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## **NEWS RELEASE**

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### **NEW COMMONWEALTH FUND REPORT: MOST PEOPLE WITH ACA MARKETPLACE HEALTH INSURANCE SAY THEY CAN AFFORD PREMIUMS; LOWER-INCOME ADULTS REPORT COSTS SIMILAR TO EMPLOYER COVERAGE**

*In Survey, Majority of Marketplace Shoppers Rated Their Experience Fair or Poor; But Most Who Enrolled Are Happy With Their Coverage, Confident They Can Afford the Health Care They Need*

New York, NY, September 18, 2014—Sixty-one percent of adults paying premiums for health insurance purchased through the Affordable Care Act's marketplaces are finding it very or somewhat easy to afford them, according to a new Commonwealth Fund report. Premium and cost-sharing subsidies offered through the marketplaces appear to be working: more than two-thirds of adults with low or moderate incomes (under \$28,725 for an individual) paid less than \$125 a month in premiums for a single marketplace policy, similar to what adults in employer plans paid. Deductibles were also comparable for adults in this income range in employer and marketplace plans.

The report, *Are Americans Finding Affordable Coverage in the Health Insurance Marketplaces?* tracked people's experiences shopping for affordable health insurance coverage in the marketplaces in the first open enrollment period, October 2013–June 2014. The survey found that while 62 percent of adults who visited the marketplace rated their overall experience as fair or poor, two-thirds (68%) of those who purchased marketplace plans are happy with them, rating their plans as good, very good, or excellent. Seventy percent are confident they will be able to get the health care they need and 71 percent are confident they will get high-quality care. “The survey findings show that people with lower incomes are finding health insurance coverage through the marketplaces that is comparable to employer plans in affordability and cost-protection,” said Sara Collins, Commonwealth Fund Vice President for Health Care Coverage and Access, and a co-author of the report. “The subsidies are doing what they were designed to

do—make comprehensive coverage attainable for low- and moderate-income families without employer-based health insurance.

### **Comparing Marketplace and Employer Health Insurance Plans**

When comparing the experiences of people with employer health insurance plans to those with marketplace plans, the report found that low- and moderate-income adults have similar premiums and deductibles. Among adults with incomes of less than \$28,725 a year, about 70 percent with marketplace coverage and 64 percent with employer coverage either paid no premium or less than \$125 a month. About two of five adults in that income range with either marketplace or employer coverage had no deductible or a deductible less than \$500 per person.

Adults with higher incomes (more than \$28,725 for an individual) were eligible for smaller subsidies or no subsidy and therefore faced higher premiums: 54 percent with marketplace plans said it was easy to pay their premiums compared with 79 percent of those with employer coverage. Adults in this income range were more likely to have high deductibles: over half (59%) with marketplace coverage have deductibles of \$1,000 or more compared to only 30 percent with employer coverage.

### **Shopping Experience Improved Over Time, But Still Needs Work**

The report, based on the Commonwealth Fund's most recent Affordable Care Act Tracking Survey, finds that consumers' experiences in the marketplaces improved over time.

- More than half (57%) said it was easy to compare premium costs, up from 37 percent in October 2013. Forty-seven percent of shoppers said it was easy to compare plans by benefits offered, up from 30 percent. Nearly half (48%) said it was easy to compare plans based on potential out-of-pocket costs, up from 34 percent.
- More than three of five shoppers who tried to find out if they were eligible for premium subsidies or Medicaid had an easy time doing so.
- Nearly half (46%) of marketplace shoppers reported it was easy to find plans with the coverage they needed and 43 percent said it was easy to find an affordable plan. In October 2013, only 38 percent of shoppers found it easy to find a plan they needed and 30 percent said it was easy to find a plan they could afford.
- Likely because of the law's subsidies and Medicaid expansion, lower-income adults had somewhat less trouble finding affordable plans than higher income adults. About half (49%) of people with low incomes reported it was easy to find a plan they could afford. Of those with the highest incomes (more than about \$45,000 for a single person), 36 percent found it easy to find an affordable plan.

“While many people are dissatisfied with the shopping experience, most are happy with their marketplace health insurance, which for many offers better financial protection than what was often available in the individual market,” said Commonwealth Fund President David Blumenthal, M.D. “As we approach the second open enrollment period, it will be important to monitor how marketplaces are working for consumers.”

The full report will be available after the embargo has lifted at <http://www.commonwealthfund.org/publications/issue-briefs/2014/sep/consumer-experiences-marketplace>.

### **Methodology**

The Commonwealth Fund Affordable Care Act Tracking Survey, April-June 2014, was conducted by SSRS from April 9, 2014, to June 2, 2014. The survey consisted of 17-minute telephone interviews in English or Spanish and was conducted among a random, nationally representative sample of 4,425 adults, ages 19 to 64, living in the United States.

Overall 2,098 interviews were conducted with respondents on landline telephones and 2,327 interviews were conducted on cellular phones, including 1,481 with respondents who live in households with no landline telephone access. The survey’s sample was designed to increase the likelihood of surveying respondents eligible for new coverage options under the ACA. Respondents in an earlier Commonwealth Fund survey from July-September 2013 who said they were uninsured or had individual coverage were asked if they could be re-contacted for the April-June 2014 survey. SSRS also re-contacted households reached through their omnibus survey of adults who were uninsured or had individual coverage prior to open enrollment.

The data are weighted to correct for the stratified sample design, the use of pre-screened and re-contact respondents from the earlier surveys, the overlapping landline and cellular phone sample frames, and disproportionate nonresponse that might bias results. The data are weighted to the U.S. 19-to-64 adult population by age, gender, race/ethnicity, education, household size, geographic division, and population density using the U.S. Census Bureau’s 2011 American Community Survey and by household telephone use using the CDC’s 2012 National Health Interview Survey. The resulting weighted sample is representative of the approximately 186.1 million U.S. adults ages 19 to 64.

The survey has an overall margin of sampling error of +/-2.1 percentage points at the 95 percent confidence level. The landline portion of the main-sample survey achieved a 19 percent response rate and the cellular phone main-sample component achieved a 15 percent response rate. The overall response rate, including prescreened and re-contact sample was 14. This survey is the fourth in a series of surveys the Commonwealth Fund has been conducting to track the effects of the Affordable Care Act.

**The Commonwealth Fund is a private foundation supporting independent research on health policy reform and a high performance health system.**