

Dallas Morning News: [Obamacare offers a safety net for millions who've lost health insurance. How many Texans will use it?](#)

Most buyers on HealthCare.gov get subsidies to help with premiums and copays, yet fewer than 1 in 4 eligible Texans sign up.

By Mitchell Schnurman
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Millions of Americans have lost health insurance because they've lost jobs during the pandemic, and that includes hundreds of thousands of Texans.

Going naked, as it's called in insurance circles, is always risky because a person's health can turn anytime.

We've seen massive declines in coverage before, most dramatically during the Great Recession just over a decade ago. But now there's a safety net through the Affordable Care Act, often known as Obamacare.

Medicaid is a key plank of the 2010 law, designed to provide health insurance for the working poor, starting with those earning less than the federal poverty level. In most states, Medicaid does the heavy lifting to protect those who lost employer-sponsored insurance, according to a study by the Economic Policy Institute.

But Texas lawmakers have refused to expand Medicaid, even though the federal government absorbs most of the costs. So that public-sector fallback is not available to most Texans.

Another option: the plans sold on HealthCare.gov.

While often criticized for high deductibles and limited provider networks, most plans are heavily subsidized to make coverage affordable. In 2020, about 88% of enrollees in the exchange were eligible for subsidies to offset the costs of premiums and copays, the government said.

With even more people needing coverage today, the question is how many Texans will take advantage? It's open enrollment on the exchange, which means people can sign up for 2021 plans even if they lost coverage months ago. Sign-ups on HealthCare.gov continue through Dec. 15.

Over 1 million Texans annually enroll in a marketplace plan, which sounds large. But in a state that easily leads in the number and share of uninsured residents, the total is far short of its potential.

In 2019, fewer than 1 in 4 eligible Texans signed up on HealthCare.gov, according to data compiled by the Kaiser Family Foundation. That was much lower than the average rate nationwide, and in Florida, the share of eligible enrollees was twice as high as in Texas.

Why such resistance here?

“Part of that could be a political and ideological aversion to anything to do with Obamacare,” said Stacey Pogue, senior policy analyst at Every Texan, an Austin advocacy group formerly known as the Center for Public Policy Priorities.

Most recently, Texas led the charge to have the health law declared unconstitutional, a legal challenge that made it to the Supreme Court this week.

She also cited an October report from the state comptroller’s office, which looked at the growing number of people who lost health insurance. One section explains coverage options for the uninsured and doesn’t even mention HealthCare.gov and the available subsidies.

“We’ve got both ignorance and ideological opposition, which makes it hard” to promote higher enrollment, she said.

Ironically, the marketplace for individual coverage is looking stronger and more vibrant. Nationwide, the number of insurers offering plans has increased for two consecutive years while average premiums have declined.

In Dallas County, six insurers offer plans for 2021, up from three in 2019. Average premiums also are trending down, and there’s more variety.

“We were in a hurry to get here, and we’re not surprised that other smart people see it the same way,” said Sal Gentile, CEO and co-founder of Friday Health Plans, which is coming to Texas for the first time.

The Denver-based insurer targets people who buy their own health insurance, and it promotes primary care and mental health by covering office visits with no copays. It has HealthCare.gov plans in Dallas, Houston, Austin, San Antonio, Lubbock and El Paso.

“We’re in Texas to stay,” Gentile said, adding he wants to expand here for 2022. In a twist, the company’s gold-metal plan in Dallas is cheaper than the benchmark, which is based on a low-cost silver plan. Gold plans usually cost more because they dedicate a greater share of premiums to medical expenses.

But buyers can get a Friday gold plan for less than the benchmark and cut deductibles in half — from \$5,500 to \$2,300 for an individual, he said. They can apply the same federal subsidy to the richer tier of coverage.

“We think that’s the best possible outcome for consumers,” Gentile said.

He acknowledged the political divide over the health law in Texas, but he believes a stronger education effort would change sentiment and boost enrollment. The company has an advertising campaign on TV, radio and billboards — and he said it’s as much about getting coverage as pushing particular products. One company billboard reads: “Unemployed doesn’t have to mean uninsured.”

Although the ACA was passed a decade ago and exchange plans have been available since 2014, many still don’t understand the marketplace. The subsidies and cost-sharing arrangements can be confusing, and the amount changes if income changes.

Many may be surprised to learn that a family of four earning over \$100,000 can qualify for some help.

States with the highest enrollment have used advertising, various outreach efforts and navigators to help consumers evaluate choices.

“Those things make a very big difference,” said Sara Collins, vice president for health care coverage and access at the Commonwealth Fund, a nonprofit private foundation. “Our survey research shows that a significant share of people just aren’t even aware of their options.

“Some may believe the health law is doomed, given that opponents have tried to kill it for years. But the Supreme Court doesn’t appear ready to act.

When Congress ended the penalty for those who don’t buy coverage in 2017, legislators could have repealed the rest of the law, Chief Justice John Roberts said.

“I think, frankly, that they wanted the court to do that,” Roberts said. “But that’s not our job.”