

# Healthcare Coverage in Travis County

August 2017

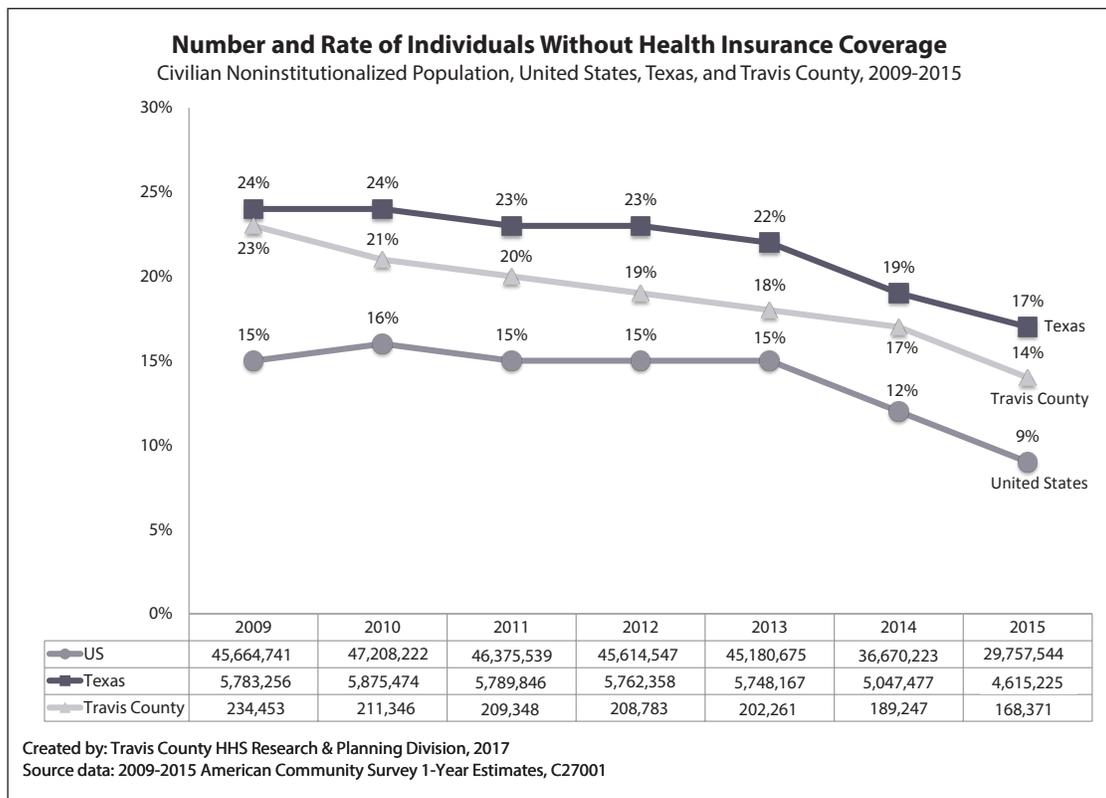
This brief examines the healthcare coverage status of Travis County residents and how the landscape of healthcare coverage has changed as a result of the Affordable Healthcare Act (ACA) and potential changes that may result due to efforts to repeal and replace the ACA. The first section looks at healthcare coverage by demographics characteristics of insured and uninsured residents in Travis County. Second, the brief provides an overview of federal policy efforts related to the healthcare system.

## Overview of Healthcare Coverage in Travis County

As Travis County's total population has grown, the number of individuals without health insurance coverage has decreased from 234,453 individuals (23%) in 2009 to 168,371 individuals (14%) in 2015. Travis County's rate of individuals without health insurance coverage is less than Texas (17%) but greater than the United States (9%). Certain subpopulations have a higher uninsured rates than the rate for Travis County:

- Males (16%)
- Individuals age 18 to 64 (18%)
- Hispanic or Latinos (27%)
- Foreign-born Noncitizens (46%)

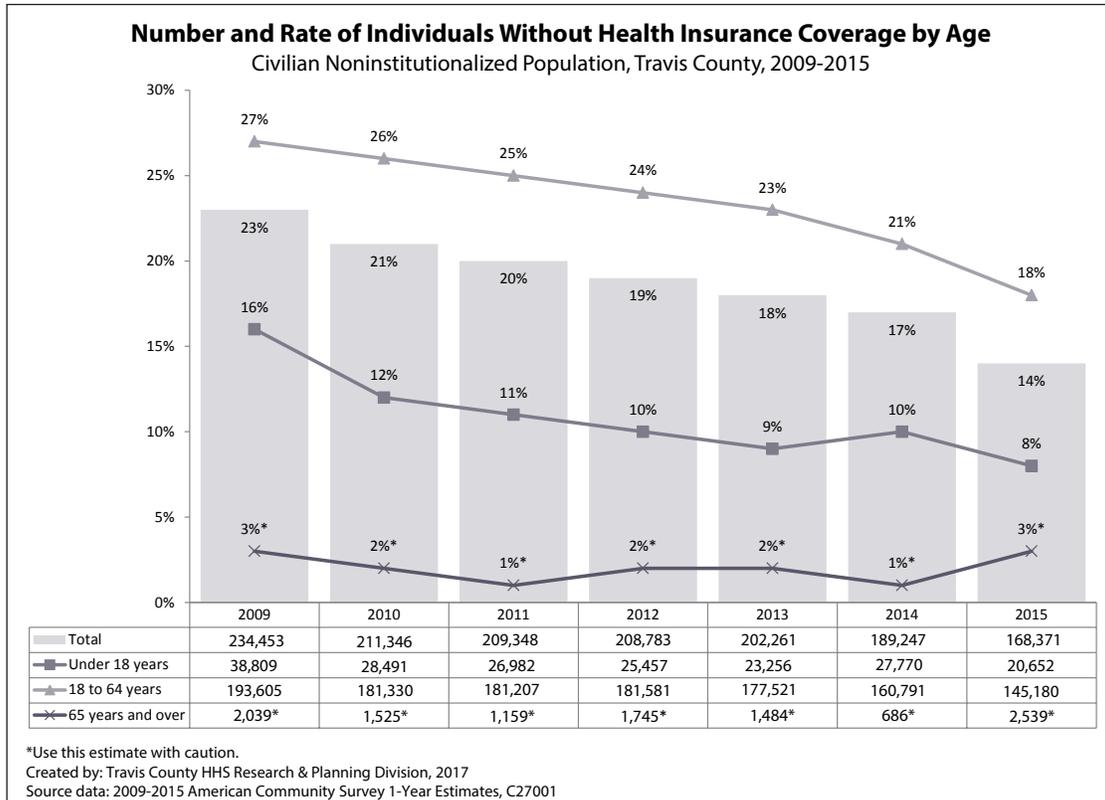
### GEOGRAPHIC COMPARISON



The rate of individuals without health insurance has been decreasing throughout the country since 2009. However, Texas has the highest rate of uninsured residents of any state in the nation.<sup>1</sup> The Travis County uninsured rate (14%) is less than Texas (17%), but greater than the United States (9%).

## AGE AND GENDER

The number and rate of individuals without health insurance coverage in Travis County has been decreasing. From 2009 to 2015, the uninsured rate decreased 28%: from 234,453 individuals without insurance in 2009 to 168,371 individuals. In 2015, individuals age 18-64 had the highest uninsured rate (18%) and individuals 65 and over had the lowest uninsured rate (3%<sup>a</sup>).



In 2015, 86% (1,001,324) of the total Travis County population had health insurance coverage and 14% (168,371) did not have health insurance. Adults 65 years and over had the highest percent of individuals with health insurance coverage with 97% (98,204) covered and adults 18-64 had the lowest percent with 82% (655,944) covered by health insurance. Ninety-two percent (247,176) of children under age 18 had health insurance coverage in Travis County.

<b>Health Insurance Coverage Status by Age</b> Civilian Noninstitutionalized Population, Travis County, 2015		
	Estimate	Percent
Under 18 years old	267,828	
With health insurance coverage	247,176	92%
No health insurance coverage	20,652	8%
18 to 64 years	801,124	
With health insurance coverage	655,944	82%
No health insurance coverage	145,180	18%
65 years and over	100,743	
With health insurance coverage	98,204	97%
No health insurance coverage	2,539*	3%*
Total population	1,169,695	
With health insurance coverage	1,001,324	86%
No health insurance coverage	168,371	14%

\*Use this estimate with caution.  
Created by: Travis County HHS Research & Planning Division, 2017  
Source data: 2015 American Community Survey 1-Year Estimates, C27001

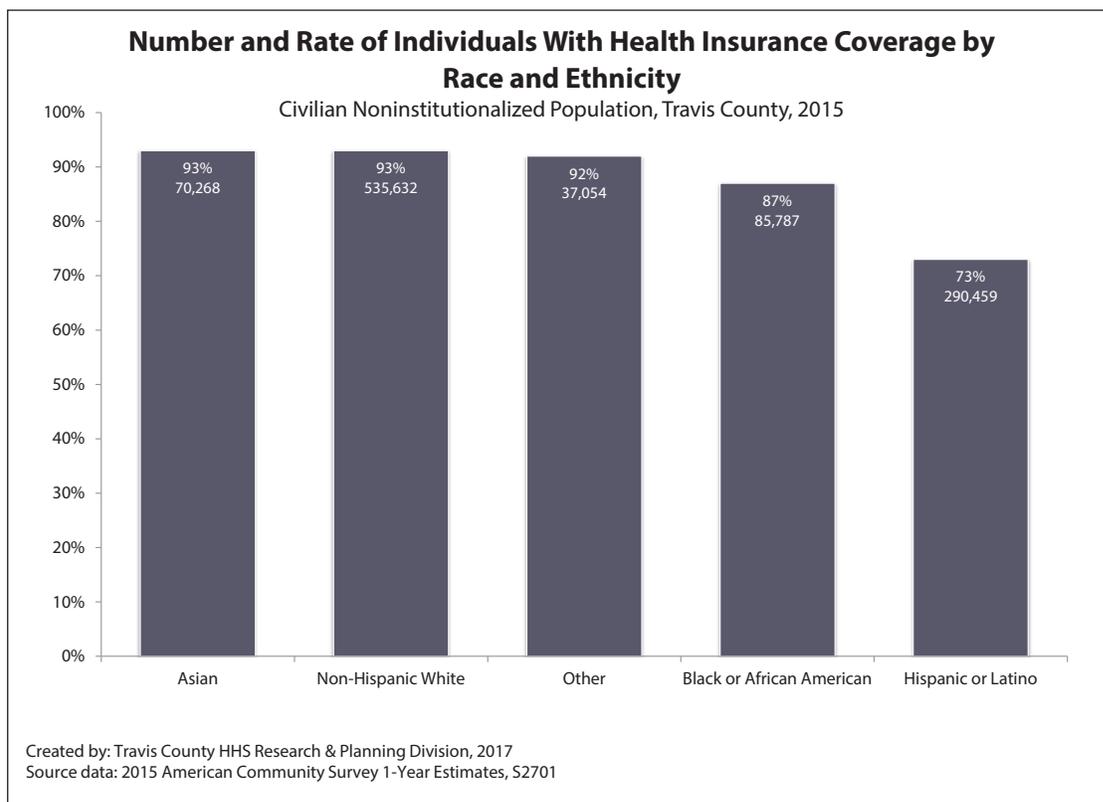
a Use this estimate with caution.

Eighty-seven percent (507,658) of females had health insurance coverage and 13% (73,587) had no health insurance coverage. In comparison, 84% (493,666) of males had health insurance and 16% (94,784) did not have health insurance.

Health Insurance Coverage Status by Gender Civilian Noninstitutionalized Population, Travis County, 2015		
	Estimate	Percent
Females	581,245	
With health insurance coverage	507,658	87%
No health insurance coverage	73,587	13%
Males	588,450	
With health insurance coverage	493,666	84%
No health insurance coverage	94,784	16%

Created by: Travis County HHS Research & Planning Division, 2017  
Source data: 2015 American Community Survey 1-Year Estimates, C27001

## RACE AND ETHNICITY

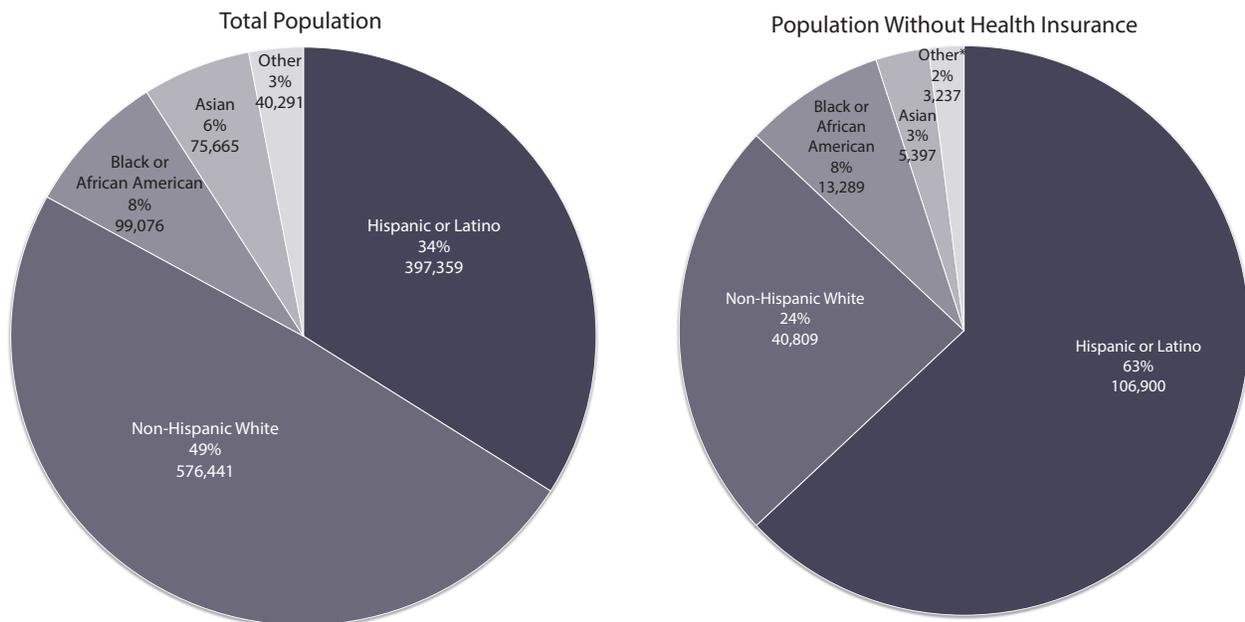


Hispanic individuals have the lowest rate of health insurance coverage (73%) in Travis County. Individuals who identify as Asian and Non-Hispanic White have the highest health insurance coverage rates (93%). Other individuals<sup>b</sup> have a 92% health insurance coverage rate and Black or African Americans have an 87% health insurance coverage rate.

<sup>b</sup> "Other" is a category created by aggregating American Indian and Alaska Native and Two or More races.

## Number and Rate of Total Population and Population Without Health Insurance Coverage by Race and Ethnicity

Civilian Noninstitutionalized Population, Travis County, 2015

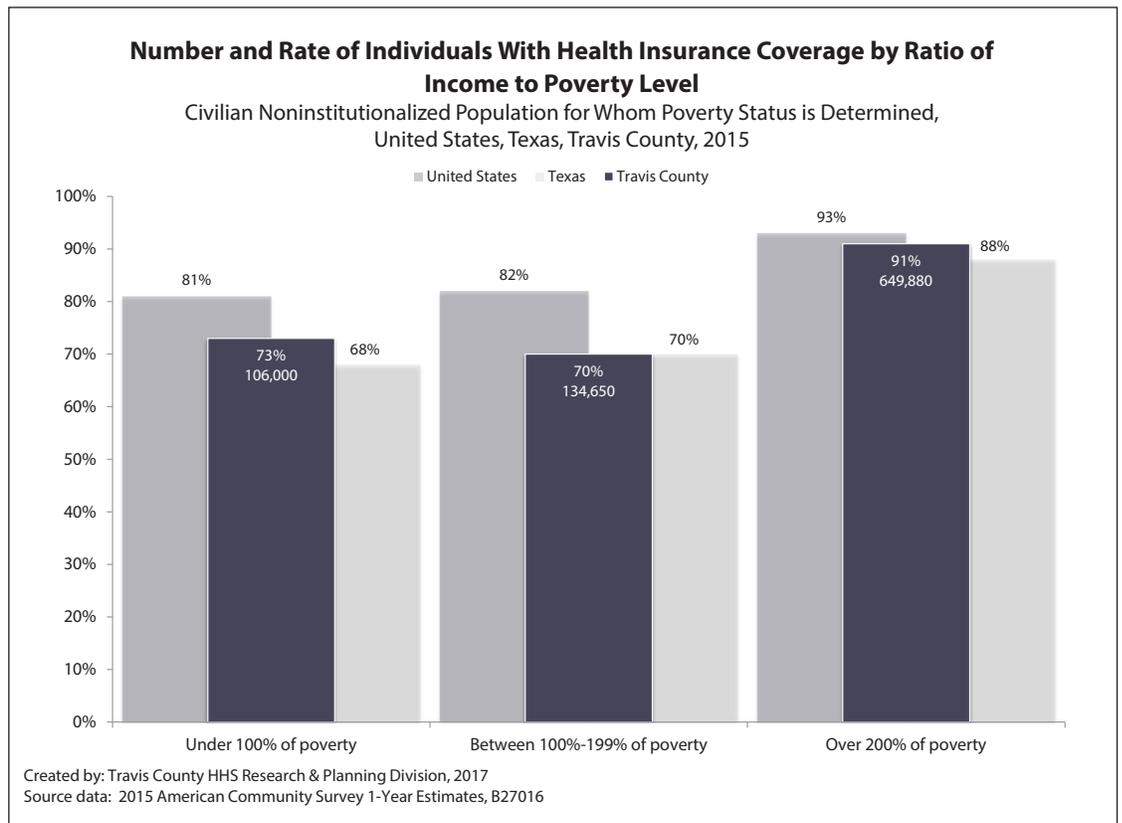


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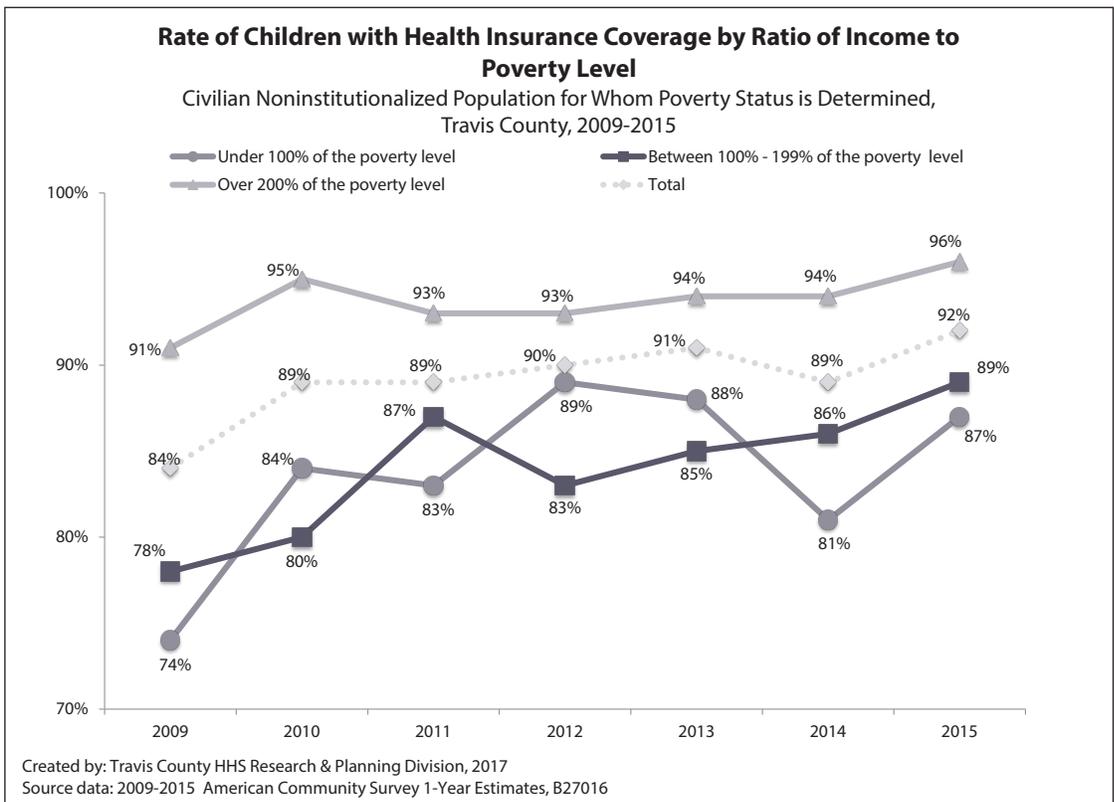
The percentage of uninsured individuals is disproportionate to the population of Travis County by race. Hispanic residents make up 34% of the total population and 63% of the uninsured population in Travis County. Non-Hispanic Whites make up 49% of the population and 24% of the uninsured population.

### RATIO OF INCOME TO POVERTY

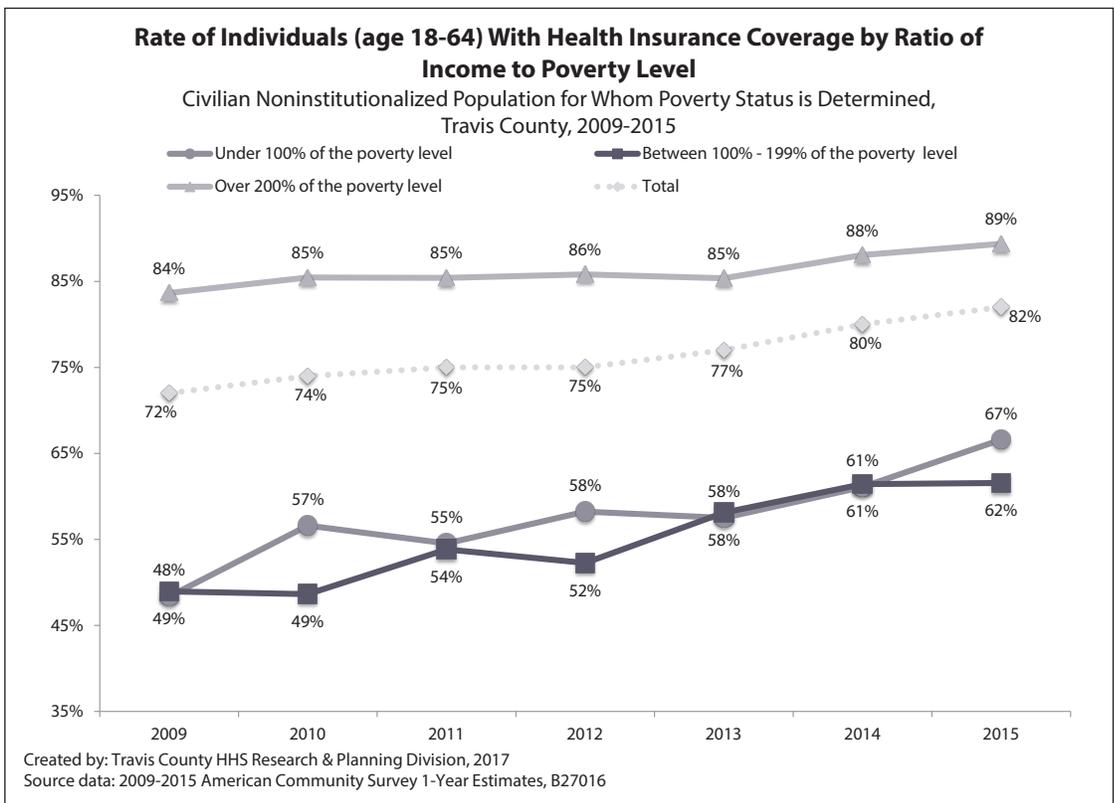
In Travis County, individuals between 100-199% of the poverty level have the lowest insurance rate (70%) while individuals over 200% of the poverty level have the highest (91%). The U.S. and Texas rates of health insurance coverage are provided for comparison.



The insurance rate for children under age 18 in all income levels has increased over time. The insurance rate for children under 18 below 100% of the poverty level is 87% in 2015, an increase from 74% in 2009. The insurance rate for children between 100% and 199% of the poverty level is 89%, an increase from 78% in 2009.

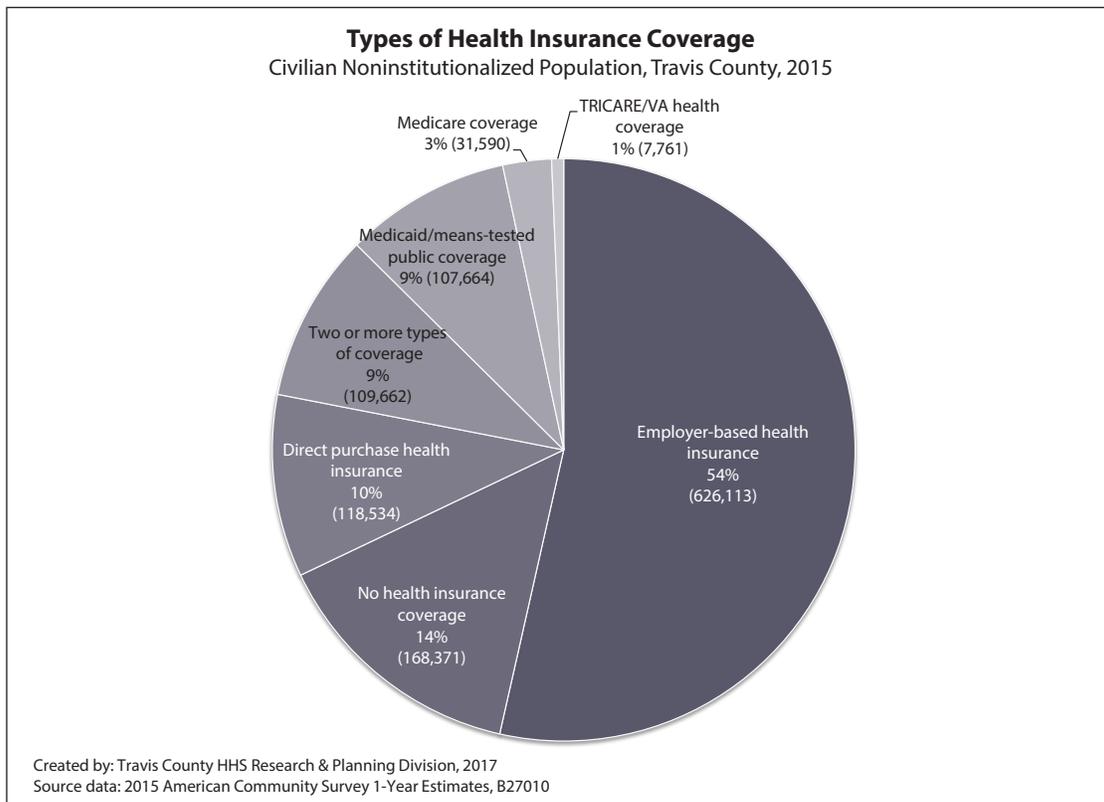


Similarly, the health insurance rate for adults age 18-64 has increased over time across all income levels. The insurance rate for adults age 18-64 below 100% of the poverty level is 67% in 2015, an increase from 48% in 2009. The insurance rate for adults between 100% and 199% of the poverty level is 62%, an increase from 49% in 2009. The insurance rate for adults with income above 200% of the poverty level has increased from 84% in 2009 to 89% in 2015.



### TYPE OF HEALTH INSURANCE COVERAGE

A majority of Travis County residents (54%) have employer-based health insurance. Ten percent of individuals have direct purchase health insurance, 9% have Medicaid/means-tested public coverage, and 9% have two or more types of insurance coverage.



The proportion of individuals with the most common types of insurance coverage varies by age. Of individuals covered by employer-based health insurance a majority are working-aged adults: 45% are age 35 to 64 and 32% are age 18 to 34. For individuals covered by direct purchase coverage, nearly one-half (47%) are age 35 to 64. For Medicaid/means tested coverage, 71% are under 18 years old.

Proportion of Individuals by Type of Health Insurance Coverage by Age					
Civilian Noninstitutionalized Population, Travis County, 2015					
	Employer-based	Direct Purchase	Medicaid/means tested	Two or more types	No Insurance
Under 18 years old	22%	20%	71%	5%	12%
18-34 years old	32%	32%	11%	11%	46%
35 to 64 years old	45%	47%	18%	20%	40%
65 years and over	1%*	1%**	N/A	64%	2%*

\*Use this estimate with caution.

\*\*This estimate is unreliable.

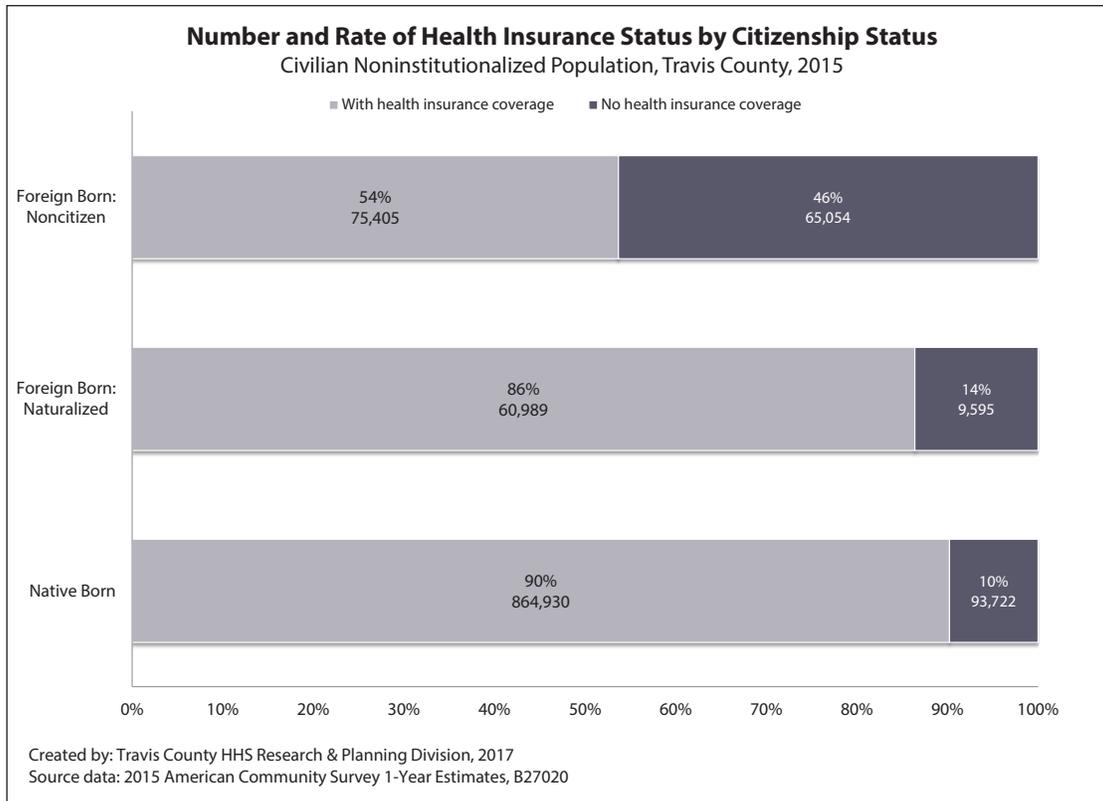
Created by: Travis County HHS, Research & Planning Division, 2017

Source data: 2015 American Community Survey 1-Year Estimates, C27001

Since 2009, there have been statistically significant increases in the number of individuals with employer-based and direct purchase health insurance coverage in Travis County. In 2009, 491,370 individuals had employer-based health insurance and by 2015 the number increased to 626,113 individuals. Individuals covered by direct purchase health insurance increased from 69,653 individuals in 2009 to 118,534 in 2015. The number of individuals without health insurance coverage decreased from 234,453 in 2009 to 168,371 in 2015. There was an increase in individuals covered by Medicaid/means tested insurance but it was not statistically significant.

## CITIZENSHIP STATUS

Native born residents in Travis County have the highest number and rate of individuals with health insurance coverage with 90% (864,930 individuals) covered. Foreign born naturalized citizens have the second highest rate with 86% (60,989) of individuals with health insurance coverage. Foreign born noncitizens have the smallest percentage of individuals with health coverage with 54% (75,405 individuals) with health insurance.



## Implications of the Affordable Healthcare Act and Repeal and Replace Efforts

### THE AFFORDABLE HEALTHCARE ACT

Under the Affordable Healthcare Act (ACA), the nation has seen record increases in the number of individuals with health insurance coverage.<sup>2</sup> The law, passed in 2010 and fully implemented in 2014, has three main requirements: first it requires that most individuals have health insurance that meets federal coverage standards or be required to pay a tax penalty, second it prohibits insurance companies from discriminating against individuals with pre-existing conditions, and finally it provides subsidies to help individuals be able to afford insurance plans.<sup>3</sup> If individuals don't receive health insurance from their employer or qualify for state or federal government health plans, individual insurance plans are available for purchase on the Health Insurance Marketplace in each state. The law requires businesses with more than 50 full-time employees to pay a penalty if it doesn't offer health insurance.<sup>4</sup>

The ACA included a component on Medicaid expansion, which would provide Medicaid to low-income adults with income below 138% of the federal poverty level (\$16,642 for an individual and \$33,948 for a family of four in 2017).<sup>5</sup> Medicaid expansion is optional for states and Texas opted out. Without expanding, Medicaid is only available to people with disabilities who have incomes below 75% of the federal poverty level; pregnant women with incomes less than 200% of poverty; and parents with incomes less than 19% of poverty.<sup>6</sup> Conversely, in states that chose to expand Medicaid, any citizen or eligible legal immigrant with an income below 138 percent of poverty is eligible for Medicaid coverage.<sup>7</sup> Texas' decision to not expand Medicaid has left nearly 58,000 Travis County residents and 1.5 million individuals statewide without health insurance coverage.<sup>8</sup>

Despite the state opting out of Medicaid expansion, Texas has seen a five percentage point drop in the uninsured rate or 1.1 million fewer uninsured Texans between 2013 and 2015—before the ACA, Texas never had a one-year improvement of even a single percentage point.<sup>9</sup> In Travis County, the uninsured rate decreased from 18 to 14 percent during the same time.

### *REPEAL AND REPLACE*

Members of the United States Congress have been working to repeal and replace the ACA since 2010. In January 2016, Congress passed a bill repealing ACA without a replacement but this was vetoed by the President. In May 2017, the House of Representatives passed the American Healthcare Act (AHCA). The Senate attempted to pass a bill to repeal and replace and repeal only in the summer of 2017, but was not successful.

The AHCA included provisions that would eliminate the individual mandate, remove the employer requirement, eliminate Medicaid expansion, and convert federal Medicaid funding to a per-capita cap or provide states the option to elect Medicaid block grant instead of per capita cap for certain populations.<sup>10</sup> Since Texas did not expand Medicaid, there would be no effects for repealing expansion. However, the per-capital cap on federal spending could have a significant impact on Texas because it would set limits on federal Medicaid contributions per enrollee that would not be adjusted by annual growth rate.

While current efforts to repeal and replace the ACA have stalled, the Republican-led Congress is not finished attempting to repeal, replace, or at least change the healthcare system under the ACA. The effects of current healthcare coverage under the ACA compared with future healthcare coverage resulting from changes to ACA merit consideration.

While repealing the ACA would reduce federal government spending for healthcare for the non-elderly, it is estimated that the number of uninsured individuals would increase by 18 million in the first year under a repeal bill.<sup>11</sup> By 2026, it is predicted that the number of uninsured individuals would increase to 32 million.<sup>12</sup> In a plan that would eliminate the individual mandate penalties for not having insurance and providing subsidies for individuals to purchase individual insurance plans, premiums for individual insurance policies would increase by 20 to 25 percent relative to projections under the ACA.<sup>13</sup> Repeal plans under consideration have also removed the employer mandate which would increase the uninsured population by about 3 million people nationwide who currently have employment-based insurance.<sup>14</sup>

The AHCA would have eliminated the Medicaid expansion option for states and capped the total amount of federal funding that states could receive for each person they enroll (per capita caps). These changes would have resulted in an estimated increase in uninsured individuals by 8 million due to decline in enrollment for newly eligible adults under current law and a decline for other Medicaid enrollees because of more frequent eligibility redeterminations, repeal of retroactive eligibility, and optional work requirements.<sup>15</sup>

In Texas, it is predicted that repealing the ACA would result in over 2.5 million individuals losing healthcare coverage, a 58% increase in the uninsured population.<sup>16</sup> In 2009, prior to the ACA, the uninsured rate in Travis County was 23% and in 2015 the rate dropped to 14%—a 28% decrease in the number of individuals without healthcare coverage. Efforts to repeal the ACA would likely reverse the gains Travis County, Texas, and the nation have experienced in health insurance coverage since its implementation.

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*This report was researched and written by the staff at Travis County Health and Human Services, Research & Planning Division. Lead writers were Brittain Ayres and Lucero Huayhau with support from Korey Darling (Planning Manager), Lawrence Lyman (Division Director, and Sherri Fleming (County Executive for Travis County HHS).*

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*An in-depth look at ACA repeal and replace effects on the state of Texas from the Center of Public Policy Priorities can be found [here](#).*

## Endnotes

1. U.S. Census Bureau, 2015 American Community Survey 1-year estimates, C27001.
2. Garfield, Rachel, Melissa Majerol, Anthony Damico, Julia Foutz, "The Uninsured: A Primer", November 2016, <http://files.kff.org/attachment/Report-The-Uninsured-A%20Primer-Key-Facts-about-Health-Insurance-and-the-Uninsured-in-America-in-the-Era-of-Health-Reform>.
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4. Ibid.
5. Healthcare.gov, "Federal Poverty Level", accessed July 2017, <https://www.healthcare.gov/glossary/federal-poverty-level-FPL/>.
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7. Ibid.
8. Center for Public Policy Priorities, "Health & Wealth County Checkup", updated July 2016, <https://tools.forabetter-texas.org/healthwealth/data.php?counties%5B%5D=228>.
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12. Ibid.
13. Ibid.
14. Ibid.
15. Spitalnoc, Paul, "Estimated Financial Effect of the American Health Care Act of 2017" Centers for Medicare & Medicaid Services, June 2017, <https://www.cms.gov/Research-Statistics-Data-and-Systems/Research/ActuarialStudies/Downloads/AHCA20170613.pdf>.
16. Economic Policy Institute, "How would repealing the Affordable Care Act affect health care and jobs in your state?", 2017, <http://www.epi.org/aca-obamacare-repeal-impact/>.