INSURING the FUTURE

Current Trends in Health Coverage and the Effects of Implementing the Affordable Care Act

Findings from the Commonwealth Fund
Biennial Health Insurance Survey, 2012

Sara R. Collins, Ruth Robertson, Tracy Garber, and Michelle M. Doty

APRIL 2013

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The Fund carries out this mandate by supporting independent research on health care issues and making grants to improve health care practice and policy. An international program in health policy is designed to stimulate innovative policies and practices in the United States and other industrialized countries.

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ABSTRACT The major insurance coverage provisions of the Affordable Care Act go into effect in January 2014, providing new insurance options for people without health insurance and insurance market protections for consumers. The Commonwealth Fund Biennial Health Insurance Survey of 2012 finds that the reform law has significantly increased health insurance coverage of young adults. But the findings also underscore why it is critical that implementation continue on schedule. Nearly half (46%) of adults ages 19 to 64, or an estimated 84 million people, did not have insurance for the full year or were underinsured and unprotected from high out-of-pocket costs. Two of five (41%) adults, or 75 million people, reported they had problems paying their medical bills or were paying off medical debt. And more than two of five (43%), or 80 million people, reported cost-related problems getting needed health care.

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EXECUTIVE SUMMARY

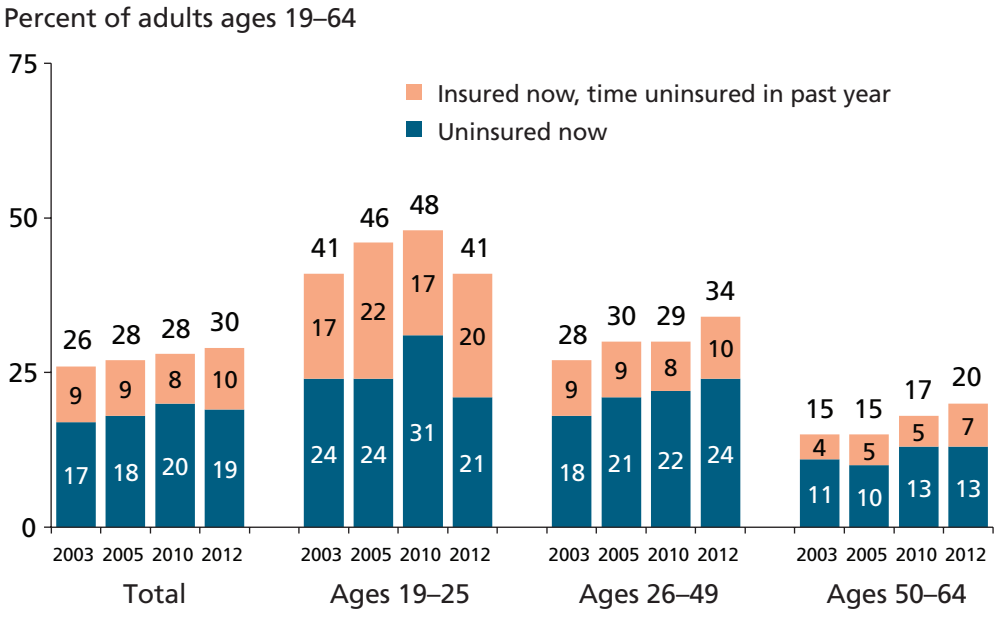
In early 2014, Americans will experience a fundamental transformation in their health insurance system. The major health coverage provisions of the Affordable Care Act go into effect in January of that year, providing new options for people who do not have insurance and sweeping new protections for those who buy health plans on their own. The Congressional Budget Office projects that the combination of new subsidies for health insurance and consumer protections will enable 14 million uninsured people to gain coverage in 2014, and 27 million by 2021.

Using data from the Commonwealth Fund Biennial Health Insurance Survey of 2012, this report examines the current state of insurance coverage in the United States and its financial and health implications for working-age adults.

The Share of Young Adults Without Insurance Declined Between 2010 and 2012

The percentage of young adults, ages 19 to 25, who were uninsured for any time during the prior year fell from 48 percent in 2010 to 41 percent in 2012, from 13.6 million to 11.7 million—a decline of 1.9 million (Exhibit ES-1). Indeed, nearly 8 of 10 (79%) young adults reported that they were insured at the time of the survey in 2012, up from 69 percent in 2010, or a gain in health insurance coverage for an estimated 3.4 million young adults. This marks an abrupt reversal in a decade-long upward climb in the number of uninsured young adults, one that is most likely the result of the Affordable Care Act's requirement that children under age 26 be permitted to stay in or join a parent's health plan. Meanwhile, uninsured rates for other age groups increased or stayed the same.

Exhibit ES-1. The Percentage of Young Adults Uninsured Declined over 2010–2012, While Rates Rose in Other Age Groups



Note: Totals may not equal sum of bars because of rounding.
Source: The Commonwealth Fund Biennial Health Insurance Surveys (2003, 2005, 2010, and 2012).

Nearly Half of Adults Either Spent a Time Without Coverage or Were Underinsured in 2012

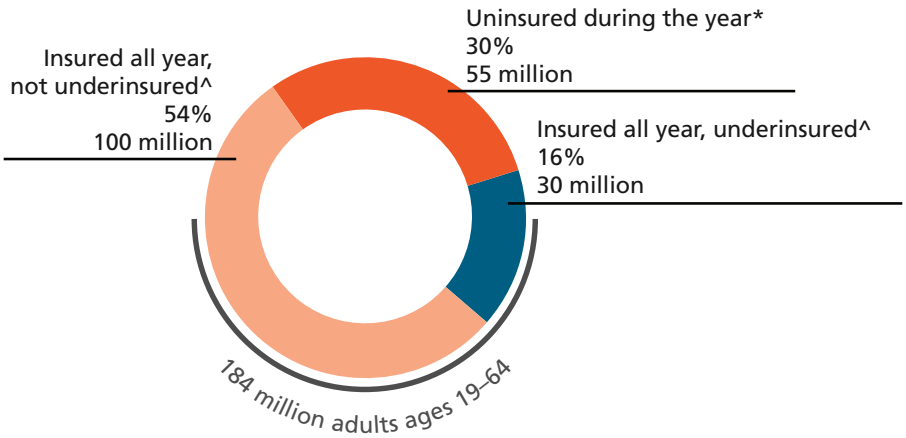
In 2012, nearly half (46%) of U.S. adults ages 19 to 64, an estimated 84 million people, did not have insurance for the full year or had coverage that provided inadequate protection from health care costs (Exhibit ES-2). Thirty percent, or 55 million people, were uninsured at the time of the survey or were insured but had spent some time uninsured in the past year. An additional 16 percent, or 30 million people, were insured but had such high out-of-pocket medical costs relative to their income that they could be considered underinsured.

The number of adults who had gaps in their coverage or were underinsured climbed steadily over the past decade, rising from 61 million in 2003 to 81 million in 2010, or from 36 percent of working-age adults to 44 percent (Exhibit ES-3). Between 2010 and 2012, however, there was little change seen. This stasis likely reflects both the gains in coverage among young adults and the countervailing deterioration in coverage for adults in older age groups.

Lower-Income Adults Are Uninsured and Underinsured at Higher Rates

Americans with low or moderate incomes continue to be less protected from health care costs than higher-income Americans, because they either are uninsured or have coverage with high cost-sharing requirements, whether copayments or coinsurance, relative to their income. Three-quarters of working-age adults with incomes under 133 percent of the federal poverty level ($14,856 for an individual or $30,657 for a family of four)—an estimated 40 million people—either experienced a time without health insurance or were underinsured in 2012 (Exhibit ES-4). Among adults earning between 133 percent and 249 percent of poverty ($27,925 for an individual or $57,625 for a family of four), 59 percent, or an estimated 21 million people, had a time without coverage or were underinsured. People with incomes under 250 percent of poverty comprised 72 percent of the total number of Americans who were uninsured or poorly insured in 2012.

Exhibit ES-2. In 2012, Nearly Half of Adults Were Uninsured During the Year or Were Underinsured



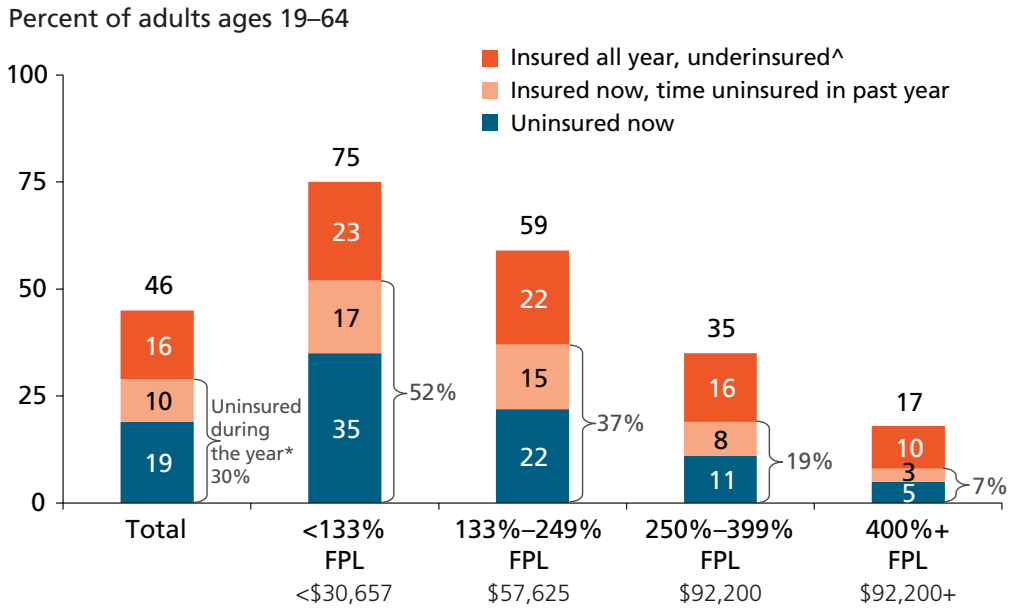
Note: Numbers may not sum to indicated total because of rounding.
* Combines "Uninsured now" and "Insured now, time uninsured in past year." ^ Underinsured defined as insured all year but experienced one of the following: out-of-pocket expenses equaled 10% or more of income; out-of-pocket expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income.
Source: The Commonwealth Fund Biennial Health Insurance Survey (2012).

Exhibit ES-3. No Improvement in Coverage for Adults Overall from 2010 to 2012

Adults ages 19–64, in the past 12 months:	2003	2005	2010	2012
Uninsured during the year*	26% 45 million	28% 48 million	28% 52 million	30% 55 million
Insured all year, underinsured^	9% 16 million	9% 16 million	16% 29 million	16% 30 million
Uninsured during the year* or underinsured^	36% 61 million	37% 64 million	44% 81 million	46% 84 million
Any bill problem or medical debt**	^^	34% 58 million	40% 73 million	41% 75 million
Any cost-related access problem***	37% 63 million	37% 64 million	41% 75 million	43% 80 million

* Combines "Uninsured now" and "Insured now, time uninsured in past year." ^ Underinsured defined as insured all year but experienced one of the following: out-of-pocket expenses equaled 10% or more of income; out-of-pocket expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income. ** Includes: had problems paying or unable to pay medical bills; contacted by collection agency for unpaid medical bills; had to change way of life to pay bills; medical bills being paid off over time. *** Includes any of the following because of cost: had a medical problem, did not visit doctor or clinic; did not fill a prescription; skipped recommended test, treatment, or follow-up; did not get needed specialist care. ^^ A comparable bill problems question series was not asked in 2003.
Source: The Commonwealth Fund Biennial Health Insurance Surveys (2003, 2005, 2010, and 2012).

Exhibit ES-4. Adults with Low Incomes Are Uninsured and Underinsured at the Highest Rates, 2012



Notes: Totals may not equal sum of bars because of rounding. FPL refers to federal poverty level. Income levels are for a family of four in 2012.
^ Underinsured defined as insured all year but experienced one of the following: out-of-pocket expenses equaled 10% or more of income; out-of-pocket expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income. * Combines "Uninsured now" and "Insured now, time uninsured in past year."
Source: The Commonwealth Fund Biennial Health Insurance Survey (2012).

Millions Are Struggling to Pay Medical Bills

Gaps in health insurance, inadequate coverage, and large medical bills leave millions of U.S. adults burdened with debt. In 2012, more than two of five (41%) adults ages 19 to 64, or 75 million people, reported problems paying their medical bills or said they were paying off medical debt over time (Exhibit ES-3). Of those who reported difficulties paying medical bills or paying off medical debt, 42 percent (32 million people) said they received a lower credit rating as result of unpaid medical bills.

While the number of adults reporting medical bills or debt problems climbed in the past decade, the number was statistically unchanged between 2010 and 2012. This is likely because there was some improvement in the coverage of young adults, but either no improvement or a deterioration in coverage for older age groups.

Costs Prevent Many Americans from Getting Needed Health Care

In 2012, more than two of five (43%) adults, or an estimated 80 million people, reported cost-related problems getting needed health care (Exhibit ES-3). This is up from 37 percent, or 63 million people, in 2003. These problems, which included not going to the doctor when sick or not filling a prescription, were most pronounced among people with no insurance or with inadequate coverage. More than two-thirds of adults (67%) who were uninsured at any time and more than half (51%) who were underinsured reported cost-related problems getting needed care.

Adults Who Lack Health Insurance Are Less Likely to Have a Regular Source of Care or Receive Recommended Preventive Care

Insurance coverage makes a substantial difference in Americans' use of health care services. People who were uninsured at the time of the survey in 2012 were significantly less likely to have a regular source of care or to be up-to-date on recommended cholesterol, blood pressure, and colon cancer screenings, and mammograms. Given their much lower rates of insurance coverage, adults with low incomes were far less likely than those with higher incomes to have a regular source of care or to get preventive care tests and cancer screenings.

The Health Reform Law Will Expand and Improve Coverage and Make Health Care More Affordable

The Affordable Care Act has already helped millions of young adults gain or maintain health insurance, banned carriers from placing limits on what they will pay and from cancelling policies retroactively because of illness, and improved the reliability of health insurance purchased in the individual market. Indeed, those protections may be partly responsible for the slowing rate of growth in underinsured adults over the past two years.

But it is imperative for federal and state policymakers to complete the rollout of the law's central coverage provisions. These include expanded eligibility for Medicaid and for subsidized comprehensive insurance plans made available through the new insurance marketplaces. These changes will be reinforced with sweeping insurance market reforms, including banning insurers from charging people higher premiums based on health or gender or limiting or denying benefits because of preexisting health conditions, among others.

Of the estimated 55 million adults who had a gap in coverage in 2012, 87 percent had incomes that would make them eligible for subsidized health insurance under the law. Twenty-eight million had incomes below 133 percent of the poverty level, making them eligible for Medicaid, and 20 million

had incomes between 133 percent and 399 percent of poverty, making them eligible for subsidized health plans (Exhibit ES-5). In addition, of the 30 million adults who were underinsured in 2012, 85 percent had incomes that could make them eligible for Medicaid or subsidized health plans, with reduced out-of-pocket spending. More people insured and better-quality coverage will likely lead to less medical cost–fueled debt and fewer cost-related access problems.

Achieving the goal of near-universal coverage will take time, and there are important caveats to note. First, the law does not provide subsidized coverage to people who are not in the U.S. legally. Jonathan Gruber, an economist at the Massachusetts Institute of Technology, has estimated that of people who will remain uninsured in 2016, about 5 million will be undocumented immigrants. Second, both the Congressional Budget Office and Gruber predict that many Americans will not be insured, even though they are eligible for the new coverage options, whether because they are not aware of their eligibility, they are unable to find an affordable premium, or they elect not to enroll.

Finally, the Supreme Court, while upholding most of the law, transformed the key requirement that states open their Medicaid programs to individuals with incomes up to 133 percent of poverty into an option. To date, about half the states have indicated they will participate in the Medicaid expansion. Some states, including Arkansas, are negotiating with the Department of Health and Human Services to use the funds intended for the Medicaid expansion to provide people newly eligible for the program with equivalent benefits through private insurance plans. While all states may eventually choose to participate in the expansion over the next decade, poor families in many states will continue to be at risk of going without health insurance even after the Affordable Care Act goes into full effect in 2014.

Exhibit ES-5. Under Full Implementation, the Affordable Care Act Has the Potential to Provide New Coverage and Protections to Working-Age Adults

Coverage options in 2014		Medicaid	Subsidized private insurance		Private insurance
Adults ages 19–64, in the past 12 months:	Total	<133% FPL <$30,657	133%–249% FPL $57,625	250%–399% FPL $92,200	400%+ FPL $92,200+
Uninsured during the year*	30% 55 million	52% 28 million	37% 13 million	19% 6 million	7% 3 million
Insured all year, underinsured^	16% 30 million	23% 12 million	22% 8 million	16% 5 million	10% 4 million
Any bill problem or medical debt**	41% 75 million	51% 27 million	52% 18 million	40% 13 million	25% 12 million
Any cost-related access problem***	43% 80 million	53% 28 million	53% 19 million	43% 14 million	28% 13 million
Spent 10% or more of household income on premiums (among privately insured)****	15% 14 million	36% 5 million	23% 4 million	13% 3 million	4% 2 million

Notes: FPL refers to federal poverty level. Total column includes those with undesignated income. Income levels are for a family of four in 2012. * Combines "Uninsured now" and "Insured now, time uninsured in past year." ^ Underinsured defined as insured all year but experienced one of the following: out-of-pocket expenses equaled 10% or more of income; out-of-pocket expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income. ** Includes: had problems paying or unable to pay medical bills; contacted by collection agency for unpaid medical bills; had to change way of life to pay bills; medical bills being paid off over time. *** Includes any of the following because of cost: had a medical problem, did not visit doctor or clinic; did not fill a prescription; skipped recommended test, treatment, or follow-up; did not get needed specialist care. **** Base: Respondents who specified income level and premium for private insurance plan.
Source: The Commonwealth Fund Biennial Health Insurance Survey (2012).

Insuring the Future: Current Trends in Health Coverage and the Effects of Implementing the Affordable Care Act

INTRODUCTION

In early 2014, many Americans will experience a fundamental transformation in the nation's health insurance system. The major coverage provisions of the Affordable Care Act go into effect in January 2014, providing new options for people without health insurance and sweeping new protections for consumers who buy health plans on their own. The Congressional Budget Office projects that the combination of new federal subsidies for insurance and consumer protections will help bring new health coverage to 14 million people in 2014, and 27 million by 2021.

Using data from the Commonwealth Fund Biennial Health Insurance Survey of 2012, this report examines the current state of health insurance coverage in the United States and the financial and health implications for working-age adults. We also explore the impact the Affordable Care Act's initial set of insurance-related provisions, which went into effect in 2010, are having, as well as the potential effects of the major insurance reforms that will be rolled out next year. Conducted from April to August 2012, the survey of 3,393 adults ages 19 to 64 finds that many Americans, particularly young adults, are already benefitting from the health reform law.

At the same time, the survey finds that millions of Americans are experiencing gaps in their health coverage, high health care costs relative to income, and problems paying medical bills and getting needed care. Once the law is fully implemented, many stand to gain comprehensive, stable coverage that will allow them to maintain their health while shielding their earnings and savings from the risk of high medical costs.

SURVEY FINDINGS

The Share of Uninsured Young Adults Declined Between 2010 and 2012

Beginning in September 2010, the Affordable Care Act required insurance companies and employers offering health plans that include dependent coverage to allow children up to age 26 to remain in or enroll in their parents' policies. Insurers and employers were required to make this change—which applies to all health plans, including self-insured employer plans, and to all young adults, regardless of dependent status, living situation, or marital status—by the time of the next open enrollment period. The survey finds that young adults made gains in coverage between 2010 and 2012.

The survey asked all adults whether they had health insurance and, if they did, whether they had been without insurance for any time in the past 12 months. The survey findings show a substantial increase in the share of young adults who were insured at the time of the survey. Nearly 8 of 10 (79%) young adults ages 19-25 reported that they were insured at the time of the survey in 2012, up from 69 percent in 2010, or a gain in health insurance coverage for an estimated 3.4 million young adults. This estimate of coverage gain in this age group is similar to an earlier estimate based on federal data for the period September 2010 to December 2011.[1]

The share of young adults ages 19 to 25 who were uninsured for any time during the prior year fell from 48 percent in 2010 to 41 percent in 2012 (Exhibit 1)—an estimated decline of 1.9 million, from 13.6 million uninsured young adults in 2010 to 11.7 million in 2012. In contrast, uninsured rates for other age groups increased or stayed the same.

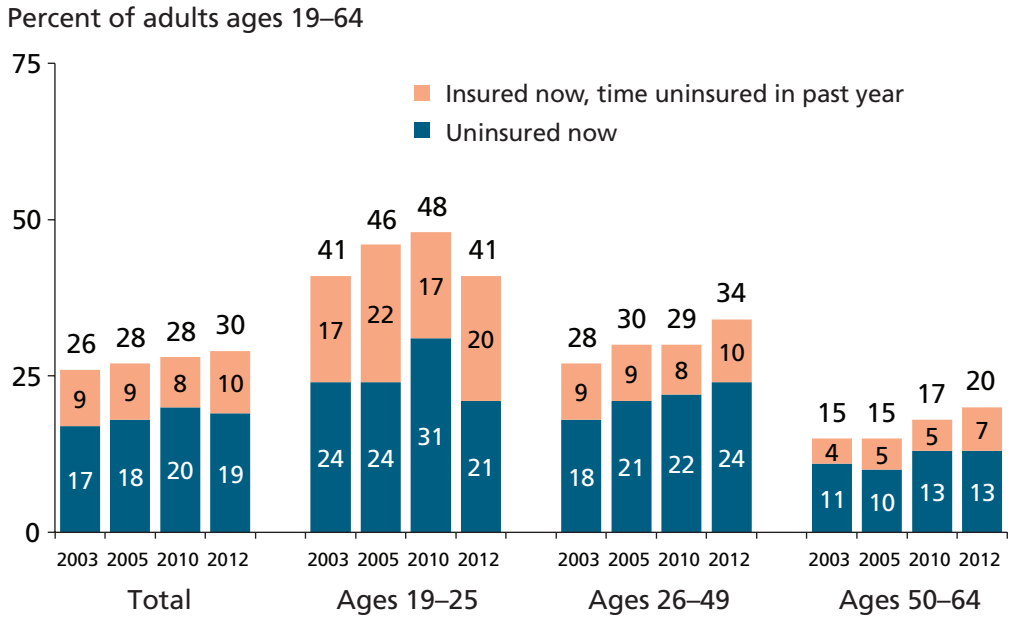
Nearly Half of U.S. Adults Were Uninsured at One Time or Were Underinsured

While young adults made significant gains over the past two years, coverage for working-age adults overall failed to improve. Continuing high unemployment—especially long-term unemployment—has left millions of adults without affordable coverage options. Even people with coverage are facing higher deductibles, leaving them more exposed to health care costs.

Gaps in health insurance coverage. The survey finds that 30 percent of working-age adults, an estimated 55 million people, were uninsured for some time in 2012 (Exhibit 2, Table 1). Nearly one of five (19%) respondents said they currently did not have health insurance; an additional 10 percent had insurance but experienced a time without it during the prior year (Exhibit 3, Table 1).

Underinsurance. The survey also examined whether insured people had policies that adequately protected them from medical costs. Using a measure of "underinsurance" developed by Cathy Schoen and colleagues, the analysis calculated the proportion of household income spent on out-of-pocket health care costs, excluding insurance premiums, and whether plan deductibles were high relative to income.[2] In 2012, 16 percent of adults ages 19 to 64, or an estimated 30 million people, had such high out-of-pocket costs and deductibles relative to

Exhibit 1. The Percentage of Young Adults Uninsured Declined over 2010–2012, While Rates Rose in Other Age Groups



Note: Totals may not equal sum of bars because of rounding.
Source: The Commonwealth Fund Biennial Health Insurance Surveys (2003, 2005, 2010, and 2012).

incomes that they could be considered underinsured (Exhibit 3).

While the estimated number of underinsured adults did not change between 2010 and 2012, there were nearly twice as many underinsured adults in 2012 as there were in 2003, when approximately 16 million adults were underinsured. Helping to fuel growth in the number of underinsured adults in both employer-based and individual market plans are rising health care costs combined with widespread changes in benefit plan design that continue to shift costs to enrollees. Among insured adults who reported information about plan deductibles, the proportion who had a deductible between $1 and $499 fell from 35 percent in 2003 to 20 percent in 2012 (Exhibit 4, Table 2). At the same time, the share of insured adults with a deductible of $1,000 or greater more than tripled, climbing from 7 percent in 2003 to 25 percent in 2012.

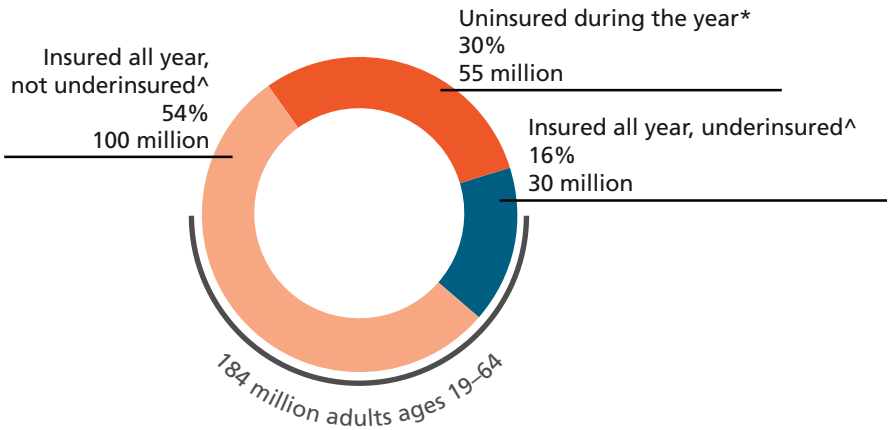
People with coverage through the individual insurance market were particularly at risk of having high out-of-pocket costs relative to their incomes. Among adults who were insured all year, 45 percent of those who had purchased coverage on the individual market were underinsured, more than twice the rate for those in employer-based health plans (20%) (data not shown).

In 2012, the combination of coverage gaps and underinsurance meant that nearly half (46%) of U.S. working-age adults, or an estimated 84 million people, were poorly protected from the costs of health care (Exhibit 2).

Uninsured and Underinsured Counts Leveled Off Between 2010 and 2012

The number of adults who were underinsured or had gaps in coverage climbed steadily during the past decade, from a total of 61 million, or 36 percent of working-age adults, in 2003, to 81 million, or 44 percent, in 2010 (Exhibit 3). The number of people with gaps climbed from an estimated 45 million in 2003 to 52 million in 2010; the number of

Exhibit 2. In 2012, Nearly Half of Adults Were Uninsured During the Year or Were Underinsured



Note: Numbers may not sum to indicated total because of rounding.
* Combines "Uninsured now" and "Insured now, time uninsured in past year." ^ Underinsured defined as insured all year but experienced one of the following: out-of-pocket expenses equaled 10% or more of income; out-of-pocket expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income.
Source: The Commonwealth Fund Biennial Health Insurance Survey (2012).

underinsured adults rose from 16 million in 2003 to 29 million in 2010.

There was, however, little change between 2010 and 2012 in either of these measures of insurance coverage. With regard to coverage gaps, the lack of movement may reflect an improvement in coverage among young adults and the countervailing decline in coverage among older adults. As for underinsurance, the lack of change may stem from several factors. First, annual growth in U.S. health care costs has slowed over the past four years, falling from 7.6 percent in 2007 to 3.9 percent between 2009 and 2011.[3] Second, the Affordable Care Act's initial set of insurance market reforms, which went into effect in 2010, may have reduced out-of-pocket costs, particularly for people who are insured through individual market plans or school health plans. Those reforms are designed to protect consumers against catastrophic costs and the costs of preventive care, by banning insurance carriers from imposing limits on what plans will pay over a lifetime, banning retroactive coverage cancellations when a person becomes ill, phasing out annual limits on benefits, and requiring insurers to cover recommended preventive services without cost-sharing.

While the slowdown in health care costs and new consumer protections may translate into slower growth in what families spend on health care, it is important to note that real median U.S. household income declined by 1.5 percent from 2010 to 2011.[4] The combination of these two trends may have contributed to out-of-pocket cost burdens relative to income remaining largely unchanged over the past two years.

Lower-Income Adults Are Uninsured and Underinsured at the Highest Rates

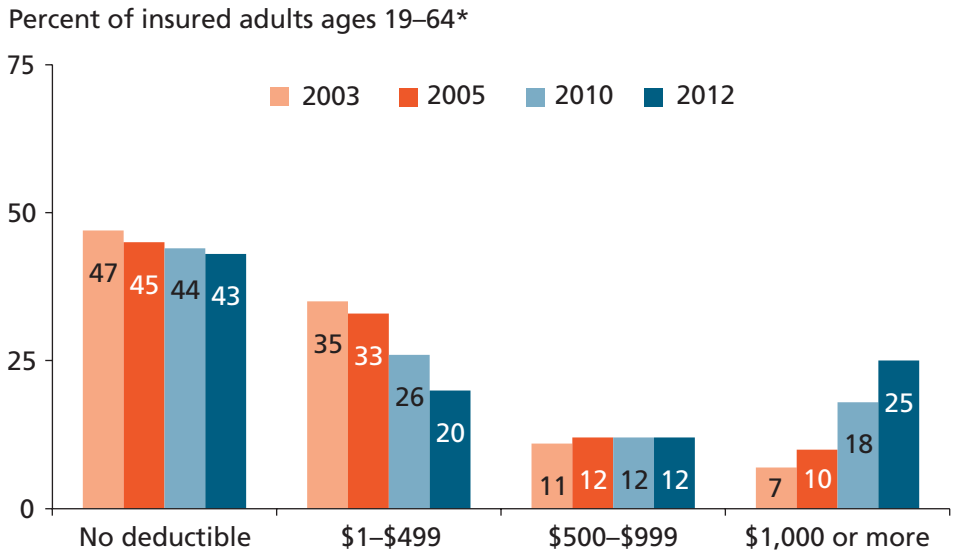
People with low or moderate incomes continue to have by far the poorest protection against health care costs, either because they lack health insurance or have high cost-sharing relative to their incomes. Three-quarters of working-age adults with incomes under 133 percent of the poverty level ($14,856 for an individual or $30,657 for a family of four), an estimated 40 million people, either experienced a time without insurance or were underinsured in

Exhibit 3. No Improvement in Coverage for Adults Overall from 2010 to 2012

Adults ages 19–64	2003	2005	2010	2012
Uninsured during the year*	26% 45 million	28% 48 million	28% 52 million	30% 55 million
Uninsured now	17% 30 million	18% 32 million	20% 37 million	19% 36 million
Insured now, time uninsured in past year	9% 16 million	9% 16 million	8% 15 million	10% 19 million
Insured all year	74% 127 million	72% 125 million	72% 132 million	70% 129 million
Insured all year, underinsured^	9% 16 million	9% 16 million	16% 29 million	16% 30 million
Insured all year, not underinsured^	65% 111 million	63% 109 million	56% 102 million	54% 100 million
Uninsured during the year* or underinsured^	36% 61 million	37% 64 million	44% 81 million	46% 84 million

* Combines "Uninsured now" and "Insured now, time uninsured in past year." ^ Underinsured defined as insured all year but experienced one of the following: out-of-pocket expenses equaled 10% or more of income; out-of-pocket expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income. Note: Sum of "Uninsured during the year" and "Underinsured" may not sum to noted totals because of rounding.
Source: The Commonwealth Fund Biennial Health Insurance Surveys (2003, 2005, 2010, and 2012).

Exhibit 4. Since 2003, the Proportion of Adults with High Deductibles Has More Than Tripled



* Base: Those who reported information about a deductible.
Source: The Commonwealth Fund Biennial Health Insurance Surveys (2003, 2005, 2010, and 2012).

2012 (Exhibit 5). Among adults earning between 133 percent and 250 percent of poverty ($27,925 for an individual or $57,625 for a family of four), 59 percent, or an estimated 21 million people, had a time without coverage or were underinsured. In all, people with incomes under 250 percent of poverty comprised 72 percent of the total number of Americans who were uninsured or poorly insured in 2012 (data not shown).

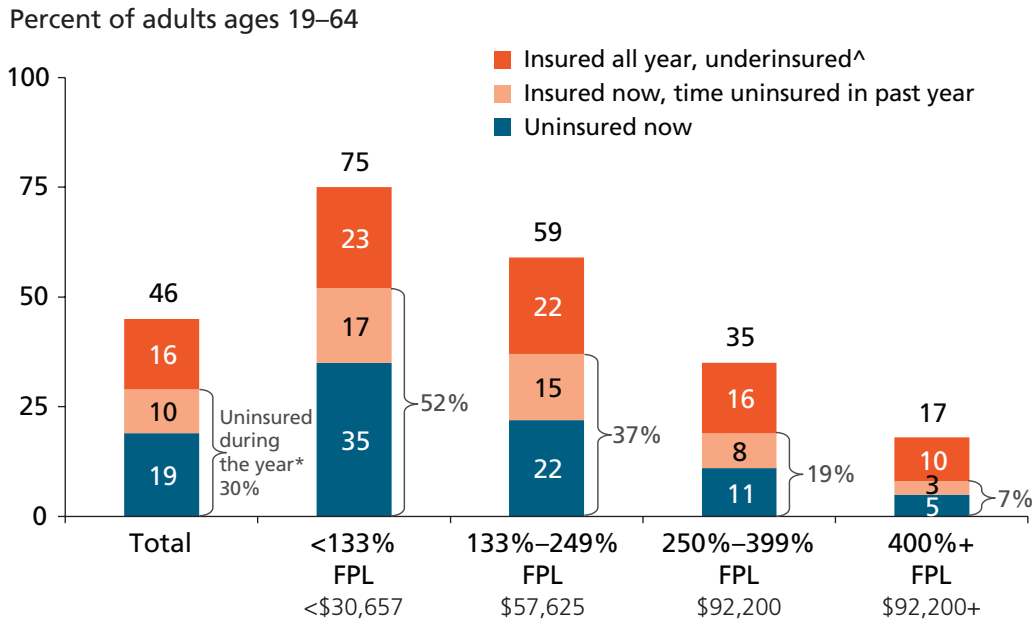
Americans Are Spending a Large Share of Their Income on Premiums

Like health care cost growth, the rate of increase in health insurance premiums has also slowed over the past four years. In 2012, average annual premiums for single coverage in employer-based plans climbed by 3 percent, to $5,615, and by 4 percent, to $15,745 for family plans.[5] This is down from 8 percent and 9 percent increases for single and family plans in the prior year.[6] Nevertheless, growth in premiums is outstripping growth in family incomes.

The Commonwealth Fund survey found that many Americans allocate a considerable portion of their budgets to health insurance premiums, particularly for coverage purchased in the individual insurance market. In 2012, 15 percent of privately insured working-age adults, an estimated 14 million people, reported spending 10 percent or more of their income on premiums (Exhibit 6, Table 2). Among adults who purchase coverage on their own and thus are on the hook for the full premium, 31 percent spent 10 percent or more of their income on premium costs—more than twice the proportion of adults with employer benefits who spent that much for their portion of the premium (13%).

Americans with low and moderate incomes shoulder the heaviest burden of premiums, relative to those with higher incomes. In 2012, more than one-third (36%) of privately insured adults with incomes below 133 percent of poverty spent 10 percent or more of their income on premiums (Exhibit 6). Even among adults with somewhat higher incomes—between 133 percent and 249 percent of poverty—nearly one-quarter (23%) spent 10 percent or more of their income on premiums.

Exhibit 5. Adults with Low Incomes Are Uninsured and Underinsured at the Highest Rates, 2012



Notes: Totals may not equal sum of bars because of rounding. FPL refers to federal poverty level. Income levels are for a family of four in 2012.
^ Underinsured defined as insured all year but experienced one of the following: out-of-pocket expenses equaled 10% or more of income; out-of-pocket expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income. * Combines "Uninsured now" and "Insured now, time uninsured in past year."
Source: The Commonwealth Fund Biennial Health Insurance Survey (2012).

Millions of Adults Are Struggling to Pay Medical Bills

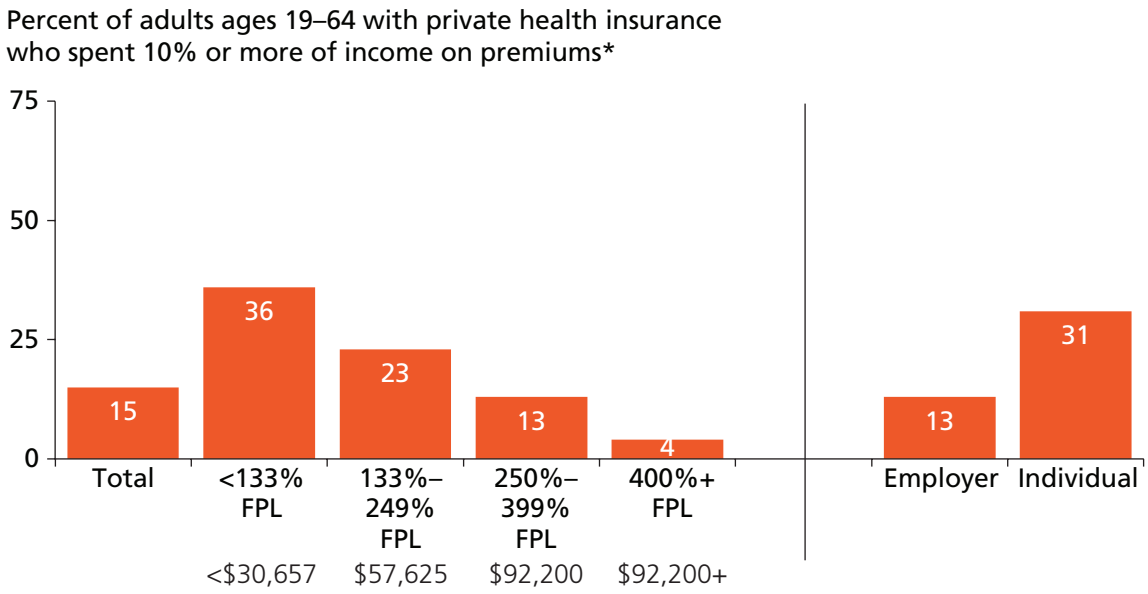
Exposure to health care costs, either by being uninsured or underinsured, has made it difficult for families to pay their medical bills. The survey asked respondents whether they had experienced problems with medical bills over the past year, including if they had difficulty paying bills or were unable to pay them, had been contacted by a collection agency concerning outstanding medical bills, or had been forced to change their lives significantly to pay their bills. The survey also asked respondents whether they were paying off medical debt over time. In 2012, two of five (41%) adults ages 19 to 64, or an estimated 75 million people, reported any one of these problems (Exhibit 7, Table 3).

Many of the people surveyed were carrying substantial medical debt. One of four (26%), or 48 million people, said they were paying off medical debt. More than one-quarter (29%) who were paying off accumulated medical debt reported they were carrying more than $4,000 in debt. Sixteen percent reported $8,000 or more in debt (Table 3).

Many respondents were also dealing with collection agencies about medical bills. About one of five (22%) adults, an estimated 41 million people, said they had been contacted by a collection agency about medical bills. Of those, most—32 million adults—said a collection agency had contacted them about bills they could not pay. An estimated 7 million adults reported a billing error had prompted a collection agency to contact them.

The number of adults reporting problems paying medical bills and debt climbed in the past decade, rising from 58 million people, or about a third (34%) of working-age adults in 2005—the first year the questions were asked on the survey—to 73 million, or 40 percent, in 2010 (Exhibit 7). However, the number of people reporting such problems was unchanged, statistically speaking,

Exhibit 6. One of Three Adults in the Individual Insurance Market Spent 10 Percent or More of Income on Premiums in 2012



* Base: Respondents who reported their income level and premium costs for their private insurance plan.
Notes: Income levels are for a family of four in 2012. FPL refers to federal poverty level.
Source: The Commonwealth Fund Biennial Health Insurance Survey (2012).

Exhibit 7. Millions of Adults Continue to Report Problems Paying Medical Bills or Medical Debt

Percent of adults ages 19–64	2005	2010	2012
In the past 12 months:			
Had problems paying or unable to pay medical bills	23% 39 million	29% 53 million	30% 55 million
Contacted by a collection agency about medical bills	21% 36 million	23% 42 million	22% 41 million
Contacted by collection agency for unpaid medical bills	13% 22 million	16% 30 million	18% 32 million
Contacted by a collection agency because of billing mistake	7% 11 million	5% 9 million	4% 7 million
Had to change way of life to pay bills	14% 24 million	17% 31 million	16% 29 million
Any of three bill problems (does not include billing mistake)	28% 48 million	34% 62 million	34% 63 million
Medical bills being paid off over time	21% 37 million	24% 44 million	26% 48 million
Any of three bill problems or medical debt	34% 58 million	40% 73 million	41% 75 million

* Subtotals may not sum to total: respondents who answered "don't know" or refused are included in the distribution but not reported.
Source: The Commonwealth Fund Biennial Health Insurance Surveys (2005, 2010, and 2012).

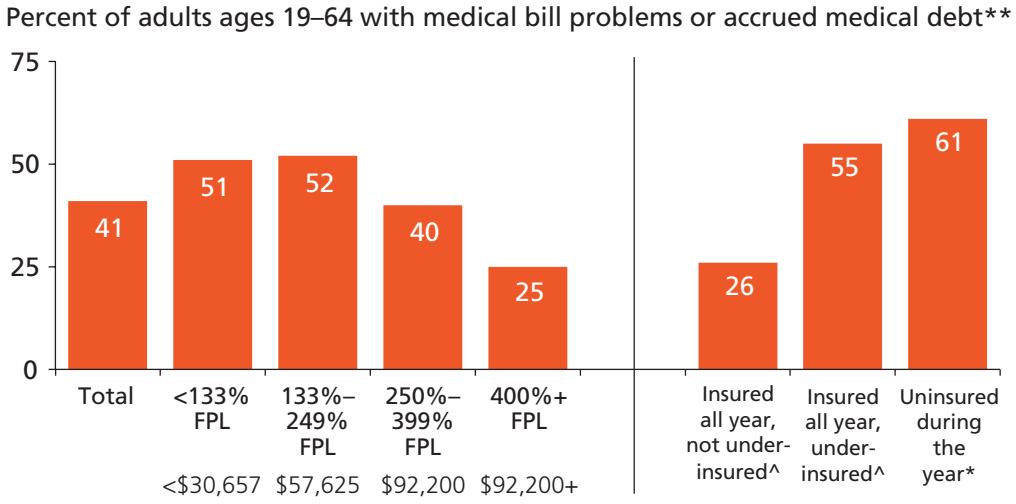
between 2010 and 2012. This is likely the consequence of improvement in young adults' health coverage, but no improvement in coverage for older age groups.

Adults who were uninsured for any time during the year or who had health insurance but were underinsured reported the highest rates of medical bill problems. In 2012, three of five (61%) adults who were uninsured during the year and 55 percent who were underinsured reported medical bill problems or accrued medical debt, compared with one-quarter (26%) of those who were insured all year with adequate coverage (Exhibit 8, Table 3).

Adults in households with low and moderate incomes are the hardest hit by medical bill problems, compared with those in higher-income households. Half (51%) of adults in families with incomes under 133 percent of federal poverty level and half (52%) of those with incomes between 133 percent and 249 percent of poverty reported problems paying medical bills or said they were paying off medical debt over time. Yet many adults in households with higher incomes also struggled to pay medical bills. For example, two of five adults with incomes between 250 percent of poverty ($27,925 for individuals and $57,625 for a family of four) and 399 percent of poverty ($44,680 for an individual and $92,200 for a family of four) and one-quarter of those in families with incomes of 400 percent of poverty or more, reported problems paying bills or said they were paying off debt.

Medical bill burdens have significant consequences for household budgets and potential long-term financial implications for many adults. Among those who reported difficulties with medical bill payments or said they were paying off medical debt, nearly seven of 10 (68%)—an estimated 51 million people—suffered other financial consequences as a result (Exhibit 9, Table 3). For example, 42 percent, or an estimated 32 million people, said they

Exhibit 8. Problems with Medical Bills or Accrued Medical Debt Highest Among Adults with Low and Moderate Incomes, 2012



Notes: FPL refers to federal poverty level. Income levels are for a family of four in 2012.
** Had problems paying medical bills, contacted by a collection agency for unpaid bills, had to change way of life in order to pay medical bills, or has outstanding medical debt. ^ Underinsured defined as insured all year but experienced one of the following: out-of-pocket expenses equaled 10% or more of income; out-of-pocket expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income.
* Combines "Uninsured now" and "Insured now, time uninsured in past year."
Source: The Commonwealth Fund Biennial Health Insurance Survey (2012).

received a lower credit rating as result of unpaid medical bills; 37 percent, or an estimated 28 million people, said they used all their savings because of medical bills; and 27 percent, or 20 million people, took on credit card debt. One-quarter of adults reported they were unable to pay for basic necessities such as food, heat, or rent because of medical bills. And 6 percent, or 4 million, adults reported that they had to declare bankruptcy because of their medical bills.

Many Americans Do Not Get Needed Health Care Because of Costs

Greater exposure to health costs, either because of a loss of benefits or higher cost-sharing, has erected significant barriers to timely health care for millions of adults. In the Commonwealth Fund survey, respondents were asked whether they did not seek needed medical care in the past 12 months because of the cost, specifically, whether they: left a prescription unfilled; skipped a medical test, treatment, or follow-up visit recommended by a doctor; did not go to a doctor or clinic when sick; or did not see a specialist, even though a doctor or the respondent thought doing so was necessary.

The share of adults who reported experiencing at least one of these cost-related problems getting needed care has steadily increased over the past nine years. More than two of five (43%) adults, an estimated 80 million people, reported going without needed care because of costs in 2012, up from 37 percent, or 63 million people, in 2003 (Exhibit 10, Table 4). The number of people reporting problems rose sharply across all measures over that period.

Adults who were uninsured for any time during the year or those underinsured reported cost-related access problems at the highest rates. The majority of adults who spent any time during the year uninsured reported they had not received

Exhibit 9. Adults with Low Incomes Less Likely to Be Able to Pay for Basic Necessities Because of Medical Bill or Debt Problems

Percent of adults ages 19–64 with medical bill problems or accrued medical debt*					
In the past two years because of medical bills:	Total	<133% FPL <$30,657	133%–249% FPL $57,625	250%–399% FPL $92,200	400%+ FPL $92,200+
Received a lower credit rating	42% 32 million	49%	53%	33%	30%
Used all of savings	37% 28 million	41%	49%	29%	25%
Took on credit card debt	27% 20 million	15%	29%	39%	37%
Unable to pay for basic necessities (food, heat, or rent)	25% 19 million	33%	32%	18%	7%
Delayed career or education plans	22% 17 million	28%	24%	18%	17%
Took out a mortgage against your home or took out a loan	7% 5 million	6%	7%	9%	10%
Had to declare bankruptcy	6% 4 million	6%	7%	4%	3%
Any of the above	68% 51 million	70%	75%	67%	62%

* Base: Had problems paying medical bills, contacted by a collection agency for unpaid bills, had to change way of life in order to pay medical bills, or has outstanding medical debt.
Notes: FPL refers to federal poverty level. Income levels are for a family of four in 2012.
Source: The Commonwealth Fund Biennial Health Insurance Survey (2012).

needed care because of cost. Nearly seven of 10 (67%) adults who were uninsured for a time during the year reported at least one cost-related problem getting needed care (Exhibit 11, Table 4). And half (51%) of adults who had had health insurance but were underinsured said they had not received needed care because of cost. A significant share of respondents who had adequate health insurance also reported problems: over a quarter (28%) of adults who had health insurance all year and were not underinsured reported forgoing needed care because of cost.

These problems were most acute among adults with low and moderate incomes. Because of cost concerns, more than half (53%) of adults in families with incomes under 133 percent of federal poverty level and more than half (53%) of those with incomes between 133 and 249 percent of poverty had not gotten needed care. Yet many in households with higher incomes reported similar problems. More than two of five (43%) adults with incomes between 250 percent and 399 percent of poverty and more than one-quarter (28%) of those in families with incomes of 400 percent of poverty or more reported cost-related problems getting needed care.

Many adults with chronic health problems report not filling prescriptions or skipping doses of prescription drugs for their health conditions because of the cost. More than one-third (36%) of adults, an estimated 66 million people, reported having one of the following chronic conditions: hypertension or high blood pressure, diabetes, asthma, emphysema, lung disease, or heart disease (data not shown). Over a quarter (28%) of chronically ill adults who took regular medications for their conditions reported skipping doses or not filling a prescription because they could not afford to pay for it (Exhibit 12, Table 4).

Among people with chronic health problems, rates of cost-related problems getting needed care were highest among those without insurance coverage or who were poorly insured. Sixty percent of those who were uninsured at the time of the survey and 52 percent of those insured but with a gap in the past year reported skipping doses or not filling prescriptions (Exhibit 12). One-third of adults who were underinsured had skipped a dose or not filled a prescription for their condition, compared

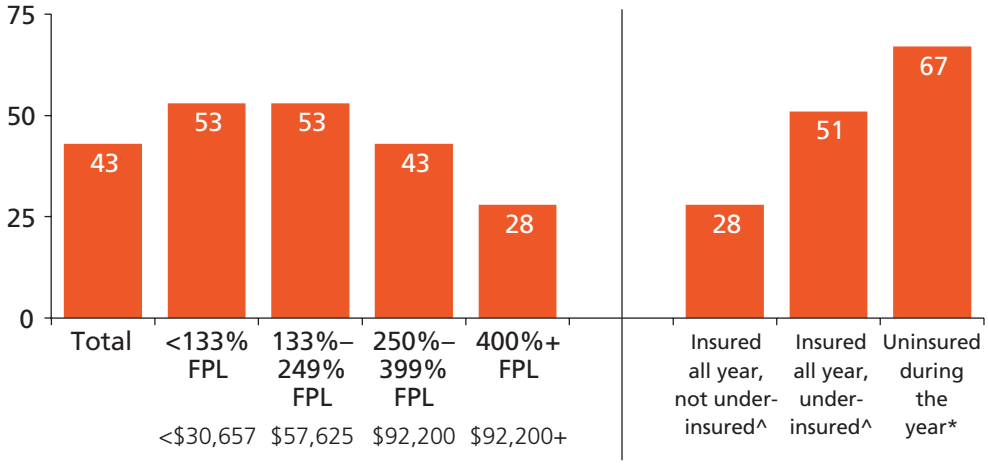
Exhibit 10. Number of Adults Reporting Cost-Related Problems Getting Needed Care Increased, 2003–2012

Percent of adults ages 19–64	2003	2005	2010	2012
In the past 12 months:				
Had a medical problem, did not visit doctor or clinic	22% 38 million	24% 41 million	26% 49 million	29% 53 million
Did not fill a prescription	23% 39 million	25% 43 million	26% 48 million	27% 50 million
Skipped recommended test, treatment, or follow-up	19% 32 million	20% 34 million	25% 47 million	27% 49 million
Did not get needed specialist care	13% 22 million	17% 30 million	18% 34 million	20% 37 million
Any of the above access problems	37% 63 million	37% 64 million	41% 75 million	43% 80 million

Source: The Commonwealth Fund Biennial Health Insurance Surveys (2003, 2005, 2010, and 2012).

Exhibit 11. Cost-Related Problems Getting Needed Care Are Highest Among Adults with Low and Moderate Incomes, 2012

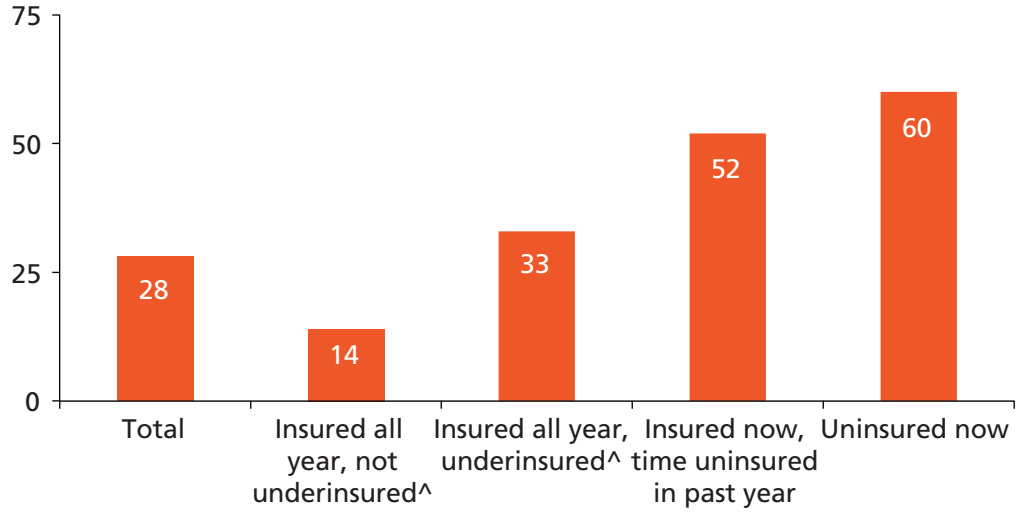
Percent of adults ages 19–64 who had any of four access problems** in past year because of cost



Notes: FPL refers to federal poverty level. Income levels are for a family of four in 2012.
** Did not fill a prescription; did not see a specialist when needed; skipped recommended medical test, treatment, or follow-up; had a medical problem but did not visit doctor or clinic. ^ Underinsured defined as insured all year but experienced one of the following: out-of-pocket expenses equaled 10% or more of income; out-of-pocket expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income. * Combines "Uninsured now" and "Insured now, time uninsured in past year."
Source: The Commonwealth Fund Biennial Health Insurance Survey (2012).

Exhibit 12. Adults Uninsured During the Year or Underinsured Are More Likely to Skip Doses or Not Fill Prescriptions for Chronic Conditions, 2012

Percent of adults ages 19–64 with at least one chronic condition* who skipped doses or did not fill prescription for chronic condition because of cost



* Adults with hypertension or high blood pressure; diabetes; asthma, emphysema, or lung disease; or heart disease, who take prescription medications on a regular basis. ^ Underinsured defined as insured all year but experienced one of the following: out-of-pocket expenses equaled 10% or more of income; out-of-pocket expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income.
Source: The Commonwealth Fund Biennial Health Insurance Survey (2012).

with 14 percent of adults with chronic health problems and adequate insurance.

Uninsured Adults Are Less Likely to Have a Regular Source of Care or Get Preventive Screenings

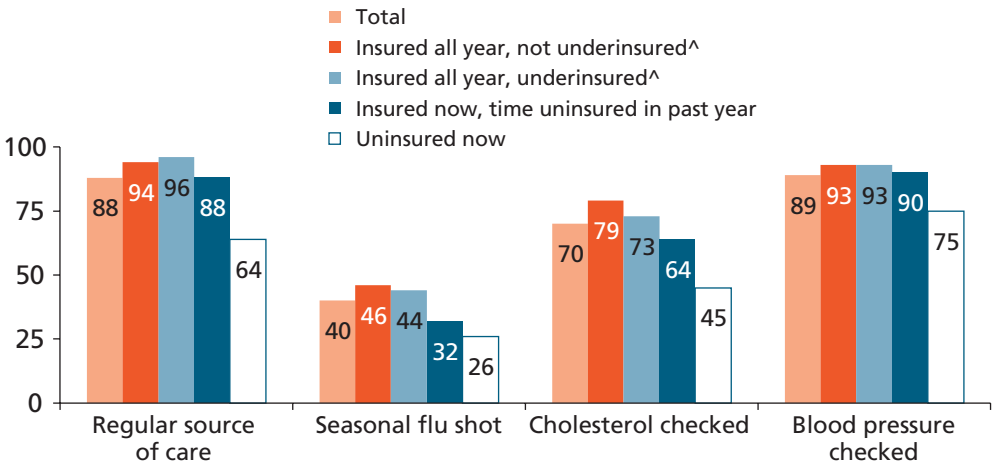
The survey asked respondents about their use of health care services, including whether they had a regular source of care, or if they had received preventive screening tests in a recommended time frame. Adults who were uninsured were at a higher risk of not having a regular source of care, or not receiving preventive care.

Regular source of care. People who have a regular source of care are more likely to receive preventive care and adhere to a physician's treatment regimen, allowing health problems to be identified and treated early before costly hospital stays become necessary.[7] The survey asked adults whether there was a regular doctor, medical group, health center, or clinic where they went for care when they needed it. Nearly all (94%) adults who were insured all year, including those who were considered underinsured, reported having a regular source of care (Exhibit 13, Table 4). In contrast, just under two-thirds (64%) of those who were uninsured at the time of the survey reported a regular source of care.

Preventive care. Preventive screening tests such as colonoscopies have been shown to save thousands of lives each year.[8] Yet many adults in the United States do not receive recommended screenings. Indeed, screening rates for breast cancer, cervical cancer, and colorectal cancer have all been found to fall short of the national targets set by the federal Healthy People 2020 initiative.[9]

The survey asked adults whether they had received a set of preventive care screenings in the recommended time frame.[10] In 2012, nearly nine of 10 adults (89%) were up-to-date with blood pressure checks, but only seven of 10 had their cholesterol checked in the past five years, and about half

Exhibit 13. Uninsured Adults Are Less Likely to Have a Regular Source of Care, 2012



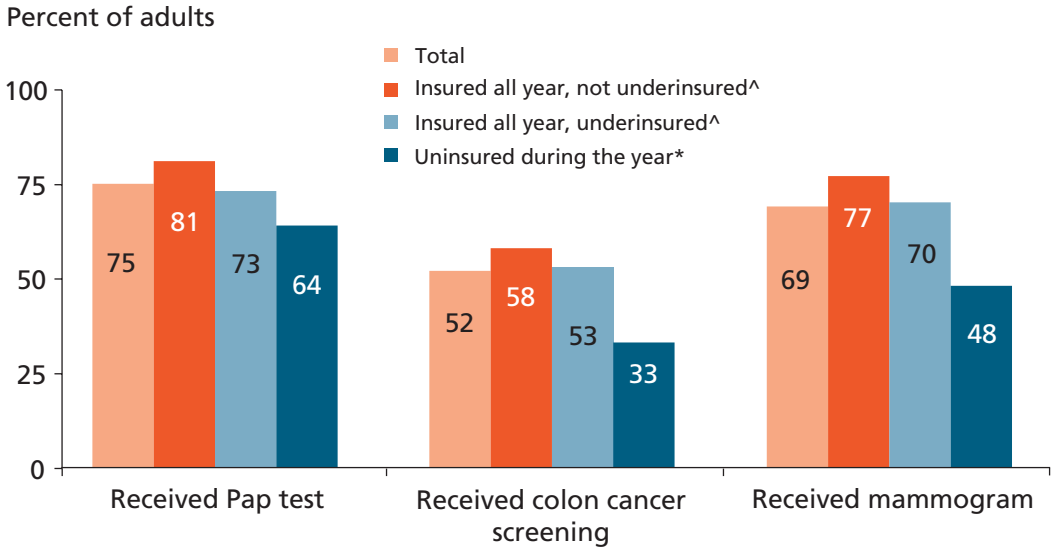
^ Underinsured defined as insured all year but experienced one of the following: out-of-pocket expenses equaled 10% or more of income; out-of-pocket expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income. Notes: Seasonal flu shot in past 12 months; cholesterol checked in past five years (in past year if has hypertension, heart disease, or high cholesterol); blood pressure checked in past two years (in past year if has hypertension or high blood pressure).
Source: The Commonwealth Fund Biennial Health Insurance Survey (2012).

(52%) of those 50 and older had a colon cancer screening in the past five years (Exhibits 13 and 14). Among women, three-quarters had received a Pap test and 69 percent had received a mammogram in the recommended time frames. Finally, very few adults received seasonal flu shots: just 40 percent had a flu shot in the past 12 months.

Rates of getting preventive tests were substantially lower among people without health insurance. Only one-third of adults who were uninsured during the year had a colon cancer screening, compared with 58 percent of those who were insured all year and were not underinsured. Fewer than half (48%) of women who were uninsured any time had a mammogram, versus 77 percent of women who were insured all year and not underinsured. And while nearly 80 percent of adults who were insured all year and not underinsured had their cholesterol checked in the recommended time frame, only 64 percent of those who were insured at the time of the survey but had had a gap in their coverage were screened, as were just 45 percent of respondents without coverage at the time of the survey.

Given the much lower rates of insurance coverage among adults with low incomes, as a group they were far less likely than adults with higher incomes to receive preventive care services. Just over half (54%) of adults with incomes under 133 percent of poverty had their cholesterol checked in the past five years, compared with 87 percent of those with incomes of 400 percent of poverty or higher (Table 4). Only half (49%) of women with low incomes had a mammogram in the recommended time frames, compared with 87 percent of women with higher incomes. And fewer than two of five (39%) adults ages 50 to 64 with incomes under 133 percent of poverty received a colon cancer screening in the past five years, versus 62 percent of those with incomes of 400 percent of poverty or more.

Exhibit 14. Uninsured Adults and Adults with Gaps in Coverage Have Lower Rates of Cancer Screening Tests, 2012



^ Underinsured defined as insured all year but experienced one of the following: out-of-pocket expenses equaled 10% or more of income; out-of-pocket expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income. * Combines "Uninsured now" and "Insured now, time uninsured in past year."
Notes: Pap test in past three years for females ages 21–64; colon cancer screening in past five years for adults ages 50–64; and mammogram in past two years for females ages 40–64.
Source: The Commonwealth Fund Biennial Health Insurance Survey (2012).

THE AFFORDABLE CARE ACT WILL EXPAND AND IMPROVE THE AFFORDABILITY OF HEALTH INSURANCE AND HEALTH CARE

The enactment of the Affordable Care Act three years ago placed the United States on a path to near-universal health insurance coverage. Millions of young adults have gained or maintained insurance through their parents' plans. In addition, the law's initial set of insurance regulations banning carriers from placing limits on what they will pay and from cancelling health policies retroactively when someone becomes ill have already improved the reliability of health insurance for millions of Americans who buy coverage on their own. Indeed, those protections may be partly responsible for the slowing the rate of growth in the numbers of underinsured adults in the survey over the past two years.

But the survey's findings demonstrate the importance of the complete rollout of the law's central coverage provisions, which will go into effect January 2014. These provisions include an expansion in Medicaid eligibility for people in families with household incomes up to 133 percent of the federal poverty level, or $30,657 for a family of four (Exhibit 15). Comprehensive insurance plans will be available through new health insurance marketplaces in every state with tax credits available to people with incomes up to 400 percent of poverty, or about $92,200 for a family of four, to help pay for premiums. Carriers selling plans in the new marketplaces, as well as in the individual and small-group markets, are required to provide an "essential health benefit" package that covers 10 categories of care, including basic services such as hospitalization and emergency care, as well as mental health and maternity care. Insurers must offer these benefits at four tiers of cost coverage: bronze plans (covering on average 60% of a person's annual medical costs), silver (70% of costs), gold (80% of costs), and platinum (90% of costs). For people with low incomes, the average costs covered by the silver plan are increased to 94 percent (for those with incomes up to 149% of the federal poverty level), 87 percent (150% to 199% of poverty), and 73 percent (200% to 249% of poverty). There are also caps placed on out-of-pocket spending, with lower limits for people with incomes under 400 percent of poverty.

These new subsidized insurance options are complemented by a set of sweeping insurance market reforms, including: banning insurers from charging people higher premiums based on health or gender; limiting what older people may be charged relative to younger people; prohibiting carriers from limiting or denying benefits because of preexisting health conditions; and requiring broad pooling of risk in state insurance markets to reduce the ability of carriers to charge older or sicker enrollees higher rates.

How the Affordable Care Act Will Address Problems Identified in the Survey

The combination of new affordable coverage options and insurance market reforms in the Affordable Care Act has the potential to reverse growth in the number of people who have gaps in their health insurance, are underinsured, spend large shares of their income on premiums, struggle to pay medical bills, delay getting needed care because of cost, and do not have a regular source of health care.

We examined the potential of the health reform law to solve the problems reported by adults in the Commonwealth Fund survey. We assume that all states participate in the Medicaid expansion and all adults who are eligible to enroll under the law do so. It is important to keep in mind that some adults whose incomes would make them eligible for the law's new coverage options will not be eligible because of their immigration status.

Potential to Reduce the Number of Uninsured Individuals

Of the estimated 55 million adults who had a gap in coverage in 2012, all those who are in the U.S. legally would have access to new insurance options with consumer protections. Nearly 90 percent have incomes under 400 percent of poverty, or $92,200 for a family of four, making them eligible for subsidized coverage (Exhibit 16).

New coverage under Medicaid. Up to 28 million adults who were uninsured for a time in 2012 and had incomes under 133 percent of poverty will become eligible for Medicaid, with little or no premium or cost-sharing expenses.

New subsidized private health plans with consumer protections. Up to 20 million adults who were uninsured for a time in 2012 and with incomes between 133 percent and 399 percent of poverty will become eligible for premium tax credits to help them purchase private health plans through the health insurance marketplaces.

New private health plans with consumer protections. Among adults with incomes of 400 percent of poverty or higher, up to 3 million who were uninsured for a time in 2012 will be able to purchase private plans with comprehensive benefits through the health insurance marketplaces or the individual market. They will benefit from the law's new consumer protections, including those banning insur-

Exhibit 15. Premium Tax Credits and Cost-Sharing Protections Under the Affordable Care Act

Federal poverty level	Income	Adults ages 19–64		Premium contribution as a share of income	Out-of-pocket limits^^	Actuarial value: Silver plan
		Uninsured during the year*	Insured all year, underinsured^			
<133%	S: <$14,856 F: <$30,657	28 M	12 M	2% (or Medicaid)	S: $2,083 F: $4,167	94%
133%–149%	S: $16,755 F: $34,575	13 M	8 M	3.0%–4.0%		
150%–199%	S: $22,340 F: $46,100			4.0%–6.3%		87%
200%–249%	S: $27,925 F: $57,625			6.3%–8.05%	S: $3,125 F: $6,250	73%
250%–299%	S: $33,510 F: $69,150	6 M	5 M	8.05%–9.5%		70%
300%–399%	S: $44,680 F: $92,200			9.5%	S: $4,167 F: $8,333	70%
400%+	S: $44,680+ F: $92,200+	3.5 M	4 M	—	S: $6,250 F: $12,500	—

Four levels of cost-sharing:
1st tier (Bronze) actuarial value: 60%
2nd tier (Silver) actuarial value: 70%
3rd tier (Gold) actuarial value: 80%
4th tier (Platinum) actuarial value: 90%

Catastrophic policy with essential benefits package available to young adults and people whose premiums are 8%+ of income

Notes: Actuarial values are the average percent of medical costs covered by a health plan. Premium and cost-sharing credits are for silver plan. * Combines "Uninsured now" and "Insured now, time uninsured in past year." ^ Underinsured defined as insured all year but experienced one of the following: out-of-pocket expenses equaled 10% or more of income; out-of-pocket expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income. ^^ For 2013.
Source: Federal poverty levels are for 2012; Commonwealth Fund Health Reform Resource Center: What's in the Affordable Care Act? (PL 111-148 and 111-152), http://www.commonwealthfund.org/Health-Reform/Health-Reform-Resource.aspx.

ance companies from denying or limiting coverage because of preexisting health conditions or charging higher premiums based on health or gender.

Potential to Reduce the Number of People Who are Underinsured

Of the estimated 30 million people in the survey who had health insurance but were underinsured, an estimated 85 percent have incomes that could make them eligible for Medicaid or subsidized health plans, with reduced out-of-pocket spending, through the insurance marketplaces. People who are ineligible for subsidies because their income is too high will benefit from the law's new essential health benefit standard and insurance market protections against limiting coverage for people with preexisting conditions. In addition, people who are offered employer-based insurance that does not cover at least 60 percent of their health care costs may be eligible to enroll in a subsidized health plan.

New coverage under Medicaid. Up to 12 million adults who were underinsured in 2012 and had incomes under 133 percent of the poverty level will be eligible for Medicaid, with little or no cost-sharing expenses.

New subsidized private health plans with consumer protections. Up to 13 million adults in the survey who were underinsured in 2012 and had incomes between 133 percent and 399 percent of the poverty level might be eligible for premium tax credits to purchase private health plans through the marketplaces. In addition, adults earning up to 249 percent of poverty would have a greater share of their costs covered by their health plans: up to 94 percent for those earning up to 149 percent of poverty,

Exhibit 16. Under Full Implementation, the Affordable Care Act Has the Potential to Provide New Coverage and Protections to Working-Age Adults

Coverage options in 2014		Medicaid	Subsidized private insurance		Private insurance
Adults ages 19–64, in the past 12 months:	Total	<133% FPL <$30,657	133%–249% FPL $57,625	250%–399% FPL $92,200	400%+ FPL $92,200+
Uninsured during the year*	30% 55 million	52% 28 million	37% 13 million	19% 6 million	7% 3 million
Insured all year, underinsured^	16% 30 million	23% 12 million	22% 8 million	16% 5 million	10% 4 million
Any bill problem or medical debt**	41% 75 million	51% 27 million	52% 18 million	40% 13 million	25% 12 million
Any cost-related access problem***	43% 80 million	53% 28 million	53% 19 million	43% 14 million	28% 13 million
Spent 10% or more of household income on premiums (among privately insured)****	15% 14 million	36% 5 million	23% 4 million	13% 3 million	4% 2 million

Notes: FPL refers to federal poverty level. Total column includes those with undesignated income. Income levels are for a family of four in 2012. * Combines "Uninsured now" and "Insured now, time uninsured in past year." ^ Underinsured defined as insured all year but experienced one of the following: out-of-pocket expenses equaled 10% or more of income; out-of-pocket expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income. ** Includes: had problems paying or unable to pay medical bills; contacted by collection agency for unpaid medical bills; had to change way of life to pay bills; medical bills being paid off over time. *** Includes any of the following because of cost: had a medical problem, did not visit doctor or clinic; did not fill a prescription; skipped recommended test, treatment, or follow-up; did not get needed specialist care. **** Base: Respondents who specified income level and premium for private insurance plan.
Source: The Commonwealth Fund Biennial Health Insurance Survey (2012).

Minimum Premium Affordability Standards for Employer Coverage Under the Affordable Care Act

Under the Affordable Care Act, employers with 50 or more workers are required to offer health insurance benefits that meet minimum affordability and coverage standards, or they must pay a penalty if an employee becomes eligible for a premium tax credit in the new insurance marketplaces. The U.S. Treasury Department in its proposed rule has interpreted this provision of the law as requiring firms to offer coverage to the employee and dependent children, but not to the employee's spouse.[11] A spouse who is not offered employer coverage would be eligible for tax credits through the insurance marketplace if he or she is has income below 400 percent of poverty.

An offer of employer coverage is not considered to be affordable if the employee's premium contribution constitutes 9.5 percent or more of his or her income (or it covers less than 60 percent, on average, of medical costs). An employee who is offered an unaffordable plan would thus be eligible for a tax credit for a plan offered in the insurance marketplace if he or she were income-eligible, and the employer would then pay a penalty.

In its final rule on premium tax credits, however, the Treasury Department defined affordability based on the employee's cost of self-only coverage, rather than family coverage.[12] In other words, an employee may have a family plan that costs him more than 9.5 percent of his income, but if a self-only policy offered by his company is less than 9.5 percent of his income, then his coverage would be deemed affordable, and neither he nor any dependents (children or spouse) would be eligible for a tax credit on the exchange. This interpretation of the law likely means there will be larger numbers of uninsured children and spouses than if Treasury had used premium contributions for a family plan as the basis for determining whether an offer of employer coverage is affordable.

87 percent for those earning up to 199 percent of poverty, and 73 percent for those earning up to 249 percent of poverty. Out-of-pocket limits for a single policy will be set at $2,083 to 199 percent of poverty, $3,175 to 299 percent of poverty, and $4,167 up to 399 percent of poverty (Exhibit 15).

New private health plans with consumer protections. Up to 4 million adults with incomes equivalent to 400 percent of the poverty level or higher who were underinsured in 2012 might be able purchase private plans with comprehensive benefits through the health insurance marketplaces or the individual market. These people will benefit from the reform law's new consumer protections. Out-of-pocket limits are set at $6,250 for a single policy.

Protection from High Premiums

Under the Affordable Care Act, taxpayers with incomes between 100 percent and 400 percent of poverty ($23,050 to $92,200 for a family of four) who do not have an affordable offer of health insurance through their jobs and are not eligible for Medicaid will be eligible for insurance premium tax credits to help cover the costs of plans sold through the new insurance marketplaces (see box). People eligible for the tax credits would contribute no more than 2 percent to 9.5 percent of their income toward their premium. The amount of the credit will be equal to the difference between the required premium contribution and the premium of the benchmark health plan—the second-lowest-cost "silver plan" offered through the marketplace.[13] An

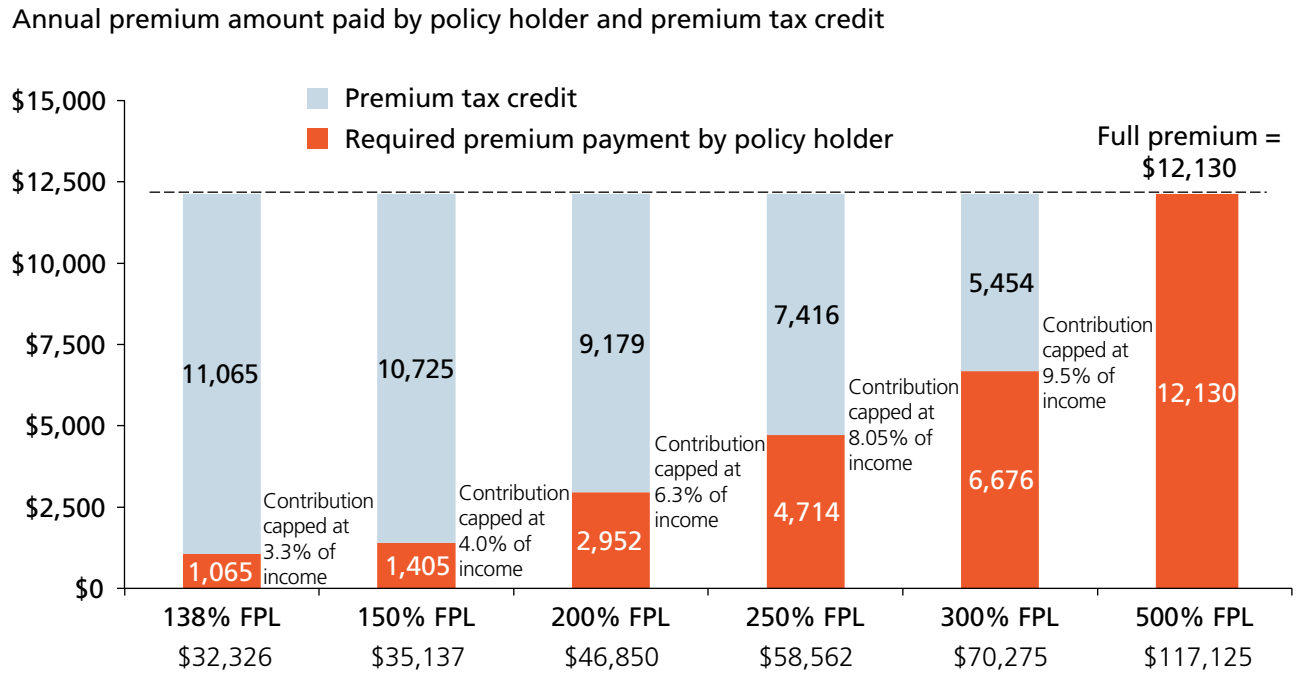
individual may choose a plan that is not the benchmark plan, but the amount of the tax credit will be determined based on the premium for the benchmark plan, not the plan they enroll in, which could be less or more than the benchmark. The tax credit cannot exceed the amount of the full premium.

For example, a 40-year-old policyholder in a family of four has an income of $35,137—150 percent of the federal poverty level in 2014 (Exhibit 17). The required premium contribution for the policy would be 4 percent of income, or $1,405. The Kaiser Family Foundation estimates that this family's premium for a benchmark plan in a medium-cost area of the country would be $12,130. The family's tax credit would thus be equal to the benchmark premium less their required contribution, or $10,725. A slightly older policyholder would be charged a higher premium in the marketplace, but the tax credit would also be higher, since the premium contribution is a fixed percentage of family income.

New coverage under Medicaid. In the survey, among adults with private health insurance and incomes less than 133 percent of poverty, more than one-third (36%) spent 10 percent or more of their income on premiums (Exhibit 16). Most of these adults will be eligible for Medicaid in 2014 and will pay little or nothing for premiums.

New subsidized private health plans with consumer protections. Among adults with incomes between 133 percent and 249 percent of poverty with a private health plan, 23 percent spent 10 percent or more of their income on insurance premiums. Under health reform, adults with incomes in this range will be potentially eligible for tax credits to purchase coverage through the new marketplaces;

Exhibit 17. Annual Premium Amount and Tax Credits for a Family of Four Under the Affordable Care Act, 2014



Notes: For an family of four, policy holder age 40, in a medium-cost area in 2014. Premium estimates are based on an actuarial value of 0.70. Actuarial value is the average percent of medical costs covered by a health plan. FPL refers to federal poverty level.
Source: Premium estimates are from Kaiser Family Foundation Health Reform Subsidy Calculator, http://healthreform.kff.org/Subsidycalculator.aspx.

these credits will cap what they contribute to their premiums, ranging from 3 percent to 8 percent of income. Individuals enrolled in employer-based plans who have premium contributions for a single policy in excess of 9.5 percent of income will be eligible for tax credits through the marketplaces.

New private health plans with consumer protections. An estimated 2 million privately insured adults earning 400 percent of poverty or more spent at least 10 percent of their income on premiums. New insurance market regulations that ban carriers from charging higher premiums on the basis of health status or gender will help this group gain comprehensive coverage through the health insurance marketplaces or individual market. In addition. health plans will not be able to charge older adults premiums that are more than three times those charged to younger adults.

Protection from Medical Bill Problems and Debt

People with the highest rates of medical bill problems and debt—the uninsured, underinsured, and people with low or moderate income—will be protected through expanded health insurance subsidies and market reforms that ban insurers from denying coverage or charging higher premiums on the basis of health.

New coverage under Medicaid. Among the surveyed adults with income under 133 percent of the poverty level, half (51%), or an estimated 27 million, reported medical bill problems or debt (Exhibit 16). Most adults with incomes in this range will be eligible for Medicaid. They will pay little for premiums or out-of-pocket costs, which will protect them from high medical bills.

New subsidized private health plans with consumer protections. Among adults with incomes between 133 percent and 249 percent of poverty, 52 percent, or an estimated 18 million, reported problems with medical bills and debt. Among families with slightly higher incomes, between 250 percent and 399 percent of poverty, 40 percent, or 13 million, reported problems paying medical bills. Most people in this income range who lack an offer of affordable employer health insurance will be eligible for premium tax credits to reduce their insurance costs. Cost-sharing credits and out-of-pocket limits will lower out-of-pocket costs, further reducing their exposure to expensive medical bills.

New private health plans with consumer protections. One-quarter of families earning 400 percent or more of the poverty level, or 12 million, reported problems with medical bills and debt in 2012. New consumer protections will help those with incomes in this range who must buy coverage on their own gain comprehensive coverage through the state insurance marketplaces or the individual market, with limits on out-of-pocket spending.

Reducing Cost Barriers to Getting Needed Care

Under the Affordable Care Act, low- and moderate-income families will have reduced cost-sharing and limits on out-of pocket spending, which will help reduce cost-related barriers to obtaining needed care.

New coverage under Medicaid. In the survey, among adults with income under 133 percent of poverty, 53 percent, or an estimated 28 million, reported cost-related problems getting needed health care (Exhibit 16). Most families in this income range will be eligible for Medicaid and face little or no cost-sharing.

New subsidized private health plans with consumer protections. Among adults with incomes between 133 percent and 249 percent of poverty, 53 percent, or an estimated 19 million, reported having at least one cost-related problem getting needed health care. More than two of five (43%) adults, or 14 million, in the next-higher income range (250% to 399% of poverty) reported not getting needed care because of costs. Most adults in these income ranges who are not offered affordable health insurance through their jobs will be eligible for plans featuring an essential benefit package and limits on out-of-pocket spending.

New private health plans with consumer protections. Twenty-eight percent of respondents living at 400 percent of poverty or more, or an estimated 13 million adults, reported a cost-related problem getting needed care. People with such incomes who must buy coverage on their own will be able to purchase health insurance through the marketplaces or individual market. Their coverage will have an essential benefit package and limits on out-of-pocket spending.

Who Will Remain Uninsured?

There are some important limitations to consider when assessing the potential effects of the Affordable Care Act. First, the law does not provide subsidized coverage to people who are not in the country legally. Jonathan Gruber, an economist at the Massachusetts Institute of Technology, has estimated that of a projected 25 million people who will remain uninsured in 2016, about 5 million will be undocumented immigrants. Second, both the Congressional Budget Office and Gruber predict that the balance of uninsured people, about 20 million, will be those who are eligible for new coverage options but not enrolled—whether because they are unaware of their eligibility, they are not able to find an affordable premium, or they elect not to enroll.

Third, the Supreme Court's decision in June 2012 transformed the reform law's requirement that states expand their Medicaid programs into a voluntary option. In states that do not participate in the expansion, people earning between 100 percent and 133 percent of the federal poverty level are eligible for subsidized private coverage though the new marketplaces, though at higher premiums and cost-sharing than under Medicaid. When the law was written, it was assumed that most families with incomes under the poverty level would be eligible for the Medicaid expansion. Therefore, no similar provision was made for the poorest families. So, for states that do not participate in the expansion, there would be no subsidized coverage for these families other than what currently exists. To date, about half the states have indicated they will participate in the expansion. Some states, like Arkansas, are negotiating with federal officials to use Medicaid expansion funds to provide residents who become newly eligible for Medicaid with equivalent benefits through private insurance plans.

Currently, all states participate in Medicaid and the Children's Health Insurance Program, with states shouldering a higher share of the expense than they would under the Medicaid expansion. Thus, it seems likely that all states will eventually participate in the expansion over the next decade. However, in the near term, poor families are clearly at risk of continuing to go without health insurance in many states.

LOOKING FORWARD

The Congressional Budget Office estimates that the health reform law will provide new insurance coverage to 27 million individuals by 2021—people who otherwise would have been uninsured. However, uncertainty surrounding states' decisions to expand Medicaid, undocumented immigrants' ineligibility for subsidized insurance, and the potential that many eligible people will not enroll in the new coverage options together could leave 29 million people without coverage.

It is imperative, therefore, that the federal government and the states work together to fully implement the law's provisions, including informing the public about the new insurance options and helping people to apply and enroll. Federal and state officials must also ensure that when the state marketplaces begin open enrollment in October 2013, there are health plans available with sufficient provider network capacity to meet the new demand for health services. The reform law has provided the tools needed to achieve near-universal coverage over the next decade. It is up to us to ensure they are used effectively.

SURVEY METHODOLOGY

The Commonwealth Fund Biennial Health Insurance Survey was conducted by Princeton Survey Research Associates International from April 26 to August 19, 2012. The survey consisted of 25-minute telephone interviews in either English or Spanish and was conducted among a random, nationally representative sample of 4,432 adults age 19 and older living in the continental United States. Because relying on landline-only samples leads to undercoverage of American households, a combination of landline and cellular phone random-digit dial (RDD) samples was used to reach people, regardless of the type of telephones they use.[14] In all, 2,217 interviews were conducted with respondents on landline telephones and 2,215 interviews were conducted on cellular phones, including 1,166 with respondents who live in households with no landline telephone access.

The sample was designed to generalize to the U.S. adult population and to allow separate analyses of responses of low-income households. This report limits the analysis to respondents ages 19 to 64 (n=3,393). Statistical results are weighted to correct for the stratified sample design, the overlapping landline and cellular phone sample frames, and disproportionate nonresponse that might bias results. The data are weighted to the U.S. adult population by age, sex, race/ethnicity, education, household size, geographic region, population density, and household telephone use, using the U.S. Census Bureau's 2011 Annual Social and Economic Supplement.

The resulting weighted sample is representative of the approximately 183.9 million U.S. adults ages 19 to 64. Respondents' insurance status in the past 12 months is classified as either insured all year, insured when surveyed but uninsured during the past 12 months, or currently uninsured. These categories enabled exploration of insurance instability and its role in access to care and financial security. The study also classified adults by income as a percent of the federal poverty level. Eight percent of adults ages 19 to 64 did not provide sufficient income data for classification.

The survey has an overall margin of sampling error of +/– 2.3 percentage points at the 95 percent confidence level. The landline portion of the survey achieved a 22 percent response rate and the cellular phone component achieved a 19 percent response rate.

We also report estimates from the 2003, 2005, and 2010 Commonwealth Fund Biennial Health Insurance Surveys. These surveys were conducted by Princeton Survey Research Associates International using the same stratified sampling strategy as was used in 2012 except the 2003 and 2005 surveys did not include a cellular phone random-digit dial sample.[15] In 2003, the survey was conducted from September 3, 2003, through January 4, 2004, and included 3,293 adults ages 19 to 64; in 2005, the survey was conducted from August 18, 2005, to January 5, 2006, among 3,353 adults ages 19 to 64; in 2010, the survey was conducted from July 14 to November 30, 2010, among 3,033 adults ages 19 to 64.

NOTES

[1] The Commonwealth Fund Survey of Young Adults found that between November 2010 and November 2011, an estimated 6.6 million young adults ages 19 to 25 stayed on or joined their parents' health plans. These individuals likely would not have been able to do so prior to the passage of the Affordable Care Act. See S. R. Collins, R. Robertson, T. Garber, and M. M. Doty, *Young, Uninsured, and in Debt: Why Young Adults Lack Health Insurance and How the Affordable Care Act Is Helping—Findings from the Commonwealth Fund Health Insurance Tracking Survey of Young Adults, 2011* (New York: The Commonwealth Fund, June 2012).

An analysis of the National Health Interview Survey by HHS found that 3.1 million previously uninsured young adults gained coverage by December 2011. See B. D. Sommers, T. Buchmueller, S. L. Decker et al, "The Affordable Care Act Has Led to Significant Gains in Health Insurance and Access to Care for Young Adults," *Health Affairs*, Jan. 2013 32(1):165–74.

[2] People are defined as underinsured if they had health insurance all year but spent 10 percent or more of their income on out-of-pocket health costs, excluding premiums; spent 5 percent or more of their income on out-of-pocket costs if their incomes were under 200 percent of poverty ($46,100 for a family of four); or had deductibles that amounted to 5 percent or more of their income. The measure of underinsurance is conservative: other than the deductible component, it reflects out-of-pocket costs that were actually incurred over the past year rather than the extent to which a person's health plan leaves them potentially exposed to high out-of-pocket costs. See C. Schoen, M. M. Doty, R. H. Robertson, and S. R. Collins, "Affordable Care Act Reforms Could Reduce the Number of Underinsured U.S. Adults by 70 Percent," *Health Affairs*, Sept. 2011 30(9):1762–71.

[3] M. Hartman, A. B. Martin, J. Benson et al., "National Health Spending in 2011: Overall Growth Remains Low, But Some Payers and Services Show Signs of Acceleration," *Health Affairs,* Jan. 2013 32(1):87–99.

[4] C. DeNavas-Walt, B. D. Proctor, and J. C. Smith, *Income, Poverty, and Health Insurance Coverage in the United States: 2011* (Washington, D.C.: U.S. Census Bureau, Sept. 2012).

[5] G. Claxton, M. Rae, N. Panchal et al., "Health Benefits in 2012: Moderate Premium Increases for Employer-Sponsored Plans; Young Adults Gained Coverage Under ACA," *Health Affairs*, Oct. 2012 31(10):2324–33.

[6] 2011 Kaiser/HRET Employer Health Benefits Survey (EHBS).

[7] M. K. Abrams, R. Nuzum, S. Mika, and G. Lawlor, *Realizing Health Reform's Potential: How the Affordable Care Act Will Strengthen Primary Care and Benefit Patients, Providers, and Payers* (New York: The Commonwealth Fund, Jan. 2011); A. B. Bindman, K. Grumbach, D. Osmond et al., "Primary Care and Receipt of Preventive Services," *Journal of General Internal Medicine,* May 1996 11(5):269–76; and L. A. Blewett, P. J. Johnson, B. Lee et al., "When a Usual Source of Care and Usual Provider Matter: Adult Prevention and Screening Services," *Journal of General Internal Medicine,* Sept. 2008 23(9):1354–60.

[8] Departments of the Treasury, Labor, and Health and Human Services, "Interim Final Rules for Group Health Plans and Health Insurance Issuers," July 19, 2010, p. 28, http://www.healthcare.gov/center/regulations/prevention/regs.html.

[9] Centers for Disease Control and Prevention, "Cancer Screening–United States, 2010," *Morbidity and Mortality Weekly Report,* Jan. 27, 2012 61(3):41–45.

[10] Blood pressure checked in the past two years (in past year if he or she has hypertension or high blood pressure); cholesterol checked in the past five years (in the past year if he or she has hypertension, heart disease, or high cholesterol); for women, Pap test in the past three years for ages 21–64; for women, mammogram in the past two years, ages 40 to 64; colon cancer screening in the past five years, ages 50 to 64.

[11] See T. Jost, "Implementing Health Reform: Shared Responsibility Tax Exemptions and Family Coverage Affordability," *Health Affairs Blog,* Jan. 31, 2013, http://healthaffairs.org/blog/2013/01/31/implementing-health-reform-shared-responsibility-tax-exemptions-and-family-coverage-affordability/; Department of the Treasury, Shared Responsibility for Employers Regarding Health Coverage; Proposed Rule, *Federal Register,* Jan. 2, 2013 78(1):218–53.

[12] Department of the Treasury, Health Insurance Premium Tax Credit, Final Regulations, *Federal Register,* Feb. 1, 2013 78(22):7264–65.

[13] S. R. Collins, "Proposed Rule on Premium Tax Credits: Who's Eligible and How Much Will They Help?" *The Commonwealth Fund Blog*, Aug. 31, 2011.

[14] According to the latest estimates from the 2012 National Health Interview Survey, more than a third (35.8%) of U.S. households have cellular telephones only. See S. J. Blumberg and J. V. Luke, Wireless Substitution: Early Release of Estimates from the National Health Interview Survey, January–June 2012, National Center for Health Statistics. Available at: http://www.cdc.gov/nchs/nhis.htm.

[15] In 2005, only 7.2 percent of households in the U.S. did not have landline telephones. See S. J. Blumberg and J. V. Luke, "Reevaluating the Need for Concern Regarding Noncoverage Bias in Landline Surveys," *American Journal of Public Health*, Oct. 2009 9(10):1806–10. Employing a landline-only sample in 2001 and 2005 did not result in under-coverage of American households.

Table 1. Continuity and Adequacy of Insurance in 2012 (Base: adults 19–64)

	Total (19–64)	Insured all year	Insured now, time uninsured in past year	Uninsured now	Uninsured during the year*	Insured all year, underinsured^	Insured all year, not underinsured^
Total (millions)	183.9	129.3	19.0	35.5	54.6	29.6	99.7
Percent distribution	100%	70%	10%	19%	30%	16%	54%
Unweighted n	3393	2417	326	650	976	577	1840
Age							
19–25	16	59	20	21	41	18	41
19–29	24	58	18	23	42	17	42
30–49	40	68	9	23	32	14	54
50–64	36	80	7	13	20	18	63
Race/Ethnicity							
White	63	78	9	14	22	17	60
Black	13	61	18	20	39	16	46
Hispanic	16	49	11	40	51	13	36
Asian/Pacific Islander (*n=109*)	3	80	12	8	20	19	61
Other/Mixed (*n=149*)	4	57	14	29	43	16	41
Income							
Less than $20,000	28	50	17	33	50	23	28
$20,000–$39,999	19	55	15	30	45	21	34
$40,000–$59,999	14	80	9	11	20	19	61
$60,000 or more	30	92	3	4	8	11	81
Poverty status							
Below 133% poverty	29	48	17	35	52	23	25
133%–249% poverty	19	63	15	22	37	22	41
250%–399% poverty	18	81	8	11	19	16	65
400% poverty or more	25	93	3	5	7	10	83
Below 200% poverty	40	51	17	32	49	23	28
200% poverty or more	51	85	6	9	15	14	71
Fair/Poor health status, or any chronic condition or disability	51	68	11	20	32	18	50
Adult work status							
Full-time	53	79	8	12	21	15	64
Part-time	13	59	15	26	41	16	43
Not currently employed	34	61	12	27	39	17	43
Family work status							
At least one full-time worker	68	78	8	14	22	16	62
Only part-time worker(s)	10	51	18	31	49	17	34
No worker in family	22	56	14	30	44	18	38
Employer size**							
Self-employed/1 employee	6	63	14	23	37	25	38
2–19 employees	19	64	11	25	36	16	48
20–49 employees	9	63	8	29	37	17	46
50–99 employees	9	79	9	12	21	22	56
100–499 employees	16	81	8	10	19	15	66
500 or more employees	40	83	9	8	17	13	70

* Combines "Uninsured now" and "Insured now, time uninsured in past year."
^ Underinsured defined as insured all year but experienced one of the following: out of pocket expenses equaled 10% or more of income; out of pocket expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income.
** Base: Full- and part-time employed adults ages 19–64.
Source: The Commonwealth Fund Biennial Health Insurance Survey (2012).

Table 2. Insurance Costs, Benefits, and Problems by Insurance Continuity, Insurance Adequacy, and Income (Base: insured adults 19–64)

	Total insured adults 19–64	Insurance continuity		Insured all year		Federal poverty level			
		Insured all year	Insured now, time uninsured in past year	Underinsured^	Not underinsured^	Below 133% poverty	133%–249% poverty	250%–399% poverty	400% poverty or more
Total (millions)	148.4	129.3	19.0	29.6	99.7	34.4	27.6	29.4	44.7
Percent distribution	100%	87%	13%	20%	67%	23%	19%	20%	30%
Unweighted n	2743	2417	326	577	1840	673	498	508	848
Annual share of premium costs									
None	13	14	8	11	15	15	13	12	12
$1–$499	5	5	6	4	5	4	6	5	5
$500–$1,499	15	15	13	14	15	9	17	16	18
$1,500–$2,999	15	15	15	14	16	7	16	22	18
$3,000–$4,499	11	12	4	14	12	3	10	15	15
$4,500–$5,999	5	5	4	4	5	1	5	5	7
$6,000+	9	9	5	12	8	1	5	12	14
Government insurance	17	13	39	19	12	48	22	5	1
Undesignated	11	12	6	8	13	11	6	8	10
*Premium is 5% or more of household income**	35	33	53	56	26	46	48	41	22
*Premium is 10% or more of household income**	15	13	28	32	7	36	23	13	4
Annual deductible per person**									
No deductible	38	36	53	27	39	64	39	30	25
$1–$499	18	19	11	15	20	14	18	21	19
$500–$999	11	11	9	11	11	5	10	17	13
$1,000 or more	22	23	17	40	18	7	22	24	34
Insurance covers all or part of the following health care needs:									
Prescription medicines	91	93	80	88	95	87	88	94	95
Mental health care	68	71	48	68	72	56	65	71	78
Maternity care	65	68	45	64	69	49	59	75	76
Birth control/contraception	47	49	39	48	49	47	44	50	52
Dental care	74	76	59	65	79	64	66	79	83
Vision care	70	72	53	64	75	65	66	74	73
Child's dental and vision***	71	72	69	62	75	66	60	74	77
Problems with current main insurance plan:									
Expensive medical bills for services not covered by insurance	28	26	36	46	20	27	35	32	23
Doctor charged more than insurance would pay and had to pay the difference	28	28	31	38	25	24	29	27	30
Doctor's office would not accept insurance	20	18	35	24	16	28	22	15	17
Insurance denied payment for medical care	19	19	24	31	15	17	25	19	19

^ Underinsured defined as insured all year but experienced one of the following: out-of-pocket expenses equaled 10% or more of income; out-of-pocket expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income.
* Base: Respondents who reported their income level and premium costs for their private insurance plan.
** Respondents who did not provide information on the size of their deductible are included in the distribution but not shown in table.
*** Base: Respondent has children age 25 or younger.
Source: The Commonwealth Fund Biennial Health Insurance Survey (2012).

Table 3. Medical Bill Problems, by Insurance Continuity, Insurance Adequacy, and Income (Base: adults 19–64)

		Insurance continuity				Insured all year		Federal poverty level			
	Total 19–64	Insured all year	Insured now, time uninsured in past year	Uninsured now	Uninsured during the year*	Underinsured^	Not underinsured^	Below 133% poverty	133%–249% poverty	250%–399% poverty	400% poverty or more
Total (millions)	183.9	129.3	19.0	35.5	54.6	29.6	99.7	53.1	35.6	33.1	46.8
Percent distribution	100%	70%	10%	19%	30%	16%	54%	29%	19%	18%	25%
Unweighted n	3393	2417	326	650	976	577	1840	1015	641	574	887
Medical bill problems in past year											
Had problems paying or unable to pay medical bills	30	21	52	50	51	40	16	42	41	24	14
Contacted by collection agency for unpaid medical bills	18	11	36	33	34	20	8	30	25	13	5
Had to change way of life to pay bills	16	11	30	25	27	25	7	21	25	15	6
Any of three medical bill problems	34	24	60	57	58	43	18	47	47	29	16
Medical bills/debt being paid off over time	26	24	41	27	32	41	19	26	34	30	21
Any of three medical bill problems or medical debt	41	33	62	60	61	55	26	51	52	40	25
Base: Adults with any medical debt											
Unweighted n	875	573	128	174	302	232	341	272	214	179	171
How much are the medical bills that are being paid off over time?											
Less than $2,000	48	49	46	47	47	42	54	41	54	54	41
$2,000 to less than $4,000	21	22	22	16	19	23	21	21	18	18	25
$4,000 to less than $8,000	13	14	11	13	12	18	11	14	10	14	17
$8,000 to less than $10,000	4	5	2	5	3	4	5	5	2	2	8
$10,000 or more	11	8	18	15	17	12	6	13	13	12	9
Was this for care received in past year or earlier?											
Past year	50	55	40	41	41	53	57	34	46	60	60
Earlier year	43	38	54	51	52	40	37	53	49	37	35
Both	6	6	6	7	6	6	6	12	4	3	4
Base: Adults with any bill problem or medical debt											
Unweighted n	1409	820	203	386	589	325	495	532	331	247	218
Percent reporting that the following happened in the past two years because of medical bills:											
Unable to pay for basic necessities (food, heat, or rent)	25	20	28	34	32	30	14	33	32	18	7
Used up all of savings	37	32	41	46	44	43	24	41	49	29	25
Took out a mortgage against your home or took out a loan	7	7	7	8	8	10	5	6	7	9	10
Took on credit card debt	27	32	26	17	20	32	32	15	29	39	37
Had to declare bankruptcy	6	7	2	5	4	9	5	6	7	4	3
Delayed education or career plans	22	17	23	32	29	22	14	28	24	18	17
Received a lower credit rating	42	34	59	49	53	44	28	49	53	33	30
Insurance status of person/s at time care was provided											
Insured at time care was provided	60	82	45	23	31	81	83	36	61	75	89
Uninsured at time care was provided	36	15	49	70	62	15	15	59	33	21	11
Other insurance combination	1	1	0	2	1	3	0	2	0	2	0

* Combines "Uninsured now" and "Insured now, time uninsured in past year."
^ Underinsured defined as insured all year but experienced one of the following: out-of-pocket expenses equaled 10% or more of income; out of pocket expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income.
Source: The Commonwealth Fund Biennial Health Insurance Survey (2012).

Table 4. Access Problems, by Insurance Continuity, Insurance Adequacy, and Income (Base: adults 19–64)

		Insurance continuity				Insured all year		Federal poverty level			
	Total 19–64	Insured all year	Insured now, time uninsured in past year	Uninsured now	Uninsured during the year*	Underinsured^	Not underinsured^	Below 133% poverty	133%–249% poverty	250%–399% poverty	400% poverty or more
Total (millions)	183.9	129.3	19.0	35.5	54.6	29.6	99.7	53.1	35.6	33.1	46.8
Percent distribution	100%	70%	10%	19%	30%	16%	54%	29%	19%	18%	25%
Unweighted n	3393	2417	326	650	976	577	1840	1015	641	574	887
Access problems in past year											
Went without needed care in past year because of costs:											
Did not fill prescription	27	21	43	42	43	34	17	36	34	26	17
Skipped recommended test, treatment, or follow-up	27	18	44	48	47	30	15	34	36	24	16
Had a medical problem, did not visit doctor or clinic	29	18	52	58	56	31	14	37	44	25	14
Did not get needed specialist care	20	13	37	40	39	23	9	29	27	15	11
At least one of four access problems because of cost	43	34	68	67	67	51	28	53	53	43	28
Delayed or did not get preventive care screening because of cost	18	9	30	43	38	18	7	24	27	13	9
Preventive care											
Regular source of care	88	94	88	64	73	96	94	80	87	93	94
Blood pressure checked in past two years¥	89	93	90	75	80	93	93	82	89	93	97
Received mammogram in past two years (females ages 40–64)	69	75	—	39	48	70	77	49	64	70	87
Received Pap test in past three years (females ages 21–64)	75	79	74	57	64	73	81	69	68	74	87
Received colon cancer screening in past five years (ages 50–64)	52	57	—	20	33	53	58	39	47	52	62
Cholesterol checked in past five years¥¥	70	77	64	45	52	73	79	54	64	77	87
Seasonal flu shot in past 12 months	40	45	32	26	28	44	46	38	36	40	46
Access problems for people with health conditions											
Unweighted n	1375	1001	134	240	374	270	731	471	262	226	314
Stayed overnight in a hospital or visited the emergency room because of [this / any of these] problem[s]**	18	17	23	20	21	26	14	30	19	10	7
Unweighted n	1155	895	100	160	260	245	650	375	220	201	276
Skipped doses or not filled a prescription for medications for the health condition(s) because of the cost of the medicines?***	28	19	52	60	57	33	14	37	44	28	7

* Combines "Uninsured now" and "Insured now, time uninsured in past year."
^ Underinsured defined as insured all year but experienced one of the following: out-of-pocket expenses equaled 10% or more of income; out-of-pocket expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income.
¥ Checked in past year if respondent has hypertension or high blood pressure.
¥¥ Checked in past year if respondent has hypertension or high blood pressure, heart disease, or high cholesterol.
** Base: Respondents with at least one of the following health problems: hypertension or high blood pressure, heart disease, diabetes, asthma, emphysema, or lung disease.
*** Base: Respondents who take prescription medications on a regular basis and have at least one of the following health problems: heart disease, hypertension or high blood pressure, diabetes, asthma, emphysema, or lung disease.
— Sample size too small to show results.
Source: The Commonwealth Fund Biennial Health Insurance Survey (2012).

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