**Adults Who Would Be Most Affected by ACA Repeal Support Keeping Core ACA Provisions**

Michael Karpman and Sharon K. Long  
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- Nearly all nonelderly adults (93.4 percent) are aware that the ACA may be repealed or replaced, and more than two-thirds support keeping the core ACA provisions targeted by the repeal effort, other than the individual mandate. Only 28.5 percent support the individual mandate.
- Support for the core ACA provisions other than the individual mandate is especially high (roughly three-quarters or more) among adults enrolled in Medicaid or Marketplace coverage, who benefited the most under the ACA and who would thus be most affected by the proposed repeal.
- Support for the core ACA provisions other than the individual mandate is also high (roughly three-quarters) among adults with nongroup coverage outside of the Marketplace—a population that is protected by ACA insurance reforms but that also includes many adults who could face lower premiums under repeal—although support for the ACA’s premium subsidies is lower among this group (less than two-thirds).
- Among adults with Medicaid or nongroup coverage (both inside and outside of the Marketplace), those who are older, are sicker, and have lower incomes are more likely to support the core ACA provisions, likely because they would face the largest increases in costs if the ACA were repealed.
- If the individual mandate were repealed, only 12.9 percent of insured adults report that they would likely drop their coverage. But nearly 30 percent of younger and healthier adults with nongroup coverage say they would likely drop coverage, which would jeopardize the stability of the nongroup market risk pool.

The American Health Care Act (AHCA), passed by the House of Representatives on May 4, 2017, would make major changes to several core provisions of the Affordable Care Act (ACA), including cutting premium tax credits in the Marketplace, loosening restrictions on how widely premiums can vary by age in the nongroup market, and eliminating the individual mandate penalty. It would reduce Medicaid funding by eliminating the enhanced federal matching rate for coverage of adults who become newly eligible under the ACA’s Medicaid expansion and by establishing a per capita cap on federal funding that would affect all state Medicaid programs. A recently added amendment to the bill would also allow states to opt out of both the ACA’s requirement that nongroup and small-group plans cover a set of federally mandated essential health benefits and the prohibition against varying premiums based on an individual’s medical history. Although the AHCA maintains the ACA’s ban on preexisting condition exclusions and denials of coverage based on health status, the waiver of essential health benefits and community rating requirements would undermine these protections.

If enacted, changes to the ACA will be felt most acutely by adults with Medicaid and private nongroup health insurance, the two segments of the health insurance market that were the primary targets of the ACA’s efforts to lower the cost of coverage. The burden will be especially high for
these adults if they are older, have lower incomes, and are in poor health because they are more likely to face higher costs under repeal. At the same time, some younger and higher-income adults with nongroup coverage, particularly those who receive little or no premium subsidy or who have purchased plans outside of the Marketplace, could face lower premiums under repeal (CBO 2017) even as the loss of key insurance market reforms exposes them to greater risks in the event of illness. As of early 2016, over half of those with ACA-compliant non-Marketplace nongroup plans believed they had been negatively affected by the ACA (Hamel et al. 2016). These adults may welcome changes to the law, though there has been an uptick in the overall population’s approval of the ACA in recent months.3 One recent poll found that more adults have a favorable view of the ACA than of the AHCA and that many of the AHCA’s proposed changes to current law have limited support (Kirzinger et al. 2017).

It is important to understand public opinion toward repeal of specific ACA provisions from the perspective of Medicaid and nongroup enrollees because they have the most at stake if new legislation is passed. If those who receive the most assistance from the ACA nevertheless support repeal, proposed changes to the law may be more widely accepted. If, however, core ACA provisions are supported by both those who receive assistance through the ACA and those who potentially stand to benefit from repeal, it would suggest there is no clear constituency demanding repeal as a means for improving their coverage. Moreover, opinions toward repealing ACA provisions among Medicaid and nongroup enrollees may vary widely by age, income, and health status because the gains and losses from repeal will be distributed unevenly across individuals with those characteristics. For instance, the AHCA would increase average net annual nongroup premiums by nearly $13,000 for 64-year-olds with incomes of 175 percent of the federal poverty level (FPL) and reduce them by $250 for 21-year-olds of the same income level, and elimination of cost-sharing subsidies would increase exposure to high out-of-pocket costs for low- and moderate-income adults (CBO 2017). Current surveys and polls have provided little information on the attitudes and potential reactions to repeal and replacement among the subgroups of adults who would be most affected by it.

This brief uses the March 2017 Health Reform Monitoring Survey (HRMS) to fill an important information gap by providing timely data on consumers’ awareness of repeal efforts, their support for keeping or repealing ACA provisions, and their anticipated responses if the individual mandate were eliminated. We focus on nonelderly adults overall and by health insurance coverage status, with an emphasis on attitudes and expectations for coverage among adults with Medicaid and nongroup coverage; we also examine how the attitudes and expectations of those adults vary by age, income, and health status.

What We Did

This brief draws on data from more than 9,500 nonelderly adults in the March 2017 HRMS. Seventy-three percent of the sample completed the survey on or before March 6, before the introduction of the AHCA in the House, and 27 percent completed it later in the month. The survey field period ended on March 21, 2017.

Survey respondents were asked about their awareness of Republican plans to repeal and replace the ACA; whether, given a choice, they would like to see eight key ACA coverage provisions kept or repealed; and, for those currently insured, whether they would drop their coverage if the ACA’s individual mandate were repealed.
The question about keeping or repealing selected ACA provisions included seven provisions that would be eliminated or changed directly or indirectly under the AHCA; those provisions are the focus of this brief. Table 1 shows those provisions as they are referred to throughout this brief and as they were described in the survey and the proposed changes to the provisions under the AHCA. Though the AHCA would not directly repeal the prohibition on denying coverage because of a preexisting medical condition (guaranteed issue), this provision would not offer meaningful protection to individuals with preexisting conditions in states that receive waivers from essential health benefits or community rating rules.4 The survey also asked respondents whether they support keeping or repealing the provision that children can stay on a parent’s health insurance plan until age 26, a component of the ACA that would not be changed by the AHCA and is therefore not a focus of our analysis.5

Table 1. How the AHCA Would Affect Selected ACA Provisions

<table>
<thead>
<tr>
<th>ACA provision</th>
<th>Description in survey</th>
<th>Changes under AHCA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guaranteed issue</td>
<td>Insurance companies can’t refuse to cover customers because of a preexisting medical condition, such as diabetes or cancer.</td>
<td>Leaves this provision in place, but allows insurers to consider health status when setting premiums and cover fewer benefits in states that receive federal waivers (see “community rating” and “essential health benefits” below).</td>
</tr>
<tr>
<td>Medicaid expansion</td>
<td>States have the option to expand Medicaid eligibility to more low-income adults.</td>
<td>Eliminates enhanced federal matching funds for newly eligible adults in the expansion population.</td>
</tr>
<tr>
<td>Premium subsidies</td>
<td>Some individuals are able to get subsidies for premiums in the new health insurance Marketplaces.</td>
<td>Replaces premium tax credits based on income and the premium for the second-lowest-cost silver-level Marketplace plan with tax credits based on age.</td>
</tr>
<tr>
<td>Community rating</td>
<td>Insurance companies can’t charge higher premiums for women or for people with health problems.</td>
<td>Gives states the option to permit health status rating for nongroup plans.</td>
</tr>
<tr>
<td>Age-rating limits</td>
<td>Insurance companies are limited in their ability to charge higher premiums for older adults relative to younger adults.</td>
<td>Increases the ratio at which premiums can vary by age from 3:1 to 5:1 (or higher in states that receive waivers).</td>
</tr>
<tr>
<td>Essential health benefits</td>
<td>Insurance companies are required to cover a set of essential health benefits that include doctor services, hospital care, prescription drugs and more.</td>
<td>Gives states the option to set their own essential health benefit requirements for nongroup and small-group plans.</td>
</tr>
<tr>
<td>Individual mandate</td>
<td>Individuals must have health insurance or else pay a fine.</td>
<td>Eliminates the individual mandate penalty and allows insurers to charge higher premiums to individuals who do not maintain continuous coverage.</td>
</tr>
</tbody>
</table>

We compared awareness, attitudes, and expectations of adults with Marketplace coverage, non-Marketplace nongroup coverage, Medicaid, coverage through an employer or the military, and the uninsured (if applicable). Because some survey respondents report more than one type of insurance coverage, we impose a hierarchy of responses to categorize adults by coverage type. Adults with Medicare or nonspecified coverage based on this coverage hierarchy, who constitute 7.2 percent of the sample, are included in analyses that focus on all adults but not included in comparisons by coverage type.

After examining differences by coverage type, we focus in greater depth on the adults with Medicaid or nongroup coverage. Six of the seven ACA provisions described above target most or all adults with nongroup coverage, and the Medicaid expansion covers about 11 million adults who are enrolled in the program (Rudowitz, Artiga, and Young 2016). When looking at attitudes and expectations of adults with Medicaid or nongroup coverage, we also examine differences by income, age, and presence of a chronic condition or disability because the effects of repeal are likely to vary significantly based on those attributes.

One limitation of our analysis is measurement error in individuals’ types of health insurance coverage. Surveys have historically had difficulty identifying the type of coverage held by respondents (Pascale 2008), a challenge that is likely exacerbated by both the introduction of publicly sponsored Marketplaces in which consumers can purchase private health plans and the coordination of Medicaid and Marketplace eligibility and enrollment systems. In an attempt to address this challenge, we developed a logical editing process that pulls some people out of our coverage hierarchy to distinguish adults likely to have Marketplace coverage from adults likely to have public coverage if they reported both types of coverage. Our process for identifying likely Marketplace enrollees relies on several data elements from the HRMS, including reported coverage types, health plan or insurance company name, state of residence, and family income as a percentage of FPL. This approach, which is described in detail in the technical appendix of Blavin, Karpman, and Zuckerman (2016), likely reduces but does not eliminate the measurement error in coverage type.

A second limitation is that because some individuals churn between Medicaid, nongroup coverage, or other types of coverage over the course of a year (Sommers et al. 2016), a given ACA provision may become more or less important to an individual as his or her income fluctuates. We are unable to define the sample based on whether an individual was ever covered by different types of insurance, and we do not know whether respondents are considering the type of coverage they may have in the future when reporting their opinion of ACA provisions.

Finally, many adults may not understand how they would be personally affected by ACA repeal. For instance, some adults who receive premium subsidies through the Marketplace may not know their exact subsidy amount and whether it is higher or lower than the age-based tax credit they would receive under current repeal proposals.

What We Found

Nearly all nonelderly adults are aware that the ACA may be repealed or replaced, and more than two-thirds support keeping the core ACA provisions targeted by the repeal effort, other than the individual mandate.
Potential repeal of the ACA is a salient issue for nonelderly adults, with 93.4 percent reporting that they have heard a lot, some, or only a little about the possibility that the ACA will be repealed and replaced (figure 1). Awareness is highest among adults with private coverage at over 90 percent, while more than 85 percent of adults with Medicaid or who are uninsured have heard about the possibility of repeal (data not shown).

**Figure 1. Awareness of Possibility of ACA Repeal among Adults Ages 18 to 64, March 2017**

Two-thirds of adults or more support keeping rather than repealing six core ACA coverage provisions: guaranteed issue, Medicaid expansion, premium subsidies, community rating, age rating limits, and essential health benefits (table 2). The share of adults who support keeping each provision ranges from 68.6 percent who would keep the premium subsidies to 87.9 percent who would keep guaranteed issue. Only 28.5 percent, however, support keeping the individual mandate.

**Source:** Health Reform Monitoring Survey, quarter 1 2017.

**Notes:** Estimates not shown for 0.3 percent of adults who did not report whether they had heard about the possibility the ACA may be repealed and replaced.

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**Source:** Health Reform Monitoring Survey, quarter 1 2017.

**Notes:** ESI is employer-sponsored insurance.

**/*/**/*** Estimate differs significantly from Marketplace enrollees at the 0.10/0.05/0.01 levels, using two-tailed tests.**
Table 2. Share of Adults Ages 18 to 64 Who Support Keeping Selected ACA Provisions, Overall and by Coverage Type, March 2017

<table>
<thead>
<tr>
<th>Share who would like to keep the following ACA provisions</th>
<th>All adults</th>
<th>Marketplace</th>
<th>Non-Marketplace nongroup</th>
<th>Medicaid</th>
<th>ESI</th>
<th>Uninsured</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guaranteed issue</td>
<td>87.9%</td>
<td>88.8%</td>
<td>87.3%</td>
<td>85.4%</td>
<td>90.9%</td>
<td>77.8%</td>
</tr>
<tr>
<td>Medicaid expansion</td>
<td>78.3%</td>
<td>81.0%</td>
<td>72.9%</td>
<td>89.1%</td>
<td>76.6%</td>
<td>76.0%</td>
</tr>
<tr>
<td>Premium subsidies</td>
<td>68.6%</td>
<td>78.3%</td>
<td>62.6%</td>
<td>77.1%</td>
<td>67.2%</td>
<td>62.1%</td>
</tr>
<tr>
<td>Community rating</td>
<td>80.8%</td>
<td>80.9%</td>
<td>75.6%</td>
<td>84.9%</td>
<td>81.8%</td>
<td>73.4%</td>
</tr>
<tr>
<td>Age-rating limits</td>
<td>73.3%</td>
<td>75.3%</td>
<td>72.9%</td>
<td>72.0%</td>
<td>76.1%</td>
<td>61.7%</td>
</tr>
<tr>
<td>Essential health benefits</td>
<td>83.3%</td>
<td>86.0%</td>
<td>80.2%</td>
<td>87.0%</td>
<td>84.3%</td>
<td>75.0%</td>
</tr>
<tr>
<td>Individual mandate</td>
<td>28.5%</td>
<td>28.5%</td>
<td>27.6%</td>
<td>26.4%</td>
<td>30.8%</td>
<td>16.7%</td>
</tr>
</tbody>
</table>


Notes: ESI is employer-sponsored insurance.

**/*** Estimate differs significantly from Marketplace enrollees at the 0.10/0.05/0.01 levels, using two-tailed tests.

Support for the core ACA provisions (other than the individual mandate) is especially high among adults enrolled in Medicaid or Marketplace coverage, who benefited the most under the ACA and who would thus be most affected by the proposed repeal.

Adults who are more likely to benefit from the ACA’s financial assistance via the Marketplace or Medicaid are more likely to support its core provisions. For instance, 89.1 percent of Medicaid enrollees and 81.0 percent of Marketplace enrollees support keeping the Medicaid expansion, compared with 78.3 percent of adults overall (table 2). Similarly, over three-quarters of Marketplace and Medicaid enrollees support keeping premium subsidies, compared with 68.6 percent of adults overall. Relative to the overall population, adult Marketplace and Medicaid enrollees together are generally as likely or more likely to support the ACA’s insurance market regulations, with support ranging from 73.0 percent for age-rating limits to 86.7 percent for essential health benefits (data not shown). Only 27.0 percent of adults with Medicaid or Marketplace coverage support keeping the individual mandate (data not shown).

A majority of adults with nongroup coverage outside of the Marketplace, a population that is protected by ACA insurance reforms but that also includes many adults who could face lower premiums under repeal, supports keeping the core ACA provisions (other than the individual mandate).

Although support tends to be somewhat lower among adults with non-Marketplace nongroup coverage, nearly three-quarters of such adults support all of the core provisions except for premium subsidies and the individual mandate. Compared with Marketplace enrollees, these adults do not receive premium subsidies, are more likely to have incomes above 400 percent of FPL and are less likely to report a chronic condition or disability (data not shown), and they are therefore more likely to benefit from existing repeal proposals. However, their support for core provisions other than the individual mandate ranges from 62.6 percent for the premium subsidies to 87.3 percent for guaranteed issue (table 2). Support for the individual mandate among adults with non-Marketplace nongroup coverage is similar to that of the overall population at 27.6 percent.
Adults with Medicaid or nongroup coverage are more likely to support core ACA provisions if they are older, are sicker, and have lower incomes, likely because they would face the largest increase in costs if the ACA were repealed.

Table 3 shows that among adults with Medicaid or nongroup coverage, support for keeping ACA provisions is highest among older, sicker, and lower-income adults who are likely to lose the most from repeal. For instance, adults ages 50 to 64 are 11.9 percentage points more likely to support keeping the premium subsidies than adults ages 18 to 34. In addition, over three-quarters of adults with incomes below 400 percent of FPL support keeping the subsidies, compared with 62.9 percent of adults with incomes of 400 percent of FPL or more. The Medicaid expansion garnered the most support from those with low incomes and those with a chronic condition or disability. Low-income adults and those with chronic conditions or a disability were most supportive of community rating, which is designed to make coverage affordable for individuals in poor health.

Although support for core provisions other than the individual mandate was higher for adults with Medicaid or nongroup coverage if they were older and more disadvantaged, majorities of those ages 18 to 34, those with incomes above 400 percent of FPL, and those without a chronic condition or disability supported each of the financial assistance provisions and insurance regulations.

If the individual mandate were repealed, only 12.9 percent of adults report that they would likely drop their coverage. But nearly 30 percent of younger and healthier adults with nongroup coverage say they would likely drop coverage, which would jeopardize the stability of the nongroup market risk pool.

Few insured adults report that they would drop coverage if the individual mandate were repealed. The share of insured adults reporting they would likely drop coverage varies from 9.0 percent of adults with employer-sponsored insurance to 31.8 percent of adults with Marketplace coverage (figure 2). Just over 16 percent of adults with non-Marketplace nongroup coverage and 21.7 percent of Medicaid enrollees report a similar likelihood of dropping coverage. The estimate for the latter group suggests some adults with Medicaid may be unaware that they do not face a trade-off between paying the penalty and obtaining coverage given that most Medicaid beneficiaries do not pay premiums, and many would qualify for a hardship exemption from the penalty for not having coverage (Brooks et al. 2016). Previous analyses of HRMS data have found that many adults with public coverage are not confident in their understanding of health insurance (Long and Goin 2014a) and that adults are less likely to be aware of the individual mandate and other ACA
provisions if they have lower incomes (Long and Goin 2014b). This estimate may also reflect measurement error in coverage type.

**Figure 2. Likelihood of Dropping Coverage if Individual Mandate is Repealed among Insured Adults Ages 18 to 64, Overall and by Coverage Type, March 2017**

![Chart showing likelihood of dropping coverage](chart.png)


Notes: ESI is employer-sponsored insurance. Estimates not shown for 0.7 percent of adults who did not report their likelihood of dropping coverage.

* *** Estimate differs significantly from Marketplace enrollees at the 0.10/0.05/0.01 levels, using two-tailed tests.

The individual mandate is thought to have a significant effect on the stability of the nongroup market, and its elimination is predicted to cause younger, healthier adults to disenroll (CBO 2017). Our findings are consistent with this prediction, with 29.7 percent of adults ages 18–49 with nongroup coverage reporting that they are very or somewhat likely to drop their coverage if the individual mandate is repealed, compared with 19.7 percent of those ages 50–64 (figure 3). Nongroup enrollees without a chronic condition or disability are more likely to say they would drop coverage than those with a chronic condition or disability (28.7 percent versus 21.1 percent, respectively).
What It Means

The impact of ACA repeal, as outlined in the AHCA, would be concentrated most heavily on the subset of nonelderly adults with Medicaid or nongroup coverage. In addition, the gains and losses from the AHCA’s proposed changes to core ACA provisions would be distributed unevenly within this population, with sharply increased costs for older, sicker, and lower-income individuals, and potentially lower premiums for some groups of younger, healthier, and higher-income adults with nongroup coverage. Although polls of the broader population are important for understanding public attitudes toward repeal, the opinions of those who would be most affected by these changes are particularly important to understand the rationale for keeping or repealing the ACA’s major coverage provisions.

Most adults are aware of the potential for replacement of the ACA and prefer to keep rather than repeal key ACA provisions other than the individual mandate. Support for these provisions is particularly high among adults with Marketplace coverage or Medicaid, who gain the most benefit from the ACA, but adults with non-Marketplace nongroup coverage also express majority support. Within the population of adults with Medicaid or nongroup coverage, support tends to be highest among those who would face the highest costs under repeal, including those with lower incomes, those with chronic conditions or disabilities, and those near retirement age. Although support for ACA provisions is often related to self-interest, strong majorities of those who are not directly affected by the provisions also support keeping rather than repealing them. These findings suggest that many adults who would benefit from ACA repeal, at least in the short term, value the protections provided by the ACA’s financial assistance provisions and insurance regulations.

Only the individual mandate received less-than-majority support across coverage types. Despite the relatively high level of support for repealing the individual mandate, other data provide
evidence that the mandate is critical to the functioning of the nongroup market. Many nongroup enrollees, especially the young and the healthy and those with Marketplace plans, report that they would drop their coverage under repeal, potentially destabilizing the nongroup market risk pool and leading to further increases in premiums. The lack of support for the mandate combined with high levels of support for the ACA’s consumer protections suggests many may not understand the role that the mandate plays in reducing adverse selection in the nongroup market by penalizing those who would forgo coverage until they need medical care.

References


About the Series

This brief is part of a series drawing on the HRMS, a survey of the nonelderly population that explores the value of cutting-edge Internet-based survey methods to monitor the ACA before data from federal government surveys are available. Funding for the core HRMS is provided by the Robert Wood Johnson Foundation and the Urban Institute.

For more information on the HRMS and for other briefs in this series, visit www.urban.org/hrms.
About the Authors

Michael Karpman is a research associate and Sharon K. Long is a senior fellow in the Urban Institute’s Health Policy Center. The authors gratefully acknowledge the suggestions and assistance of John Holahan and Stephen Zuckerman.

Notes


5 Overall, 79.7 percent of adults in our sample supported keeping the dependent coverage provision.

6 Reports of employer-sponsored insurance are placed at the top of our coverage hierarchy, followed by reports of Medicare, Medicaid, nongroup coverage, and nonspecified coverage.

7 Respondents are considered to have a disability if they respond yes to the following question: “Do you have a physical or mental condition, impairment, or disability that affects your daily activities OR that requires you to use special equipment or devices, such as a wheelchair, TDD or communication device?” Respondents are considered to have a chronic condition if they report having a health condition that has lasted for a year or more or is expected to last for a year or more.


9 Less than 3 percent of respondents did not report whether they would prefer to keep or repeal each provision. We include these respondents in the denominator when estimating the share of adults reporting that they support keeping individual ACA provisions.

10 When analyzing subgroups of adults with nongroup coverage, we collapse age and income categories to increase sample size.