

The impact of national health reform on Ohio Household Income and eligibility

updated Sept. 8, 2010

This fact sheet is one in a series created by the Health Policy Institute of Ohio to examine the coverage expansion implications of national health reform on Ohio

Coverage expansion

The federal Affordable Care Act (ACA) dramatically changes and simplifies the way people qualify for public health insurance coverage. Historically, Medicaid eligibility varied according to a complex system of categorical assignment (e.g. children, parents, people with disabilities, seniors, etc.) and household income level. The ACA replaces this eligibility system with one that is based primarily on household income.

The ACA expands Medicaid to cover adults up to 138% of the Federal Poverty Level, or FPL, (133% + 5% income disregard). This will extend eligibility to 560,000 Ohioans who, prior to reform, earned too much to qualify for Medicaid coverage, but earned too little to be able to afford employer-sponsored or private insurance.

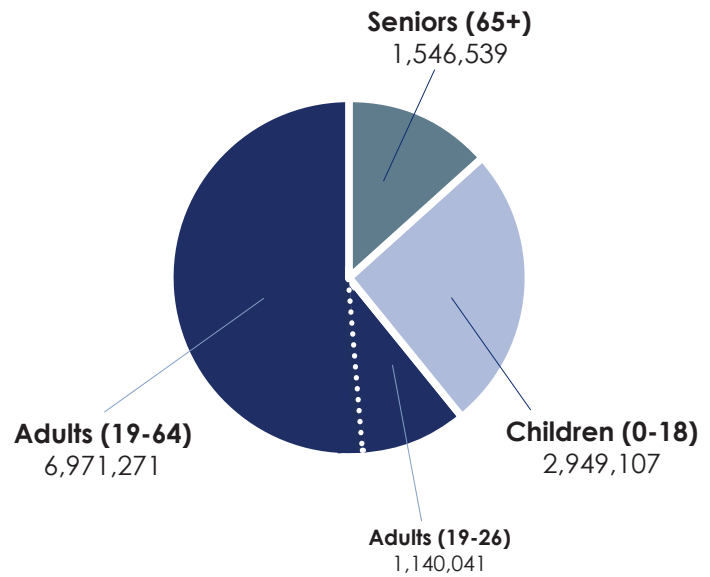
In addition to the Medicaid expansion, adults and children with household incomes up to 400% FPL who do not qualify for Medicaid will be eligible for public subsidies to defray the cost of purchasing health insurance through the State Health Insurance Exchange. Criteria for pregnant women and disabled workers will continue to be honored.

To better understand how Ohio's population will be affected by these changes, this document provides a profile of Ohio's population by the key income categories in the law and how those groups currently receive health insurance coverage.

The data are based on estimates from the 2008 Ohio Family Health Survey. It is important to note that because the survey was completed in January 2009, these estimates do not reflect significant economic changes that have occurred in the last 18 months. For example, more Ohio families are likely to be living in poverty or are uninsured, and there is more stress on Ohio's public service and safety net systems.

Ohio population (by age)

total 11,466,917



What is FPL? How is it determined?

Federal poverty level guidelines were originally calculated in 1963 by the Social Security Administration. The formula was set as three times the cost of food using the USDA economy food plan. FPL is now updated using the change in the Consumer Price Index for the previous calendar year.

2009 guidelines in effect until January 2011

	100%	138%	200%	400%
1	\$10,830	\$14,945	\$21,660	\$43,320
2	\$14,570	\$20,107	\$29,140	\$58,280
3	\$18,310	\$25,268	\$36,620	\$73,240
4	\$22,050	\$30,429	\$44,100	\$88,200

Note: Add \$3,740 for each additional person beyond 4

source: Federal Registrar, 2009

Considerations:

*Information shared in this fact sheet is based on the most updated version of federal law and analysis of Ohio data. As regulations are written and language clarified, there may be changes in HPIO's interpretation of the impact on Ohio.

**Estimates for "children 0-18" are merged totals using differently weighted OFHS child (0-17) proxy responses and OFHS adult (18+) responses. Point estimates fall within the standard error for all measures.

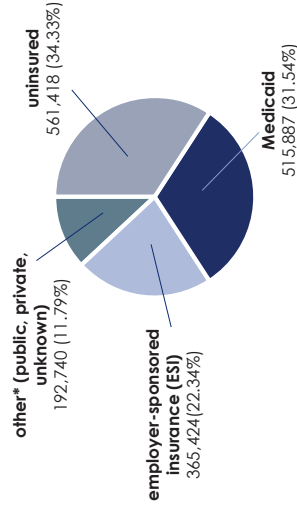
Ohioans by Income Category and Source of Coverage

[in 2008]

Adults 19-64

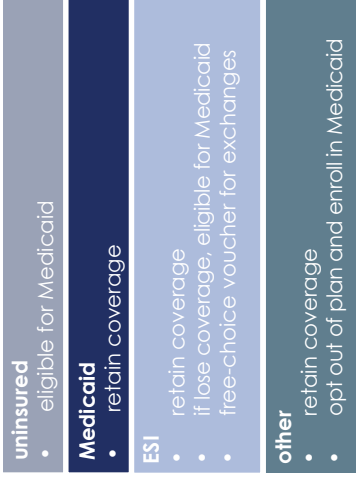
less than 138% FPL

total — 1,635,469



coverage options in 2014

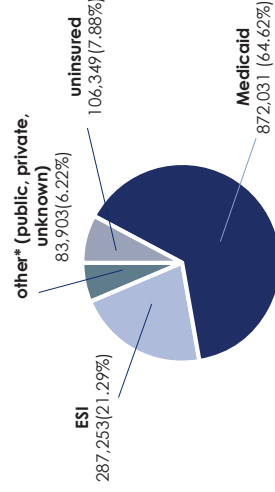
if someone currently is ...



Children 0-18

less than 200% FPL

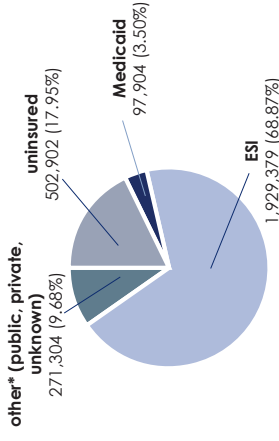
total — 1,349,536



Adults 19-64

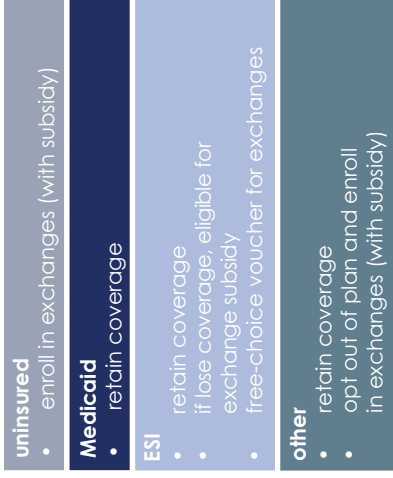
139%-400% FPL

total — 2,801,489



coverage options in 2014

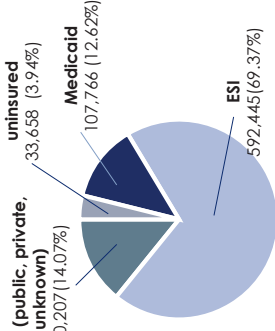
if someone currently is ...



Children 0-18

201%-400% FPL

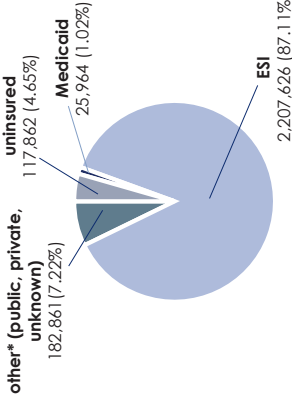
total — 854,076



Adults 19-64

more than 400% FPL

total — 2,534,313



coverage options in 2014

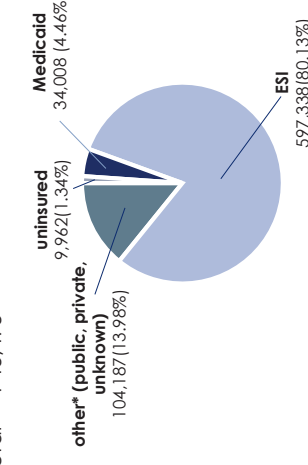
if someone currently is ...



Children 0-18

more than 400% FPL

total — 745,495



* "Other" numbers are extrapolated from the population, ESI, Medicaid, and Uninsured estimates; there may be rounding errors since these numbers are extrapolated