Over 29 million still uninsured. Here’s how to help cover them.

Passage of the American Rescue Plan Act, COVID-19 relief legislation enacted earlier this year, has shifted the dynamics of U.S. health care coverage by increasing the generosity of and expanding eligibility for financial help to buy health insurance via Affordable Care Act (ACA) marketplaces.

But additional steps can be taken to make affordable health insurance available to many more of the estimated 28.9 million who remain uninsured, according to an AMA Council on Medical Service report adopted at the November 2021 AMA Special Meeting.

There is “an opportunity to further maximize coverage rates and improve affordability under the AMA proposal for reform (PDF) by … impacting the uninsured ineligible for Affordable Care Act financial assistance due to falling into the coverage gap, immigration status, or having an ‘affordable’ offer of employer coverage,” the report says.

The new policy takes aim at the more than 2 million nonelderly uninsured with incomes below the poverty line who find themselves in the “coverage gap”—not eligible for Medicaid, yet also ineligible for premium tax credits because they live in states that did not expand Medicaid.

About 3.5 million people are uninsured due to the ACA “family glitch.” They are not eligible for financial help for a marketplace plan due to being offered “affordable” coverage through their employer. While the coverage offered may be under the ACA’s “affordable” individual threshold of 9.38% of one’s income, providing coverage for that individual’s family could cost up to 15.8% of their income, according to research cited in the council’s report.

“We find ourselves in a time that we can cover the remaining uninsured in this country,” AMA Trustee David H. Aizuss, MD, said in a statement. “By closing the coverage gap, fixing the family glitch, and helping workers and their families who are facing unaffordable employer coverage, most of the nation’s uninsured will be eligible for ACA financial assistance, either the form of premium tax credits or Medicaid/CHIP. We can capitalize on this financial help available to cover the remaining uninsured.”

To that end, the AMA House of Delegates adopted policy to:

- Advocate that any federal approach to cover uninsured individuals who fall into the “coverage gap” in states that do not expand Medicaid—having incomes above Medicaid-
eligibility limits but below the federal poverty level, which is the lower limit for premium tax-credit eligibility—make health insurance coverage available to uninsured individuals who fall into the coverage gap at no or nominal cost, with significant cost-sharing protections.

Advocate that any federal approach to cover uninsured individuals who fall into the coverage gap provide states that have already implemented Medicaid expansions with additional incentives to maintain their expansions.

Support extending eligibility to purchase ACA marketplace coverage to undocumented immigrants and Deferred Action for Childhood Arrivals (DACA) recipients, with the guarantee that health plans and ACA marketplaces will not collect or report data regarding enrollee immigration status.

Recognize the potential for state and local initiatives to provide coverage to immigrants without regard to immigration status.

Delegates also modified existing policy to:

- Support modifying the eligibility criteria for premium credits and cost-sharing subsidies for those offered employer-sponsored coverage by lowering the threshold that determines whether an employee's premium contribution is affordable to the level at which premiums are capped for individuals with the highest incomes eligible for subsidized coverage in ACA marketplaces.
- Support legislation or regulation, whichever is relevant, to fix the ACA’s “family glitch,” thus determining the eligibility of family members of workers for premium tax credits and cost-sharing reductions based on the affordability of family employer-sponsored coverage and household income.

Read about the other highlights from the November 2021 AMA Special Meeting.