

Health Insurance in Texas

by SEAN PRICE

THE FIRST THING to understand about health insurance in Texas is that there isn't enough of it. Since 2013, Texas has had the highest rate of uninsured people among all 50 states.

Texans with coverage obtain it from a patchwork system of private and government-run plans that frequently provide less-than-ideal coverage, says Texas Medical Association past president Douglas Curran, MD, who runs two federally qualified health centers in East Texas.

"[Health insurance] is just a badly broken system," said Dr. Curran, who also sits on TMA's Task Force on Health Care Coverage. "It causes all kinds of grief."

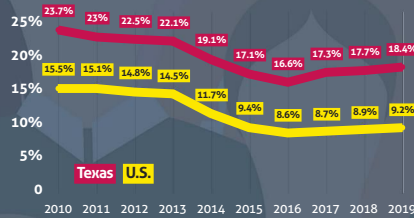
Some of that grief is easing. Affordable Care Act (ACA) plans currently cover more than 1.4 million Texans with provisions like required coverage of preexisting conditions. Also, the prior authorizations that plague both physicians and patients should soon become less onerous thanks to TMA's work with Texas lawmakers in 2021 to pass House Bill 3459. (See "The New Gold Rush," p. 14.)

But other problems remain: Texas has still declined to expand Medicaid under ACA; Texans paying insurance premiums are surprised to find themselves underinsured; and deductibles continue to climb, all of which can force patients to put off treatment, resulting in more costly care later. Meanwhile, new types of health coverage entering the marketplace face little regulation.

Here's a look at where health insurance in Texas stands. In many cases, the data have not been updated since 2019 because of the COVID-19 pandemic.

The Uninsured

UNINSURED RATES



WHO'S NOT COVERED?

Uninsured before the pandemic began (2020)

5 million

Could be covered if Texas expands Medicaid

1.4 million

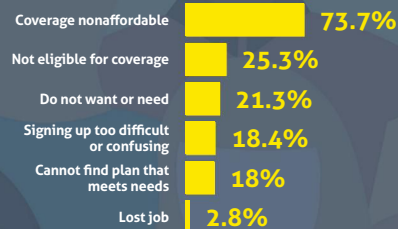
Texas children eligible for but not enrolled in Medicaid or CHIP (2018)

More than 385,000

Estimated # of women covered by Texas' expansion of Medicaid maternal benefits from 2 to 6 months

More than 150,000

REASONS FOR BEING UNINSURED, U.S.



The Underinsured

WHERE THE U.S. STOOD IN 2020

Insured all year, not underinsured
57%

Insured all year but underinsured
21%

Underinsured: Adults who were insured all year but experienced one of the following: out-of-pocket costs, excluding premiums, equaled 10% or more of income; out-of-pocket costs, excluding premiums, equaled 5% or more of income if low-income (<200% of federal poverty level); or deductibles equaled 5% or more of income.

Uninsured now
13%

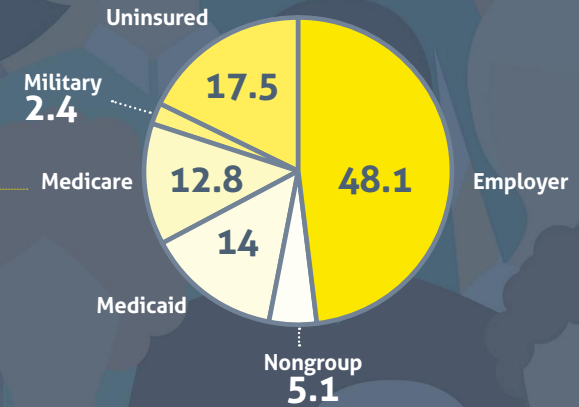
Uninsured now: Adults who reported being uninsured at the time of the survey.

Insured now but had insurance gap
10%

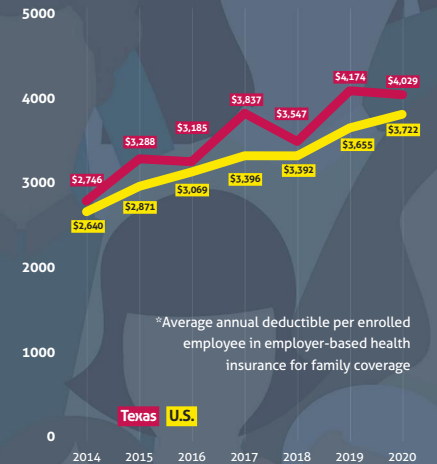
Insured now but had a coverage gap: Adults who were insured at the time of the survey but were uninsured at any point in the 12 months prior to the survey field date.

Health Insurance Coverage

TYPES OF COVERAGE IN TEXAS IN 2020



DEDUCTIBLES*



*Average annual deductible per enrolled employee in employer-based health insurance for family coverage

Sources: Kaiser Family Foundation, U.S. Census Bureau, Commonwealth Fund