Insight on the Issues

Affordability Challenges for Older Adults in the Nongroup Market

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Millions of older Americans ages 50 to 64 rely on the nongroup (or individual) health insurance market for coverage. However, high premium and out-of-pocket costs can pose a major burden for those with coverage and prevent uninsured older adults from gaining coverage. Health care affordability challenges can negatively impact access to care. The American Rescue Plan Act of 2021 addressed a critical need for older adults by improving health care affordability in the nongroup health insurance market for two years. This paper analyzes 2019 affordability data, providing important context for the new law while illuminating the need for permanent measures.

INTRODUCTION

The nongroup (or individual) health insurance market plays a key role in providing access to health insurance coverage for older Americans below the age of 65—the age when most become eligible for Medicare. While the majority of older adults ages 50 to 64 receive health coverage through an employer (group coverage) or public program (such as Medicaid), over 5 million purchase coverage on their own in the nongroup market. For some, such as most self-employed individuals, the nongroup market may be the only option for health coverage. For others, such as individuals facing transitions such as job loss or career change, or early retirement, it serves as a vital safety net.

Congress enacted the Affordable Care Act (ACA) of 2010 with the primary goal of making affordable

health insurance accessible to more people. Among its provisions, the law made important reforms to nongroup health insurance. As a result, more older Americans gained health insurance coverage and fewer reported having unmet needs due to cost or difficulty paying medical bills.¹ The uninsured rate for older adults also improved significantly in the period following ACA enactment, dropping from a high of 14 percent in 2013 to a low of 8 percent in 2016. However, this trend began to shift in 2017. Over the next two years there was an uptick in the uninsured rate and a decrease in nongroup enrollment for adults ages 50 to 64.²

Despite improvements in coverage, health care affordability has been a large and growing concern for millions of Americans, including many older adults. As of 2019, many older adults with nongroup

coverage still faced significant premiums and out-of-pocket costs. More than half of older adults without employer or public coverage remained uninsured in 2019, with high costs of coverage likely playing a key role.

In March 2021, Congress enacted the American Rescue Plan Act, which included provisions to address affordability of premiums for nongroup coverage for 2021 and 2022. The new law addresses concerns about affordability by improving premium subsidies for people already eligible for them and by expanding availability of premium subsidies to more people who face unaffordable coverage.

This *Insight on the Issues* focuses on the nongroup market because of its critical role in overall health care affordability for older adults. The paper discusses the affordability of health coverage for older nongroup enrollees in 2019 prior to enactment of the American Rescue Plan Act of 2021, using data from the KNG Health Reform Model³ and affordability definitions from the Commonwealth Fund's Health Care Affordability Index (see the Analysis and Findings section). Policy recommendations to address affordability challenges illuminated by the data are included in the final section of the paper.

BACKGROUND

With the goal of improving access to affordable health coverage, the ACA made major reforms to the nongroup health insurance market. The law established online health insurance Marketplaces in every state where individuals can purchase nongroup coverage. To address affordability, the ACA made financial assistance (subsidies) available for people with low and moderate incomes (based on a sliding scale), bringing down the cost of premiums and cost-sharing for coverage purchased on the Marketplaces.⁴ Individuals can also still purchase nongroup coverage outside of the Marketplaces, often referred to as “off-Marketplace,” but subsidies are only available for Marketplace coverage.⁵

Other ACA provisions were also critical to improving affordability of coverage, including requiring plans to cover essential health benefits and prohibiting insurers from charging higher rates

or denying coverage due to preexisting conditions like diabetes or cancer.⁶

For older adults, the ACA rules around pricing of health insurance present both an important consumer protection and an obstacle to affordability. The ACA restricted the insurer practice of age rating, or charging older adults higher premiums based on their age, to a limit of three to one. This means that an insurance company may not charge older adults in the nongroup market more than three times the amount they charge a younger person for the same coverage.⁷ The limit is important, with studies showing older adults would pay higher premiums if this ratio was expanded.⁸ However, the limit still means that older adults will face higher nongroup premiums than younger adults.

ANALYSIS AND FINDINGS

Since enactment of the ACA, the nongroup market has become a critical source of health insurance coverage for older adults ages 50 to 64.

Among Americans ages 50 to 64, 5.4 million have health insurance coverage through the nongroup market (figure 1), comprising 8.8 percent of all older adults in that age group. While only a relatively small share of older adults have nongroup coverage, older adults rely more heavily on this market than other age groups. The percentage of older adults enrolled in the nongroup market has also increased over time.

Similar to trends across other age groups, uninsured rates for older adults have decreased overall as nongroup enrollment has increased since enactment of the ACA. Between 2013 and 2019, the uninsured rate for older Americans fell 34 percent while older adult enrollment in the nongroup market rose 42 percent.

Despite these improvements in coverage, however, a significant number of older adults are still uninsured. In 2019, more than half of older adults without employer or public coverage remained uninsured. At the same time, many older adults who do have nongroup coverage still faced problems affording their health insurance and out-of-pocket costs.

FIGURE 1
Sources of Health Insurance Coverage for Adults Ages 50 to 64, 2019

Note: Premium tax credits help lower premium costs and cost-sharing reductions help lower out-of-pocket costs.

Source: KNG Health Reform Model.

Many older adults in the nongroup market, particularly those who were unsubsidized, faced unaffordable health insurance in 2019.

While there are different ways to measure the affordability of coverage, “unaffordable” coverage is defined in this paper as having premiums that exceed 10 percent of household income or having out-of-pocket costs that exceed 7 percent (see sidebar).⁹

Using this measure, nearly half (49.7 percent) of older adults in the nongroup market—including both those receiving subsidies and those not receiving subsidies—faced coverage that was deemed “unaffordable” in 2019.

Among older enrollees without subsidies, an especially high share—more than four-fifths (84 percent)—had unaffordable coverage. Such unsubsidized individuals were either enrolled outside of the health insurance Marketplaces (1.6 million) or were enrolled through the Marketplaces but had incomes that fell outside of the range for financial assistance (400,000).

Over time, older adults in the nongroup market have become significantly more likely to receive subsidies. In 2014, shortly after the ACA was implemented, the majority (66 percent) of older adults enrolled in the nongroup market were unsubsidized and therefore paid full premiums. This share dropped to 44 percent by 2019 (figure 2). This enrollment trend is seen across most states, although trends vary due in part to geographic differences in health care costs and market dynamics (see appendix A).

The shift to more older enrollees receiving subsidies could be attributable, at least in part, to the rising cost of nongroup premiums. Rising costs in the nongroup market may lead older adults who are ineligible for financial assistance to decide to forgo coverage. Unsubsidized older nongroup enrollees faced an average annual Silver plan premium of \$9,845 in 2019, an increase from \$5,525 in 2014.

In large part due to the lower premium cost, a much smaller share of *subsidized* older nongroup enrollees had unaffordable coverage than those who are unsubsidized (figure 3). Nearly

DEFINING AFFORDABILITY: COMMONWEALTH FUND’S HEALTH CARE AFFORDABILITY INDEX

To define affordability, this report uses Commonwealth Fund’s Health Care Affordability Index, which categorizes a health insurance plan as affordable based on the consumer’s income level and percentage of income that their premiums or out-of-pocket costs represent.

For low-income adults (earning less than 200 percent of the Federal Poverty Level), coverage is considered unaffordable if premiums (after subsidies) exceed 7 percent of income or out-of-pocket costs exceed 5 percent of income. For other enrollees (earning more than 200 percent of FPL), coverage is considered unaffordable if premiums (after subsidies) exceed 10 percent of income or out-of-pocket costs exceed 7 percent of income.¹⁰

FIGURE 2
Share of Unsubsidized Adults Ages 50 to 64 in Nongroup Market, 2014–2019

Source: KNG Health Reform Model.

one-quarter (23 percent) of those with subsidies had unaffordable coverage, compared to more than four-fifths of those without subsidies. When comparing older Marketplace to off-Marketplace enrollees, 89 percent of those enrolling off-Marketplace (inherently all unsubsidized) had unaffordable premiums, compared to 30 percent of Marketplace enrollees (mostly subsidized).

FIGURE 3
Share of Nongroup Enrollees Ages 50 to 64 with Unaffordable Out-of-Pocket Costs or Premiums, by Subsidy Status, 2019

A single 64-year-old earning \$49,000 in 2019—slightly above the eligibility threshold for subsidies—faced an average premium that was nearly 30 percent of their income

The “subsidy cliff” presented a significant affordability challenge for many older nongroup enrollees.

The ACA established premium tax credits that lower premium costs for Marketplace enrollees with incomes between 100 and 400 percent of the Federal Poverty Level (FPL). Before the American Rescue Plan Act of 2021, tax credits were not available to individuals above 400 percent of FPL (or \$49,960 annual income for an individual in 2019), regardless of the relative burden premiums may impose for people at their income level.

THE SUBSIDY CLIFF IN PRACTICE

(Prior to the American Rescue Plan Act of 2021)

In 2019, Joseph was 64 years old and earned \$48,000, which put him just below 400 percent of the Federal Poverty Level (FPL). With the ACA’s tax credit for 2019, he paid \$394 for his monthly health insurance premium, or **\$4,733 per year**.¹¹ Meanwhile, Maryanne was 64 years old and earned just slightly more than Joseph at \$49,000 a year, which is just over 400 percent of FPL. Maryanne was therefore ineligible for premium assistance and faced a silver plan premium of \$1,123 per month, or **\$13,475 per year**.

As a result of the eligibility cutoff for tax credits, premium costs jumped for Marketplace enrollees with incomes over 400 percent of FPL, creating a “subsidy cliff.” Feeling the effects of that cliff the most were enrollees with incomes just slightly above 400 percent of FPL. While only 2 percent of older nongroup enrollees had incomes between 400 and 500 percent of FPL, it is likely that there were many more older adults within this income range who were not counted in this figure because they were unwilling or unable to enroll in nongroup coverage due to the high premiums.

Older nongroup enrollees face higher premiums and out-of-pocket costs than younger enrollees.

Although a similar share of both older and younger nongroup enrollees receive premium assistance, older adults in the nongroup market pay higher premiums overall due to age rating (explained in the Background section). Rising premium costs impact everyone, but they can be especially difficult for unsubsidized older adults who already face high premiums due to their age. In 2019, off-Marketplace 50- to 64-year-olds paid on average \$9,625 in annual premiums, compared to \$4,573 among off-Marketplace adults ages 18 to 49 (figure 4). A single 64-year-old earning \$49,000 in 2019—just slightly above the eligibility threshold for subsidies—faced an average premium that was nearly 30 percent of their income.

FIGURE 4
Average Annual Premiums in Nongroup Market, 2015-2019

Source: KNG Health Reform Model.

Older adults in the nongroup market also face higher out-of-pocket costs than younger adults. In 2019, the average out-of-pocket cost for nongroup enrollees ages 50 to 64 was \$1,293, compared to \$806 for adults ages 18 to 49. For both age groups, out-of-pocket costs are higher among off-Marketplace enrollees than Marketplace enrollees because they do not receive any cost-sharing reduction subsidies. Older off-Marketplace enrollees faced an average out-of-pocket cost of \$1,598 compared to \$1,135 for older Marketplace enrollees (figure 5).

These higher premium and out-of-pocket costs are part of the reason older nongroup enrollees are more likely than younger enrollees to have coverage that is deemed unaffordable. Among older enrollees, 10 percent faced unaffordable out-of-pocket costs in 2019, compared to 6 percent of younger enrollees. Forty-six percent of older enrollees faced unaffordable premiums, compared to 27 percent of younger enrollees. Overall, 50 percent of older enrollees had either unaffordable out-of-pocket costs or unaffordable premiums, compared to 30 percent of younger adults.

FIGURE 5
Average Annual Out-of-Pocket Spending in Nongroup Market, by Marketplace Participation and Age Group, 2019

Source: KNG Health Reform Model.

Older nongroup enrollees in some states were more likely to experience affordability issues.

While affordability problems among older nongroup enrollees were widespread in 2019, there was significant variation among states (figure 6 and appendix B).

In 19 states, health care (either premiums or out-of-pocket costs) was unaffordable for the majority (over 50 percent) of older nongroup enrollees. In 10 states, health care was unaffordable for 60 percent of older nongroup enrollees. In Minnesota and the District of Columbia, more than 80 percent of older nongroup enrollees faced unaffordable health care.

AFFORDABILITY ISSUES HAVE NEGATIVE HEALTH IMPLICATIONS FOR OLDER ADULTS

Unaffordable coverage leads to delaying or forgoing care.

Our analysis found that greater affordability challenges faced by older adults in the nongroup

market are associated with delays in obtaining needed health care. Nine percent of older Marketplace enrollees reported delaying care and 10 percent reported forgoing care due to out-of-pocket health care costs (like deductibles and copayments; figure 7). Older Marketplace enrollees were less likely than younger Marketplace enrollees to delay or forgo care due to cost.

Fewer off-Marketplace enrollees reported delaying or forgoing care due to cost compared to Marketplace enrollees, despite the greater out-of-pocket affordability challenges for off-Marketplace enrollees discussed earlier. However, older off-Marketplace enrollees were more likely than younger enrollees to delay or forgo care due to cost. Among older off-Marketplace enrollees, 9 percent reported delaying care due to cost and 7 percent reported forgoing care due to cost. One possible explanation for off-Marketplace enrollees reporting less delayed or forgone care due to cost

FIGURE 6

State Variation in Health Care Affordability among Nongroup Enrollees Ages 50 to 64, 2019

FIGURE 7
Share of Marketplace and Off-Marketplace
Enrollees Delaying or Forgoing Care Due to
Cost, 2019

Source: KNG Health Reform Model.

than Marketplace enrollees is that off-Marketplace enrollees may have higher incomes and are not as impacted by high out-of-pocket costs, even if those costs make up a large share of their income. Older off-Marketplace enrollees were also more likely to delay or forgo care due to cost than younger off-Marketplace enrollees.

Affordability issues that result in delaying or forgoing care broadly impact older adults, not just those in the nongroup market. According to a 2019 poll by AARP and the University of Michigan, 13 percent of adults ages 50 to 64 reported not receiving medical care due to cost.¹² Delaying or forgoing care can lead to worse health consequences for older adults as well as increased health care utilization and costs down the road.

Unaffordable coverage leads to more uninsured.

Our analysis also found that unaffordable premiums in nongroup coverage may be leading to lower rates of insurance coverage among older adults. The uninsured rate among adults ages 50 to 64 without public or employer coverage generally declined as income increased.

At the state level, states with higher unsubsidized premiums had significantly larger shares of uninsured 50- to 64-year-olds without public or employer coverage than states with lower unsubsidized premiums. Nationally, the average unsubsidized premium was around \$10,000 in 2019. States with average premiums exceeding this amount had an 8 percentage points higher uninsured rate than those with average premiums lower than this amount (52 vs. 44 percent; figure 8).

Other studies suggest that affordability concerns could make some people more likely to forgo health coverage. For example, the aforementioned 2019 survey by AARP and the University of Michigan found that one in four adults ages 50 to 64 had little or no confidence in being able to afford the cost of their health insurance over the next year and 11 percent reported considering going without health insurance in the previous year.¹³

Loss of coverage can have negative impacts on access to and affordability of health care, and it can be particularly problematic for older adults. Uninsured people are more likely to report problems getting needed care and less likely to report regular outpatient visits than insured people.¹⁴ As a result, they are at increased risk of negative health outcomes, such as being diagnosed at later stages of diseases, including cancer. Older adults are also more likely to have chronic conditions than younger adults and tend to require more care to manage their conditions. Recent evidence suggests that lack of insurance coverage increases mortality, and this effect may be disproportionately large for older adults.^{15,16}

MOVING FORWARD: POLICY RECOMMENDATIONS

Nongroup coverage plays a critical role in ensuring older adults ages 50 to 64 have access to health coverage. While the Affordable Care Act (ACA) has made nongroup coverage more accessible, over half of all older adults without employer or public coverage remained uninsured in 2019, and affordability of health coverage was a significant concern for many older adults with nongroup coverage.

FIGURE 8

Higher Shares of Uninsured 50- to 64-year-olds in States with Higher Nongroup Premiums, 2019

Notes: Uninsured rate differs from overall uninsured rate among adults ages 50 to 64 because denominator excludes those with public or employer coverage. In states where average unsubsidized premiums exceed \$10,000, the average uninsured rate is 48 percent, compared to 40 percent when the average premium is below \$10,000.

Source: KNG Health Reform Model.

It is critical to build on the ACA's improvements in health care access and coverage and continue to improve health care affordability for older adults in the nongroup market. Federal and state policymakers should consider policy proposals to make health care more affordable by increasing financial assistance available to consumers, reducing or slowing the growth of premiums and out-of-pocket costs, and improving the functioning of the overall nongroup market.

Improve Coverage Affordability

1. Expand premium assistance to eliminate the “subsidy cliff.”

Policymakers should enact policy changes that permanently bring down premium costs for people with incomes above 400 percent of the Federal Poverty Level who are not eligible for premium tax credits under the ACA. A temporary expansion

was included in the American Rescue Plan Act of 2021 for years 2021 and 2022. Expanding premium assistance will make coverage more affordable for many older nongroup enrollees and will likely attract new enrollees. A 2017 Commonwealth Fund analysis project found that extending tax credits for those above 400 percent of FPL would increase insurance enrollment by 1.2 million people and would be especially beneficial to middle-income adults ages 50 to 64.¹⁷ These new and likely relatively healthy enrollees would help improve nongroup market risk pools, which would lower premiums for all enrollees. Capping premium responsibility to a share of income helps target resources to people with the greatest financial need, though policymakers should also explore other strategies to expand premium assistance to this group.

2. Improve premium assistance available for lower-income enrollees.

Policymakers should also adopt permanent policies to reduce premium burden for individuals receiving limited subsidies. In 2019, nearly one-fifth of older nongroup enrollees who received subsidies still faced unaffordable costs, and over half of older adults without public or employer coverage who were between 100 and 400 percent of FPL (i.e., eligible for subsidies) remained uninsured. Premium costs were likely especially challenging for those with incomes too high to receive full tax credit subsidies. The American Rescue Plan of 2021 temporarily increased premium assistance to those already eligible for subsidies for years 2021 and 2022.

3. Fix the “family glitch.”

To be eligible for financial assistance in the nongroup market, consumers must not otherwise have access to affordable employer coverage. But some have access to employer coverage that, while not actually affordable, is deemed affordable because it is based on the cost of individual coverage, not the cost of a family plan. As a result, these consumers are unable to afford employer coverage and are simultaneously ineligible for financial assistance in the nongroup market. Policymakers should work to fix this “family glitch,” which may require amending language in the ACA.

4. Expand reinsurance.

Policymakers should expand reinsurance, either through a federal reinsurance program or by helping states enact their own state reinsurance programs. Reinsurance protects health insurers from unpredictable and high health care claims, allowing insurers to set lower premiums and improving market stability by encouraging insurers to participate. A 2019 Avalere analysis found that states with reinsurance programs reduce nongroup market premiums by an average 16.9 percent in the first year.¹⁸ Reinsurance programs have also been effective in increasing enrollment in coverage and retaining insurer participation.¹⁹

Improve Out-of-Pocket Affordability

1. Lower out-of-pocket health care costs.

While the ACA requires plans to cap out-of-pocket spending, many enrollees, including older adults, still have unaffordable out-of-pocket costs. Policymakers should consider proposals to further limit out-of-pocket costs for those not eligible for subsidies and those who may receive limited financial assistance for cost-sharing.

2. Protect Essential Health Benefits.

The ACA limits the amount that enrollees can pay out of pocket for Essential Health Benefits (EHB), which are services that nongroup and small group plans must cover. These out-of-pocket limits do not apply to services that are not EHB. Policymakers should protect EHB and oppose proposals that would weaken or include fewer services for EHB in order to shield older consumers from high out-of-pocket costs.

Improve Overall Market Functioning

1. Improve health care price transparency.

Meaningful health care price transparency can help consumers better predict out-of-pocket costs and make informed decisions about their care. While the burden of reducing health care prices should never fall primarily on the consumer, policymakers should enact policies to make health care costs more transparent. Such efforts could include expanding use of All-Payer Claims Databases—large state databases with medical, pharmacy and other claims from private and public payers.²⁰ Transparency efforts could also include requiring hospitals to disclose both the list and actual health care prices to consumers in a way that consumers can easily understand and use.

2. Prohibit surprise billing.

Policymakers should also implement policies that address and prohibit the practice of surprise billing. Surprise billing occurs when a consumer receives care from a provider outside of their insurer's network despite their best effort to stay within the network, and they receive an unexpected bill for the amount their insurance does not cover. This type of practice results in higher costs not only

for consumers who receive surprise bills, but also in higher premiums for everyone with private coverage.²¹ As part of COVID-19 relief legislation in December 2020, Congress enacted the No Surprises Act to address this issue. State and federal strategies to address surprise billing are important for improving affordability of health care and protecting consumers from potentially catastrophic costs.

3. Pursue proposals that increase overall nongroup enrollment.

Policymakers should consider various proposals that expand nongroup enrollment overall, as this can help people get needed coverage while improving the overall health of the risk pool and thereby lowering premiums. For example, policymakers should restore adequate funding for Marketplace advertising and consumer assistance. With many people losing employment during the COVID-19 pandemic, efforts should also include promotion and education around coverage options for people losing employer-sponsored coverage, such as ACA special enrollment periods, Medicaid eligibility, and COBRA continuation coverage.

Policymakers should also adopt changes to the nongroup market that would facilitate health coverage enrollment or incentivize greater insurer participation, as well as restore penalties for not abiding by the ACA's requirement to have health coverage (the individual mandate). This penalty is intended to ensure that everyone has adequate health coverage, and it can help increase enrollment in the nongroup market.

4. Block harmful policy proposals and rules that keep nongroup premiums high.

Policymakers should oppose proposals such as the 2017 and 2018 federal regulations that expand non-ACA-compliant plans such as short-term limited-duration plans and association health plans, as well as ensure robust oversight of such plans to ensure they do not negatively impact the nongroup market.²² These types of coverage are not required to adhere to ACA consumer protections important for older adults, such as the requirement to cover EHB; protect people with preexisting conditions; or adhere to community rating standards (like age

rating). While premiums for these plans may be less expensive than for ACA-compliant plans, expansion of these plans can increase premiums for everyone, including those who remain in the nongroup market. This is because expansion of noncompliant plans may encourage healthier individuals to leave the nongroup market, leaving a less healthy and more costly pool of individuals in the nongroup market.

CONCLUSION

The Affordable Care Act has made health coverage more accessible for millions of Americans, including many older adults. However, nongroup health insurance remained unaffordable for many in 2019, leaving major gaps in coverage for older adults not yet eligible for Medicare.

The COVID-19 pandemic has only underscored the importance of the nongroup market as a vital safety net. The pandemic and associated economic downturn resulted in historic job losses, displacing millions of individuals from their jobs. People who lose workplace health coverage due to the pandemic can enroll in the nongroup market through a special enrollment period or during open enrollment. This critical safety net guaranteed by the ACA allows for continuity of health coverage during all times and is even more important during a public health crisis.

The pandemic has highlighted both the importance of the nongroup market and the urgency for addressing health care costs for enrollees in the nongroup market. In 2020, many enrollees—even those receiving financial assistance—faced high premiums and out-of-pocket costs, exacerbated by the economic crisis. In 2021, the federal government responded by creating an extended Special Enrollment Period to allow more people to enroll in or change health coverage, and Congress enacted the American Rescue Plan Act, which expanded premium subsidies for 2021 and 2022. While these efforts are crucial, policymakers should continue to explore long-term solutions to address unaffordability of coverage in the nongroup market beyond the current public health emergency.²³

METHODS

The data in this paper rely on the KNG Health Reform Model population file. This file combines many data sources, primarily the American Community Survey and the National Health Interview Survey. KNG Health also calibrates the file to be consistent with administrative data from the Centers for Medicare & Medicaid Services and estimates from the Congressional Budget Office. This file allows for many types of integrated estimates that would not be possible with any single data source. However, many of this report's findings are modeled estimates that may vary from other published resources.

APPENDIX

APPENDIX A.

Share of Subsidized vs. Unsubsidized Older Nongroup Enrollees in 2014 and 2019, by State

State	Year	% Subsidized	% Unsubsidized	State	Year	% Subsidized	% Unsubsidized
United States	2014	33.9%	66.1%	Illinois	2014	27.7%	72.3%
	2019	56.0%	44.0%		2019	51.8%	48.2%
Alabama	2014	32.1%	67.9%	Indiana	2014	42.9%	57.1%
	2019	58.2%	41.8%		2019	55.0%	45.0%
Alaska	2014	46.2%	53.8%	Iowa	2014	13.3%	86.7%
	2019	54.6%	45.4%		2019	37.1%	62.9%
Arizona	2014	21.1%	78.9%	Kansas	2014	28.1%	71.9%
	2019	53.0%	47.0%		2019	58.1%	41.9%
Arkansas	2014	12.4%	87.6%	Kentucky	2014	28.3%	71.7%
	2019	16.6%	83.4%		2019	49.2%	50.8%
California	2014	46.1%	53.9%	Louisiana	2014	27.3%	72.7%
	2019	51.9%	48.1%		2019	56.0%	44.0%
Colorado	2014	19.3%	80.7%	Maine	2014	53.2%	46.8%
	2019	40.9%	59.1%		2019	69.7%	30.3%
Connecticut	2014	29.1%	70.9%	Maryland	2014	20.2%	79.8%
	2019	52.8%	47.2%		2019	42.9%	57.1%
Delaware	2014	34.3%	65.7%	Massachusetts*	2015	52.0%	48.0%
	2019	62.3%	37.7%		2019	59.9%	40.1%
District of Columbia	2014	5.1%	94.9%	Michigan	2014	34.2%	65.8%
	2019	1.8%	98.2%		2019	55.7%	44.3%
Florida	2014	44.7%	55.3%	Minnesota	2014	5.0%	95.0%
	2019	66.4%	33.6%		2019	36.2%	63.8%
Georgia	2014	26.4%	73.6%	Mississippi	2014	32.0%	68.0%
	2019	68.8%	31.2%		2019	43.9%	56.1%
Hawaii	2014	11.4%	88.6%	Missouri	2014	33.9%	66.1%
	2019	43.1%	56.9%		2019	59.5%	40.5%
Idaho	2014	38.3%	61.7%	Montana	2014	44.6%	55.4%
	2019	54.3%	45.7%		2019	62.1%	37.9%

APPENDIX A.

Share of Subsidized vs. Unsubsidized Older Nongroup Enrollees in 2014 and 2019, by State
continued

State	Year	% Subsidized	% Unsubsidized	State	Year	% Subsidized	% Unsubsidized
Nebraska	2014	25.7%	74.3%	Rhode Island	2014	54.5%	45.5%
	2019	57.2%	42.8%		2019	61.9%	38.1%
Nevada	2014	21.8%	78.2%	South Carolina	2014	39.2%	60.8%
	2019	56.6%	43.4%		2019	63.4%	36.6%
New Hampshire	2014	40.5%	59.5%	South Dakota	2014	16.4%	83.6%
	2019	52.6%	47.4%		2019	40.5%	59.5%
New Jersey	2014	38.0%	62.0%	Tennessee	2014	26.0%	74.0%
	2019	45.7%	54.3%		2019	63.2%	36.8%
New Mexico	2014	32.7%	67.3%	Texas	2014	34.8%	65.2%
	2019	56.7%	43.3%		2019	64.9%	35.1%
New York	2014	32.9%	67.1%	Utah	2014	19.4%	80.6%
	2019	30.6%	69.4%		2019	56.6%	43.4%
North Carolina	2014	38.4%	61.6%	Vermont	2014	52.0%	48.0%
	2019	67.9%	32.1%		2019	57.4%	42.6%
North Dakota	2014	19.0%	81.0%	Virginia	2014	31.6%	68.4%
	2019	32.4%	67.6%		2019	70.1%	29.9%
Ohio	2014	30.5%	69.5%	Washington	2014	39.7%	60.3%
	2019	47.5%	52.5%		2019	44.0%	56.0%
Oklahoma	2014	27.1%	72.9%	West Virginia	2014	42.8%	57.2%
	2019	65.9%	34.1%		2019	73.3%	26.7%
Oregon	2014	32.0%	68.0%	Wisconsin	2014	49.8%	50.2%
	2019	49.3%	50.7%		2019	67.3%	32.7%
Pennsylvania	2014	31.3%	68.7%	Wyoming	2014	41.4%	58.6%
	2019	63.3%	36.7%		2019	64.4%	35.6%

*2015 data is reported for Massachusetts because 2014 data was incomplete.

Source: KNG Health Reform Model.

APPENDIX B.

Share of Nongroup Enrollees Ages 50 to 64 with Unaffordable Health Coverage, 2019

State	% with Unaffordable Health Coverage	State	% with Unaffordable Health Coverage
United States	49.7%	Missouri	47.0%
Alabama	45.9%	Montana	33.4%
Alaska	43.6%	Nebraska	48.8%
Arizona	72.4%	Nevada	79.8%
Arkansas	77.0%	New Hampshire	38.0%
California	41.7%	New Jersey	41.2%
Colorado	52.0%	New Mexico	34.4%
Connecticut	43.9%	New York	74.2%
Delaware	39.9%	North Carolina	39.3%
District of Columbia	95.0%	North Dakota	59.8%
Florida	72.8%	Ohio	51.8%
Georgia	32.7%	Oklahoma	37.0%
Hawaii	58.0%	Oregon	44.0%
Idaho	52.6%	Pennsylvania	33.1%
Illinois	55.7%	Rhode Island	30.1%
Indiana	39.6%	South Carolina	41.2%
Iowa	66.5%	South Dakota	62.3%
Kansas	43.5%	Tennessee	37.8%
Kentucky	48.9%	Texas	43.7%
Louisiana	47.7%	Utah	62.8%
Maine	32.7%	Vermont	58.7%
Maryland	52.2%	Virginia	30.2%
Massachusetts	31.3%	Washington	46.0%
Michigan	40.3%	West Virginia	34.2%
Minnesota	83.4%	Wisconsin	32.8%
Mississippi	57.9%	Wyoming	41.9%

Note: Health coverage costs include both premiums and out-of-pocket costs. Data include both subsidized and unsubsidized nongroup enrollees.

Source: KNG Health Reform Model.

- 1 Jane Sung and Olivia Dean, “How Has the Affordable Care Act Affected Americans Ages 50–64?,” AARP Public Policy Institute, January 2016, <https://blog.aarp.org/thinking-policy/how-has-the-affordable-care-act-impacted-americans-ages-50-64>.
- 2 The uninsured rate began to increase slightly starting in 2017, around the same time that Congress and the Trump administration debated efforts to repeal the ACA and as nongroup premiums rose after the sunset of the ACA’s three-year premium stability provisions (such as reinsurance). Source: Jane Sung et al., “Enrollment and Coverage Trends for Americans Ages 50 to 64 in the Nongroup Health Insurance Market,” AARP Public Policy Institute, March 2020, <https://www.aarp.org/content/dam/aarp/ppi/2020/03/aca-older-adults-enrollment-coverage-trends-50-64.doi.10.26419-2Fppi.00099.002.pdf>.
- 3 Data in this report are from 2019 and come from KNG Health Reform Model, a microsimulation model developed by KNG Health Consulting, LLC.
- 4 Cost-sharing includes out-of-pocket costs like deductibles, coinsurance, and copayments. Premium tax credits help lower premiums for eligible enrollees who have incomes between 100 and 400 percent of the Federal Poverty Level. Cost-sharing reduction subsidies are available to help reduce out-of-pocket costs for eligible consumers between 100 and 250 percent of the Federal Poverty Level.
- 5 Individuals who enroll on-Marketplace without subsidies and those who enroll off-Marketplace are “unsubsidized.”
- 6 This is particularly significant for older adults, given that an AARP analysis found that 40 percent of adults ages 50 to 64 have a declinable preexisting condition that could result in insurers denying them coverage if they sought to buy a plan in the nongroup market before the ACA was passed. Source: Claire Noel-Miller and Jane Sung, “In Health Reform, Stakes Are High for Older Americans with Preexisting Health Conditions,” AARP Public Policy Institute, March 2017, <https://www.aarp.org/ppi/info-2017/affordable-care-act-protects-millions-of-older-adults-with-pre-existing-conditions.html>.
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