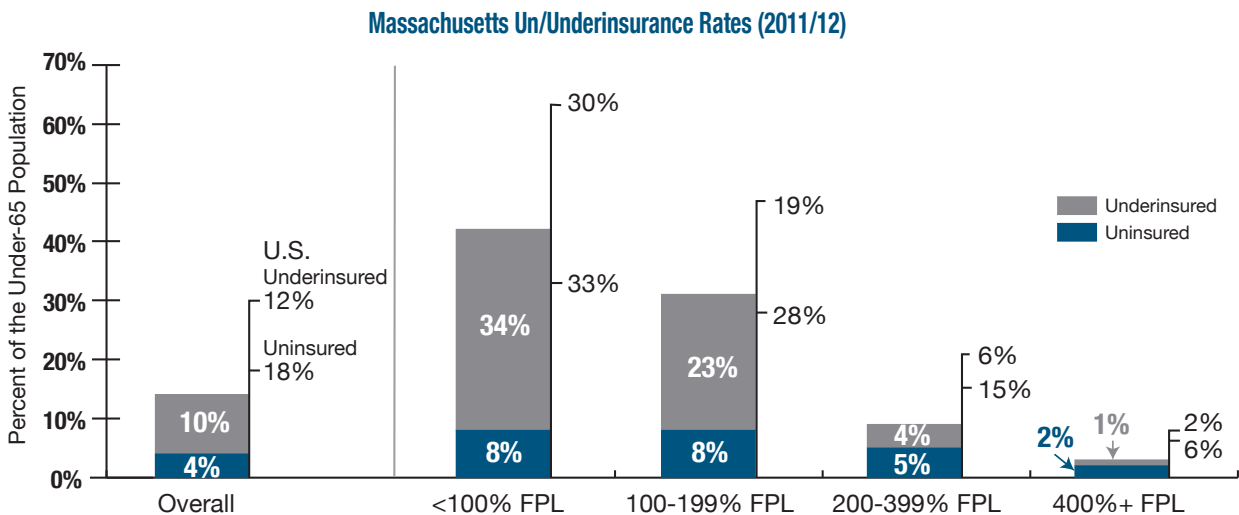


THE COMMONWEALTH FUND REPORT: A MASSACHUSETTS BRIEFING ON UNDERINSURANCE AND AFFORDABILITY

Recent work by the Center for Health Information and Analysis (CHIA) and others continues to find Massachusetts leading the nation in the percentage of its population that has health care coverage. However, a new report¹ by The Commonwealth Fund finds that while near universal-coverage (96%) has been achieved in Massachusetts as of 2012, **approximately 10% of those with health care coverage under the age of 65 remain “underinsured”**², having incurred significant out-of-pocket health care costs as a proportion of their income. Other report findings for this population were:

- Massachusetts’ underinsured were concentrated in lower income groups: **34% of Massachusetts residents with household incomes below the Federal Poverty Level (FPL) were underinsured**; 23% of Massachusetts residents with household incomes between 100% and 199% FPL were underinsured.
- **20% of Massachusetts insured residents under the FPL paid premiums deemed “unaffordable” by Affordable Care Act (ACA) standards**, five percentage points higher than the national average. Overall though, insured Massachusetts residents paid premiums above ACA thresholds at a rate similar to that of the nation (12% and 13%, respectively).
- As a proportion of median household income, Massachusetts residents paid lower average premiums than all Americans (17.9% and 21.6%, respectively). **Premium contributions for both populations, as a percent of their median household incomes, however, have grown considerably since 2003**, increasing by 5.3 and 6.7 percentage points, respectively.³



Health insurance coverage is pervasive in Massachusetts, reaching portions of the population that otherwise went uninsured prior to the Commonwealth’s earlier health care reforms. While other states now focus on increasing coverage within their populations, The Commonwealth Fund’s report lends credence to Massachusetts’ Chapter 224 next-stage focus on health care coverage quality and affordability.

The Commonwealth Fund report includes a Massachusetts state profile, also available at the link below.

¹ <http://www.commonwealthfund.org/Publications/Fund-Reports/2014/Mar/Americas-Underinsured.aspx>

² “Underinsured”, for the purpose of The Commonwealth Fund’s study, was defined as “people with insurance in households that spent 10 percent or more of total income on medical care (not including premiums); or 5 percent or more, if annual income was less than 200 percent of poverty.” This conservative definition excludes the potential underinsured who did not incur qualifying medical costs during the timeframe examined.

³ Premiums are calculated as the total of employee and employer contributions.

CENTER FOR HEALTH INFORMATION AND ANALYSIS

Two Boylston Street
Boston, MA 02116
617.988.3100

www.mass.gov/chia



May 1, 2014