One of the goals of the Affordable Care Act (ACA) of 2010 is to provide healthcare insurance to the approximately 47 million Americans who are currently uninsured. With millions of Americans enrolling in the state and national exchanges (and Medicaid expansion programs) under the ACA, a natural question arises:

What do we know about the newly insured?
A recent study reveals the demographics of the newly insured (Gallup, 2014).

• The newly insured are younger than the general population.
  Some 68 percent of the newly insured in 2014 are younger than 50 years old, compared to 55 percent of the U.S. population as a whole.

• The newly insured have lower incomes.
  As might be expected, the newly insured have less-than-average household incomes. Some 38 percent of the newly insured have an income less than $24,000, compared to 23 percent of the full U.S. population. According to the 2014 study, those who signed up through the exchanges are significantly more likely to be in the less-than-$24,000 household income category than those who gained insurance outside of the exchanges. In addition, those who gained insurance through the exchanges were less likely to have full-time employment or more likely to be out of the workforce than those who obtained insurance elsewhere.

• The self-reported health status of the newly insured is similar to national averages.
  While many expected the health status of the newly insured to be significantly worse than that of the population as a whole, that is not proving to be the case. There was no statistical difference in the self-reported health status of the newly insured versus the U.S. population as a whole.

• The newly insured are generally applying for high-deductible plans (Veazie, 2014).
  Approximately 60 percent of new enrollees have selected “silver” plans among the bronze, silver, gold, platinum, and catastrophic plans offered by the new exchanges. The silver plans tend to be relatively high-deductible plans, which have lower premiums.
The Newly Insured – Steep Learning Curve

During the past year, advocates of the ACA have tried to persuade the uninsured to sign up under the new exchanges. Now, it is time for part two—to help the eight million newly insured understand what they have purchased (Goodnough, 2014). With the advent of the ACA and the opening of the federal healthcare exchanges, millions of people who have not formerly had insurance will now have it. One side effect of this is that many will be confused about their new coverage. For the first time, many will be selecting plans, and dealing with new concepts and terminology. Furthermore, about 35 percent of English-speaking adults in the U.S. have “basic or below-basic health literacy. Health literacy involves the ability to obtain, process, and understand the health information necessary to make appropriate decisions, and it’s clearly essential to selecting health insurance” (Garcia, 2014). This is a major problem, especially as it relates to the very people that are uninsured (the poor, uneducated, the disabled, the non-white, and the elderly).

Many will be surprised to discover that it will take months before the high deductibles are met and their coverage begins. Furthermore, many of the newly insured are in for a shock as it pertains to their personal financial responsibility.

Confused About the Basics? Educate!

• The new patient base may be confused about some of the basics. A surge of eight million newly insured into the healthcare market may have previously put off their needed procedures and are now ready to act with their new coverage, but some challenges and surprises may be in store for them. For the first time, many in this group have insurance, and they are ready to get the medical services they need. Many will be surprised to discover that it will take months before the high deductibles are met and their coverage begins. Furthermore, many of the newly insured are in for a shock as it pertains to their personal financial responsibility. “What they do not know, which most insured people know, is that access to healthcare is a tricky and complicated process. Insurance coverage does not guarantee easy access to care” (Veazie, 2014).

• To meet the need, educate the patient. In facilities across the country, front-end staff training is occurring with the goal of educating the patient early in the process. “By targeting points within the patient flow process with teachable moments, providers have developed scripts to arm employees with opening statements, requests for payment, and even scripts to handle patient objections at the point of service” (Veazie, 2014). The Centers for Medicare and Medicaid Services is also looking to educate the newly insured. Their project, called “From Coverage to Care,” is an attempt to teach health and insurance literacy through community groups and medical providers (Goodnough, 2014). Additionally, HealthCare.gov videos have been posted, which depict people working through the process of selecting health insurance (Garcia, 2014). Insurers are also getting into the act. Independence Blue Cross, for example, enrolled about 165,000 people in its plans. They traveled during the summer in a tractor-trailer rig around the Philadelphia area offering educational seminars (Goodnough, 2014).
Many Newly Insured Lack a Primary Care Physician (PCP)

Another key metric we are discovering about the newly insured is that many do not have a regular relationship with a primary care physician. While the vast majority of the “previously insured” population (84 percent) have a PCP, just less than half of the “newly insured” (45 percent) do not. There are numerous implications from this finding.

- **Most obviously, more primary care resources are needed in our communities.**

  The demand among the newly insured, coupled with other factors, such as the high influx of Baby Boomers (age 65+) into the Medicare ranks is creating a demand for primary care that exceeds the current supply of PCPs in the U.S. The result has been an increased reliance on nurse practitioners and physician assistants to meet primary care needs, as well as an opportunity for new market entrants—such as Walmart, CVS, and Walgreens—to enter the primary care market.

- **More pressure is being put on our hospitalists and emergency department physicians.**

  When individuals lack a relationship with a primary care physician, they also lack any documented medical history. As these individuals then need to seek hospital care, they are being treated by emergency department physicians and hospitalists who have no record of their medical history, making it harder for these physicians to diagnose and treat these patients. It also makes it more difficult for hospital-based physicians to discharge these patients, since they are unable to release them to the care of a primary care physician who is familiar with their situation.

  It is clear that the newly insured are injecting considerable change into the healthcare industry. It will be interesting to see how the second wave of newly insured (who will gain coverage in 2015) will compare to those who entered the insurance system in 2014.

References


