

Repeal of Affordable Care Act's Pre-Existing Condition Protections Could Affect Health Security of Over 100 Million People

New analysis from Avalere finds that 102 million individuals, not enrolled in major public programs like Medicaid or Medicare, have a pre-existing medical condition and could therefore face higher premiums or significant out-of-pocket costs if the Affordable Care Act's (ACA) pre-existing condition protections were repealed.

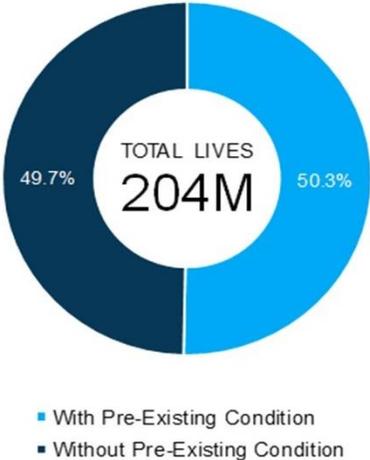
Over 50% of Americans enrolled in coverage outside of the major public programs could face medical underwriting or be denied access to coverage or care without the protections for people with pre-existing conditions contained in the ACA. Pre-existing condition protections have risen to the forefront of many political campaigns, as the issue is top-of-mind for many Americans.

“Virtually every American has someone with an existing health condition in their family at any given time,” said Dan Mendelson, founder of Avalere. “This is why Americans are so concerned with the issue, and why they expect durable, bipartisan solutions that maintain and strengthen healthcare security.”

With several recent proposals to repeal the ACA eliminating some of the pre-existing condition protections, consumers in the individual market could see a return to medical underwriting, which is the use of health information to vary premiums, or exclusion from coverage. In addition, Americans who receive their coverage through their employer could face these challenges while looking for health insurance between jobs. Prior to the ACA's requirements, employers could refuse to cover pre-existing conditions for up to a year “waiting period” if employees failed to maintain continuous coverage, a practice that could return if the ACA's protections are repealed.



Figure 1. Pre-Existing Conditions as a Share of the Non-Medicare and Non-Medicaid Population



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Avalere’s analysis shows that a substantial portion of the population has some form of pre-existing condition. Many of the most common health conditions, including cardiovascular disease, mental health disorders, obesity, and diabetes, affect over 10 million Americans.

“Protections for pre-existing conditions are the only reason some Americans are able to afford health insurance,” said Chris Sloan, Director at Avalere. “Many of the most common health conditions in the country could lead to individuals being denied access to health insurance if pre-existing condition protections are eliminated.”



Table 1: Pre-Existing Conditions in the Non-Medicare and Non-Medicaid Populations, 2015

Pre-Existing Condition	Number with Pre-Existing Conditions	Percentage of Population
Total Population	203,600,000	100.0%
All with Pre-Existing Conditions	102,400,000	50.3%
<i>Cardiovascular Disease</i>	56,700,000	27.9%
<i>Mental Health Disorder</i>	28,600,000	14.1%
<i>Obesity</i>	19,700,000	9.7%
<i>Diabetes</i>	10,600,000	5.2%
<i>Chronic obstructive pulmonary disease (COPD)</i>	6,100,000	3.0%
<i>Pregnancy</i>	3,800,000	1.9%
<i>Cancer</i>	3,200,000	1.6%
<i>Rheumatoid arthritis</i>	2,100,000	1.0%
<i>HIV/AIDS</i>	600,000	0.3%
<i>Multiple sclerosis</i>	300,000	0.1%

*Note, individuals with pre-existing conditions do not sum to the total, as many individuals have multiple pre-existing conditions.

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Methodology

Avalere used data from the 2015 Medical Expenditures Panel Survey (MEPS), which includes information about health conditions, coverage sources, and health costs for a nationally representative sample of the US population. Individuals who received either Medicare or Medicaid at any point in 2015 were excluded. Conditions highlighted in this analysis were chosen by Avalere to represent a range of different common conditions.

To identify the population with a pre-existing condition, Avalere identified individuals with pre-existing conditions using a combination of clinical classification codes and 3-digit ICD-9 codes with the following conditions: HIV/AIDS; hepatitis; cancer (except skin cancer); Hodgkin’s disease; leukemia; diabetes; cystic fibrosis; sickle cell anemia/disease; Parkinson’s disease; multiple sclerosis; cardiomyopathy; myocardial infarction; congestive heart failure; stroke; peripheral arteriosclerosis; aortic aneurysm; COPD; chronic pancreatitis; kidney failure; rheumatoid arthritis; lupus; motor or sensory aphasia; psychotic disorders; substance use disorders; adjustment disorders; attention-deficit, conduct and disruptive behavior disorders; pregnancy and related conditions; Alzheimer’s disease; angina pectoris; anorexia nervosa; aplastic anemia; arteriosclerosis obliterans; artificial heart value and heart value replacement; ascites; cerebral palsy; cirrhosis of the liver; coronary artery disease; coronary insufficiency; coronary occlusion; Crohn’s disease; dermatomyositis; emphysema and pulmonary emphysema;



Friedreich's disease or ataxia; hemophilia; Huntington's chorea/disease; hydrocephalus; intermittent claudication; lead poisoning with cerebral involvement; Lou Gehrig's disease; major organ transplant; muscular atrophy or dystrophy; myasthenia gravis myotonia; paraplegia/quadriplegia; polyarthritis; polycystic kidney; postero-lateral sclerosis; silicosis; splenic anemia, True Banti's syndrome, Banti's disease; Still's disease; Syrinomyelia (spina bifida or myelomeningocele); Tabe's dorsalis; Thalassemia (Cooley's or Mediterranean anemia); ulcerative colitis; Wilson's disease; and neurotic disorders. Due to a limited sample size in the MEPS, not all of these conditions were identified in the data. In addition, Avalere identified anyone who has ever received a diagnosis of hypertension, high cholesterol, asthma, or arthritis as having a pre-existing condition, using an analysis published by the Centers for Medicare & Medicaid Services' Center for Consumer Information & Insurance Oversight, which can be accessed at <https://www.cms.gov/CCIIO/Resources/Forms-Reports-and-Other-Resources/preexisting.html>.

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