

University of Kentucky

Gatton College of Business and Economics

Institute for the Study of Free Enterprise



INSTITUTE FOR THE  
STUDY OF  
FREE  
ENTERPRISE

## **Study examines the impact of Affordable Care Act on spread of insurance coverage and risky behaviors**

- **The Affordable Care Act (ACA) aimed to bring the United States close to universal health insurance coverage through a combination of policies**
- **While it is clear that the ACA expanded insurance, it is not clear whether it has improved overall health or medical outcomes**

Several academic surveys have assessed whether the ACA achieved its goal of expanded health insurance coverage in the United States and found that gains in coverage did occur. A study by Georgia State University's Charles Courtemanche and James Marton, University of Pennsylvania's Benjamin Ukert, University of Kentucky ISFE Affiliate Aaron Yelowitz, and IMPAQ International's Daniela Zapata expands the scope of current research on the ACA to analyze whether these increases in coverage have led to changes in access to care, risky health behaviors, and short-run health outcomes.

In 2014 the ACA required individuals to acquire healthcare either individually, through an employer, or through a government source. The federal government subsidized this for the near-poor, and provided Medicaid for those earning up to 138% of the federal poverty level for those living in states that chose to expand their Medicaid coverage under the ACA, which 27 states chose to do in 2014 (followed by three more in 2015 and two in 2016). These and the other policies of the ACA led to an expansion of health insurance coverage. The coauthors, using the 2011-2015 surveys from the Behavioral Risk Factor Surveillance System, estimate the short-term effects of these policy implementations on health outcomes and behaviors.

The coauthors find that the ACA increased the probabilities of Americans having a primary care physician and a regular checkup by 3.0 percentage points in the states that

expanded Medicaid coverage, and 2.4 percentage points in the states that implemented the other parts of the ACA but not the Medicaid expansion. They also find that the ACA had little discernible effect on risky health behaviors and self-assessed health, at least for the first two years after the law's full implementation.

The authors note, "our lack of significant results for risky health behaviors suggests that the ex ante moral hazard, improved access to health-behavior-promoting medical care, and income effects brought about by insurance coverage either offset each other or are too small to be statistically detectable in our sample."

They continue, adding that, "several caveats of our work provide directions for future research. For instance, investigation of clinical health outcomes is necessary to provide a fuller picture of the ACA's health effects. Additionally, future studies should continue to track the indicators used in our paper over a longer period, as the effects of insurance on health could take many years to fully materialize or could require a larger sample to be statistically detectable."