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TRANSCRIPT - GR 06 25 21 Patching the Quilt Jobs Health Insurance and the ACA Sumit Agarwal

00:20:41.190 --> 00:20:45.840

UVA IMR Chiefs: Alright, everyone over zoom and in person, so today we welcome back one of our own.

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00:20:46.230 --> 00:20:55.050

UVA IMR Chiefs: Dr seuss agarwal is a 2017 graduate from our internal medicine residency program and the primary care track and he's with us today to talk about do with.

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00:20:55.530 --> 00:21:03.810

UVA IMR Chiefs: health insurance system and the limits of the jobs linked health insurance so Dr agra wall completed his undergraduate studies at Washington University in St Louis.

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00:21:04.050 --> 00:21:07.950

UVA IMR Chiefs: followed by Medical School at the Mayo Medical School in Rochester Minnesota.

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00:21:08.310 --> 00:21:16.260

UVA IMR Chiefs: After completing his internal medicine training here at uva Dr agarwal landed a highly coveted general internal medicine fellowship at the brigham and women's hospital.

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00:21:16.590 --> 00:21:24.600

UVA IMR Chiefs: During his GI n fellowship Dr Andrew Weil completed his mph at the Harvard Th Chan School of Public Health, with a focus on clinical effectiveness.

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00:21:24.870 --> 00:21:30.810

UVA IMR Chiefs: Dr wallace now completing the necessary coursework and scholarly activity required to obtain his PhD in health policy.

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00:21:31.110 --> 00:21:39.120

UVA IMR Chiefs: With a focus on economics from Harvard while also serving as a clinical instructor in the department of medicine at the brigham and women's hospital and Harvard Medical School.

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00:21:39.510 --> 00:21:47.010

UVA IMR Chiefs: Dr Andrew Weil has already producing it presses list of scholarly work focused on health policy cost consciousness and insurance coverage and the ICA era.

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00:21:47.460 --> 00:22:00.390

UVA IMR Chiefs: As we welcome our new intern class to uva it's wonderful to see one of our graduates back at uva i'll be at remotely as a nice reminder of what our graduates are able to do after leaving the two to 902 with that i'll give it over to Dr outer wall.

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00:22:01.710 --> 00:22:09.960

Sumit Agarwal: hi everyone thanks for the introduction and thank you to the grand rounds committee for the invitation it's wonderful to see so many familiar names.

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00:22:10.350 --> 00:22:18.450

Sumit Agarwal: And we've done my internal medicine residency at uva and having gotten married at King family vineyards uva and charlottesville hold a special place in my heart.

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00:22:18.810 --> 00:22:28.230

Sumit Agarwal: So I hope to return in person, one day soon, but in the meantime i'm excited to be here to talk about the state of health insurance in the United States, including some of my own work.

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00:22:28.740 --> 00:22:45.030

Sumit Agarwal: In this area, and of course the big news last week, the affordable care act survive get another challenge that made its way to the Supreme Court, so the ACTA is here to stay and i'll be talking about the affordable care act and much more detailed today, I have no disclosures.

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00:22:46.560 --> 00:22:54.570

Sumit Agarwal: So today i'll be talking about medicaid and like I said the affordable care act what we know about its impact and how it has evolved over time, since it was.

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Sumit Agarwal: passed back in 2010 and then we'll talk a fair bit about employer sponsored insurance how we got to such a system.

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Sumit Agarwal: where many of us get our health insurance through our employers and also the limits of such a system, and then i'll wrap up by talking about work requirements and the medicaid program which also touches on this idea of whether health insurance ought to be so tightly linked to employment.

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00:23:20.940 --> 00:23:27.720

Sumit Agarwal: Before I begin I want to make a quick distinction between health insurance or health coverage and healthcare.

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Sumit Agarwal: Healthcare, of course, is the care we provide in our hospitals and clinics health insurance is the way we provide we pay or finance that healthcare.

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Sumit Agarwal: policymakers, you know tend to focus on achieving universal health coverage, but this really isn't synonymous with.

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00:23:43.980 --> 00:23:50.610

Sumit Agarwal: Universal healthcare universal healthcare depends on a lot more beyond health insurance, you know, addressing physician shortages.

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Sumit Agarwal: Addressing discrimination and disparities in health care, the quality of health plans and healthcare and so on and so, in other words, there you know many steps to get from.

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00:24:00.480 --> 00:24:15.600

Sumit Agarwal: Health Insurance at the top left of this figure to high quality healthcare at the bottom right That said, health insurance is an important first step for people to be able to access health care and to protect them from big medical bills and so that's where i'll be focusing today.

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00:24:17.640 --> 00:24:24.630

Sumit Agarwal: And the landscape of health insurance in this country is complicated and messy using a quilt as a metaphor.

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00:24:25.470 --> 00:24:32.850

Sumit Agarwal: it's a patchwork of a system and it's full of holes and overly broad strokes there's employer sponsored insurance, if you have a job.

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00:24:33.210 --> 00:24:41.460

Sumit Agarwal: there's medicare if you're retired there's medicaid if you're impoverished and disabled there and there's the va the Indian Health Service, the individual market and so on.

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00:24:43.170 --> 00:24:58.470

Sumit Agarwal: And the affordable care act made changes to a lot of these categories, but most significantly to medicaid by expanding eligibility criteria, and also to the individual market with creation of the marketplaces supported by ensure regulations and premium subsidies.

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Sumit Agarwal: So let me first talk a little bit about medicaid expansion that i'm sure many people here are familiar with, they see a expanded medicaid up to 138% of the federal poverty level.

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Sumit Agarwal: And importantly it fundamentally changed how someone qualifies for the Program.

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Sumit Agarwal: And most States before the ACTA it wasn't enough to have a low income, you had to have a low income and be in a qualifying category of eligibility.

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Sumit Agarwal: So what you see here in this figure is before the ACTA, the minimum bare minimum eligibility requirements set by the Federal Government.

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Sumit Agarwal: For instance, if you were a pregnant woman or infant, no matter what state you lived in you could qualify for medicaid up to 133% of the federal poverty level that phases down a little bit as children get older.

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Sumit Agarwal: But for parents with a dependent child at home, the Federal Government only required states to cover parents up to 14% of the federal poverty level.

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Sumit Agarwal: And meanwhile in this last category childless adults, these are people without dependent children at home either they've never had a child or their child is grown up and moved out of the home.

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Sumit Agarwal: And before the ECA in most states, no matter how poor you are, you could not qualify for medicaid.

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00:26:09.000 --> 00:26:21.240

Sumit Agarwal: In this category, and this is still true in the states that have an expanded their programs, but for states that have you know across all of these groups, you could qualify for medicaid as long as you're under the red cut off bar.

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Sumit Agarwal: So, as I hinted that you know they see it was passed in 2010 and the Supreme Court ruled in 2012 that it would be optional for states.

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Sumit Agarwal: And this is what the map look like in 2014 the first year of medicaid expansion, about half of the States expanded and half of the States did not DC is included here, and so the counts go up to.

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Sumit Agarwal: By 2014 sorry by 2021 the numbers that shifted pretty dramatically Virginia, as you all know, change colors here, it became the 33rd state to expand their medicaid program governor northam.

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Sumit Agarwal: And the state legislature state legislature agreed to expansion in 2018 which went into effect in early 2019.

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Sumit Agarwal: So now, three quarters of states have expanded, including many conservative leaning states and light blue here.

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Sumit Agarwal: You see Oklahoma Missouri we're medicaid expansion passed by referendum, so the public voted directly in favor of expansion which is slated to go into effect next week on July 1.

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Sumit Agarwal: But, looking at this map, there are still big sections of this country where low income populations don't have a path to coverage and unfortunately it's not a random map.

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Sumit Agarwal: The states in the orange have large concentrations of low income African Americans in the south.

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Sumit Agarwal: and low income latinx communities in Florida and Texas, where they have no way of accessing health insurance so state decisions around expansion have really left terrible disparities by race, ethnicity and income and how people can access health insurance.

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Sumit Agarwal: If you ask policymakers why they haven't expanded they usually bring up concerns about the state budget, they say they can't afford expansion.

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Sumit Agarwal: And so it's worth discussing for a moment how medicaid is funded, you know it's joint it's a joint program funded partially by the state and partially by the Federal Government.

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Sumit Agarwal: The amount that the Federal Government puts up is called the F map or the federal match rate.

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Sumit Agarwal: And it depends on the state in wealthier states like Massachusetts and Virginia, the Federal match rate is 50% so that's all the way to the left here Virginia puts up.

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Sumit Agarwal: \$5 the Federal Government puts a \$5 and then for certain populations like children and pregnant women, the match rate is higher and so here the Virginia puts up 350 and the Federal Government puts up 65%.

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Sumit Agarwal: The ECA went above and beyond that, beyond this, it was even more generous for the expansion population, the Federal Government kicks in 90% and the State pays for 10% and that's all the way to the right here.

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Sumit Agarwal: So, if you look at the actual numbers and what's happened to total spending on medicaid you see that there is a big increase in medicaid spending.

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Sumit Agarwal: Looking at the end of this study period medicaid spending increased by 25% by 2018 in expansion states relative to non expansion states.

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Sumit Agarwal: And this is expected the states are covering more people who were previously uninsured and it's suggested, maybe non expansion states are right to worry about their their state budgets.

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Sumit Agarwal: But if you split it out by the source of the money it's really all coming from federal dollars, the top left here is is the federal funds that really mirrors the last figure I showed you.

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00:29:30.660 --> 00:29:38.730

Sumit Agarwal: And if you look at state funds there's really not much change from baseline and there are a couple reasons for this, you know, the first is the federal government is paying 90%.

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00:29:39.330 --> 00:29:49.350

Sumit Agarwal: But the second even that 10% that states had to spend is being offset you know they no longer have to send those extra subsidies to public hospitals, for example, that are now being paid via medicaid.

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Sumit Agarwal: So this argument that you know states can't afford it is really not supported by the evidence.

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00:29:58.800 --> 00:30:08.100

Sumit Agarwal: So that's a broad overview of the affordable care act and i'll return to its coverage impacts, but I want to turn the spotlight on employer sponsored insurance.

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Sumit Agarwal: And when people talk and write about the hca you know they tend not to talk much about employer sponsored insurance and for good reason, the ACTA was designed around employer based insurance.

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00:30:18.270 --> 00:30:28.500

Sumit Agarwal: But i'd say to understand the ACTA fully and to understand health insurance in this country, more generally, and some of the newer proposals on the table it's important to talk about employer sponsored insurance.

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Sumit Agarwal: The employer market is how most Americans in this country are covered that's the green here, covering almost half the country and the majority of the non elderly.

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Sumit Agarwal: it's held the most of us how most of us here, if not all of us get our health insurance and the fact that.

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00:30:46.830 --> 00:30:57.660

Sumit Agarwal: Our system is dominated by employer provided health insurance is is really peculiar and unique across developed countries and i'm not talking about the debate between private health insurance and public health insurance.

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Sumit Agarwal: You know plenty plenty of other countries rely on private health insurance i'm talking specifically about this tight linkage between private health insurance and employment.

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Sumit Agarwal: So, how did we get here, you know i'll take you back in the 1940s, the nation was facing a severe Labor shortage, with so many workers being diverted to military service.

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Sumit Agarwal: You know, on policymakers fearing policymakers at the time, fearing that the Labor shortage would induce you know salaries prices and inflation to spiral out of control.

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Sumit Agarwal: You know, President Roosevelt issued an executive order that immediately froze wages and prices.

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Sumit Agarwal: To get around the wage freeze their companies began offering fringe benefits things like pensions and private health insurance to compete for workers.

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00:31:44.760 --> 00:31:59.010

Sumit Agarwal: And then the IRS they made the seemingly innocuous decision not to tax the benefit during the war and continue that practice after the war, and then, finally, a president Eisenhower formalize the tax exemption which persists, to this day.

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00:32:02.220 --> 00:32:11.910

Sumit Agarwal: So you know, although we don't always think about it like this, and then economic sense tax exemptions and tax deductions are a form of government spending.

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00:32:12.600 --> 00:32:28.740

Sumit Agarwal: It's just hidden in the tax code, rather than written out explicitly on the balance sheets and the tax exemption for employer sponsored insurance has grown to become the single largest tax expenditure amounting to \$200 billion in forgone government revenue per year.

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00:32:30.030 --> 00:32:41.520

Sumit Agarwal: You know, most of us benefit from this tax is just tax exemption and from employer sponsored insurance, but I think there are many limitations to such a system that are important to acknowledge and I'm going to talk about three.

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Sumit Agarwal: The first is that the exemption is regressive so we have a progressive tax system where higher income earners pay a higher marginal tax rate the currently tops out at around 37%.

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Sumit Agarwal: And so, that means that the tax exemption is worth more for a higher income person than a lower income person.

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Sumit Agarwal: So the figure here shows the value of the tax break you know families are categorized by desolate income, with the lowest desk dial family's.

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Sumit Agarwal: Income decibel family left and the highest income Bethel families to the right, and you can see, for high income families, the value of the tax break.

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00:33:21.450 --> 00:33:36.690

Sumit Agarwal: was worth around 40 \$500 in 2012 and probably much more today as premiums have continued to rise and for low income families it's worth only a few hundred dollars, you know, none of us likes paying more in taxes, but the tax exemption is fundamentally regressive.

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00:33:39.690 --> 00:33:48.450

Sumit Agarwal: The second limitation is that, despite the dominance of employer provided coverage in this country, not all workers are covered by their employers.

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00:33:49.050 --> 00:33:56.280

Sumit Agarwal: And so to illustrate this point i've got an insurance rates by age effectively showing how well, people are insured from cradle to grave.

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00:33:56.790 --> 00:34:05.370

Sumit Agarwal: And we can focus first on the orange line the y axis is the uninsured rate, so the closer the line is to zero, the better and for children.

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Sumit Agarwal: You know the uninsured rates are fairly low, though not zero, we see it skyrocket as children turn 18 to as high as 35% and then it steadily decreases and then it challenges at age 65 when people then qualify for medicare.

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Sumit Agarwal: The first point I wanted to make is that if you ask these adults from ages 1965 where they were on whether they're employed, this is what you get.

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00:34:31.770 --> 00:34:47.970

Sumit Agarwal: In this bar graph two thirds of them are employed, they have jobs that they don't have health insurance another 30% are not in the Labor force their students they're disabled or their caretakers and then only a small portion less than 10% are you know not working.

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00:34:49.470 --> 00:35:01.860

Sumit Agarwal: The second point I wanted to make is that the ECA has brought down these curves the orange line is 2010 the Gray line is 2014 when medicaid expansion first to perfect and then 2017 is three years later.

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00:35:05.280 --> 00:35:12.360

Sumit Agarwal: So this was one of my first projects i've read residency I looked into this further you know why are so many employed people uninsured.

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00:35:13.440 --> 00:35:19.650

Sumit Agarwal: And so the office of management budget they classify people into five groups of occupations.

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Sumit Agarwal: And so, these are fairly self explanatory but to give you a flavor you know farming and construction jobs includes farmers fishers painters plumbers.

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Sumit Agarwal: service jobs include home health aides cooks barbers cleaners manufacturing and transportation jobs those include machinists welded welders and truck drivers.

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00:35:39.780 --> 00:35:47.970

Sumit Agarwal: sales and office jobs include cashiers and secretaries and then managers and professionals include CEOs lawyers, teachers and physicians.

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00:35:48.780 --> 00:36:00.810

Sumit Agarwal: and the first thing we can see is that before the ECA the uninsured rates differed quite a bit across occupations, you know, ranging from seven and a half percent among managers and professionals.

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Sumit Agarwal: To more than 30% among farmers in construction workers and service workers and then starting in 2014 there was a big drop across all occupations, but the magnitude of that job you know really buried by occupation.

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00:36:20.700 --> 00:36:24.780

Sumit Agarwal: So service workers, you know they had the largest decline.

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00:36:25.230 --> 00:36:36.060

Sumit Agarwal: In their own insurance rate of 10.6 percentage points you know this is this is huge it's we haven't seen these large have dropped, since you know medicare and medicaid were passed in 19 in the 1960s.

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00:36:36.930 --> 00:36:51.360

Sumit Agarwal: Other occupations, they had a large declines as well 6.8 7.7 and 8.2 percentage points and then finally managers and professionals were the least likely to be uninsured before the ACA and had the smallest decline in their uninsured rates.

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00:36:53.670 --> 00:36:59.670

Sumit Agarwal: So now i'm going to show you the same kind of figure but i'm going to break it out by source of insurance, and this is employer sponsored insurance.

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00:37:00.360 --> 00:37:11.610

Sumit Agarwal: The uninsured rates that I just showed you track fairly well with who are the least likely to have employer sponsored insurance, so what I mean is that here service workers and farming and construction workers.

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00:37:12.030 --> 00:37:17.940

Sumit Agarwal: They had the highest uninsured rates before the hca and they were also the least likely to be covered by their employers.

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00:37:18.750 --> 00:37:26.370

Sumit Agarwal: You know, conversely, if you look at managers have professionals they're the most likely to be covered by employer sponsored insurance, and so they had the lowest uninsured rates.

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Sumit Agarwal: So this is medicaid coverage and there were large gains and coverage from medicaid expansion, with the biggest gains coming from service workers.

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Sumit Agarwal: but also large gains in the middle groups, and these will probably be even larger if all states that expanded their medicaid programs.

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00:37:55.110 --> 00:38:05.850

Sumit Agarwal: Here is the adjusted percentage point changes, and we see that service workers gained medicaid by 5.8 percentage points and then sales farming and manufacturing gain medicaid by about three percentage points.

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00:38:07.740 --> 00:38:15.810

Sumit Agarwal: And finally, this is directly purchase insurance, which includes marketplace coverage and everything is a bit more convinced, but it's very similar to the previous figure on medicaid.

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00:38:19.830 --> 00:38:30.570

Sumit Agarwal: So all occupations had covered gains after the ECA and most of these gains came from medicaid and directly purchase insurance, the two major policy levers of the affordable care act.

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Sumit Agarwal: The key takeaway, though, is that the magnitude of these coverage gains appears to primarily reflect disparities and employer based coverage.

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Sumit Agarwal: blue collar workers are the least were the least likely to be covered by employer based coverage, and so the independent the most on the ACS new coverage options to get health insurance.

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Sumit Agarwal: Another interesting finding was that the gains and publicly subsidize coverage medicaid and the marketplaces did not induce crowd out.

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Sumit Agarwal: know many policymakers, they were worried that the AC will cause employers to stop offering health insurance to their employees and we found that actually employer based coverage increased after they CA.

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00:39:09.720 --> 00:39:20.130

Sumit Agarwal: So there are a few reasons why you know workers aren't covered by their employers, one is that you know some employers don't offer health insurance to their employees and that's especially true of small firms.

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00:39:21.570 --> 00:39:36.300

Sumit Agarwal: second reason is that some employees aren't eligible for their employers benefits because of you know, say part time status, but some employers also put in waiting periods and make the employee wait several months before they're eligible for health coverage through the employer.

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Sumit Agarwal: A third reason, some employees choose not to obtain health insurance from their employer, even if the employer offers it because of costs.

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00:39:44.850 --> 00:39:54.990

Sumit Agarwal: You know employer tends to pay an average of 75% of the premium and employees, still have to pay 25% and 25% of a large premium can be a lot for a low income family.

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00:39:56.280 --> 00:39:58.770

Sumit Agarwal: And then the fourth reason here is that many people are self employed.

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Sumit Agarwal: So this figure is a little dated but here, you can see, as you go down the income distribution, fewer and fewer workers are offered health insurance by their employer.

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Sumit Agarwal: One phenomenon we're even seeing in the Labor market over the last three or four decades is filtering of the workplace, where low wage workers.

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00:40:19.650 --> 00:40:24.000

Sumit Agarwal: low wage jobs are contracted out as opposed to employ directly by the firm.

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00:40:24.390 --> 00:40:31.560

Sumit Agarwal: So we see this, for example with Amazon, and the people delivering their packages, you know they were Amazon branded uniforms they drive Amazon branded trucks.

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00:40:31.830 --> 00:40:45.600

Sumit Agarwal: But they aren't actually employed directly by Amazon, you know same thing with uber and their drivers and then we see with a lot of big companies apple Goldman Sachs Mary I, for example, don't directly employed there, cleaning and custodial staff anymore.

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00:40:47.100 --> 00:40:54.390

Sumit Agarwal: From the employers and you know even the employees perspective, the there may be a number of potential benefits for this arrangement, but from an employer's perspective.

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00:40:54.750 --> 00:40:58.380

Sumit Agarwal: A major one is they don't have to pay for an employee's health insurance benefits.

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00:40:59.010 --> 00:41:11.400

Sumit Agarwal: You know these issues underlie racial disparities in health insurance since people of color are disproportionately represented in these low wage occupations, so when people talk about structural racism, this is the sort of thing they're referring to.

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00:41:15.270 --> 00:41:21.990

Sumit Agarwal: So third and final limitation of an employer based system that I wanted to talk about is, what do you do if you lose your job.

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Sumit Agarwal: And this has become increasingly important during the pandemic, you know, the unemployment rate reached 14 and a half percent.

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00:41:28.770 --> 00:41:33.810

Sumit Agarwal: The highest since the Great Depression for 40 million people apply for unemployment insurance.

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00:41:34.380 --> 00:41:48.120

Sumit Agarwal: And so, of course, the economy is rebounding now and and people are reclaiming their jobs and their health benefits, but it still hasn't quite returned to pre pandemic levels and so that means millions of people are still without their jobs and without their employer based insurance.

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00:41:49.470 --> 00:41:53.820

Sumit Agarwal: So this is work I did with Ben summers a professor at the School of Public Health at Harvard.

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00:41:54.570 --> 00:42:10.020

Sumit Agarwal: Currently, on leave with divided administration and we looked at people who lost their job before the a CA and after the CA and before the ACTA when people lost their jobs, there was a large drop off in employer sponsored insurance that's the blue bar here.

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00:42:11.370 --> 00:42:18.030

Sumit Agarwal: You know how do people still have employer sponsored insurance have to losing their jobs, you know they can get coverage through their spouse or they can pay for Cobra.

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00:42:19.740 --> 00:42:25.830

Sumit Agarwal: And the drop off and employer sponsored insurance was not fully made up by medicaid coverage the yellow bar here.

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00:42:28.020 --> 00:42:33.150

Sumit Agarwal: After the ECA when people lost their jobs there was still a large drop off in employer sponsored coverage.

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00:42:33.810 --> 00:42:43.230

Sumit Agarwal: But it was entirely made up by medicaid and the marketplaces so, in fact, after the ECA job loss was no longer associated with being uninsured.

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00:42:43.710 --> 00:42:53.010

Sumit Agarwal: So we wrote this in the middle of the pandemic i'm concluding that the ACS new coverage options will play an important role and mitigating the negative coverage impacts of job loss.

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00:42:55.770 --> 00:43:08.490

Sumit Agarwal: And the official numbers are just starting to come out so earlier this week the centers for medicaid and medicare services reported that medicaid enrollment increased by 10 million people between February of last year in January of this year.

163

00:43:09.840 --> 00:43:17.520

Sumit Agarwal: The marketplaces are overall smaller in size but during open enrollment which happens in in November of the previous year, the marketplaces.

164

00:43:17.970 --> 00:43:33.090

Sumit Agarwal: enrolled 600,000 more people than they did the previous year before the pandemic and then the Biden administration opened a special enrollment period from February through August of this year and, as of may 1 1 million more people enrolled in the marketplaces.

165

00:43:34.170 --> 00:43:42.660

Sumit Agarwal: So this is exactly as we predicted ACTA played an important role in protecting people from losing health insurance as people were losing their jobs.

166

00:43:44.700 --> 00:43:48.960

Sumit Agarwal: And this year Congress and by in the Biden administration, they doubled down on the scaffolding.

167

00:43:49.380 --> 00:43:54.510

Sumit Agarwal: created by the affordable care act through the American rescue plan act that was passed back in March.

168

00:43:54.810 --> 00:44:02.880

Sumit Agarwal: They increase subsidies for plans on the marketplaces so traditionally the subsidies were available for people from 100% to 400% of the federal poverty level.

169

00:44:03.150 --> 00:44:09.690

Sumit Agarwal: They increase them out of those subsidies and also extended them for people who are making more than 400% of the federal poverty level.

170

00:44:10.860 --> 00:44:11.640

Sumit Agarwal: They also.

171

00:44:12.870 --> 00:44:15.540

Sumit Agarwal: Set aside more money for advertising and outreach.

172

00:44:16.620 --> 00:44:27.840

Sumit Agarwal: To get more people enrolled in the marketplaces and then, finally, they enhance the federal match rate offer the states that hadn't yet expanded their medicaid program So hopefully entice them to do so.

173

00:44:31.920 --> 00:44:40.200

Sumit Agarwal: So there's one final point I wanted to make about employer sponsored insurance and that it's and that that is that it's getting really, really expensive.

174

00:44:40.890 --> 00:44:55.200

Sumit Agarwal: This is the trend from 1999 to 2020 the dark blue is the employer contribution and the light blue is the worker contribution and so for individual coverage the employer is paying around \$6,000 and the worker is paying \$1,000.

175

00:44:57.000 --> 00:45:03.150

Sumit Agarwal: per family covers the split is about \$15,000 by the employer and \$5,000 by that employee.

176

00:45:05.400 --> 00:45:12.360

Sumit Agarwal: And then, this figure shows how you know health insurance has changed over time and the key trend, I want to bring your attention to is this dark dark blue bars.

177

00:45:12.930 --> 00:45:24.690

Sumit Agarwal: To the bottom right which is the rise of high deductible health plans, the average deductible is now around 1600 dollars for single coverage before health insurance will even kick in to cover anything.

178

00:45:27.660 --> 00:45:38.280

Sumit Agarwal: And so to put all these trends on together, you know deductibles and premiums are rising much faster than earnings and inflation deductibles have risen by 111% since 2010.

179

00:45:38.790 --> 00:45:49.230

Sumit Agarwal: Premiums have risen by 55% earnings have only visited by a little bit over inflation and this looks even worse if you break it out by income courthouse or income death styles.

180

00:45:49.950 --> 00:45:56.040

Sumit Agarwal: And so, although we tend to think as of the employer portion is some sort of extra benefit when a firm hire someone, though.

181

00:45:56.490 --> 00:46:04.890

Sumit Agarwal: It doesn't just think of the wages, it has to pay it thinks of the full compensation package so in an accounting sense sure the employer is paying a big part of premiums.

182

00:46:05.280 --> 00:46:17.910

Sumit Agarwal: But in an economic sense employees are paying for it in the form of reduced wages and so when we hear about stagnant wages, you know, a big part of the problem is this a bigger and bigger share of our compensation packages is going to healthcare.

183

00:46:21.690 --> 00:46:32.730

Sumit Agarwal: grits that's an employer sponsored insurance, and now I want to shift gears back to medicaid where i'll wrap up and talk briefly about work requirements which also touch on this idea of whether.

184

00:46:33.750 --> 00:46:36.300

Sumit Agarwal: Health Insurance should be tied so tightly to to employment.

185

00:46:38.250 --> 00:46:45.990

Sumit Agarwal: So, as we saw earlier on there's been this gradual trend towards more and more States expanding their medicaid programs, but at the same time we're also seeing.

186

00:46:46.380 --> 00:46:52.800

Sumit Agarwal: Attempts to change how medicaid is administered and these are usually done by applying for waivers from the Federal Government.

187

00:46:53.160 --> 00:47:03.480

Sumit Agarwal: And these are you know a number of examples health savings accounts more cost sharing healthy behavior incentives drug testing and the one that's gotten a lot of attention is work requirements.

188

00:47:04.890 --> 00:47:06.780

Sumit Agarwal: And so the way that work requirements work is that.

189

00:47:07.830 --> 00:47:16.200

Sumit Agarwal: you quote unquote able bodied individuals have to prove that they are working at least 20 hours a week to keep their medicaid coverage.

190

00:47:17.250 --> 00:47:30.600

Sumit Agarwal: And so the previous administration approved these work requirements for several states, but then the courts intervened and stopped Arkansas and then Kentucky from implementing the work requirements saying there are unlawful according to medicaid statute.

191

00:47:32.160 --> 00:47:38.340

Sumit Agarwal: So we talked about how medicaid expanded its medicaid program sorry how Virginia had expanded medicaid program in 2018.

192

00:47:39.000 --> 00:47:43.950

Sumit Agarwal: You know, in fact, when governor northam reached an agreement with Virginia legislature to expand medicaid it was.

193

00:47:44.610 --> 00:47:51.930

Sumit Agarwal: With the condition that a waiver would be submitted the centers for medicare and medicaid services to institute work requirements into the Program.

194

00:47:52.470 --> 00:48:00.390

Sumit Agarwal: The Governor ultimately abandoned or pause those negotiations because of the recent court rulings and then also the General Assembly of changed parties.

195

00:48:02.370 --> 00:48:07.200

Sumit Agarwal: So this is what we know about work requirements, this is a paper published out of a group.

196

00:48:07.800 --> 00:48:16.230

Sumit Agarwal: at the University of Pennsylvania, and they partnered with the state of Kentucky to evaluate the program you know Kentucky never got to implement work requirements, because of the courts.

197

00:48:16.680 --> 00:48:30.900

Sumit Agarwal: But the researchers, were able to evaluate how many people would have been affected by the program based on the actual protocols that the State was putting into place, and so there are about 1.4 million individuals on medicaid and Kentucky that's the top left here.

198

00:48:32.070 --> 00:48:42.330

Sumit Agarwal: And after you apply all the automatic exemptions, such as age, and the claims based diagnoses they find that the policy would affect around 130 233,000.

199

00:48:43.020 --> 00:48:57.570

Sumit Agarwal: beneficiaries of which 48,000 would would not meet the work requirements, the rest are about 84,000 would meet the work requirement, but they would have to report their hours monthly to maintain coverage.

200

00:48:58.920 --> 00:49:06.360

Sumit Agarwal: So keep in mind that states don't exactly make it easy to report hours, especially for a population where Internet is not as easily accessible.

201

00:49:07.020 --> 00:49:14.880

Sumit Agarwal: So you have the very real potential of a lot of people losing coverage because of bureaucratic complexity, or just not knowing all the intricate rules of their health plans.

202

00:49:15.240 --> 00:49:24.360

Sumit Agarwal: And all of this to target 48,000 people are just 3% of the entire program so overall these numbers don't bode very well for work requirements being very successful.

203

00:49:26.700 --> 00:49:32.130

Sumit Agarwal: And so Arkansas is one state that actually did implement work requirements in 2018 before the courts intervened.

204

00:49:32.850 --> 00:49:42.870

Sumit Agarwal: And the results were not positive 18,000 people were removed from the program and if you ask proponents of the policy they say, this is a great success, you know Secretary is our.

205

00:49:43.500 --> 00:49:55.560

Sumit Agarwal: The Secretary of health and human services when front of Congress and and held this as as a huge successes these 18,000 people who were dropped for medicaid roles they found jobs and found coverage and other ways.

206

00:49:56.400 --> 00:50:09.390

Sumit Agarwal: And A research team, they did some survey work to find out what was actually happening, and they found that the uninsured rate increased significantly employment was actually unchanged and a third of people hadn't even heard of the requirement.

207

00:50:11.610 --> 00:50:26.730

Sumit Agarwal: And, just like in Kentucky you know, most people were already working or medically exempt and so complicated policy was rolled out that negatively affected a large group of people, even though it was meant to just target this three or 4% of people in the in the purple.

208

00:50:28.050 --> 00:50:40.740

Sumit Agarwal: It was so based on this evidence, you know I think governor north have made the right decision to abandon the work requirements, the state of maine did the same thing you know ethically legally and empirically the policy was standing on pretty tenuous ground.

209

00:50:44.730 --> 00:50:55.470

Sumit Agarwal: So wrap up there i'll say the main take home messages are that you know, there are many gaps and limitations in a system that's dominated by employer sponsored insurance.

210

00:50:55.710 --> 00:51:06.390

Sumit Agarwal: You know, we talked about the regressive it of the tax exclusion, the fact that many occupations don't even offer health insurance to their employees and then other gaps like what happens when you lose your job.

211

00:51:07.800 --> 00:51:16.140

Sumit Agarwal: The affordable care act, you know with medicaid expansion and creation of the marketplaces filled, many of these gaps, but there are several more that remain.

212

00:51:16.860 --> 00:51:30.690

Sumit Agarwal: And then I hope i've convinced you to at least question this idea of the health insurance needs to be tied so so tightly to work it's made its way into medicaid but work requirements are really unlikely to improve functioning of the medicaid Program.

213

00:51:34.440 --> 00:51:39.990

Sumit Agarwal: Thank you, it was a real pleasure to speak at grand rounds i'll open it up for comments and discussion.

214

00:51:40.350 --> 00:51:48.420

Sumit Agarwal: And i'll add that you know feel free to contact me my email address is here, especially residents who might be interested in doing a fellowship in general internal medicine.

215

00:51:49.020 --> 00:51:55.350

Sumit Agarwal: Because that's how I with Dr wolf's wonderful encouragement support got my start in health policy and health policy, research.

216

00:51:59.370 --> 00:52:11.370

Andy Wolf: Wonderful Thank you so much, so much for this wonderful grand rounds so incredibly clear and and guiding us through the maze of health insurance, health insurance coverage and the ECA.

217

00:52:12.390 --> 00:52:29.730

Andy Wolf: I just want to tell folks that you assume it was a resident under me for three years and I knew he was on for bigger and better things when as an intern most of the interns were still reading the intern survival guide soon, it was reading a tool gawande being mortal.

218

00:52:30.840 --> 00:52:40.800

Andy Wolf: So I knew he was looking at the big picture, from the beginning and and honestly throughout residency assuming you were always pointing out.

219

00:52:41.580 --> 00:52:47.310

Andy Wolf: How the social determinants of health factors that our patients were facing was affecting their health outcomes and.

220

00:52:47.610 --> 00:52:55.320

Andy Wolf: You were maintaining that big picture throughout your residency and it was very, very impressive so it's wonderful to see what you've been doing and what you will be doing.

221

00:52:55.800 --> 00:53:01.410

Andy Wolf: So with that I get the privilege of asking the first question, and you know this is one that.

222

00:53:02.370 --> 00:53:10.560

Andy Wolf: Many people have asked when when we think about getting away from employer sponsored a health insurance and getting towards a more.

223

00:53:11.460 --> 00:53:14.880

Andy Wolf: universal health system such as medicare for all.

224

00:53:15.810 --> 00:53:27.570

Andy Wolf: And what one of the big criticisms, has been the incredible expense that the Federal Government would be incurring with that and I know you've probably thought a lot about this and have some some thoughts.

225

00:53:28.290 --> 00:53:32.940

Andy Wolf: sweater here here, I had a lot of other questions, but I don't want to dominate so that's a big one.

226

00:53:33.990 --> 00:53:42.300

Sumit Agarwal: yeah So there you know, there are a lot of proposals on the table on medicare for all is one that certainly dominated the scene on Oh, maybe.

227

00:53:42.900 --> 00:53:51.300

Sumit Agarwal: Compare medicare for all, with a few of the proposals that are on the table so there's you know the public option and there's also reducing that the medicare eligibility age.

228

00:53:51.690 --> 00:53:59.370

Sumit Agarwal: You know I could spend an hour on probably each of these rambling on about you know the merits and shortcomings of each of these, but just to put it in the context of.

229

00:53:59.880 --> 00:54:09.720

Sumit Agarwal: The presentation I just gave you know some policies work around the affordable care act to work around the employer sponsored system they kind of tiptoe around it sort of.

230

00:54:10.050 --> 00:54:13.410

Sumit Agarwal: You know what we've been doing with health reforms in the past, you know.

231

00:54:13.800 --> 00:54:22.590

Sumit Agarwal: The when medicare and medicaid pass in the 1960s left employer sponsored insurance alone when that affordable care act passed in the 2000s left employer sponsored insurance alone so that's.

232

00:54:22.860 --> 00:54:30.780

Sumit Agarwal: You know that's one route is to continue tiptoeing around employer sponsored insurance and then the other is to address employer sponsored insurance head on.

233

00:54:31.170 --> 00:54:38.430

Sumit Agarwal: And so you can see, you can kind of categorize these performs into those two buckets you know public option lowering the medicare age kind of.

234

00:54:38.880 --> 00:54:50.070

Sumit Agarwal: fit in that that first one tiptoeing around employer sponsored insurance, whereas medicare for all tries to address this all the limitations of an employer sponsored system had on um.

235

00:54:50.700 --> 00:54:55.890

Sumit Agarwal: And so you know, maybe you know i'll talk a little bit about the financing too so medicare for all.

236

00:54:56.550 --> 00:55:07.470

Sumit Agarwal: Has a there are a few medicare for all proposals out there, you know there's the Sanders proposal there's that there's the Warren proposal and, most of them tend to talk about the.

237

00:55:08.460 --> 00:55:16.290

Sumit Agarwal: They have a pretty similar benefits structure for medicare for all you know builds off medicare as it exists and makes it more generous, for example, control.

238

00:55:16.680 --> 00:55:30.480

Sumit Agarwal: Also, covering dental benefits and vision benefits and doing it with really very little cost sharing the financing side is kind of where these these proposals differ a little bit on the medicare for all side you know the Sanders plan they.

239

00:55:31.500 --> 00:55:34.890

Sumit Agarwal: They funded through a progressive tax system so just an income tax.

240

00:55:35.280 --> 00:55:45.030

Sumit Agarwal: And then the warm proposal, it takes money that is already being spent on employer sponsored insurance so employers instead send their money to the government to fund at medicare for all.

241

00:55:45.420 --> 00:55:55.140

Sumit Agarwal: If you talk to proponents of the program they say that, overall, it will cost the overall health care system less and that's kind of how they make up a lot of that the financing of the benefit.

242

00:55:55.500 --> 00:56:02.580

Sumit Agarwal: But you know I think employer sponsored insurance is getting more and more expensive it's taking more and more of our paychecks that you know it will.

243

00:56:03.570 --> 00:56:11.730

Sumit Agarwal: We may continue to see this kind of decline and employer sponsored insurance in this rise in in the need to cover the country more comprehensively.

244

00:56:14.880 --> 00:56:17.070

Andy Wolf: i'll be quiet to allow other questioners.

245

00:56:22.830 --> 00:56:32.340

Sumit Agarwal: to your first comment, Dr wolf i'll add that all the projects that i've done since residency I can trace back to residency and in one form or another.

246

00:56:32.850 --> 00:56:44.070

Sumit Agarwal: And so you know, for example, that the paper, I presented about health insurance coverage by occupation you're like came out of an experience that the charlottesville free clinic and.

247

00:56:44.850 --> 00:56:49.920

Sumit Agarwal: So, if any of you have have an opportunity to work there, I highly recommend it and what I was noticing working there is that.

248

00:56:50.550 --> 00:56:58.020

Sumit Agarwal: A lot of the patients that came had jobs they had jobs, yet they were there were seeing me in the free clinic and they couldn't see me at uva.

249

00:56:58.440 --> 00:57:06.690

Sumit Agarwal: And so that got me just wondering, you know why is it that these people who have jobs don't have health insurance and that ultimately led to the paper, I presented today.

250

00:57:08.280 --> 00:57:15.900

Andy Wolf: Can I have one one question about that, where there was a criticism of the ICA early on that small employers.

251

00:57:17.220 --> 00:57:30.780

Andy Wolf: felt that it was just still to on affordable to offer insurance, even with the subsidies that were included in the in the original ACTA and and I know that the guy who ran the dunkin donuts.

252

00:57:31.830 --> 00:57:41.340

Andy Wolf: baskin robbins shop that I think has closed down on the corner I knew him and he was really struggling or you know I felt I felt that forum and.

253

00:57:41.820 --> 00:57:51.030

Andy Wolf: Any thoughts about that, and it has the has the revisions and the ACTA made it any easier for the small employers, you know the ones with like a handful of employees.

254

00:57:51.960 --> 00:57:52.770

Sumit Agarwal: yeah so.

255

00:57:53.790 --> 00:58:03.210

Sumit Agarwal: small employers have a tough time offering health insurance to their employees, you know there's a lot of risk if you don't have many employees, if one of them gets sick it gets really expensive.

256

00:58:03.780 --> 00:58:10.680

Sumit Agarwal: For them, compared to large firms and then this is even more true if the smaller firms are employing low wage people.

257

00:58:11.010 --> 00:58:17.040

Sumit Agarwal: You know, health insurance then makes up a huge part of their entire compensation packages, and so you know in.

258

00:58:17.370 --> 00:58:25.890

Sumit Agarwal: addition to the marketplaces which was individual coverage, he did create these small business marketplaces on that really haven't taken off much.

259

00:58:26.550 --> 00:58:38.250

Sumit Agarwal: So I think you know it is a major limitation and you know as it's a major limitation of an employer sponsored system right, it makes more sense to just take this off the backs of employers, so that they can focus on the business side of.

260

00:58:38.910 --> 00:58:42.000

Sumit Agarwal: of running a firm rather than you know, providing fringe benefits.

261

00:58:44.340 --> 00:58:47.130

Andy Wolf: All the Chiefs do you have other questions from the audience.

262

00:58:49.980 --> 00:58:59.700

UVA IMR Chiefs: ask a question myself, since I have the control the MIC but soon, it is really great presentation, one question that comes to mind, for me, is.

263

00:59:00.480 --> 00:59:09.210

UVA IMR Chiefs: You know, I wonder if you can comment, and when you think there will just be sort of a tipping point in which employers determined that it's just not.

264

00:59:10.050 --> 00:59:18.750

UVA IMR Chiefs: reasonable to continue funding employer based health insurance and we just see the rate of unemployed individuals just start to skyrocket.

265

00:59:19.230 --> 00:59:28.080

UVA IMR Chiefs: And if you think that will be enough of an impetus to actually sort of substantively changed the framework of how we cover Americans and their health insurance.

266

00:59:29.640 --> 00:59:34.350

Sumit Agarwal: yeah I think as premiums continue to rise, higher and higher I think you'll see.

267

00:59:36.030 --> 00:59:48.930

Sumit Agarwal: Employers start to defect, a little bit, but I think what needs to happen is, we need to cap the tax exclusion for employer sponsored insurance, you know I think that's a big driver here, why employers continue to divert.

268

00:59:49.710 --> 01:00:00.030

Sumit Agarwal: Compensation to health insurance as opposed to wages, you know \$1 in health insurance is worth more than \$1 in wages, because the dollar and wages will be taxed.

269

01:00:00.510 --> 01:00:07.860

Sumit Agarwal: And so that you know that needs to happen there was an attempt to do that with the affordable care act with the cadillac tax, but I was ultimately.

270

01:00:08.580 --> 01:00:16.680

Sumit Agarwal: postponed and then and then entirely repealed, and so I think they're there just needs to be a smarter way of tapping the amount of the tax exclusion and that may.

271

01:00:17.490 --> 01:00:24.600

Sumit Agarwal: Lead employers not fun health insurance so much as part of the compensation package, and then I think the second thing that needs to happen is.

272

01:00:25.500 --> 01:00:33.810

Sumit Agarwal: Employees who do get coverage from their employer need to be able to have the option to get coverage elsewhere, right now, for example, if you get.

273

01:00:34.110 --> 01:00:39.480

Sumit Agarwal: A coverage option from your employer, you are, you cannot qualify for subsidies on the marketplaces.

274

01:00:40.110 --> 01:00:54.480

Sumit Agarwal: And that was by design, just so that you know employers wouldn't stop offering health insurance to their employees, but I think we need to make the marketplaces more robust and to do that we need to attract people from employer provided coverage.

275

01:00:58.260 --> 01:00:59.190

UVA IMR Chiefs: Thanks so much for that.

276

01:01:00.960 --> 01:01:03.840

UVA IMR Chiefs: scene scene, no, no more questions here in the group.

277

01:01:05.760 --> 01:01:07.020

Hopefully you.

278

01:01:09.270 --> 01:01:09.720

can hear me.

279

01:01:13.380 --> 01:01:13.710

UVA IMR Chiefs: yeah.

280

01:01:22.950 --> 01:01:23.880

Andy Wolf: Can you repeat that.

281

01:01:24.930 --> 01:01:26.310

UVA IMR Chiefs: i'll repeat it back yeah.

282

01:01:28.350 --> 01:01:33.450

UVA IMR Chiefs: I was just asking if there be any other sort of tipping points towards going to a medicare for all system.

283

01:01:35.640 --> 01:01:38.070

UVA IMR Chiefs: outside of the kind of employer costume.

284

01:01:38.610 --> 01:01:48.810

Sumit Agarwal: yeah so I mean there are two major trends driving the rise in in premiums for employer sponsored insurance, the first is consolidation of healthcare providers.

285

01:01:49.380 --> 01:02:02.610

Sumit Agarwal: So hospital systems buying up other hospitals buying up physician groups and so that increases their bargaining position relative to ensures so you know private insurers pay now 200 to 300% more than.

286

01:02:03.360 --> 01:02:14.970

Sumit Agarwal: The what medicare pays for the same service and the second trend going on is that you know we're seeing a lot of technological advances in health care, you know just a few couple weeks ago.

287

01:02:15.510 --> 01:02:22.500

Sumit Agarwal: A new drug was approved for all simers and and amgen is charging \$56,000 a year to administer this drug.

288

01:02:22.950 --> 01:02:30.390

Sumit Agarwal: And we're just going to continue seeing really, really high cost drugs in the pipeline and the combination of these forces is just going to.

289

01:02:30.750 --> 01:02:44.430

Sumit Agarwal: keep these premiums going higher and higher and they don't have bargaining leverage relative to providers, and so you know I think this the tipping point is going to be when these premiums just get way too high for employers to continue covering.

290

01:02:46.920 --> 01:02:57.480

Andy Wolf: seminar, since I guess, there were other questions I have a couple one as you remember, you may we take care of a large proportion of patients who are undocumented immigrants and.

291

01:02:58.950 --> 01:03:17.220

Andy Wolf: Are there any I know that the ACTA does not cover that population, are there any State experiments or projects or demonstration projects that you're aware of where there's been some successful models of caring for this population.

292

01:03:18.390 --> 01:03:32.790

Sumit Agarwal: yeah i'm not aware of any um so the undocumented immigrants is one of the major gaps in the uninsured rates that remain, you know, half of the people who are currently uninsured they qualify for medicaid or marketplace subsidies.

293

01:03:33.390 --> 01:03:38.730

Sumit Agarwal: So it is in effect they have access to health insurance in some way um.

294

01:03:39.240 --> 01:03:47.280

Sumit Agarwal: But the other half, you know, a quarter of them are maybe a little less than a quarter or undocumented immigrants and then another they fall in the the medicaid gap.

295

01:03:47.790 --> 01:03:57.300

Sumit Agarwal: Where you know these are the States to have an expanded their medicaid programs, and they don't qualify for subsidies on the marketplaces and so those two undocumented immigrants in this medicaid gap.

296

01:03:57.630 --> 01:04:04.260

Sumit Agarwal: Are the two biggest gaps in filling these these holes in insurance you'll states have.

297

01:04:05.190 --> 01:04:16.110

Sumit Agarwal: Limited programs for people who are on documented, you know Massachusetts, for example, has the The message is safety net, which is a medicaid funded program, but it really only covers emergency care and then you know in.

298

01:04:16.800 --> 01:04:22.770

Sumit Agarwal: in Virginia, I remember you know they can apply for for state assistance, you know, the S one one.

299

01:04:23.850 --> 01:04:32.820

Sumit Agarwal: modifier to get coverage to vcu and uva so states have you know these these limited limited things but that'll be the next thing to address.

300

01:04:34.920 --> 01:04:45.450

Andy Wolf: Thanks there was also concerned when the individual mandate was, I guess, was it ruled unconstitutional was dropped from the ACTA the originally.

301

01:04:46.290 --> 01:04:56.190

Andy Wolf: If you didn't accept the ACS insurance and didn't didn't have org or employer sponsored insurance, you had to pay a fee the individual mandate.

302

01:04:56.580 --> 01:05:05.550

Andy Wolf: And the idea was to make sure we had a population of patients that spent you know, had the whole spectrum of low risk and high risk pools of patients and when that was.

303

01:05:06.420 --> 01:05:18.180

Andy Wolf: dropped, it was feared that the costs of insurance would be so great that it would bankrupt da CA what's happened with that is that fear been realized.

304

01:05:19.080 --> 01:05:29.430

Sumit Agarwal: Yes, the individual mandate was ruled constitutional this was back in 2012 case with the medicaid expansion and it was real constitutional because it was.

305

01:05:29.850 --> 01:05:39.870

Sumit Agarwal: called a tax know right, it was associated with the penalty and it gave con Congress has the right to tax people, and so it was ruled unconstitutional, but then you know with.

306

01:05:40.770 --> 01:05:45.540

Sumit Agarwal: The trump administration and the Republican Congress, they zeroed out that tax.

307

01:05:46.110 --> 01:05:54.390

Sumit Agarwal: To me, they made the penalty zero dollars, and so the individual penalty effectively went away, since it was a zero dollar penalty associated with it.

308

01:05:55.020 --> 01:06:07.680

Sumit Agarwal: And then, using that zero dollar tax that's what led to the newest supreme court case people then said, you know the penalty that the mandate is unconstitutional because there's there's no tax anymore.

309

01:06:08.010 --> 01:06:16.920

Sumit Agarwal: And so sort of this Trojan horse trying to rule the the individual mandate as unconstitutional to bring down the entire affordable care act so.

310

01:06:17.190 --> 01:06:22.710

Sumit Agarwal: It was getting i'm pretty weak ground and ultimately in a seven to decision, the Supreme Court said, you know you can't.

311

01:06:23.370 --> 01:06:31.650

Sumit Agarwal: You can't bring a case before the courts, if it doesn't harm anyone and that's kind of the individual mandate that zero dollar penalty doesn't harm anyone.

312

01:06:31.980 --> 01:06:38.760

Sumit Agarwal: And so that's how the Supreme Court survived its its latest challenge, but so you're right there's there is no individual mandate anymore.

313

01:06:39.750 --> 01:06:49.260

Sumit Agarwal: And what's happened is actually the mandate wasn't that effective, to begin with and it's because the penalty was pretty low and a lot of people were exempt from the penalty.

314

01:06:49.650 --> 01:06:58.050

Sumit Agarwal: And so you didn't see you know massive people you see massive groups of people dropping their health insurance at the individual mandate went away.

315

01:06:58.440 --> 01:07:09.690

Sumit Agarwal: And then also that the subsidies rose a little bit for the low risk people that did leave the marketplaces, and so it didn't lead to an unraveling of the affordable care act that people predicted it, it might have been otherwise.

316

01:07:13.290 --> 01:07:15.840

Andy Wolf: chiefs any other questions from the audience.

317

01:07:19.740 --> 01:07:25.920

UVA IMR Chiefs: No, no more questions, but thanks Dr wall, for all your great questions right sure well.

318

01:07:26.370 --> 01:07:27.420

Andy Wolf: Wonderful assume it.

319

01:07:27.960 --> 01:07:28.950

Andy Wolf: very much.

320

01:07:28.980 --> 01:07:30.210

Andy Wolf: it's wonderful to see you.

321

01:07:31.740 --> 01:07:35.070

Andy Wolf: And we hope that we can get you down here in person at some point.

322

01:07:35.340 --> 01:07:37.230

Sumit Agarwal: that'd be great Thank you everyone.

323

01:07:37.410 --> 01:07:37.800

and happy.

324

01:07:38.880 --> 01:07:39.450

UVA IMR Chiefs: Thanks.

325

01:07:46.500 --> 01:07:47.010

UVA IMR Chiefs: Thanks so much.