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Key Findings from the Field: Early Experience with ACA Enrollment in Maryland and Nevada

On October 1, 2013, open enrollment began for new Health Insurance Marketplaces established under the Affordable Care Act (ACA). To learn more about the early ACA enrollment experience in two states, the Kaiser Commission on Medicaid and the Uninsured and PerryUndem Research and Communication conducted focus groups in Baltimore, Maryland and Reno, Nevada in November 2013 with low- and moderate-income individuals who recently applied for health insurance and consumer assisters trained to help individuals enroll. This study builds on previous work that examined preparations for open enrollment in several states, including Maryland and Nevada, which are both moving forward with the ACA's Medicaid expansion to low-income adults and have established their own State-based Marketplace (SBM).¹ At the time of the study, both states were working through significant problems with their Marketplace websites that hampered enrollment. The focus group discussions included only adults who had successfully applied as well as consumer assisters to gain a greater understanding of these individuals' experiences. Further, since they reflect the experiences of individuals in these states who sought coverage, they are not representative of the uninsured population.

The recent applicants in the focus groups were low- and moderate-income adults within the income range to qualify for Medicaid (up to 138% FPL) or for tax credit subsidies for Marketplace coverage (139%-400% FPL). Participants in the two consumer assister focus groups included a diverse set of individuals who are helping to reach and enroll eligible uninsured individuals in their communities. They included Navigators in Maryland and Navigators, application assisters, and insurance brokers in Nevada. The assisters reported helping a broad range of people determined eligible for Medicaid, tax credits, and unsubsidized Marketplace coverage under the ACA. Many noted that a large share of people they were helping were found eligible for Medicaid, reflecting the fact that the Medicaid expansion significantly expands eligibility levels for adults. Following are key findings about the early ACA enrollment experience in Baltimore, Maryland and Reno, Nevada based on focus group discussions with these recent applicants and enrollment assisters.

EARLY APPLICANTS WERE HIGHLY MOTIVATED.

Recent applicants in Maryland and Nevada were focused on getting insurance to address their health needs and gain financial protection from high medical costs. A number of individuals had lost jobs during the economic downturn and were still recovering financially from debt they accumulated during the recession. In Baltimore, in particular, a number of recent applicants had been forced to find new jobs that offer less pay or do not offer health coverage. Many individuals had been uninsured for long periods of time and were facing many challenges without coverage. Some mentioned that they had ongoing health problems like diabetes and hypertension and had been going without needed care due to cost; they also had been unable to obtain preventive care and screenings. Moreover, some had large medical debt from care they

received while uninsured. They wanted insurance to be able to access the care they needed and gain financial protection from high medical costs. They also indicated that they wanted health insurance for peace of mind and to make sure they can care for their children.

"I need the health insurance because I've got some health issues and...if I had to pay... out of my pocket.... It will be extremely, extremely high."

-Recent applicant in Baltimore

"[I feel] relieved. Just in case something does happen...I can go to my doctor and it's an amount that I can pay."

-Recent applicant in Reno

"I've had people come in from the hospital; like this woman literally had come out of the hospital from getting her gallbladder surgery and ...she had her hospital bracelet on and was like oh yeah, [I want the coverage] because she couldn't afford the medication."

--Navigator in Baltimore

Recent applicants learned about new coverage options through a number of sources including friends and family, advertising, and the media. Several applicants in Baltimore also said they had heard the President talk about the new health care law on television. Most had seen or heard television and radio advertising from their State-based Marketplace or received information about coverage through their church, at job fairs, or in other places in the community. A few attended town hall meetings hosted by Navigators or received pamphlets from their employers or through other social service offices. In Reno, several participants mentioned that they had heard about the new coverage options directly from their health care provider, as a number were participating in a health care program that connects uninsured adults to discounted health care services, which is now helping to connect adults to the ACA coverage options.

Most individuals were eagerly anticipating their coverage beginning in January, although some expressed concerns about costs. While, historically, stigma has sometimes been a barrier to Medicaid enrollment, most of the focus group participants who were found eligible for Medicaid expressed satisfaction about qualifying for the program and appreciated the program's limited costs given their constrained financial situations. Assisters also indicated that when consumers they assist qualify for Medicaid, they generally are pleased with the program's limited costs and broad benefits. A few applicants that qualified for tax credits expressed concern about the cost of new plans, though assisters indicated that applicants' perceptions of plan costs were often influenced by a variety of factors, including individuals' financial situation and bills, health needs, and prior experiences paying for health insurance. Those consumers who had previously searched for or paid high premiums for individual policies or COBRA viewed subsidized premiums through the Marketplace as affordable and a good value compared to their earlier experiences. For example, one consumer in Baltimore had searched for private coverage on the individual market prior to the ACA but had a number of preexisting conditions. She was denied coverage by several insurers and was unable to afford the premiums for plans that she was offered. With the premium tax credit subsidy for Marketplace coverage, she was able to find a plan she found to be affordable. In contrast, some individuals who had never paid for insurance and/or who had very limited budgets did not view the premiums as affordable, even though they qualified for subsidies to lower costs. Nevertheless, many focus group participants who had completed the enrollment process had been found eligible for Medicaid or premium tax credit subsidies for Marketplace coverage and said they felt relieved and excited that they would have coverage in January.

“Regular insurance, private insurance cost me a lot of money. It’s like to pay one apartment...and I got denied it because I got diabetes and arthritis and [they] didn’t want to insure me... [In October,] the [insurance agent] told me where I had to go apply. I’m very surprised. I said to the lady, this is so good to be true.

-Recent applicant in Baltimore

“...and people are looking for more affordable coverage...I just dealt with a woman who works at a university and her husband is a teacher’s assistant and his insurance was ridiculous, the cost was ridiculous, so I mean people are really looking for less expensive insurance that covers the service needed for their families.”

-Navigator in Baltimore

NAVIGATORS AND OTHER ASSISTERS PLAY AN IMPORTANT ROLE IN EDUCATING PEOPLE ABOUT NEW COVERAGE OPTIONS AND HELPING THEM ENROLL.

In Maryland and Nevada, a wide range of assisters, including Navigators, enrollment assisters, Certified Application Counselors, and insurance brokers were trained to help consumers with the enrollment process. Nearly all of the recent applicants in the focus groups indicated that had received some help from a Navigator or other assister to apply for health coverage. The assisters participating in the focus groups had varied backgrounds with different levels of previous experience with insurance. While a few had prior experience helping children and families enroll in Medicaid and CHIP, many had previously worked in other sectors and had little experience with health insurance enrollment prior to the ACA. Overall, there was general consensus among the assisters that they received adequate training to help them start their work. However, in both states, only a few assisters had the opportunity to test the online enrollment portal before open enrollment began. Assisters indicated that they continued to learn more as they gained experience working directly with consumers and the enrollment portal and after working with the portal for several weeks, they felt more confident using it.

The assisters explained that a big part of their job is to educate consumers about the new health coverage options. Some are providing broad outreach and education through a variety of locations, including churches, supermarkets, flea markets, health fairs, job training programs, schools, libraries, and food banks. They noted that consumer attendance at these education events is continuing to grow over time.

“We do presentations once a week at one of our main clinics and...we do presentations everywhere, our assisters are mainly at the clinics and sometimes at different places like Catholic charities or the food bank....”

-Assister in Reno

“Mine is a unique method; I go to a market, a Korean grocery market on Saturday and Sunday...and give them the brochures and the flyers and give a short explanation that it translate into Korean... And then I go to a Korean church on Sunday and give them the presentation and then they call during the week day and make appointment and enroll.”

-Navigator in Baltimore

In addition, assisters in the focus groups indicated that they were providing direct one-on-one assistance to help individuals apply and enroll. In some cases, consumers are coming to assisters at clinics or other locations for this assistance, while other assisters are out in the community using laptops or

tablets to help people enroll. As assisters worked with consumers, many developed strategies to facilitate the enrollment process and work around early limitations of the online enrollment portal. For example, a number were printing copies of completed applications and eligibility determinations for their clients to make sure they had a record of their application and could track its status if needed. In Maryland, some assisters had consumers complete paper applications due to early problems with the online portal, but then began inputting those applications into the portal as the issues were resolved.

Assisters also noted that they keep in touch with individuals they help to keep them updated on the status of their applications. Assisters in both locations also noted that they have been communicating with their state Marketplaces to help them identify and troubleshoot enrollment portal problems and continue to make improvements.

“The portal’s working so well right now... In fact, I have not had to do a paper application for two weeks...you know...there’s going to be bugs in a system that is just being launched no matter what it is.”

-Assister in Reno

“I... keep in touch with [my clients] so they can know that even though their case is not completely finished...I’m still working on it...I can make them feel that they are not alone, that somebody is working on their behalf.”

-Navigator in Baltimore

FOCUS GROUP PARTICIPANTS WERE PERSISTENT ABOUT ENROLLING DESPITE EARLY PROBLEMS WITH THE WEBSITES AND WERE OPTIMISTIC THAT THE ENROLLMENT PROCESS WOULD CONTINUE TO IMPROVE.

Applicants were generally patient with website problems they encountered as they tried to enroll, noting that they were willing to wait and work through them in order to gain health insurance. Most recent applicants in the focus groups initially tried to apply for coverage online shortly after October 1, when the Marketplaces opened. While a few consumers were able to create accounts and apply in these first few weeks, many encountered slow websites or system glitches and ultimately filled out paper applications or made multiple attempts to enroll, often with the help of assisters. For example, in Nevada, a recent applicant noted that he was having problems with the website and was told by the call center to try back in a couple of days since they were implementing fixes. When he tried to enroll two days later, he was able to smoothly get through the enrollment process. He appreciated getting the feedback and explanation from the call center and was satisfied with his overall enrollment experience. In Maryland, several consumers that experienced problems with the website when they first tried to apply came back to try again later and sought help from assisters or followed up with the call center until they were successful.

Consumers and assisters in both Maryland and Nevada indicated that the Marketplace enrollment websites are continually improving and appreciated new simplified enrollment processes. They recognized that while the initial launch of open enrollment was hampered by website problems, the websites were continuing to improve over time. For example, assisters in Nevada said that the portal is now functioning fairly smoothly and that work is underway to continue to refine it and enhance its functionality. As these initial implementation problems begin to be resolved, an early glimpse of the modernized enrollment process envisioned by the ACA is starting to emerge. For example, assisters reported that documentation requirements have not been a significant barrier to enrollment and that they can electronically scan and upload documents when needed. In addition, assisters in Maryland and Nevada highly praised the provider lookup tool on the sites.

MANY CONSUMERS NEEDED HELP UNDERSTANDING DIFFERENCES BETWEEN PLANS AND HOW TO USE HEALTH INSURANCE.

Assisters noted that beyond helping individuals apply, they also provide a significant amount of education about what health insurance is and differences between health plan options. Participants indicated that individuals consider a variety of factors beyond premium costs when selecting a plan, including covered services, cost sharing requirements, and whether their existing doctors participate in the plan's network, though uninsured consumers often do not have a relationship with a regular doctor, so this is not a factor for them when choosing a plan. Assisters indicated that it can be hard for consumers to understand and balance these different factors, particularly for those who have had limited experience with insurance to date. Some assisters noted that they often spend time upfront explaining how the Marketplace works, that financial assistance may be available, what coverage options exist, and answering broader questions about the ACA. In some cases, they also have to provide a basic explanation of what health insurance is, particularly for consumers from other countries who may not have familiarity with the concept of insurance and for those that have not had insurance for many years. In Maryland, a few Navigators noted that they often use analogies to auto insurance to explain the need and importance of health coverage to consumers that have never been insured. Several other assisters said that they likened the Marketplace to a grocery store or shopping center where consumers could pick a plan based on a number of factors including cost.

"...some people...[insurance] is... new to them...I just give [a] five or ten minute explanation with my presentation... show them."

-Navigator in Baltimore

Assisters noted that it is particularly important for them to help educate consumers about the different components of cost sharing within a health plan to help inform their plan choice. For example, they said that many consumers heavily focus on deductible amounts when reviewing plan options but fail to understand that the deductible only applies to certain types of care. As such, assisters often have to explain when the deductible will apply and provide an overview of other cost sharing components such as copayments and the out-of-pocket maximum for consumers to gain a full understanding of a plan and be able to make an informed plan choice. Moreover, few consumers understood that their premiums had been reduced by the subsidies, or were aware of the subsidies to reduce out-of-pocket costs, which likely impacted their perceived value of the plans. Consumers who qualified for tax credits for Marketplace coverage had varied premium costs depending on their income and plan selection, although a number noted that their premiums will be less than \$100 per month. While many had already chosen a health plan, many said they were waiting until closer to the December 15th deadline to pay the first month's premium. However, some had already paid or had set up the payment to be drawn in December. Some assisters in Nevada noted that they were encouraging people to pay the premium when they completed the enrollment process rather than waiting until December to make sure that all steps were completed for their coverage to start in January.

"A lot of people are not exactly clued up on insurance...Their biggest concern is deductible whereas...90 percent, 95 percent of what you could actually need in terms of medical is going to be all co-pays...I'm spending a lot of my time educating them; look, this is how much it's going to cost."

-Insurance broker in Reno

"..the first person that I enrolled did not want to do this; and he's like, well I have to or else I'm going to get taxed for it. But then he found that his flu shots would be covered in the future and then he was all about it..."

-Navigator in Baltimore

BOTH APPLICANTS AND ASSISTERS STRESSED THAT CONTINUED OUTREACH AND EDUCATION ABOUT KEY PROVISIONS OF THE ACA REMAIN IMPORTANT.

Most of the recent applicants included in the focus groups remained confused about key components of the law, including the deadline for enrolling in Marketplace coverage. Many consumers had heard about the new requirement to obtain health insurance, particularly in Nevada, where information on the requirement is included as part of the Marketplace advertising campaign; however, few knew how much the fine would be or how it would be assessed. Moreover, there was significant confusion about the deadline for obtaining coverage and when open enrollment would end. Most believed that open enrollment would end on January 1, rather than at the end of March. In addition, as noted, few understood that their premium costs had been reduced by the tax credit subsidies. This lack of information likely affects their perceived value of their plan and their perception of the affordability of their premiums. Moreover, many consumers were not aware that Medicaid eligibility had been expanded, even though many qualified for Medicaid when they applied for coverage.

In conclusion, the early ACA enrollment experiences of early applicants and consumer assisters in Maryland and Nevada suggest that, as might be expected, these consumers are highly motivated to obtain health insurance. They noted that being uninsured is a personal and financial challenge, and while some expressed concern about new costs, they were eager for coverage to begin. In both states, the Marketplace websites have been continually improving and consumers appeared to be patient with system issues. In addition, consumer assisters in both states are playing an important role in their communities to help educate consumers and connect them to coverage. As consumers enrolled, they needed and wanted information to understand their health plan options and how to use their coverage. Helping consumers make informed plan choices required providing them with a thorough understanding of plans, including covered services, provider networks, and cost sharing requirements, since consumer plan selections are driven by many factors beyond premium costs. These focus groups of early applicants suggest that continued outreach and education about key provisions of the law is needed to ensure consumers understand how the Marketplaces work, and, in particular, the different deadlines for enrolling in coverage.

“They know it’s the law, they know that there is Nevada Health Link, but they don’t know what is going on. They don’t know what they need to do to apply...I’ve actually come across a lot of people who have no idea that there’s a difference between the federal Marketplace and the Nevada one.”

-Assister in Reno

¹ Artiga, S., et al., “Getting into Gear for 2014: Insights from Three States Leading the Way in Preparing for Outreach and Enrollment in the Affordable Care Act,” Kaiser Commission on Medicaid and the Uninsured, September 2013.

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