

# FACTFILE

## Potential Impact of ACA Repeal on the Uninsured

There continues to be uncertainty regarding the outcome and impact of legislative efforts to repeal the Affordable Care Act (ACA). Proposed changes could have a significant impact on uninsured populations—affecting the proportion of uncompensated care provided by the healthcare organizations that serve them.

A recent study by Truven Health Analytics®, part of the IBM Watson Health™ business, demonstrated that projections of both uninsured inpatient care and uninsured emergency department (ED) visits reveal substantial differences across service lines and locality.

As healthcare providers begin to anticipate potential legislative changes to the ACA, it will be important to gain an accurate picture of the impact of those changes on the uninsured population in their specific markets.

### PROJECTED INCREASE IN UNINSURED INPATIENT DISCHARGES

Inpatient service lines could see the largest changes in facility charges for the uninsured by 2020 following a repeal of the ACA, as compared with current projections for 2020 under the ACA.

**Projected Change in Inpatient Facility Charges (in Dollars) by Service Line, 2020**

IP Service Line	Service Line Title	Additional Uninsured Facility Charges (\$ Millions)
General Surgery	General Surgery (~3.5 Billion)	3,526
General Medicine	General Medicine (~2.4 Billion)	2,442
Cardiology	Cardiology (~2.4 Billion)	2,361
Gastroenterology	Gastro (~ 2 Billion)	2,057
Psych/Drug Abuse	Psych/Drug Abuse (~1.7 Billion)	1,685
Orthopedics	Ortho (~1.6 Billion)	1,634
All Others	All Others	1,411
Pulmonary	Pulmonary (~1.3 Billion)	1,281
Neurology	Neurology (~1.3 Billion)	1,257
Thoracic Surgery	Thoracic Surg (~1 Billion)	975
OB/Delivery	OB/Del	746
Trauma	Trauma	714
Neurosurgery	Neuro Surg	609
Endo	Endo	580
Dentistry	Dent	573
Nephrology	Neph	558
Open Heart	Open Heart	509
Urology	Uro	373
Onc Med	Onc Med	355

SOURCE: Truven Health Analytics®, part of the IBM Watson Health™ business.

### SAMPLE COUNTY-LEVEL CHANGES IN PROJECTED UNINSURED INPATIENT DISCHARGES

For a sample of U.S. counties, increases in the total number of, and percentage change in, uninsured discharges could be expected by 2020 following the repeal of the ACA, compared to current projections for 2020 under the ACA. Some counties could expect more dramatic increases in uninsured discharges than others.

County, state	Repeal—reform change	Repeal—reform % change
Los Angeles County, CA	51,673	149.0%
Cook County, IL	22,001	130.6%
Maricopa County, AZ	16,131	91.3%
San Diego County, CA	13,108	151.3%
San Bernardino County, CA	12,732	168.0%
Riverside County, CA	10,728	140.8%
Clark County, NV	10,316	104.7%
Philadelphia County, PA	10,047	190.6%

SOURCE: Truven Health Analytics®, part of the IBM Watson Health™ business.

### Overall Findings

At the national level, our study found that the potential impact in 2020 of an ACA repeal would include:

- > A projected increase of 735,000 uninsured inpatient discharges (approximately 59% across the U.S.)
- > An additional \$23.6 billion charges for these uninsured discharges (of these charges, \$11.2 billion in payments could be at risk of noncollection)
- > A projected 67% increase in uninsured ED visits

### Methodology

This research was based on the latest Insurance Coverage Estimates (ICE) from Truven Health Analytics, released in June 2017.

The ICE release contained two scenarios: ACA reform and ACA repeal. Reform estimates reflected continued support of Medicaid expansion and health exchanges. The repeal scenario assumed a rollback of insurance coverage to pre-2014 levels.

Overall, the Truven Health model assumed that the uninsured population will increase by approximately 20 million by 2020. This is a more conservative scenario than other published estimates. The nonpartisan Congressional Budget Office, for example, projected a 24 million-person growth of the uninsured population by 2026 based on one recent legislative proposal. These Truven Health forecasts were distinct in that they estimated impact at a local ZIP code level, using publicly available enrollment figures for health insurance exchanges and expanded Medicaid, combined with U.S. Census Bureau figures of households in poverty.

Truven Health then paired the population estimates with utilization models specific to each payer segment to produce utilization scenarios for changes in insurance coverage.

Inpatient Demand Estimates from Truven Health provided local, annual acute care admissions and patient days by diagnosis-related group (DRG) and three-digit ICD-9 diagnosis code. The estimates were reported by age, sex, and principal payer. Inpatient Demand Estimates were derived from all-payer state discharge data from 24 states and Medicare Provider Analysis and Review (MEDPAR) data.

Truven Health Outpatient Procedure Estimates, as accessed through the Truven Health Market Expert® solution, provided local, annual procedure group and visit category estimates and forecasts by age, sex, principal payer, and site of service. The estimates were derived from Truven Health commercial, Medicare, and Medicaid claims.

### Upcoming Topic:

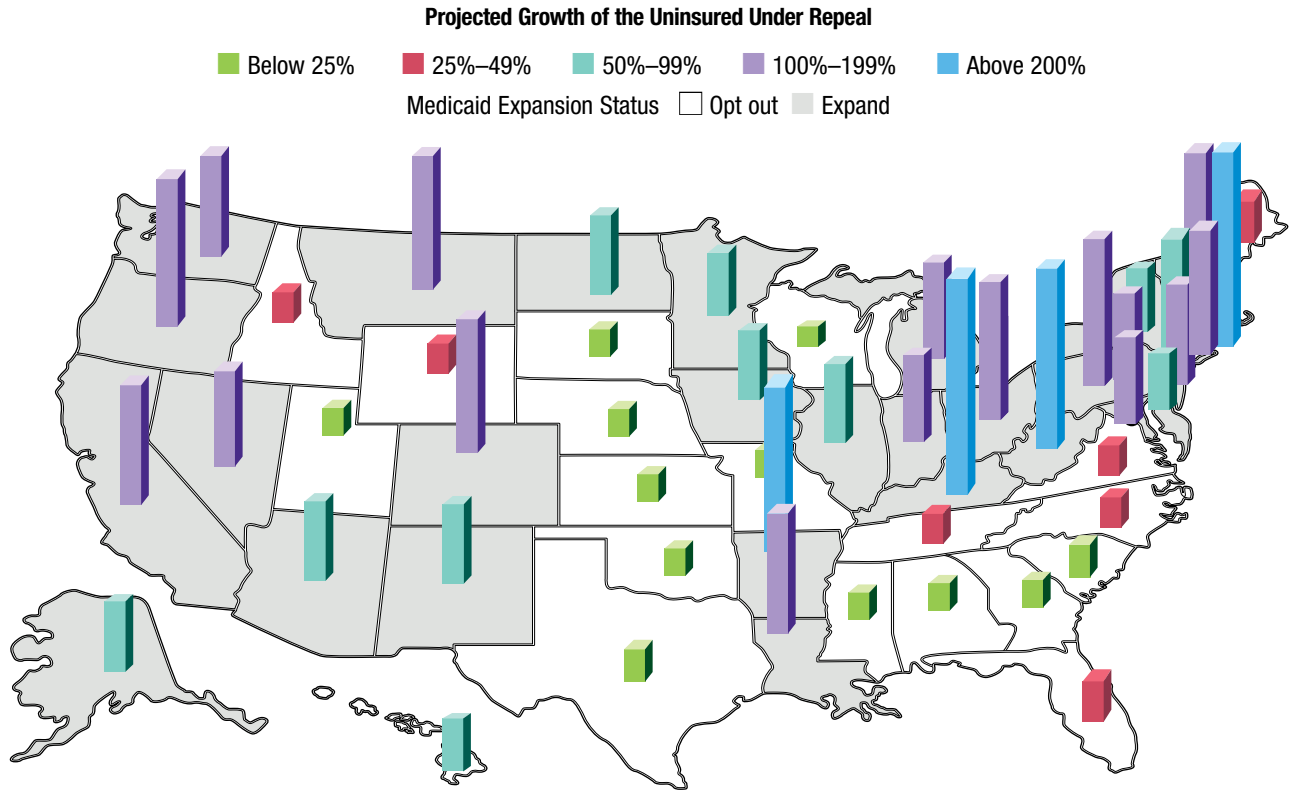
- > Value-Based Care Adoption Drivers & Barriers

### FACT FILE PARTNER:



## PROJECTED GROWTH OF THE UNINSURED POPULATION, WITH STATE MEDICAID EXPANSION STATUS

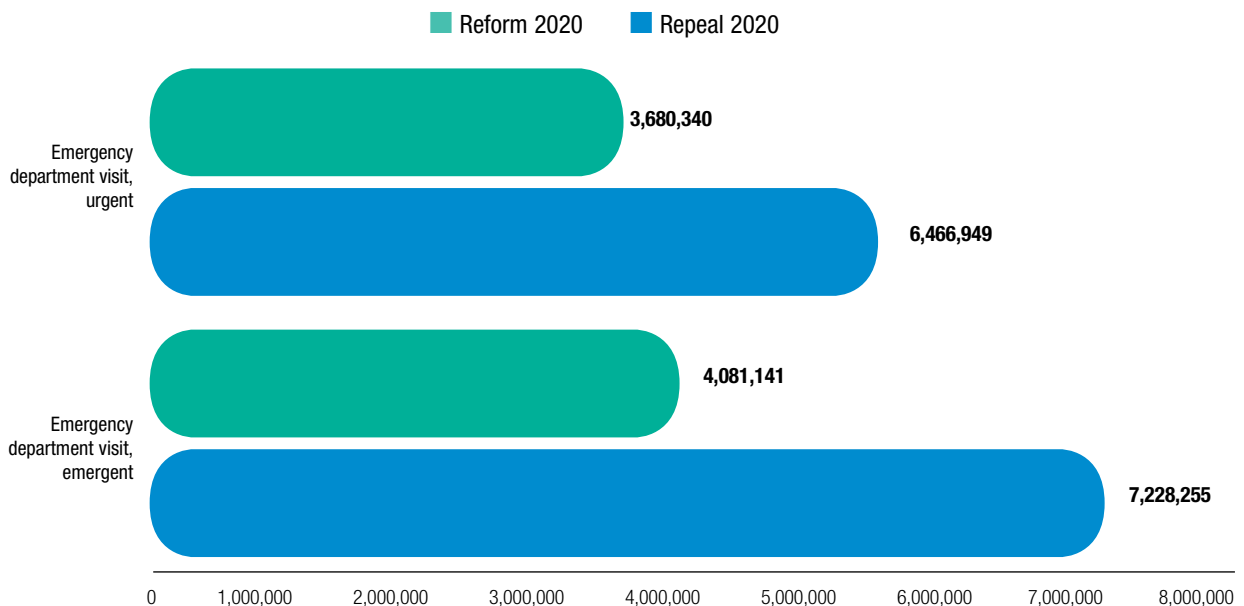
Differences are apparent among states that have opted to expand Medicaid and those that have not in the projected growth of the uninsured population by 2020 following a repeal of the ACA. States that opted to expand Medicaid under the ACA could see much higher increases in the uninsured inpatient discharges than those that did not.



SOURCE: Truven Health Analytics®, part of the IBM Watson Health™ business.

## A COMPARISON OF PROJECTED ED VISITS BY THE UNINSURED, 2020

The national volume (in millions) of uninsured ED visits could be expected to increase in 2020 following a repeal of the ACA (indicated in blue), as compared to current projections for 2020 under the ACA (indicated in green).



SOURCE: Truven Health Analytics®, part of the IBM Watson Health™ business.

