

South Dakota Medicaid Expansion Population Demographics

48,564 people under 138% FPL would be eligible for Medicaid expansion

- Approx. 26,000 have incomes less than 100% FPL
- Approx. 22,000 have incomes between 100% and 138% FPL and would be eligible to purchase health insurance through the Federally Facilitated Marketplace with tax subsidies
- Conservatively, 10,000 of this group have insurance

The uninsured are poorer, and more live in poorer families

- Of South Dakota's population:
- 27% of adults in families whose income was less than 100% of Federal Poverty Level (FPL) are uninsured
- 20% of adults in families whose income was between 100% and 149% of FPL are uninsured
- Only 4% of adults in families earning 300% of FPL or greater were uninsured
- Of South Dakota's uninsured adult population (total 13% or 64,437):
- 41% of uninsured adults reside in families whose annual incomes are less than 100% of FPL while 25% live in families with an income between 100% and 199% of FPL

Employment Characteristics of Uninsured- Market Decisions Report

- 63% of uninsured adults are employed
 - 65% of uninsured adults that are employed work full time
- 31% are self-employed or work for a family business or farm
- 60% of uninsured employed adults work for a private company; 51% work in the service sector
- 21% uninsured employed adults work for an employer with 2 - 9 employees
 - According to the Department of Labor, 52% of full-time employees of employers with less than 10 employees were offered health insurance in 2010
 - The portion of single premium paid by all employer:
 - 100% employer paid- 39%
 - 50-99% employer paid- 51%
 - Less than 50% employer paid- 10%
 - Average % paid by employer- 73%

Reasons for Lack of Coverage- Market Decisions Report

- 75% of uninsured adults cite cost as the only or main reason for lack of insurance coverage
 - 31% lost coverage because the premiums for employer sponsored insurance became too expensive
 - 25% lost coverage because of a lost job
- 11% of the uninsured lack health insurance because of a denial for coverage due to a preexisting health condition.

As income increases, so does the proportion of individuals covered by private health insurance

- 30% of individuals with incomes less than 100% FPL have private health insurance
- 79% of individuals with incomes of 400% of FPL or more have private health insurance

Who are the uninsured? Real life situations of South Dakotans:

Scenario 1: Single male working full time:

Jim is a 50 year old single man. He works 72 hours a month at a security company and earns monthly gross wages of \$576 (\$8/hour). He also does part time maintenance work 69 hours a month, earning monthly gross wages of \$552 (\$8/hour).

Total earned monthly income: \$1128 which is 118% of the federal poverty level (FPL).

- Jim is eligible for \$178 monthly SNAP benefits and \$500 annual LIEAP benefit.

Assets: 1997 car valued at \$1900. He has no bank accounts.

He pays \$406 a month rent and is responsible for heat, electricity, and telephone.

Jim is eligible for subsidies through the exchange. Cost of health insurance coverage: Jim's premium for a silver plan on the federally facilitated marketplace (FFM) would be \$4,528 per year (assuming his employer does not offer employer sponsored health care coverage). Jim's tax subsidy credit would be \$ 4,257 per year, so he would pay \$271 in premium costs plus any out of pocket costs (deductible and co-insurance) per year. Jim's maximum out of pocket would be \$2,250 per year.

Scenario 2: College student (without a disability) working two part time jobs:

Kelly is a 20 year old single female who is a full time college student. She works 58 hours a month at an assisted living facility earning monthly gross wages of \$461.10 (\$7.95/hour). She also works at a gas station 66 hours a month earning monthly gross wages of \$495.01 (\$7.50/hour).

- Kelly is eligible for \$148 monthly SNAP benefits and \$728 annual LIEAP benefit.

Total earned monthly income: \$956.11 which is 100% FPL

Assets: 1999 car, valued at \$500, and has \$698 in a bank account

She pays \$400 a month rent and is responsible for heat, electricity, and telephone

Kelly is eligible for subsidies through the exchange. Cost of health insurance coverage: Kelly's premium for a silver plan on the FFM would be \$ 2,535 per year (assuming no access to employer sponsored health care coverage). Kelly's tax subsidy credit would be \$2,305 per year, so Kelly would pay \$230 in premium costs plus any out of pocket costs up to a maximum of \$2, 500 (deductible and co-insurance) per year.

Scenario 3: A single mom of 2 children at 60% FPL (children already qualify for Medicaid but mom does not):

Molly is a 33 year old single mother of two boys. She works at a bank and makes \$1100 a month (\$7.50/hour) and receives sporadic child support. A three month average of her child support shows \$106 a month.

Total earned monthly income with child support: \$1206 which is 60% FPL

- Molly is eligible for \$418 in SNAP benefits and \$844 annual LIEAP benefits

Assets: 2004 car, valued at \$6000. The family has \$300 in savings and checking accounts.

Molly has a mortgage of \$552.95 month (mortgage/insurance/taxes) and is responsible for all utilities. She pays \$96 monthly in child care with the remainder of her child costs paid by Child Care Assistance.

Molly is **not** eligible for subsidies through the Exchange. Cost of health insurance coverage would be: Molly's premium for a silver plan on the FFM would be \$2,535 per year (assuming no access to employer sponsored health care coverage). Molly's tax credit would be \$0 per year, so Molly would pay \$2,535 in premium costs plus any out of pocket costs up to a maximum of \$ 6,350 (deductible and co-insurance) per year.

Scenario 4: Unemployed single male residing on reservation land:

John is a 52 year old single man residing on a reservation. He lives with 4 non-related roommates. He does not work. John does not have health insurance, but does use Indian Health Services for his medical needs.

Total income is \$179 monthly income from the Bureau of Indian Affairs General Assistance Program (GA) which is 19% of FPL.

No assets: John does not own a vehicle and does not have any bank accounts. He shares in a portion of the residence's electricity costs.

- John is eligible for \$189 in monthly SNAP benefits and \$680 annual LIEAP benefits through the tribe.

John is not eligible for subsidies through the exchange. Cost of health insurance coverage would be: John's premium for a silver plan on the FFM would be \$4,949 per year. John's tax credit would be \$0 so John would pay \$4,949 in premium costs. Because John is a Native American and he earns less than 300% of the federal poverty level he is exempt from cost sharing.

Scenario 5: Parent within income at 120% federal poverty level (child already qualifies for Medicaid, but mom does not):

Amy is a 27 year old single mom with a six year old son. She works 156.5 hours per month in a nursing home. She does not receive child support income.

Total earned monthly income of \$1,518.33 (\$9.70/hour) which is 120% FPL

Assets: 1995 car, valued at \$1000, and has \$250 in a bank account

She pays \$107.50 in child care expenses each month. She pays \$350 a month rent and is responsible for heat, electricity, water, sewage, garbage, and telephone.

- Amy is eligible for \$204 in monthly SNAP benefits and \$792 annual LIEAP benefits.

Amy is eligible for subsidies through the exchange. Cost of health insurance coverage: Amy's premium for a silver plan on the FFM would be \$2,657 per year (assuming no access to employer sponsored health insurance coverage). Amy's tax credit subsidy would be \$2,285 per year, so Amy would pay \$372 per year in premium costs plus any out of pocket costs up to a maximum of \$2,250 (deductible and co-insurance) per year.