

Utah's Health Care Coverage Landscape

By Laura Summers, Director of Industry Research, Kem C. Gardner Policy Institute and Melanie Beagley, Public Policy Analyst

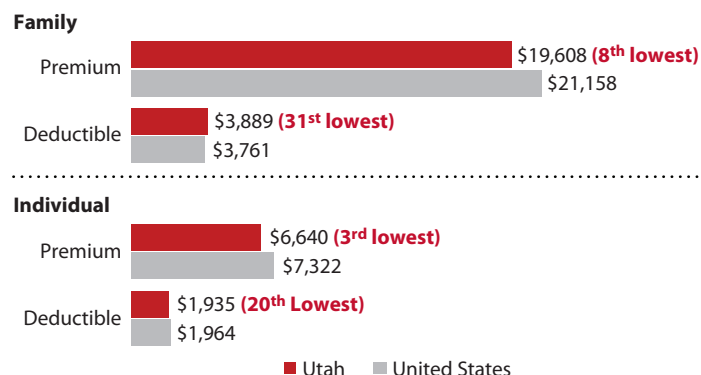
Utah's health care coverage landscape includes high rates of private health insurance enrollment, low rates of public health insurance program enrollment, and declining uninsured rates. That said, uninsured rates remain high for some populations and health care affordability and access are concerns for many Utahns.

High Rates of Private Health Insurance Enrollment

Utah has the highest rate of employer-sponsored health insurance in the country (60.0%, Figure 1). Utahns also benefit from comparatively low health insurance premiums and deductibles. While they have been steadily increasing over time, Utah's premiums are significantly below the national average for single and family enrollees in employer-sponsored health insurance plans (Figure 2).

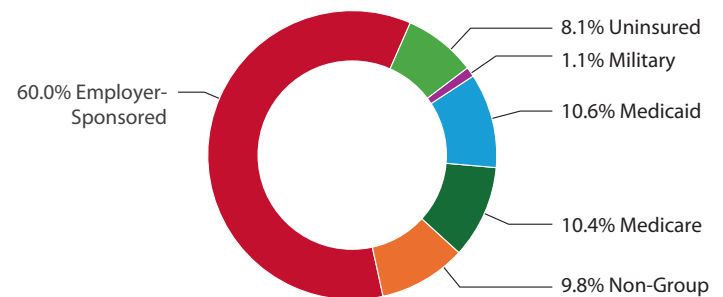
Average deductibles in Utah also rank low, but are closer to the national average. This may be due to the growing number of Utahns enrolled in high-deductible health plans (Figure 3). These plans have lower monthly premiums, but the higher deductibles require individuals and families to pay more out-of-pocket costs before their insurance plan begins to cover expenses. Health savings account (HSA)-qualified high-deductible family health plans have a minimum deductible of \$3,200 with a maximum of \$16,100 in out-of-pocket expenses in 2024.

Figure 2: Average Individual and Family Premium and Deductible Amounts Per Enrolled Employee in Employer-Sponsored Health Insurance Plans, 2020-2022 (3-year average)



Source: Agency for Healthcare Research and Quality, Center for Financing, Access and Cost Trends. Medical Expenditure Panel Survey Insurance Component

Figure 1: Utah Health Care Coverage Landscape, 2022

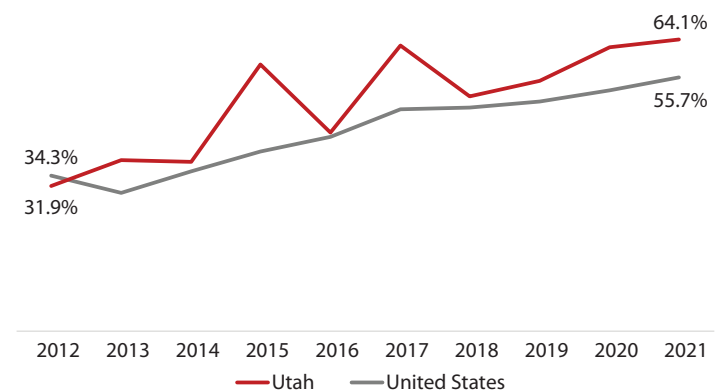


Note: Employer-sponsored includes individuals covered through a current or former employer or union, either as policyholder or as dependent. Military includes those covered under the military or Veterans Administration. Non-Group includes those covered by a policy purchased directly from an insurance company, either as policyholder or as dependent. Source: Kaiser Family Foundation estimates based on the Census Bureau's American Community Survey 2022 1-Year Estimates

Low Rates of Public Health Insurance Program Enrollment

Utah's strong economy and demographic characteristics contribute to the low shares of its population enrolled in public health insurance programs. Even with expanding Medicaid in 2020,¹ Utah had the lowest percent of its population enrolled in the program among all 50 states and District of Columbia in 2022 (10.6%, Figure 1). Utah also had the second lowest share of Medicare enrollees in the country (10.4%) due to its young population.

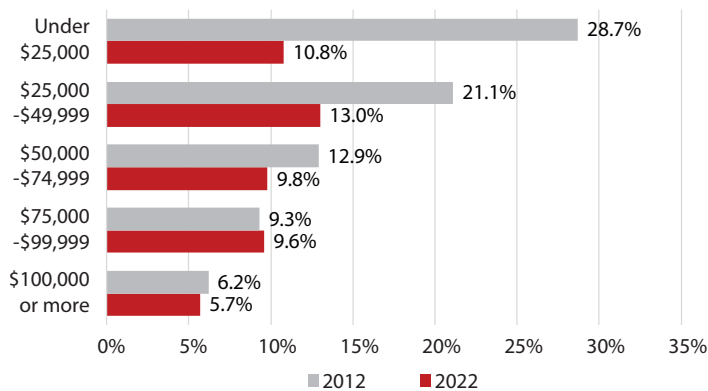
Figure 3: Share of Utah Private Sector Employees Enrolled in High-Deductible Health Plans, 2012-2021



Note: High-deductible health plans are plans that meet the minimum deductible amount required for health savings account (HSA) eligibility.

Source: Medical Expenditure Panel Survey Insurance Component. 2012-2021. State Health Compare, SHADAC, University of Minnesota, statehealthcompare.shadac.org

Figure 4: Utah Uninsured Rates by Household Income, 2012 vs. 2022



Note: The American Community Survey includes a 1% sample of the U.S. population and allows for precise state-level estimates.

Source: American Community Survey, 1-Year Estimates. 2012-2022

Declining Uninsured Rates

Federal and state health care reform coupled with strong economic factors helped reduce Utah's uninsured rates over the last decade, which fell from 14.5% in 2012 to 8.1% in 2022.² The Affordable Care Act (ACA) expanded health care coverage to historically uninsured or underinsured populations, including households living near or below the federal poverty level and young adults. It also supported certain employers in providing health insurance to their employees^{3,4} and prohibited health plans from denying coverage based on preexisting conditions.⁵

Economic factors may also play a role in Utah's health care coverage landscape. The state has the highest labor force participation rate in the country and the 8th lowest unemployment rate. Utah also has the 2nd lowest poverty rate and 2nd highest median household income.

Types of Health Care Plans in Utah

Commercial Plans: Commercial health insurance is governed by state and federal law and regulated by state insurance departments. Plans are funded by premiums collected from insured employers and individuals.

Self-Funded Plans: Employer-sponsored self-funded health plans are exempt from state regulation under the Federal ERISA statute and are regulated by the Federal Department of Labor. These plans may be funded entirely by the employer or by a combination of employer funds and covered employees' wages.

FEHBP: Federal Employee Health Benefit Plan is an employer-sponsored health insurance program for federal employees, retirees, former employees, family members, and former spouses.

PEHP: Public Employee Health Plan is an employer-sponsored health plan for public employees in the state of Utah.

CHIP: The Children's Health Insurance Program is a state health insurance plan for low-income uninsured Utah children and teens.

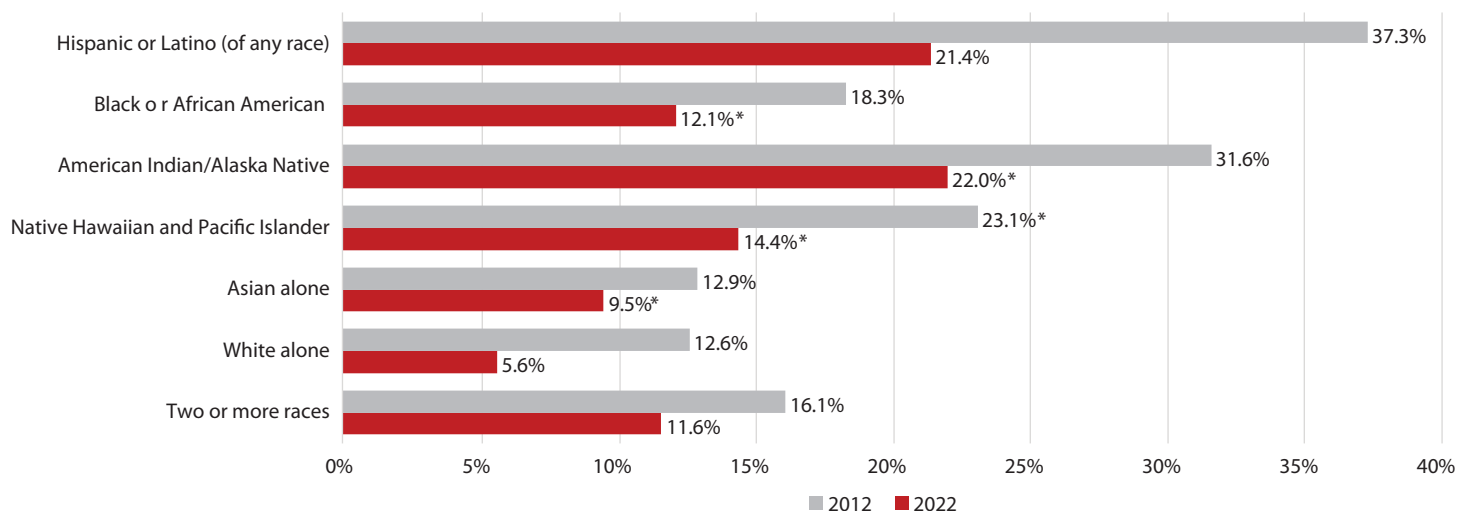
Medicaid: Medicaid provides health coverage to eligible low-income children, pregnant women, adults, elderly adults, and people with disabilities. Children make up the largest share of Utah's Medicaid enrollees.

Medicare: Medicare is a government-sponsored health insurance plan for people age 65 or older as well as some younger persons with disabilities and individuals diagnosed with End-Stage Renal Disease (ESRD) and ALS (Lou Gehrig's disease).

Positive Trends and Room for Improvement

Utah's low-income and racial and ethnic minority populations experienced larger declines in uninsured rates over the last decade (Figures 4-5). However, Utah's uninsured rate is about equal to the national average (8.1%) and higher among persons

Figure 5: Utah Uninsured Rates by Race and Ethnicity, 2012 vs. 2022



Note: The American Community Survey includes a 1% sample of the U.S. population and allows for precise state-level estimates.

* Indicates estimates with relative standard errors greater than 30%.

Source: American Community Survey, 1-Year Estimates. 2012-2022

who may be eligible for Medicaid or have income just above the Medicaid eligibility threshold (Figure 4). Utah’s racial and ethnic minorities also continue to experience higher uninsured rates, many of which are more than double the rates of the White population (Figure 5).

Growing Concerns about Access and Affordability

Health care access and affordability are major concerns for Utahns. Health care costs and access ranked as the number one priority in the Utah Foundation’s 2020 Utah Priorities voter survey.⁶ A separate study that examined Utahns’ perceptions of current and future health care affordability found that 63% of those surveyed delayed or went without care in the previous year due to costs. Close to 86% of Utahns surveyed reported concern over not being able to afford health care in the future, with 69% specifically noting concern about affording employer-sponsored health insurance.⁷

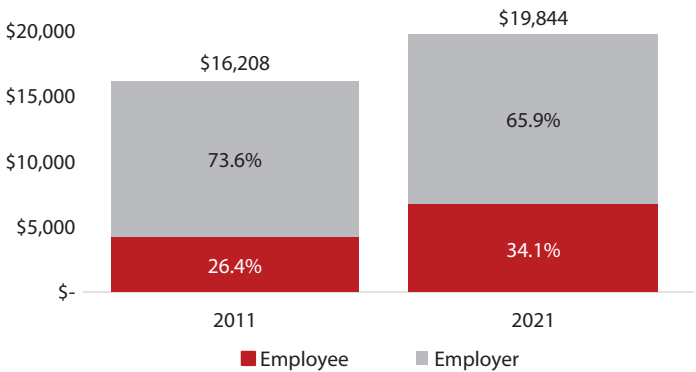
Employers are responding to rising health care costs by shifting a greater proportion of costs to employees through higher premium contributions and cost sharing. Between 2011 and 2021, Utah workers experienced a nearly eight percentage point increase in their proportion of premium contributions to a family plan (Figure 6).

About this Policy Brief

The purpose of this policy brief is to provide a snapshot of Utah’s health care coverage landscape. As a snapshot, it does not comprehensively address all the complex factors related to health insurance, health care, access to health services, and health care affordability, quality, and innovation. It is also important to note there are several sources that estimate health care coverage and uninsured rates. This policy brief uses data from the American Community Survey to provide national comparisons.

69% of surveyed Utahns worry about affording health insurance in the future.⁸

Figure 6: Percentage Contribution to Average Annual Family Premium per Enrollee in Employer-Sponsored Insurance Health Plans, 2011 and 2021 (2021 Inflation Adjusted Dollars)



Note: Premiums represent the average total contributions for private-sector employees enrolled in family coverage. 2011, 2021. Inflation-adjusted (2021). Percent of annual premiums contributed by employees and employers for private-sector enrollees enrolled in family coverage. 2011, 2021.
Source: Agency for Healthcare Research and Quality, Center for Financing, Access and Cost Trends. Medical Expenditure Panel Survey Insurance Component. 2011, 2021

Endnotes

1. Medicaid Utah’s full Medicaid expansion became effective in January 2020. This means any individual with income below 133% of the federal poverty level (FPL) is eligible for Medicaid coverage (income eligibility thresholds are higher for some children and adult populations).
2. Kaiser Family Foundation estimates based on the Census Bureau’s American Community Survey 2012 and 2022 1-year estimates.
3. Rand Corporation. The Affordable Care Act in Depth. Accessed September 8, 2023. Available from <https://www.rand.org/health-care/key-topics/health-policy/aca/in-depth.html>
4. The Internal Revenue Service. Affordable Care Act Tax Provisions for Employers. Accessed September 8, 2023. Available from <https://www.irs.gov/affordable-care-act/employers>
5. U.S. Department of Health and Human Services. About the Affordable Care Act (ACA). Pre-Existing Conditions. Accessed September 8, 2023. Available from <https://www.hhs.gov/healthcare/about-the-aca/pre-existing-conditions/index.html>
6. Utah Foundation Research Brief. Utah Priority No. 1: Health Care (Costs and Accessibility). August 13, 2020.
7. Altarum Healthcare Value Hub. Data Brief No. 155, August 2023. Utah Residents Struggle to Afford High Healthcare Costs; Worry about Affording Healthcare in the Future; Support Government Action across Party Lines.
8. Altarum Healthcare Value Hub. Data Brief No. 155, August 2023. Utah Residents Struggle to Afford High Healthcare Costs; Worry about Affording Healthcare in the Future; Support Government Action across Party Lines.



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