

Michigan Control of Health Care Coverage

Adopted by the Iosco County Democratic Party - March 7, 2018

Opportunity

Changes in health policy and trends in the cost and quality of health care at the national level create a challenge for Michigan to pursue opportunities for improvement in our health insurance and health care resources at the state level.

Michigan's Uninsured Decreasing

According to the US Census Bureau, in 2016 Michigan ranked at 5.4% as #12 among states with the lowest percentage of its population uninsured. The "Health Insurance Coverage in the United States: 2016" report shows Michigan registered an uninsured rate of 11% to 12% in 2008 through 2013. The rate declined to 8.5% in 2014, 6.1% in 2015 and 5.4% in 2016. The decrease is due in part to the expansion of Medicaid coverage through Healthy Michigan. See the full report at:

<https://www.census.gov/content/dam/Census/library/publications/2017/demo/p60-260.pdf>

Washington Posing Problems for Us.

In recent months the Trump administration and Congress have taken steps to dismantle the Affordable Care Act (ACA) that impact health insurance enrollment and costs in Michigan. We have been making progress on covering the uninsured here with the Healthy Michigan program and growing enrollment in the ACA. Many who were unable to obtain coverage from their employer or due to costs now are covered. However, with federal administrative changes shortening the ACA open enrollment period and dropping advertising, the number enrolling for 2018 coverage here decreased by 8.56% compared to the 2017 enrollment. (2018: 293,940 vs. 2017: 321,451 is 27,511 fewer enrolled.) Other states, especially ones that have created their own Exchanges and set their own rules for open enrollment, achieved increases.

State	2017 Open Enrollment	2018 Open Enrollment	Change	Percent Change
Colorado	161,568	165,777	4,209	2.32%
Kentucky	81,155	89,569	8,414	10.37%
Minnesota	109,974	116,358	6,384	5.81%
Washington	225,594	242,850	17,256	7.65%

National Academy for State Health Policy: State Health Insurance Marketplace Enrollment 2017 and 2018 - February 7, 2018

<https://nashp.org/category/front-page/>

The federal tax bill approved in December repeals the “Individual mandate” that individuals obtain at least minimum coverage or pay a penalty in their income tax bill for 2018 payable in 2019. This policy change will decrease the number of young and healthy individuals enrolled and increase the cost of coverage for an older and less healthy enrolled population.

Potential Countermeasures

These and other federal policy changes can be overcome at the state level. Jeanne Lambrew and others at **Health Affairs** published an article in their Blog: “Recommended Actions for States to Protect Their Health Insurance Markets” on January 22, 2018. Below is a chart that summarizes these steps that are possible at the state level. The full article is posted here: <https://www.healthaffairs.org/doi/10.1377/hblog20180117.926755/full/> for more information.

Action	Description (Links to resources are in the Blog article link above.)
1. Restore individual mandate	<ul style="list-style-type: none"> • Adopt a penalty for people who remain uninsured when affordable coverage is available.
2. Improve affordability	<ul style="list-style-type: none"> • Obtain a 1332 waiver for reinsurance • Further reduce deductibles and/or premiums
3. Limit standard plans	<ul style="list-style-type: none"> • Prevent market segmentation and adverse selection by requiring that all plans provide adequate consumer protections
4. Safeguard health benefits	<ul style="list-style-type: none"> • Maintain essential health benefits • Protect contraceptive services coverage
5. Get people covered	<ul style="list-style-type: none"> • Deploy best practices for Marketplace enrollment