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CalSIM

California
Simulation of
Insurance
Markets

The California Simulation of Insurance Markets (CalSIM) model is designed to estimate the impacts of various elements of the Affordable Care Act on employer decisions to offer insurance coverage and individual decisions to obtain coverage in California. It was developed by the UC Berkeley Center for Labor Research and Education and the UCLA Center for Health Policy Research, with generous funding provided by The California Endowment.

Preliminary CalSIM v 2.0 Regional Remaining Uninsured Projections

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This report provides updated regional estimates of the number of non-elderly uninsured Californians in 2017. The estimates build on prior versions of the California Simulation of Insurance Markets (CalSIM) microsimulation model and incorporate updated survey and administrative data. For background on the CalSIM model and prior estimates, see <http://healthpolicy.ucla.edu/calsim>.

These preliminary CalSIM 2.0 regional estimates of the uninsured are subject to change and do not reflect final CalSIM 2.0 results. They are being released in Summer 2016 to aid in county planning processes.

Populations Identified

Uninsured, not eligible for coverage due to immigration status, age 0-64: Undocumented Californians are excluded by federal law from the provisions of the Affordable Care Act (ACA). Californians in this category are eligible for Medi-Cal if they are under the age of 19 and are income-eligible or if they have been granted Deferred Action for Childhood Arrivals (DACA) and are income-eligible. Children who are eligible for Medi-Cal are excluded from these numbers and estimated separately. Individuals with DACA, however, are included in this category because we cannot properly identify them in our data.

This estimate does assume that some undocumented individuals decide to purchase individual market coverage outside of Covered California. However, our estimate does not include the effect of a possible 1332 waiver that would enable undocumented Californians to purchase coverage through Covered California.

Uninsured, income-eligible for Medi-Cal, age 0-64: These Californians are eligible for full-scope Medi-Cal based on their income but were uninsured prior to the ACA and are predicted to

remain so. In some cases very few are predicted to remain uninsured, which we report as less than 5,000 (< 5,000). These numbers do not include uninsured undocumented Californians who may be eligible for Medi-Cal if they are children or have been granted deferred action.

Uninsured, eligible for Covered California with Subsidies, age 0-64: These Californians were uninsured and are not predicted to take up coverage through Covered California, despite being eligible for subsidized coverage. Eligibility is based on not having an employer offer, having income between 138% and 400% FPL, and being a citizen or lawfully present immigrant. This group includes only those who would get a subsidy to help pay for coverage. Others whose incomes fall below 400% FPL but whose premiums are below their expected contribution could purchase coverage (either through Covered California or the outside market) but would not receive a subsidy. These people are included in the estimates of those eligible for Covered California without subsidies.

Uninsured, eligible for Covered California without Subsidies, age 0-64: These Californians are eligible to purchase coverage through Covered California, but would not receive subsidies to help pay for that coverage. This includes anyone with income over 400% FPL, as well as those mentioned above whose premiums fall below their expected contribution. This group does not include the undocumented, who as of August 2016 were unable to purchase coverage through Covered California.

Undocumented children eligible for Medi-Cal, age 0-18: Under recently enacted California law, children from families with incomes at or below 266% FPL are eligible for full-scope Medi-Cal coverage regardless of their documentation status. We present an estimate of the number of undocumented children eligible for Medi-Cal

who report an insurance status of “Medi-Cal” (which we understand to mean enrollment in Emergency Medi-Cal), “individual market,” “other public,” or “uninsured,” but excludes those who report having employer sponsored coverage. This is an attempt to provide a maximum enrollment target for Medi-Cal for this population.

Methodology

We model the population and demographics of each region prior to the Affordable Care Act, including insurance status, age, income, and immigrations status. We inflate the population to future years, including adjustments to income to reflect planned statewide and local minimum wage increases. We then calculate eligibility for Medi-Cal and subsidies through Covered California.

For these preliminary estimates of the remaining uninsured after ACA implementation, we do not actually run our microsimulation model to predict insurance decisions based on individual characteristics, or to predict employer behavior. Instead we apply the take-up rates calculated in CalSIM version 1.91 to populations based on their eligibility and insurance status pre-ACA.

For those who are uninsured non-subsidy eligible citizens and lawfully present immigrants, we apply a take-up rate directly from CalSIM 1.91. Those who do not take up are projected to remain uninsured. Similarly for those who are undocumented we apply a modified take-up rate from CalSIM 1.91 (see below).

We estimate changes in enrollment in the Covered CA and Medi-Cal post ACA using a combination of administrative and survey data. We subtract out those who are projected to have taken up coverage in these programs but would have had insurance in the absence of the ACA.

The remainder are assumed to have come from those who were previously uninsured.

Covered California: We use 2015 Covered California administrative numbers of effectuated subsidized enrollment by geography. This gives us the number of enrollees we must account for in each geography in 2015.

We use rating region-specific premiums for the second lowest cost silver plan to calculate whether individuals who qualify for Covered California and have incomes at or below 400% FPL would actually be get a subsidy. This helps define our eligible population.

People enrolled in subsidized coverage through Covered California could have had, in the absence of the ACA, Employer Sponsored Insurance (ESI),¹ coverage in the individual market, or no insurance.

- ESI: We estimate the share of subsidized Covered California enrollees who would otherwise have had ESI. In CalSIM 1.91 we projected that 10% of enrollees would have come from this group. We make the same assumption here.
- Individual Market: Using the take-up rate from CalSIM 1.91, we assume that nearly all (95%) of those eligible for subsidies who otherwise have individual market coverage take up subsidized coverage.
- Uninsured: We assume that the remaining enrollees must come from the ranks of the uninsured. This allows us to back out a take-up rate for those otherwise uninsured who are eligible for subsidized coverage. We calculate this take-up rate for 2015 for each region and then apply the 2015 take-up rate

¹ People who would have ESI without the ACA could be eligible for subsidies through Covered California if they have COBRA or early retiree coverage; if they have an unaffordable offer of ESI; or if their employer drops coverage as a result of the ACA.

to the 2017 population identified as eligible and uninsured. We thus assume stable enrollment rates between 2015 and 2017. Take-up rates for Covered California among the otherwise uninsured range from 26% to close to 100%, averaging 54% for the state as a whole.

Medi-Cal: Administrative Medi-Cal numbers are always higher than those reported in surveys. As such, we do not try to match administrative totals. Rather, we take California Health Interview Survey totals for 2014, match the proportions by geography reported by Medi-Cal, and assume CHIS will see the same percentage overall growth seen administratively from 2014 to 2015.

We take into account that some enrollees in the LIHP program may have reported having Other Public Coverage in the CHIS in 2011-12, and count LIHP enrollees as newly enrolling in Medi-Cal because of the ACA.

From our adjusted estimate of the total number of enrollees per region, we subtract the number anticipated to have been enrolled in Medi-Cal without the ACA. The difference is the number of new enrollees due to the ACA that we must account for.

Given these totals, we use a similar methodology to that used to estimate take up in Covered California. We apply take-up rates from CalSIM 1.91 to the populations eligible for Medi-Cal with ESI coverage and those eligible for Medi-Cal with individual market coverage, and assume that the remainder of enrollees we must account for are from the ranks of the uninsured. This allows us to back out a take-up rate for those eligible for Medi-Cal who would be uninsured without the ACA. However, we limit the lower-bound for take up among the otherwise uninsured Medi-Cal eligible to the base-scenario estimates from CalSIM 1.91 (70% for those newly eligible but

uninsured, 10% for those previously eligible but uninsured, with an average of 48%). We limit the upper-bound for take up among the otherwise uninsured Medi-Cal eligible to be 90%.

Undocumented: Undocumented adults who report having Medi-Cal coverage are assumed to have Emergency-only Medi-Cal and are thus considered uninsured for the purposes of these estimates. The take-up rate for insurance coverage among uninsured undocumented not eligible for Medi-Cal is based on the 1.9 estimates, but reduced by a “dampening factor” that reflects that the undocumented are less likely than similarly situated citizens and lawfully present immigrants to take up coverage in the individual market. From analysis of CHIS 2011-12 we estimate that undocumented take up at 65% the rate of those who are citizens or lawfully present immigrants.

Minimum Wage: We take into account planned minimum wage increases at the state and in certain geographies, namely within Los Angeles, San Francisco, Santa Clara, Contra Costa, Alameda, and San Diego counties. In each county we take into account the share of the low-wage population affected (e.g. not all cities in Alameda county have increased their minimum wage); the size of the wage increase using as a proxy the minimum wage schedule in the city with the most low-wage workers; and, for Bay Area counties, the commuting patterns and share of workers from a given county who work in a county with higher minimum wage. In general, because minimum wage increases raise incomes they move people from being Medi-Cal eligible to being Covered California eligible.

Range of Results

As with all projections, the numbers presented involve considerable uncertainty. They represent the current best estimates using a

combination of the California Simulation of Insurance Markets (CalSIM) version 2.0 input data set and take-up rates from CalSIM version 1.91, applied to each rating region (or combined rating regions) and select large counties.

Our results are presented as point estimates. To give a sense of a reasonable range within which these estimates fall, we vary our assumptions to create a high and low scenario for take up at the statewide level. This shows the considerable variation generated by changing our assumptions, though does not take into account the variation inherent in the survey data we use. For statewide results, our range and preferred point estimates for the remaining uninsured are as follows:

Table 1. Range of results, California statewide uninsured age 0-64, 2017

	Low take up scenario	Preferred Estimate	High take up scenario
Not Eligible due to Immigration Status	1,863,000	1,787,000	1,658,000
Eligible for Medi-Cal	425,000	322,000	187,000
Eligible for Subsidies through Covered CA	458,000	401,000	317,000
Non-subsidy Eligible Citizens & Lawfully Present Immigrants	817,000	550,000	458,000
Total Uninsured	3,563,000	3,049,000	2,620,000

Geographies

We report results for the following geographies, based on Covered California rating regions and large counties in California:

Table 2. Geographies reported

Covered California Rating Region number	Name	Counties included
1	Northern Counties	Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, Glenn, Humboldt, Lake, Lassen, Mendocino, Modoc, Nevada, Plumas, Shasta, Sierra, Siskiyou, Sutter, Tehama, Trinity, Tuolumne and Yuba
2	North Bay Counties	Marin, Napa, Solano and Sonoma
3	Sacramento Valley	Sacramento, Placer, El Dorado and Yolo
4 & 8	San Francisco & San Mateo	San Francisco, San Mateo
5	Contra Costa	Contra Costa
6	Alameda	Alameda
7	Santa Clara	Santa Clara
9 & 12	Central Coast	Monterey, San Benito and Santa Cruz; San Luis Obispo, Santa Barbara and Ventura
10 & 11	Central Valley	San Joaquin, Stanislaus, Merced, Mariposa and Tulare; Fresno, Kings and Madera
13	Eastern Counties	Mono, Inyo and Imperial
14	Kern	Kern
15 & 16	Los Angeles	Los Angeles
17	Inland Empire	San Bernardino and Riverside
18	Orange	Orange
19	San Diego	San Diego
Large Counties		
(part of 11)		Fresno
(part of 3)		Sacramento
(part of 10)		San Joaquin
(part of 17)		San Bernardino
(part of 12)		Ventura

Results: Californians Under Age 65 Projected to be Uninsured by Rating Region and Select Large Counties

Statewide Summary (sum of regions 1-19)	2017
Not Eligible due to Immigration Status	1,787,000
Eligible for Medi-Cal	322,000
Eligible for Subsidies through Covered CA	401,000
Non-subsidy Eligible Citizens & Lawfully Present Immigrants	550,000
Total Uninsured	3,049,000
Undocumented Children Eligible for Medi-Cal	225,000

Californians Under Age 65 Projected to be Uninsured by Rating Region and Select Large Counties

Northern Counties (Rating Region 1)	2017
Not Eligible due to Immigration Status	27,000
Eligible for Medi-Cal	6,000
Eligible for Subsidies through Covered CA	18,000
Non-subsidy Eligible Citizens & Lawfully Present Immigrants	22,000
Total Uninsured	73,000
Undocumented Children Eligible for Medi-Cal	< 5,000

North Bay Counties (Rating Region 2)	2017
Not Eligible due to Immigration Status	58,000
Eligible for Medi-Cal	< 5,000
Eligible for Subsidies through Covered CA	< 5,000
Non-subsidy Eligible Citizens & Lawfully Present Immigrants	10,000
Total Uninsured	73,000
Undocumented Children Eligible for Medi-Cal	10,000

Sacramento Valley (Rating Region 3)	2017
Not Eligible due to Immigration Status	53,000
Eligible for Medi-Cal	11,000
Eligible for Subsidies through Covered CA	26,000
Non-subsidy Eligible Citizens & Lawfully Present Immigrants	33,000
Total Uninsured	112,000
Undocumented Children Eligible for Medi-Cal	9,000

San Francisco and San Mateo Counties (Rating Regions 4 & 8)	2017
Not Eligible due to Immigration Status	39,000
Eligible for Medi-Cal	< 5,000
Eligible for Subsidies through Covered CA	< 5,000
Non-subsidy Eligible Citizens & Lawfully Present Immigrants	13,000
Total Uninsured	55,000
Undocumented Children Eligible for Medi-Cal	< 5,000

Contra Costa County (Rating Region 5)	2017
Not Eligible due to Immigration Status	51,000
Eligible for Medi-Cal	< 5,000
Eligible for Subsidies through Covered CA	5,000
Non-subsidy Eligible Citizens & Lawfully Present Immigrants	14,000
Total Uninsured	73,000
Undocumented Children Eligible for Medi-Cal	7,000

Californians Under Age 65 Projected to be Uninsured by Rating Region and Select Large Counties

Alameda County (Rating Region 6)	2017
Not Eligible due to Immigration Status	65,000
Eligible for Medi-Cal	< 5,000
Eligible for Subsidies through Covered CA	< 5,000
Non-subsidy Eligible Citizens & Lawfully Present Immigrants	17,000
Total Uninsured	84,000
Undocumented Children Eligible for Medi-Cal	8,000

Santa Clara County (Rating Region 7)	2017
Not Eligible due to Immigration Status	100,000
Eligible for Medi-Cal	< 5,000
Eligible for Subsidies through Covered CA	5,000
Non-subsidy Eligible Citizens & Lawfully Present Immigrants	19,000
Total Uninsured	127,000
Undocumented Children Eligible for Medi-Cal	12,000

Central Coast (Rating Regions 9 & 12)	2017
Not Eligible due to Immigration Status	143,000
Eligible for Medi-Cal	24,000
Eligible for Subsidies through Covered CA	19,000
Non-subsidy Eligible Citizens & Lawfully Present Immigrants	30,000
Total Uninsured	217,000
Undocumented Children Eligible for Medi-Cal	18,000

Central Valley (Rating Regions 10 & 11)	2017
Not Eligible due to Immigration Status	166,000
Eligible for Medi-Cal	108,000
Eligible for Subsidies through Covered CA	36,000
Non-subsidy Eligible Citizens & Lawfully Present Immigrants	41,000
Total Uninsured	351,000
Undocumented Children Eligible for Medi-Cal	23,000

Eastern Counties (Rating Region 13)	2017
Not Eligible due to Immigration Status	12,000
Eligible for Medi-Cal	5,000
Eligible for Subsidies through Covered CA	< 5,000
Non-subsidy Eligible Citizens & Lawfully Present Immigrants	< 5,000
Total Uninsured	23,000
Undocumented Children Eligible for Medi-Cal	< 5,000

Californians Under Age 65 Projected to be Uninsured by Rating Region and Select Large Counties

Kern County (Rating Region 14)	2017
Not Eligible due to Immigration Status	42,000
Eligible for Medi-Cal	5,000
Eligible for Subsidies through Covered CA	8,000
Non-subsidy Eligible Citizens & Lawfully Present Immigrants	9,000
Total Uninsured	64,000
Undocumented Children Eligible for Medi-Cal	7,000

Los Angeles County (Rating Regions 15 & 16)	2017
Not Eligible due to Immigration Status	579,000
Eligible for Medi-Cal	48,000
Eligible for Subsidies through Covered CA	110,000
Non-subsidy Eligible Citizens & Lawfully Present Immigrants	156,000
Total Uninsured	893,000
Undocumented Children Eligible for Medi-Cal	64,000

Inland Empire (Rating Region 17)	2017
Not Eligible due to Immigration Status	175,000
Eligible for Medi-Cal	79,000
Eligible for Subsidies through Covered CA	101,000
Non-subsidy Eligible Citizens & Lawfully Present Immigrants	70,000
Total Uninsured	424,000
Undocumented Children Eligible for Medi-Cal	23,000

Orange County (Rating Region 18)	2017
Not Eligible due to Immigration Status	166,000
Eligible for Medi-Cal	13,000
Eligible for Subsidies through Covered CA	27,000
Non-subsidy Eligible Citizens & Lawfully Present Immigrants	58,000
Total Uninsured	264,000
Undocumented Children Eligible for Medi-Cal	19,000

San Diego County (Rating Region 19)	2017
Not Eligible due to Immigration Status	111,000
Eligible for Medi-Cal	12,000
Eligible for Subsidies through Covered CA	37,000
Non-subsidy Eligible Citizens & Lawfully Present Immigrants	56,000
Total Uninsured	216,000
Undocumented Children Eligible for Medi-Cal	17,000

Californians Under Age 65 Projected to be Uninsured by Rating Region and Select Large Counties

Fresno County	2017
Not Eligible due to Immigration Status	46,000
Eligible for Medi-Cal	26,000
Eligible for Subsidies through Covered CA	15,000
Non-subsidy Eligible Citizens & Lawfully Present Immigrants	13,000
Total Uninsured	100,000
Undocumented Children Eligible for Medi-Cal	6,000

Sacramento County	2017
Not Eligible due to Immigration Status	40,000
Eligible for Medi-Cal	9,000
Eligible for Subsidies through Covered CA	9,000
Non-subsidy Eligible Citizens & Lawfully Present Immigrants	25,000
Total Uninsured	83,000
Undocumented Children Eligible for Medi-Cal	6,000

San Joaquin County	2017
Not Eligible due to Immigration Status	34,000
Eligible for Medi-Cal	5,000
Eligible for Subsidies through Covered CA	< 5,000
Non-subsidy Eligible Citizens & Lawfully Present Immigrants	9,000
Total Uninsured	49,000
Undocumented Children Eligible for Medi-Cal	5,000

San Bernardino County	2017
Not Eligible due to Immigration Status	85,000
Eligible for Medi-Cal	17,000
Eligible for Subsidies through Covered CA	68,000
Non-subsidy Eligible Citizens & Lawfully Present Immigrants	40,000
Total Uninsured	210,000
Undocumented Children Eligible for Medi-Cal	11,000

Ventura County	2017
Not Eligible due to Immigration Status	49,000
Eligible for Medi-Cal	< 5,000
Eligible for Subsidies through Covered CA	13,000
Non-subsidy Eligible Citizens & Lawfully Present Immigrants	13,000
Total Uninsured	77,000
Undocumented Children Eligible for Medi-Cal	5,000

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