ASPE
ISSUE BRIEF

HEALTH INSURANCE MARKETPLACE ENROLLMENT PROJECTIONS FOR 2017

October 19, 2016

The Affordable Care Act (ACA) has led to 20 million Americans gaining health coverage, many for the first time ever.[1] In the first quarter of 2016, the uninsured rate reached a record low of 8.6 percent of Americans.[2] These gains are expected to grow as individuals continue to enroll in coverage through the Health Insurance Marketplaces ("Marketplaces") and more states participate in Medicaid expansion. This brief looks ahead to estimate how many individuals nationwide might select a Marketplace plan during the upcoming Open Enrollment period (November 1, 2016–January 31, 2017) and how many – on average throughout 2017 – might have Marketplace coverage.[3]

[1] Namrata Uberoi, Kenneth Finegold, and Emily Gee, "Health Insurance Coverage and the Affordable Care Act, 2010-2016," *ASPE Issue Brief,* Assistant Secretary for Planning and Evaluation, March 3, 2016, available at: https://aspe.hhs.gov/sites/default/files/pdf/187551/ACA2010-2016.pdf.

[2] Robin A. Cohen, Michael E. Martinez, and Emily P. Zammitti, "Health Insurance Coverage: Early Release of Estimates From the National Health Interview Survey, January–March 2016," National Health Interview Survey Early Release Program, *Centers for Disease Control and Prevention*, September 2016, available at: https://www.cdc.gov/nchs/data/nhis/earlyrelease/insur201609.pdf.

[3] This brief considers only individual market Qualified Health Plan (QHP) enrollment through the Marketplaces and not enrollment through the Small Business Health Options Program (SHOP).

Key Highlights

Plan Selections

- By the end of open enrollment for 2017, we expect 13.8 million people to have selected a plan, an increase of 1.1 million people or nearly 9 percent over the 12.7 million plan selections at the end of 2016 Open Enrollment.

- Of these 13.8 million people, we estimate that individuals may enroll from three primary groups:
  - 9.2 million individuals are estimated to be re-enrollees with 2016 Marketplace coverage,
  - 3.5 million are estimated to be uninsured individuals, and
  - 1.1 million are estimated to be individuals with 2016 off-Marketplace non-group coverage.

Average Monthly Effectuated Enrollment

- We estimate that 11.4 million individuals will effectuate their enrollment on an average monthly basis over the course of 2017. This does not include individuals enrolled in coverage through New York and Minnesota's Basic Health Programs, which currently enroll about 650,000 people.

Addressable Market

- More than 8 in 10 (84 percent) of the QHP-eligible uninsured have family incomes between 100/138% and 400% of the Federal Poverty Level (FPL).

- More than one-third (40 percent) of the QHP-eligible uninsured individuals are between the ages of 18 and 34.

- We estimate that between 2011 and 2016, the number of people buying insurance in the individual market has grown by approximately 65 percent from 11 million to 18 million. Of the estimated 18 million 2016 individual market consumers, we estimate two-thirds (66 percent) are potentially eligible for tax credits.

Estimates of Marketplace Enrollment

Plan Selections in the Fourth Open Enrollment

Our projection builds a national estimate from state-level information on previous enrollment periods and analysis of the broader insurance market. This method yielded an estimated 13.8 million plan selections at the end of the 2017 Open Enrollment, which represents a growth of 1.1 million people over projected plan selections at the end of 2016 Open Enrollment, or nearly 9 percent. This represents about the same growth in plan selections as last year. This figure is

based on assumptions about the effectuated enrollment at the end of 2016 (the starting point for the fourth Open Enrollment projections), rates of re-enrollment, and take-up by new enrollees.[4]

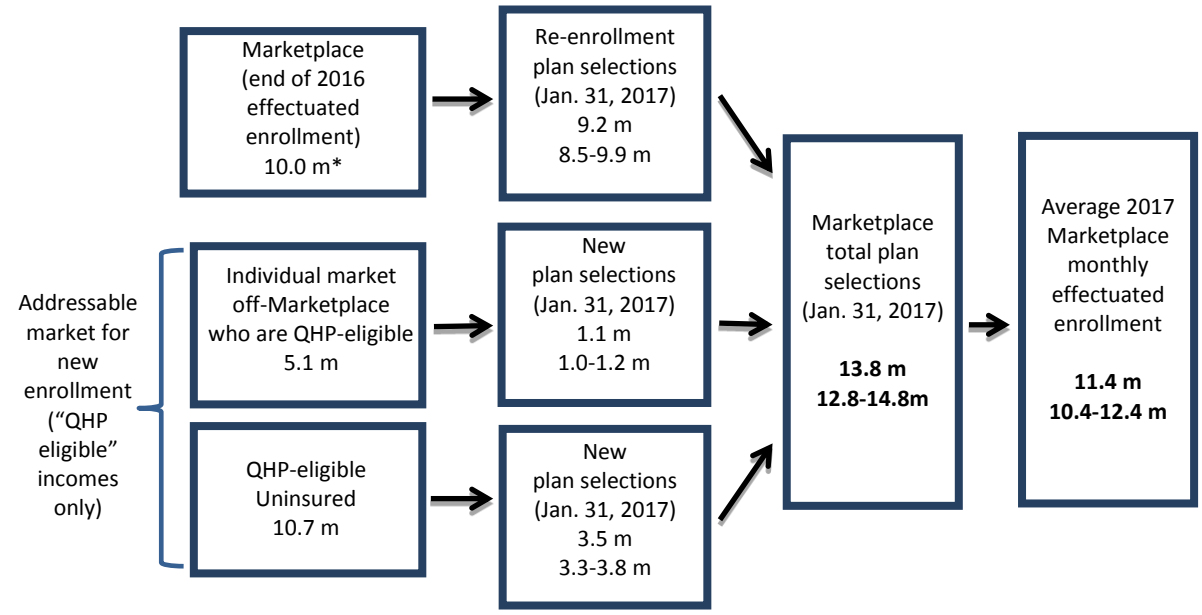
Projection of Marketplace Enrollment in 2017

In generating the estimate for 2017 enrollment, we analyzed the potential for re-enrollment and new enrollment in coverage through the Marketplaces. We modeled 2017 enrollment as coming via three primary channels (Figure 1):

- **Continued enrollment by 2016 Marketplace enrollees**: The number of Marketplace policyholders with plan year 2016 coverage and the rate at which they will re-enroll;
- **Shifts from off-Marketplace individual coverage into coverage through the Marketplaces**: The number of individuals who currently hold "off-Marketplace" individual policies and will have plan selections through the Marketplaces in the fourth Open Enrollment; and
- **Enrollment of the uninsured through the Marketplaces**: The number of QHP-eligible uninsured who will have plan selections through the Marketplaces in Open Enrollment.

Given the variety of factors that may affect enrollment, we provide ranges around our point estimates in the figure below. These ranges reflect the considerable degree of uncertainty in making such projections.

FIGURE 1



*Estimated

[4] See U.S. Department of Health and Human Services, "How Many Individuals Might Have Marketplace Coverage at the End of 2016?," *ASPE Issue Brief*, October 15, 2015, available at: https://aspe.hhs.gov/sites/default/files/pdf/118601/Target_brief_1014_FINAL.pdf.; U.S. Department of Health and Human Services, "How Many Individuals Might Have Marketplace Coverage After the 2015 Open Enrollment Period?," *ASPE Issue Brief*, November 10, 2014, available at: https://aspe.hhs.gov/sites/default/files/pdf/77161/ib_Targets.pdf.

For the first element, **continued enrollment by 2016 Marketplace enrollees**, we used data from the Centers for Medicare & Medicaid Services (CMS) on individuals currently enrolled in coverage through the Marketplaces and an analysis of re-enrollment rates from the third Open Enrollment period to project a range for the fourth Open Enrollment period. Based on currently available data, we estimate that 10.0 million individuals will be enrolled in coverage through Marketplaces at the end of 2016, consistent with our enrollment projections from October 2015.[5]

The latter two elements, **shifts from off-Marketplace individual coverage and enrollment of the uninsured into coverage through the Marketplaces**, are inflows from the "addressable market" for new enrollment. We define the "addressable market" as all nonelderly individuals who are uninsured or have coverage through the off-Marketplace individual market and have household incomes at or above the level for eligibility for Marketplace insurance affordability programs (generally greater than 100% or 138% of the Federal Poverty Level, depending on state Medicaid expansion status). To estimate the size and growth of the individual market over time, ASPE used Medical Loss Ratio data from 2011 - 2014 (see appendix A). To estimate the size of the uninsured portion of the addressable market, we used data from the American Community Survey (ACS) and the National Health Interview Survey (NHIS) with adjustments from the Gallup-Healthways Well-Being Index, a daily poll of American adults. Information from a variety of sources including the NHIS, ACS, Kaiser Family Foundation, and NAIC data was used to estimate the size of the off-Marketplace individual market (see appendix B).

We estimate that there are currently about 15.8 million people in the addressable market for new enrollment, consisting of 5.1 million people with off-Marketplace non-group coverage and 10.7 million who are uninsured. Based on the 2014 ACS and 2015 NHIS, we calculated the number of QHP-eligible uninsured individuals prior to the third Open Enrollment, adjusting that estimate to reflect the reduction in uninsured rates for nonelderly adults between 2015 and the second quarter of 2016 (April-June) according to the Gallup-Healthways Well-Being Index. This suggests that there are currently 10.7 million QHP-eligible uninsured. This estimate is based on updated data that indicates an estimated 11.5 million people were uninsured and QHP-eligible in 2015.[6]

Demographic Characteristics of the Addressable Market

Among QHP-eligible uninsured individuals (see appendix C for additional demographics):

- **Income:** More than 8 in 10 (84 percent) of the QHP-eligible uninsured have family incomes between 100/138% and 400% of the Federal Poverty Level (FPL) and may qualify for the advance payments of the premium tax credit (APTC). More than half (57

[5] U.S. Department of Health and Human Services, "10 million people expected to have Marketplace coverage at end of 2016," *Press Release*, October15, 2015, available at: http://www.hhs.gov/about/news/2015/10/15/10-million-people-expected-have-marketplace-coverage-end-2016.html.

[6] As new survey information has become available, we are able to make more accurate estimates about the remaining uninsured. Our revised estimate, which uses updated data that had not been available last year at this time and more sophisticated methodology, is that 11.5 million people were uninsured and QHP-eligible in 2015. Based on this information and more up-to-date polling from the Gallup-Healthways Well-Being Index we estimate that there are 10.7 million QHP eligible uninsured as of 2016.

percent) of the QHP-eligible uninsured individuals have family incomes between 100/138% and 250% FPL and may qualify for cost-sharing reductions (CSR) in addition to APTC. The remaining 16 percent have family incomes above 400% FPL.

- **Gender:** An estimated 56 percent of the QHP-eligible uninsured are men.

- **Age:** About 40 percent of the QHP-eligible uninsured individuals are between the ages of 18 and 34, 40 percent are between the ages of 35 and 54, 14 percent are between the ages of 55 and 64, and the remaining 7 percent are under the age of 18.

- **Race:** Over 40 percent of the QHP-eligible uninsured are people of color: 25 percent are Hispanic, 12 percent are African American, and 3 percent are Asian American.

- **Gender and Race:** Nearly one-third (31 percent) of the QHP-eligible uninsured are White males, 15 percent are Hispanic males, and 26 percent are White females.

Among the 5.1 million QHP-eligible individuals with off-Marketplace non-group coverage, ASPE previously estimated that about half (2.5 million) have family income between 100/138% and 400% of the FPL and may qualify for APTC. About 22 percent (1.1 million) have family incomes between 100/138% and 250% of the FPL and may qualify for cost-sharing reductions.[7]

2017 Plan Selections

The projection for new enrollment depends on the likelihood that potential consumers from the addressable market will enroll in Marketplace coverage, or the "take-up rate." To predict take-up in the addressable market, we stratified the QHP-eligible uninsured and individuals with off-Marketplace non-group coverage into three groups by household income:

- Individuals that may be eligible for a higher share of their premium covered by APTC with CSR (100/138-250% FPL),
- Individuals that may be eligible for a lower share of their premium covered by APTC without CSR (250-400% FPL), and
- Individuals with incomes too high to be eligible for financial assistance (greater than 400% FPL).

State-level Open Enrollment take-up rates are based on observed rates for each of these income groups in the third Open Enrollment, adjusted to account for increasing awareness of the Marketplaces and the individual shared responsibility penalty, improvements in outreach, and changes in premiums and plan offerings. We vary these rates to account for uncertainty, which generates an estimate for plan selections through the Marketplaces in 2017. Our analyses suggest that approximately 1.0 to 1.2 million individuals with non-group coverage outside the Marketplaces and 3.3 to 3.8 million eligible uninsured individuals will select plans through the Marketplaces.

[7] U.S. Department of Health and Human Services, "About 2.5 Million People Who Currently Buy Coverage Off-Marketplace May Be Eligible for ACA Subsidies," *ASPE Data Point*, October 4, 2016, available at: https://aspe.hhs.gov/sites/default/files/pdf/208306/OffMarketplaceSubsidyeligible.pdf.

We combined these population estimates and take-up rates for re-enrollment and new enrollment to estimate total Marketplace plan selections at the end of Open Enrollment. By the end of the Open Enrollment period, we expect approximately 13.8 million individuals will have selected plans for 2017 coverage through the Marketplaces, with a range of potential outcomes from 12.8 million to 14.8 million. Our analyses suggest that re-enrollees will account for a majority of total Marketplace plan selections (about two thirds).

2017 Effectuated Enrollment

Rather than providing a single point-in-time estimate as we have done in previous years, this year's projection reports an average monthly projection. This shift is consistent with the shift CMS is making to its effectuated enrollment reports.[8] Average effectuated enrollment provides a more meaningful metric of Marketplace participation, since it captures all enrollments over the time period, rather than only enrollment at a particular point in time. The new reporting will also facilitate comparisons to projections made by the Congressional Budget Office (CBO), which reflect average enrollment throughout the year.

Based on the experience of the Marketplaces' first three years, we expect that plan selections at the end of Open Enrollment will exceed Marketplace effectuated enrollment as the year progresses. The number of individuals joining through Special Enrollment Periods (SEP) throughout the year does not fully offset those who leave for other forms of coverage or other reasons. The Marketplace was designed to provide insurance coverage for people who may be moving from one form of coverage to another over the course of a year, as well as those who purchase insurance for the entire year. During the first half of 2015, 50 percent of those who enrolled during an SEP did so because of a loss of other health insurance coverage, 19 percent were determined ineligible for Medicaid or CHIP, 15 percent enrolled in a tax season SEP, and 16 percent enrolled for other reasons.[9] California reports that 85 percent of those who leave the Marketplace remain insured by transitioning to another source of coverage.[10]

Compared to estimates of plan selections, estimates of effectuated enrollment are subject to additional uncertainty, since they depend on plan selections but also on assumptions about attrition rates for Open Enrollment consumers and enrollment rates for Special Enrollment Periods (SEPs). Recent policy changes impacting retention for consumers affected by data-matching issues and enrollment rates for SEPs introduce additional uncertainty.[11] Given that uncertainty, we estimate a range of 10.4 to 12.4 million average monthly effectuated

[8] U.S. Department of Health and Human Services, "March 31, 2016 Effectuated Enrollment Snapshot," *Centers for Medicare & Medicaid Services*, June 30, 2016, available at: https://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2016-Fact-sheets-items/2016-06-30.html.

[9] U.S. Department of Health and Human Services, "2015 Special Enrollment Period Report – February 23 – June 30, 2015," *Centers for Medicare & Medicaid Services*, August 13, 2015, available at: https://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2015-Fact-sheets-items/2015-08-13.html.

[10] Covered California, "Covered California Finishes Open Enrollment Strong with More Than 425,000 New Consumers and An Increase In Young Enrollees," February 4, 2016, available at: http://news.coveredca.com/2016/02/covered-california-finishes-open.html.

[11] U.S. Department of Health and Human Services, "Frequently Asked Questions Regarding Verification of Special Enrollment Periods," *Centers for Medicare & Medicaid Services*, September 6, 2016, available at: https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/FAQ-Regarding-Verification-of-SEPs.pdf.

Marketplace enrollments over the course of 2017, with a point estimate of 11.4 million. This figure is based on projected plan selections and assumptions regarding attrition of those who initially select a plan but do not maintain coverage for the entire year.

These figures do not include the approximately 650,000 individuals who enroll in coverage through New York and Minnesota's Basic Health Programs (BHP), which allow continuous enrollment throughout the year rather than having set Open Enrollment Periods.[12]

Last year, we estimated that 10.0 million people would be enrolled through the Marketplaces at the end of 2016. Had we instead issued a point projection for average monthly effectuated enrollment at that time, the estimate would have been 10.5 million.

Uncertainty

There is a high degree of uncertainty about any projection, especially in the early years of a program. The Marketplaces have been in place for only three years, and so there is still only limited data upon which to base our projections. There are numerous factors that affect consumers' insurance enrollment, including attitudes of consumers and employers, the effect of payments of the individual responsibility fee, the size of premiums and premium tax credits, the ease of the enrollment process, communication and outreach efforts, Marketplace policy changes, issuer entry and exit, and whether and how insurance products change over time. As Marketplace coverage becomes more widespread and the size of the uninsured population eligible for enrollment shrinks, the remaining uninsured may be harder to reach, slowing enrollment growth. On the other hand, as awareness increases about the availability of financial assistance and the individual responsibility fee, and as transitional and grandfathered plans phase out, take-up rates may increase. Beyond these factors, there are macroeconomic forces such as changes in population and economic conditions which are difficult to predict but likely to affect enrollment. Thus, actual enrollment could vary significantly from projected levels.

[12] Under the Affordable Care Act, states have the option of using the Basic Health Program to provide affordable health coverage for low-income residents who would generally otherwise be eligible to purchase coverage through the Health Insurance Marketplace. The most recently available BHP enrollment data indicates that 565,000 individuals are enrolled in New York and nearly 100,000 are enrolled in Minnesota. For more information about the Basic Health Program, see https://www.medicaid.gov/basic-health-program/basic-health-program.html.

Why are ASPE's projections different from those by the Congressional Budget Office?

In its most recent estimates, published in March 2016, the Congressional Budget Office (CBO) estimated that 15 million people on average would be enrolled in the Marketplace during 2017. A key explanation for the discrepancy between ASPE and CBO is that CBO's projections assume that, by 2017, 4 million fewer people would have employer-based plans as a result of the ACA.[13] The evidence to date suggests that no such shifting has occurred.[14]

Earlier CBO forecasts projected much higher Marketplace enrollment for 2017. For example, in May 2013, in its last projections before implementation of the ACA Marketplaces, CBO forecast Marketplace enrollment of 22 million in 2016, and 24 million in 2017. As with the more recent projections, the main difference between the CBO and the ASPE forecasts is the projections for where people will get their coverage, rather than how many people will have coverage. In its earlier projections, CBO assumed that 6 million people would have shifted from employer plans to the Marketplace by 2016 and that 4 million people would have shifted from off-Marketplace coverage to the Marketplace, a shift that also does not seem to have occurred to date. CBO also assumed that the Marketplace would reach steady state participation levels around 2017. In contrast, based on experiences from other federal programs, ASPE assumes that it may take more time for participation in the Marketplace to reach steady-state levels.[17]

The Bottom Line

Our approach results in estimates of 13.8 million plan selections at the end of the fourth Open Enrollment and estimated average monthly effectuated enrollment over the course of calendar year 2017 of 11.4 million. These estimates incorporate the considerable degree of uncertainty that comes in making such projections and actual enrollment may differ from these projections.

Marketplace enrollment is one essential component of achieving the ACA's goal of reducing the number of uninsured individuals in the United States. The uninsured rate reached a historic low

[13] Congressional Budget Office, "Federal Subsidies for Health Insurance Coverage for People Under Age 65: 2016 to 2026," March 2016, available at: https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/reports/51385-HealthInsuranceBaseline_OneCol.pdf.

[14] U.S. Census Bureau, "Health Insurance Coverage Status and Type of Coverage by State-- Persons Under 65: 2008 to 2015," September 13, 2016, available at: http://www2.census.gov/programs-surveys/demo/tables/health-insurance/time-series/acs/hic06_acs.xls.

[15] Congressional Budget Office, "Federal Subsidies for Health Insurance Coverage for People Under Age 65: 2016 to 2026," March 2016, available at: https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/reports/51385-HealthInsuranceBaseline_OneCol.pdf.

[16] Robin A. Cohen, Michael E. Martinez, and Emily P. Zammitti, "Health Insurance Coverage: Early Release of Estimates From the National Health Interview Survey, January–March 2016," National Health Interview Survey Early Release Program, *Centers for Disease Control and Prevention*, September 2016, available at: https://www.cdc.gov/nchs/data/nhis/earlyrelease/insur201609.pdf.

[17] U.S. Department of Health and Human Services, "How Many Individuals Might Have Marketplace Coverage After the 2015 Open Enrollment Period?," *ASPE Issue Brief*, November 10, 2014, available at: https://aspe.hhs.gov/sites/default/files/pdf/77161/ib_Targets.pdf.

of 8.6 percent in the first quarter of 2016.[18] As detailed in a recent ASPE analysis, uninsured rates have dropped for Americans at every income level, of every age, race, and ethnicity, and all across the country.[19] The breadth of these coverage gains shows how the different coverage provisions of the ACA, targeting different groups, have worked in concert to reduce the uninsured rate. With continued support for Marketplace retention, new Marketplace enrollment, Medicaid expansion, and a strong system of employer-sponsored insurance, we will continue to make progress in providing every American with access to high-quality, affordable insurance.

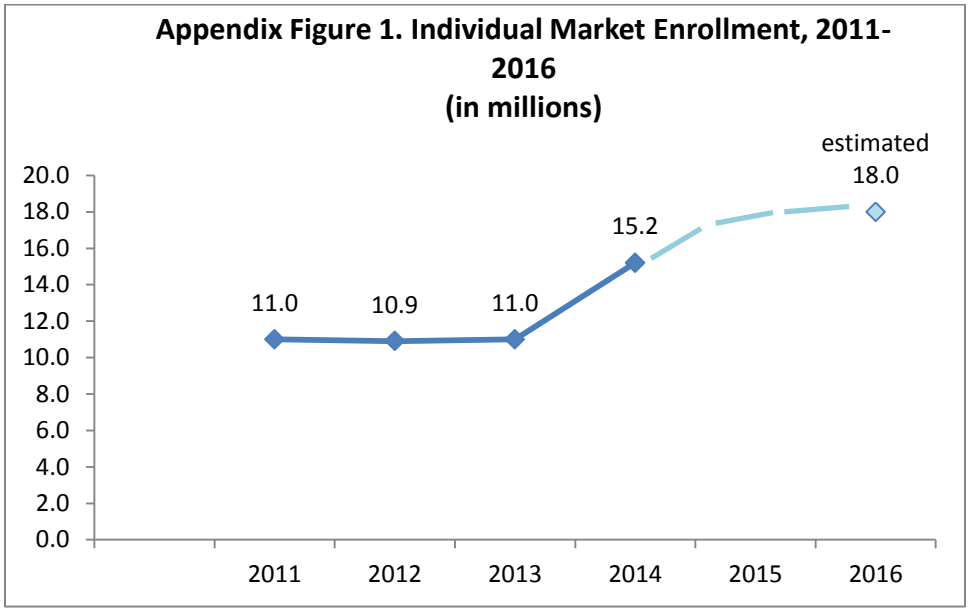
[18] Robin A. Cohen, Michael E. Martinez, and Emily P. Zammitti, "Health Insurance Coverage: Early Release of Estimates From the National Health Interview Survey, January–March 2016," National Health Interview Survey Early Release Program, *Centers for Disease Control and Prevention*, September 2016, available at: https://www.cdc.gov/nchs/data/nhis/earlyrelease/insur201609.pdf.

[19] Kelsey Avery, Kenneth Finegold, and Amelia Whitman, "Affordable Care Act Has Led to Historic, Widespread Increase in Health Insurance Coverage," *ASPE Issue Brief,* September 29, 2016, available at: https://aspe.hhs.gov/sites/default/files/pdf/207946/ACAHistoricIncreaseCoverage.pdf.

APPENDIX A: Estimates of Individual Market Growth, 2011-2016

ASPE analysis suggests that, through 2016, the number of people buying insurance in the individual market has grown by approximately 65 percent since 2011, from 11 million to 18 million. A substantial portion of the individual market's enrollment growth coincided with the implementation of Marketplaces, when the individual market increased by over 4 million life-years (or approximately 38 percent) from 11.0 million in 2013 to 15.2 million in 2014. MLR data for 2015 is not yet available. The 18 million individual market enrollees includes an estimated 6.9 million individuals who currently purchase health insurance in the off-Marketplace individual market (including those who may not be eligible for Marketplace coverage) combined with the 11.1 million Marketplace enrollees with effectuated coverage as of March 2016.[20]

Using Medical Loss Ratio (MLR) data, ASPE estimated the size of the individual market over time.[21] Since 2011 (the first year MLR data was collected) the individual health insurance market has grown from approximately 11 million life-years in 2011 to 15.2 million life-years in 2014 (see appendix figure 1).



SOURCE: ASPE Estimates from MLR data 2011-2014, ASPE estimates for 2016.

Calculations of the size of the individual market from 2011 – 2014 were made using data from the Medical Loss Ratio (MLR) Data 2011-2014 (https://www.cms.gov/CCIIO/Programs-and-Initiatives/Health-Insurance-Market-Reforms/Medical-Loss-Ratio.html). The MLR data are collected as part of required disclosure by health insurers on what percentage of their premiums

[20] U.S. Department of Health and Human Services, "About 2.5 Million People Who Currently Buy Coverage Off-Marketplace May Be Eligible for ACA Subsidies," *ASPE Data Point*, October 4, 2016, available at: https://aspe.hhs.gov/sites/default/files/pdf/208306/OffMarketplaceSubsidyeligible.pdf.

[21] In 2011, as part of the ACA, issuers began reporting Medical Loss Ratio (MLR) data to CMS. This information includes enrollment data that can be used to calculate the share of life-years for enrollees in the individual market.

are spent on health care expense versus administrative costs. As part of the submissions, insurers must report their number of life-years. This allows for the calculation of total life-years by market (individual, small group, large group) and by state. The individual market size was calculated by summing the number of lives, using the NUMBER_OF_COVERED_LIVES variable from Part1 of the MLR data and the CMM_INDIVIDUAL_Q1 (Individual Market - As of 03/31) reporting period. The totals were calculated across all 50 states and the District of Columbia for each year 2011-2014.

APPENDIX B: Technical Notes on Survey Data

Our estimates of the number of individuals who are uninsured or enrolled in off-Marketplace coverage, and their income levels, are based on analysis of National Health Interview Survey (NHIS) Preliminary Quarterly Microdata Files for January-December 2015. The NHIS interview on health insurance coverage includes the collection of health insurance plan names. Plan names are used to validate health insurance coverage types. NHIS also obtains the information on age, income, and state of residence that is needed to assess eligibility for Marketplace coverage and subsidies. We classified an individual as having off-Marketplace coverage if that person had private coverage and did not have either Marketplace or employer-sponsored coverage. We multiplied the total number of individuals with off-Marketplace coverage by 55 percent to account for change from 2015 to 2016 and to improve consistency with other sources of data on the individual market.[22]

The 2015 NHIS Preliminary Quarterly Microdata capture family income rather than income for the Health Insurance Unit (HIU), which comes closer to the tax concepts used to determine eligibility for Medicaid, CHIP, and the Marketplaces. Family income and HIU income will be the same for many families, but for others the two concepts will produce different results. The income of a young adult living at home, for example, would be counted in family income along with that of parents who might earn more, but the child's and parents' income would be broken out separately in HIU income. To obtain HIU income, we used Iterative Proportional Fitting (IPF) to reweight 2014 data from the American Community Survey Public Use Microdata Sample (ACS PUMS) on individuals reporting non-group coverage (on- or off-Marketplace) to targets by state, income group, age group, gender, race, and ethnicity from our analysis of the 2015 NHIS Preliminary Quarterly Microdata.[23]

The NHIS quarterly data do not provide information on citizenship or immigration status. Such information is needed to determine Marketplace eligibility because immigrants who are not lawfully present are not eligible for Marketplace coverage. The 2014 ACS PUMS data include information on place of birth and citizenship but do not distinguish persons who are not lawfully present from legally resident noncitizens. To exclude estimated persons who are not lawfully present from our estimates of the uninsured, we adjusted the IPF weights for noncitizens based on the estimated probability that that individual is not lawfully present. Our estimates of immigrants who are not lawfully present are based on ASPE analysis of data from the 2014 ACS, using an adjustment methodology based on imputations of immigrant legal status in

[22] Estimates of the total number of people with off-Marketplace coverage range from about 5 to 9 million. We chose an adjustment factor of 55% to account for the combined effects of reporting error in the NHIS and changes in coverage between 2015 and 2016 while producing a total within this range. See U.S. Department of Health and Human Services, "About 2.5 Million People Who Currently Buy Coverage Off-Marketplace May Be Eligible for ACA Subsidies," *ASPE Data Point*, October 4, 2016, available at: https://aspe.hhs.gov/sites/default/files/pdf/208306/OffMarketplaceSubsidyeligible.pdf.

[23] For background on IPF, see W.E. Deming, and F.F. Stephan, "On a Least Squares Adjustment of a Sampled Frequency Table When the Expected Marginal Totals are Known," *Annals of Mathematical Statistics* 11 (4): 427–444 (1940); Y.M. Bishop, R.J. Light, F. Mosteller, S.E. Fienberg, and P.W. Holland, *Discrete Multivariate Analysis: Theory and Practice* (New York: Spring, 2007); and S. Kolenikov, "Calibrating survey data using iterative proportional fitting (raking)," *The Stata Journal*, 14(1): 22–59 (2014).

ASPE's TRIM3 microsimulation model. The TRIM3 imputation methods, originally developed by Jeffrey Passel and Rebecca Clark in the 1990s, assign noncitizens in data from the Current Population Survey Annual Social and Economic Supplement (CPS ASEC) to one of four possible legal statuses: legal permanent resident ("LPR," or "green card" holder); refugee or asylee; nonimmigrant (temporary legal resident, generally in the U.S. with a student visa or work visa); or immigrants who are not lawfully present.

Estimates of the "QHP-Eligible Uninsured" exclude adults with incomes at or below 200% FPL in Minnesota and New York, who are eligible for Basic Health Program coverage; adults with incomes at or below 215% FPL in the District of Columbia, who are potentially eligible for Medicaid; adults with incomes at or below 138% FPL in all other Medicaid expansion states; adults with incomes below 100% FPL in states that have not expanded Medicaid (the "Medicaid gap"); children with incomes at or below 250% FPL in all states, who may be eligible for Medicaid or CHIP. These estimates also exclude individuals estimated to be immigrants not lawfully present.

APPENDIX C: QHP Eligible Uninsured: Demographic Characteristics

ASPE prepared these tables based on our analysis of data from the National Health Interview Survey (NHIS) Preliminary Quarterly Microdata Files, American Community Survey Public Use Microdata Sample (ACS PUMS), and Current Population Survey Annual Social and Economic Supplement (CPS ASEC).

Appendix Table 1: Percent of QHP-Eligible Uninsured by Age and Income

	100/138-250% FPL	250-400% FPL	>400% FPL	Total
Ages 0-17	0.0%	4.5%	2.6%	7.1%
Ages 18-25	10.8%	3.2%	1.3%	15.2%
Ages 26-34	15.9%	5.9%	2.7%	24.5%
Ages 35-54	22.8%	10.1%	6.7%	39.6%
Ages 55-64	7.6%	3.3%	2.7%	13.6%
Total	57.1%	27.0%	15.9%	100.0%

Sources: ASPE analysis of data from the National Health Interview Survey (NHIS) Preliminary Quarterly Microdata Files, American Community Survey Public Use Microdata Sample (ACS PUMS), and Current Population Survey Annual Social and Economic Supplement (CPS ASEC).

Appendix Table 2: Number of QHP-Eligible Uninsured by Age and Income

	100/138-250% FPL	250-400% FPL	>400% FPL	Total
Ages 0-17	0	481,204	275,160	756,364
Ages 18-25	1,151,425	341,564	136,937	1,629,926
Ages 26-34	1,702,895	631,304	283,595	2,617,793
Ages 35-54	2,434,195	1,077,877	717,040	4,229,112
Ages 55-64	813,620	354,012	288,016	1,455,648
Total	6,102,135	2,885,961	1,700,748	10,688,843

Sources: ASPE analysis of data from the National Health Interview Survey (NHIS) Preliminary Quarterly Microdata Files, American Community Survey Public Use Microdata Sample (ACS PUMS), and Current Population Survey Annual Social and Economic Supplement (CPS ASEC).

Appendix Table 3: Percent of QHP-Eligible Uninsured by Race/Ethnicity and Gender

	Male	Female	Total
Non-Hispanic White	31.2%	25.6%	56.8%
Non-Hispanic Black	6.3%	5.8%	12.0%
Non-Hispanic Asian	1.7%	1.5%	3.2%
Hispanic	14.8%	10.4%	25.1%
Non-Hispanic Other Races & Multiple Races	1.5%	1.3%	2.8%
Total	55.5%	44.5%	100.0%

Sources: ASPE analysis of data from the National Health Interview Survey (NHIS) Preliminary Quarterly Microdata Files, American Community Survey Public Use Microdata Sample (ACS PUMS), and Current Population Survey Annual Social and Economic Supplement (CPS ASEC).

Appendix Table 4: Number of QHP-Eligible Uninsured by Race/Ethnicity and Gender

	Male	Female	Total
Non-Hispanic White	3,337,238	2,735,535	6,072,773
Non-Hispanic Black	669,229	616,647	1,285,877
Non-Hispanic Asian	182,248	165,051	347,299
Hispanic	1,579,004	1,107,080	2,686,083
Non-Hispanic Other Races & Multiple Races	161,767	135,044	296,811
Total	5,929,486	4,759,358	10,688,843

Sources: ASPE analysis of data from the National Health Interview Survey (NHIS) Preliminary Quarterly Microdata Files, American Community Survey Public Use Microdata Sample (ACS PUMS), and Current Population Survey Annual Social and Economic Supplement (CPS ASEC).

APPENDIX D: Spells Without Health Insurance Coverage

Over the last several years, as health insurance coverage has increased, we are seeing those without health insurance having shorter spells without coverage. For example, the proportion of QHP-eligible uninsured going without insurance coverage for one year or less has increased by 13 percent: up from 25.6 percent in 2010 to 29.0 percent in 2015. As the ranks of the uninsured start to shift toward those with shorter spells without health insurance and the long-term uninsured move into coverage, over time we may see shorter spells of being uninsured between other forms of coverage.[24] A portion of these individuals who experience a break in health insurance coverage participate in the Marketplace through SEPs. During the first half of 2015, 50 percent of those who enrolled during an SEP did so because of a loss of other health insurance coverage, 19 percent were determined ineligible for Medicaid or CHIP, 15 percent enrolled in a tax season SEP, and 16 percent enrolled for other reasons.[25] As these individuals join the Marketplace, they increase the number of effectuated enrollments, partially offsetting any decrease in enrollments due to individuals leaving the Marketplace for other coverage or another reason. California reports that 85 percent of those who leave the Marketplace remain insured by transitioning to another source of coverage.[26]

Estimates of the percentage of nonelderly QHP-eligible uninsured by the length of time since they were last covered from 2010 to 2015 below are based on ASPE analysis of the full annual NHIS public use files for those years, including imputed income files, matched to restricted identifiers including state of residence. For purposes of assessing QHP eligibility, states were assigned Medicaid expansion status based on their decisions as of December 31, 2015. These estimates are not adjusted for immigration status.

Appendix Table 5: Percentage of Nonelderly QHP-Eligible Uninsured by Time Since Last Covered, 2010-2015

	2010	2011	2012	2013	2014	2015
1 year or less	25.6%	24.1%	23.4%	22.8%	24.2%	29.0%
More than 1 year	74.4%	75.9%	76.6%	77.2%	75.8%	71.0%

Source: ASPE Analysis of National Health Interview Survey (NHIS) public use and restricted microdata.
Notes:

ASPE appreciates the assistance of the Centers for Disease Control and Prevention National Center for Health Statistics Research Data Center in facilitating our access to and analysis of the restricted 2015 NHIS Preliminary Quarterly Microdata Files and restricted variables in the final 2010-2015 files. The findings and conclusions in this brief are those of the authors and do not

[24] Andy Allison, Matt Carey, Erica Coe, and Nina Jacobi, "Transitions in coverage type are the norm for most consumers over time," *McKinsey & Company*, July 2016, available at: http://healthcare.mckinsey.com/transitions-coverage-type-are-norm-most-consumers-over-time.
[25] Centers for Medicare & Medicaid Services, "2015 Special Enrollment Period Report – February 23 – June 30, 2015," August 13, 2015, available at: https://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2015-Fact-sheets-items/2015-08-13.html.
[26] Covered California, "Covered California Finishes Open Enrollment Strong with More Than 425,000 New Consumers and An Increase In Young Enrollees," February 4, 2016, available at: http://news.coveredca.com/2016/02/covered-california-finishes-open.html.

necessarily represent the views of the Research Data Center, the National Center for Health Statistics, or the Centers for Disease Control and Prevention.