents and thus eligible for Medi-Cal or Covered California.



Source: 2009-2011 American Community Survey 3-Year Estimates, US Census Bureau



Source: 2009-2011 American Community Survey 3-Year Estimates, US Census Bureau

Merced Uninsured by Region

Region	Percent Uninsured
Merced Metropolitan Area (95301, 95340, 95341, 95348, 95388)	58%
West Side (93620, 93635, 93665, 95317, 95322)	23%
Northern Merced (95303, 95312, 95315, 95324, 95334, 95369, 95374)	16%
Eastern Merced (95333, 95365)	4%

Source: 2009-2011 American Community Survey 3-Year Estimates, US Census Bureau

Coverage Eligibility – Affordable Care Act

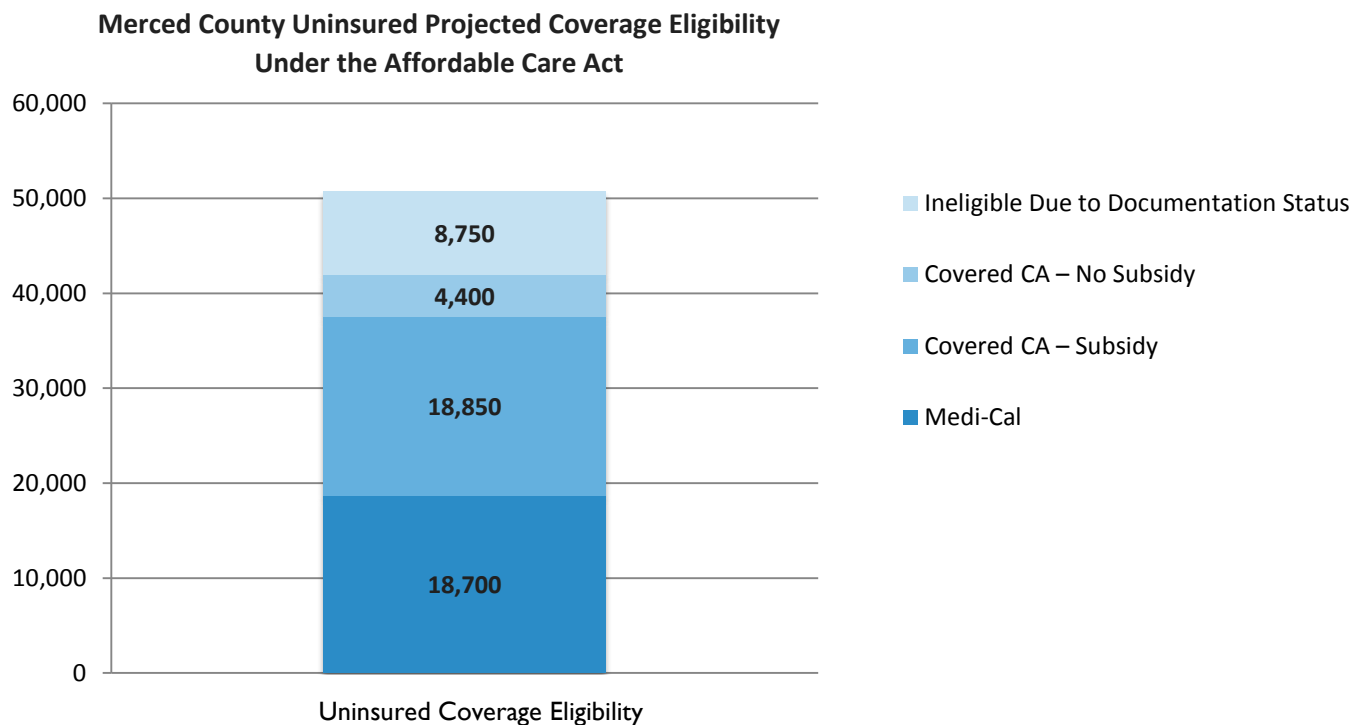
No definitive data sources exist to estimate which coverage programs uninsured Merced residents became eligible for. However, estimates using the best available data do allow for reasonable projections of coverage eligibility following ACA coverage expansion.

The below chart highlights projected coverage eligibility among Merced County’s uninsured. Key findings include:

Medi-Cal Eligibility. An estimated 18,700 uninsured residents, including 14,800 citizens, likely became (or already were) eligible for Medi-Cal following coverage expansion.

Covered California Eligibility. About 23,250 uninsured residents became eligible for Covered California. An estimated 81% of those eligible for Covered California are also eligible for premium subsidies. Only 4,400 uninsured residents are likely eligible for Covered California without subsidies.

Ineligible for Coverage. It is extremely difficult to estimate what proportion of the population is ineligible for coverage due to documentation status. However, if it is assumed that 50% of uninsured non-citizens are undocumented then up to 8,750 uninsured residents remained ineligible for Covered California or Medi-Cal due to documentation status.



Source: Rounded estimates using the 2009-2011 American Community Survey 3-Year Estimates, US Census Bureau

NOTE: Assumes that only 50% of non-citizens are legal residents

Medi-Cal Enrollment

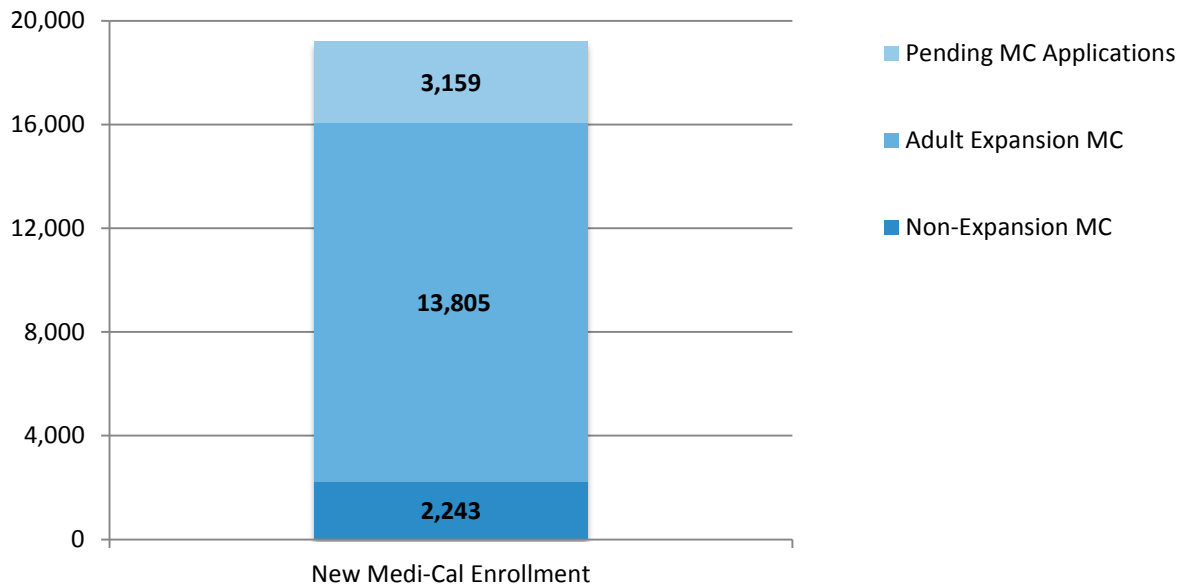
Effective January 2014, Medi-Cal eligibility was expanded to include nearly all citizens or legal residents with income at or below 138% of the Federal Poverty Level (FPL), including childless adults (known as the Adult Medi-Cal Expansion). In addition, many Californians that were already eligible for Medi-Cal were not enrolled and thus targeted with enrollment efforts throughout the State. According to best available estimates, up to 18,700 uninsured Merced County residents were newly eligible (or already eligible) for Medi-Cal prior to ACA coverage expansion.

Enrollment outcomes and new enrollee characteristics for the period between January 1 and June 31, 2014 are described below:

Enrollment Outcomes. According to the Merced County Human Services Agency (HSA), between January 1 and June 31, 2014, 13,805 Merced County residents who were newly eligible for the Adult Expansion, enrolled into Medi-Cal. Total Medi-Cal enrollment in Merced County increased by 26%, or 16,000 members, during the same time period. As of June 31, 2014, there were also 3,159 pending Medi-Cal applications awaiting final eligibility determination.

Between January and June 2014, 13,805 newly eligible Merced County residents enrolled in Medi-Cal. Forty-five percent of new enrollees were aged 19-34.

**New Medi-Cal Enrollment in Merced County
January 1 – June 30, 2014**



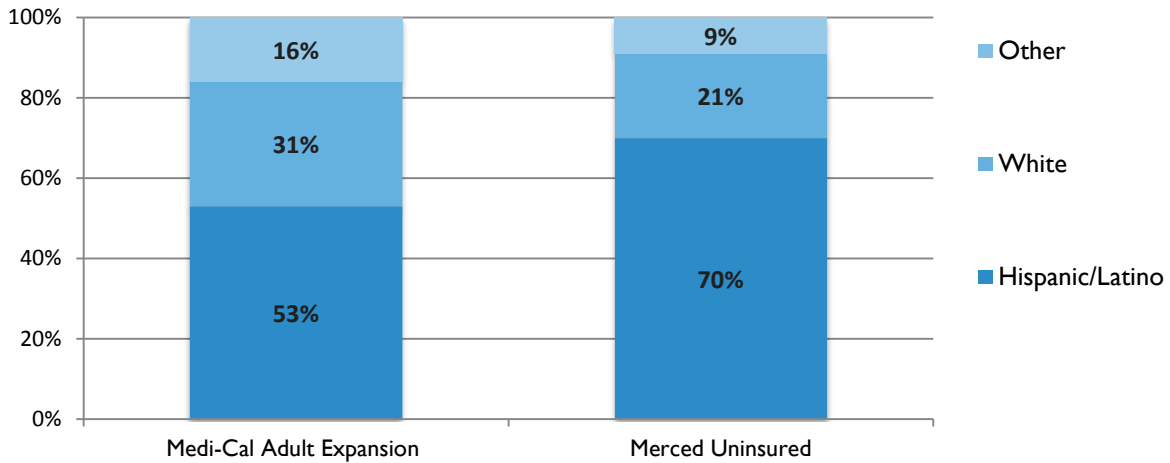
Source: Merced County Human Services Agency, Data Report on Adult Expansion Medi-Cal Enrollment Demographics: January 1 to June 31, 2014 and 2009-11 American Community Survey 3-Year Estimates

Enrollment Avenues. In Merced County 21% of Adult Expansion Medi-Cal enrollees were enrolled using Express Lane Enrollment via the Adult CalFresh program. Another 13% were directly transitioned from the Medical Assistance Program (MAP), which is the indigent program for low-income Merced County adults. Statewide, 34% of new Medi-Cal enrollees were administratively transitioned from the Low Income Health Program (LIHP) and 9% enrolled through Express Lane Eligibility.

Age Distribution. A large percentage of new Adult Medi-Cal Expansion enrollees in Merced County were “young invincibles.” Overall, 45% of Adult Expansion enrollees were aged 19 to 34. Data on the age distribution of Adult Expansion enrollees for California overall is not available.

Ethnicity. Just over half, or 53% of new Adult Expansion Medi-Cal enrollees in Merced County were Latino. An estimated 70% of the uninsured prior to ACA coverage expansion were Hispanic/Latino. Additionally, 16% of enrollees identified as neither White nor Hispanic/Latino, despite representing just 9% of Merced County’s uninsured.

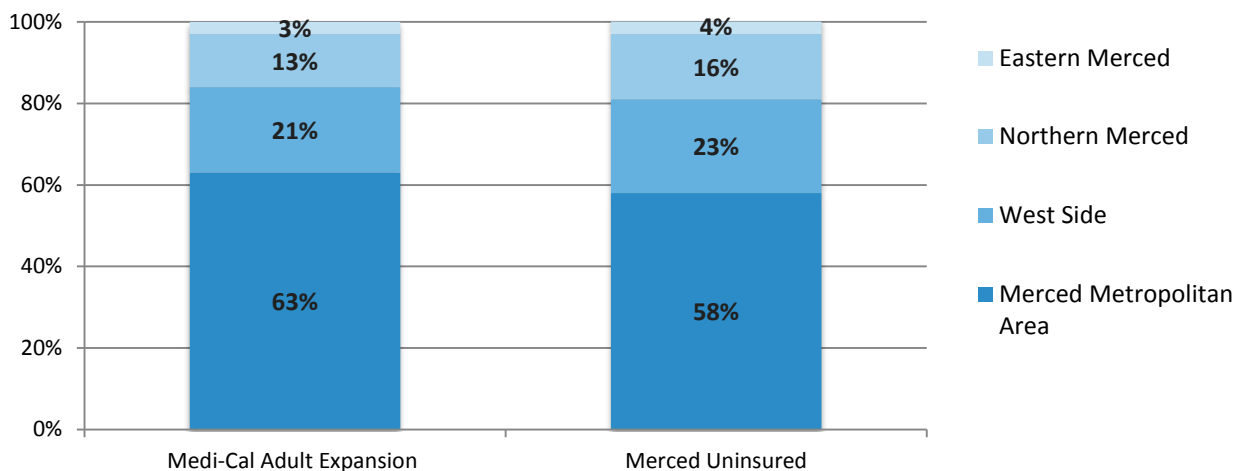
Ethnicity of Adult Medi-Cal Expansion in Merced County



Source: Merced County Human Services Agency, Data Report on Adult Expansion Medi-Cal Enrollment Demographics: January 1 to June 31, 2014 and 2009-11 American Community Survey 3-Year Estimates

Geographic Region. The regional distribution of Medi-Cal enrollment correlated closely with the distribution of the Merced County uninsured. Overall, 64% of Adult Expansion Medi-Cal enrollees lived in the Merced metropolitan area and 21% lived on the West side of the County (includes Los Baños).

Geographic Region of Adult Medi-Cal Expansion in Merced County



Source: Merced County Human Services Agency, Data Report on Adult Expansion Medi-Cal Enrollment Demographics: January 1 to June 31, 2014 and 2009-11 American Community Survey 3-Year Estimates

Covered California Enrollment

Prior to ACA coverage expansion there were an estimated 23,250 uninsured Merced County residents eligible for Covered California, of which 81%, or 18,850, were likely eligible for premium subsidies.

8,403 residents enrolled into a Covered California qualified health plan during the first Open Enrollment Period between October 1, 2013 and April 15, 2014. This includes 7,925 enrollees that were eligible for premium subsidies and 478 enrollees that were not eligible for subsidies. Importantly, not all Covered California enrollees were previously uninsured. It is still too early to determine what percentage of enrollees were previously uninsured.

Individuals in Merced County who enrolled in Covered California during the first Open Enrollment Period had the following demographic characteristics:

Subsidy Eligibility. Although only 81% of those eligible for Covered California in Merced County were likely also eligible for subsidies, 94% of Merced County enrollees were eligible for premium subsidies. In California, 88% of enrollees were eligible for subsidies.

8,403 Merced County residents enrolled into a Covered California qualified health plan during the first Open Enrollment Period between October 1, 2013 and April 15, 2014.

Covered California Enrollment Characteristics

	Merced County (N=8,403)	California
Subsidy Eligibility		
Eligible for Subsidies	94%	88%
Age		
Less than 18	4%	6%
18 to 25	13%	12%
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Latino/Hispanic	41%	28%

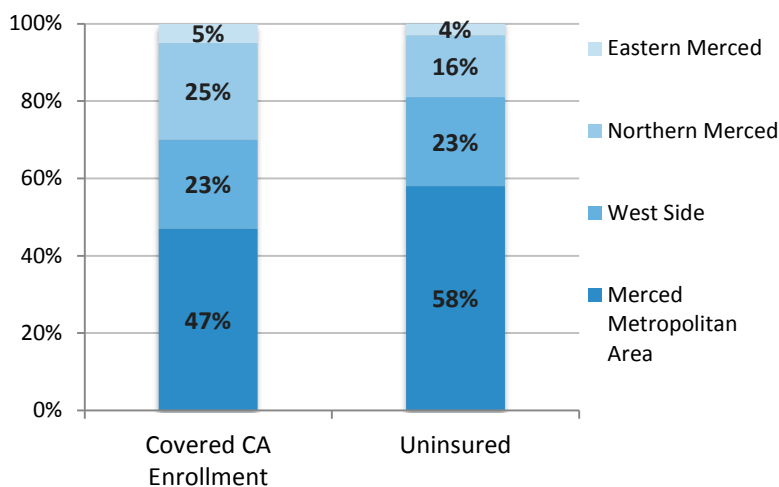
Source: Covered California

Geographic Region. Compared to the distribution of the uninsured, the Merced metropolitan area was somewhat under-represented in Covered California enrollment and the communities of Livingston, Delhi, Hilmar and Cressey were over-represented. Although 16% of Merced County’s uninsured resided in these communities, they accounted for 25% of Covered California enrollments. In contrast, the Merced metropolitan area represented 57% of the uninsured but only 47% of enrollments.

Age Distribution. The age distribution of Merced County enrollees during the first Open Enrollment Period was similar to California enrollees overall. In Merced County, 29% of enrollees were “young invincibles” (aged 18 to 34), which was the same as California overall.

Ethnicity. Forty-one percent of Merced County Covered California enrollees were Hispanic/Latino, despite representing 70% of uninsured residents. Hispanic/Latino enrollment in Covered California was only 28% for California overall. It is important to note that 28% of enrollees statewide did not report ethnicity so there may be some level of under-reporting.

Geographic Region of Covered CA Enrollment Compared to Distribution of Uninsured



Source: Covered California

Role of Certified Enrollment Counselors

During the first six months of coverage expansion, Californians utilized multiple avenues to enroll into Covered California and Medi-Cal, including self-enrollment through the online portal, the Covered California telephone service center, county social service agencies, Insurance Agents and community-based Certified Enrollment Counselors (CECs). Each CEC is associated with a Certified Enrollment Entity (CEE), which is a community entity/agency that employs and/or oversees the work of CECs. Statewide, CECs played a critical role in educating residents about coverage options and supporting enrollment into either Covered California or Medi-Cal.

In Merced County CECs completed 2,356 Covered California enrollments between October 1, 2013 and April 15, 2014. Overall, it appears that CECs played a more significant role in coverage enrollment in Merced County than in California overall.

Some key findings in Merced County include:

CECs Played an Important Role in Covered California Enrollment.

An estimated 28% of Merced County Covered California enrollments were completed by CECs compared to just 9% of enrollments in California overall. This may reflect the greater preference exhibited by Latinos for working with CECs. Statewide, 20% of Latinos enrolled through a CEC. It may also reflect enhanced effectiveness of Merced CECs in engaging uninsured residents.

CECs Supported Two Medi-Cal Applications for Every One Covered California Application. Statewide, 68% of the completed applications supported by CECs were for Medi-Cal and 32% were for Covered California. This trend was similar in Merced County. Among the top 6 producing CEEs in Merced County, 64%, or close to 5,400, of completed applications were for Medi-Cal and 36% were for Covered California.

A Few CEEs Accounted for Most CEC-Supported Enrollments. Similar to California overall, it appears that six Merced County CEEs accounted for the vast majority of CEC-supported applications. They are listed in the below table. Statewide, 20% of CEEs accounted for over 80% of all CEC-supported Covered California enrollments.

Some Populations Remain Difficult to Engage. According to survey responses by Merced County CECs, the populations they struggled the most to engage included young adults, those with mixed immigration status and those residing in rural communities.

An estimated 28% of Merced County Covered California enrollments were completed by CECs compared to just 9% of enrollments in California overall.

Among the top 6 producing CEEs in Merced County, 64%, or close to 5,400, of completed applications were for Medi-Cal and 36% were for Covered California.

Top Producing Certified Enrollment Entities in Merced County

Clinic Corporation	Covered California Enrollment	Medi-Cal Applicants
Golden Valley Health Centers (includes Merced <i>and</i> Stanislaus counties)	1,474	2,355
Livingston Medical Group	732	1,725
Castle Family Health Centers	267	320
Healthy House Within a MATCH Coalition	226	459
Marya Tax and Immigration Services	149	191
Merced Community Action Agency	112	328

Source: Covered California

Conclusion

A review of early Medi-Cal and Covered California enrollment outcomes highlights both successes as well as opportunities to strengthen enrollment support. Overall, it appears that Merced County stakeholders effectively partnered to educate the community about health insurance options and facilitate enrollment into Medi-Cal and Covered California plans during the first year of coverage expansion. In particular, Merced County was successful in generating significant enrollment into Medi-Cal by newly eligible adults. Looking forward, Merced County will be challenged to continue efforts to educate and enroll uninsured residents, as well as, support the maintenance of coverage by newly insured residents. However, results from the first year of coverage expansion suggest that the County has established a strong initial foundation to support new enrollment into health insurance.

Acknowledgements

Early Returns: First Year Covered California and Expanded Medi-Cal Enrollment Trends in Merced County was made possible through a grant by **The California Endowment** (#20122518) to the Merced County Department of Public Health.

The California Endowment is a private, statewide health foundation with a mission to expand access to affordable, quality health care for underserved individuals and communities, and to promote fundamental improvements in the health status of all Californians. For more information, visit <http://www.calendow.org>.

The authors would like to acknowledge the organizations that contributed to this publication by providing enrollment and demographic data and other available information describing early enrollment experiences in Merced County. This includes staff at the Merced County Human Services Agency, Central California Alliance for Health, Covered California and the Merced County Department of Public Health.

The Merced County Department of Public Health, which sponsored this publication, provides leadership in convening health care stakeholders to prepare for coverage transitions under the Affordable Care Act in partnership with members of the Merced County Health Care Consortium.

For information about the activities of the Merced County Health Care Consortium, go to www.co.merced.ca.us/publichealth/ACAReadiness

