

**The Importance of the Meaning and Measurement of “Affordable”
in the Affordable Care Act**

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The Importance of the Meaning and Measurement of “Affordable” in the Affordable Care Act

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Abstract:

This paper focuses on whether “affordable” in the Affordable Care Act refers to the cost of single coverage alone, or to family or single coverage as applicable to the worker, in determining the employer’s mandated coverage requirement and workers’ (and their dependents’) access to subsidized exchange coverage. Since the average annual total premium for family coverage is substantially higher than that for single coverage (on average \$12,298 vs. \$4,386 in 2008) this is a non-trivial distinction.

Using data on workers from the Current Population Survey merged with estimates of employer and exchange policy premiums, we investigate the impact of the affordability decision on the fraction of workers who could then access exchange coverage subsidies and on the correspondingly lower employer sponsored insurance (ESI) coverage rates. We do via a series of calculations for each worker that first shows the financial incentives at stake in deciding between ESI and subsidized exchange coverage. We then show how many of those who stand to gain from exchange coverage could do so under two these alternative affordability rules and different levels of employee contributions. Finally, we show the extent to which a single affordability rule would cause the dependents of low-income workers with families to fall into a “no-man’s land” with no source of affordable coverage.

We estimate that a family affordability rule could initially lead to as many as 1.3 million more workers accessing exchange subsidies for themselves and their families than under a single affordability rule. If employees pay 50 percent of the premiums in the future, this number increases to 6 million. Increased use of exchange subsidies would be accompanied by reductions in ESI coverage and increased costs to taxpayers. Alternatively, a single affordability rule would initially result in close to 4 million dependents of workers with affordable single coverage not having affordable health insurance. This would grow to close to 13 million if employees pay 50 percent of the premium.

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1. Introduction

The Affordable Care Act (ACA) represents a major change in the provision and organization of health insurance. Under the ACA, low- to-middle-income families are eligible for subsidized exchange health insurance only if employer coverage is not offered, or if it is offered but with an unaffordable employee contribution of greater than 9.5 percent of household income. Furthermore, if employers do not offer coverage or offer unaffordable coverage and employees receive subsidized exchange coverage, employers with more than 50 full-time equivalent workers are subject to fines. It was assumed that these “firewall” (CBO, 2010) conditions would both prevent firms from dropping coverage and prevent those who had such coverage from moving out of employer-sponsored insurance (ESI) because they were otherwise eligible for subsidized exchange coverage. Here we focus on the impact of firewall condition defined by the cost of single coverage alone (henceforth referred to as the “single” definition), or to family or single coverage as applicable to the worker (henceforth referred to as the “family” definition), on estimates of exchange and ESI coverage, and the ability of lower income workers to obtain affordable coverage for their dependents.

We use data from the Current Population Survey (CPS) merged with employer health insurance data from the Medical Expenditure Panel Survey – Insurance Component (MEPS-IC) and exchange premium estimates from the Kaiser Family Foundation (KFF) Web site to measure potential gains and losses for workers and their firms if affordability is defined by the single or by the family option. We present stylized cases to answer the following question: what fraction of those with “money on the table” would be classified as having unaffordable coverage under the single vs. the family definition of affordability? The answer also depends on the way that employers set the employee contributions to health insurance.

Since the average annual total premium for family coverage is roughly \$8,000 higher than that for single coverage (\$12,298 vs. \$4,386 in 2008, shown in Table 1), there is the potential for substantially more families to obtain subsidized coverage through the exchanges if affordability is based on family coverage, if employee premium contributions are set sufficiently high. The affordability definition could significantly impact the ability of lower income workers’ dependents to find affordably priced coverage if single ESI coverage is affordable but family ESI coverage is not; this is a distinction that does not affect single workers. Thus, as the second component of our analysis, we show the consequence of adopting the single affordability definition on the number of low-income workers with families that would find themselves in a “no-man’s land” with no source of affordable coverage for their dependants. When ESI single coverage is affordable, both the worker and dependents would be restricted from receiving exchange subsidies, regardless of how unaffordable family ESI coverage might be.

Our results show that a family affordability rule could initially lead to as many as 1.3 million more workers accessing exchange subsidies for themselves and their families than under

a single affordability rule. If employees pay 50 percent of the premiums in the future, this increases to 6 million. Increased use of exchange subsidies would be accompanied by reductions in ESI coverage and increased costs to taxpayers. Alternatively, a single affordability rule would initially result in close to 4 million dependents of workers not having affordable health insurance from any source. This grows to close to 13 million if employees pay 50 percent of the premium.

2. An Illustration of the Importance of the Affordability Definition

Table 1 illustrates the importance of affordability definition and the employee contribution level with examples of three families each containing a worker and three dependents. Column 1 lists their annual before-tax income of 133, 250 and 400 percent of the federal poverty line respectively—the full income range for exchange subsidies. Columns 2 and 3 display the total average national premiums for single and family coverage based on the 2008 MEPS-IC. The average total single premium in 2008 was \$4,386 (column 2) and the average employee single premium was \$882 or a 20.1 percent share. The average total family premium was \$12,298 (column 3) and the corresponding employee premium was \$3,394 or a 27.5 percent share. Column 4 shows the typical amount of subsidy each family would receive towards exchange coverage, using the KFF exchange premium calculator. The actual amount would be lower to offset the employer fine and because ESI premiums are tax exempt while out of pocket payments for exchange coverage are not.

Column 5 shows that if employers keep single coverage employee contributions at 20.1 percent, they never exceed 9.5 percent of family income. Hence if single coverage is used to define affordability and employee contributions do not change, none of these families are eligible for exchange subsidies even if their family ESI coverage is unaffordable. While the worker would have affordable single coverage, his/her dependents would be in a “no-man’s land” with unaffordable ESI family coverage and no access to exchange subsidies despite meeting the income criteria for such coverage. If employers keep family coverage employee contributions at 27.5 percent, families with income of 250 and 400 percent of poverty would have affordable coverage (Column 6 of Table 1). Hence, they and their dependents would not be eligible for an exchange subsidy. But the worker with family income of 133 percent of poverty would now be eligible for an exchange subsidy even though the worker’s single coverage was affordable. Hence when the family affordability criterion is used, no dependents will ever find themselves in “no-man’s land.” But the tradeoff in this example is that the exchange subsidy firewall will be breached by the lowest income worker, who now has an incentive to seek exchange subsidized insurance for his/her family despite having an offer of affordable single ESI.

Columns 7 and 8 show how the ability to breach the firewall depends on the employee contribution to health insurance. In this extreme case, we assume labor contracts are re-negotiated so that the worker will pay 100 percent of the ESI premium. Column 7 shows that even using a single affordability definition, the worker with family income at 133 percent of

poverty now pays more than 9.5 percent of that income in ESI premiums. Hence that worker and his/her dependents can gain access to exchange subsidies. In column 8 the firewall breach is even greater since using the family affordability definition results in all families having unaffordable ESI coverage and gaining access to exchange subsidies. Although not shown in Table 1, an employer is fined for not offering affordable coverage. However, at \$3,000 or \$2,000 a worker, the fine is low relative to the cost of family health insurance. These examples illustrate the impact of alternative affordability definitions and employee ESI premiums on the ability of income eligible families to claim unaffordable coverage and access exchange subsidies.

3. Relevant Prior Reports

The CBO (CBO, 2007a) estimates the number of Americans likely to be covered by specific provisions of the ACA over a 10-year horizon based on a sophisticated approach that integrates all the complex aspects of the law. By 2019, CBO expects the number of ESI coverage to fall on net by 3 million people, primarily because of firms dropping ESI coverage offsets the number of workers coming onto the rolls because of the mandates. Holtz-Eakin and Smith (2010) suggest the net decline will be much greater. They argue that the ACA's exchange subsidies are so substantial that they will encourage employers and employees to change their labor contracts to gain access to the "money on the table." By examining the possibility that employers may drop ESI, they abstract from whether affordability is defined by single or family coverage, and do not comment on the possibility that employers may change employee contributions as an alternative strategy. Holtz-Eakin and Smith note that whether firms will actually fully adjust in the manner they describe will depend on certain inflexibilities in the labor market, but that "the massive federal subsidies are money on the table inviting a vast reworking of compensation packages." (Holtz-Eakin and Smith, 2010, p. 4.)

Unlike Holtz-Eakin and Smith (2010), or the CBO (2010), we assume that no firms drop ESI coverage to highlight an alternative possibility through which workers and their employers can gain access to that "money on the table," by resetting the employer-employee sharing of the ESI premium within a firm. In this case we show why low-wage workers may remain with their current employer after the ACA and become subject to higher premium sharing rules, rather than sort to exclusively low-income firms.

In 2007 Massachusetts became the first state to initiate pay or play health insurance reforms that resemble those in the ACA. However, while the fine for failing to providing "fair and reasonable" insurance is nominal, there may be less "money on the table" because Massachusetts requires employers to pay a large share of workers' uncompensated care through the Health Safety Net (HSN) (Commonwealth of Massachusetts, 2011). Papers analyzing the Massachusetts experience find no evidence of ESI reductions in the general population in response to the law (Long and Masi, 2008, and Gruber, 2011) although there is some evidence that private coverage may have fallen in the hospitalized population (Kolstad and Kowalski,

2010). While early evidence from Massachusetts suggests that the ACA may not have a major impact on ESI coverage, a large literature on the impact of Medicaid or CHIP on the ESI coverage of children suggests ESI coverage fell. A review of the literature in CBO (2007b) concluded that “for every 100 children who gain coverage as a result of SCHIP, there is a corresponding reduction in private coverage of between 25 and 50 children.” (p.11-12).

4. Our Conceptual Framework

In our calculations, workers in families earning between 133 to 400 percent of the poverty line are assumed to weigh their options between ESI, exchange coverage or being uninsured if they are either currently ESI policy holders in the CPS or if they are uninsured but would be affected by the employer mandate because they are full-time workers in large firms. We assume workers consider costs and benefits and will find exchange coverage financially preferable (setting aside the “affordability” firewall for now) if the net cost of obtaining that coverage is lower than the net benefits of foregoing their ESI offer, incurring the “employer mandate” penalty and losing the tax benefit given to ESI.¹

Next, we add the firewall provision into our analysis and consider the effect of increases in employee contribution levels on the extent to which workers are able to become eligible for subsidized coverage in an exchange. In the short run, employer attempts to increase employee cost sharing across the board so that lower-income workers can qualify for subsidies would be viewed unfavorably by higher income workers, unless the employer were able to convince workers that the corresponding wage increases simply offset the increased employee cost sharing. In the longer run, inflation, new job creation and old job destruction aid the process of adjusting employee contributions. Because IRS rules allow both employers and employees to contribute to health insurance premiums on a pre-tax basis (as long as employers establish the necessary paperwork) the split between employee and employer contributions for health insurance can be viewed as largely artificial in the long run as long as wages are adjusted.² We solely focus on those workers who could gain by choosing exchange coverage and calculate the fraction who will be able to breach the affordability firewall and obtain subsidized exchange coverage depending on the level of employee contributions and the definition of affordability.

¹ This is captured by the expression: $[1] - [(P_x - S_x)] < [(P_f + P_e - F_e) (1-t)]$

Where the left hand side of the equation represents the cost of obtaining exchange coverage and the right hand side represents the benefits to foregoing ESI. P_x is the total price charged in the exchange, S_x is the subsidy, t is the marginal tax rate, and P_e is the employee contribution to the ESI premium and P_f is the firm’s contribution to the ESI premium. F_e is the employer fine (\$3,000). The right hand side of the equation represents “the money on the table” that the employee or employer stands to save if he or she were to no longer receive ESI, assuming that the full employer saving is passed on through higher wages.

² Consider the following simple example. Suppose that in the long run employers require \$10,000 as a contribution towards health insurance from employees and contribute \$2,000 as the employer contribution. Workers at the firm should be indifferent (i.e. they have the same take home pay and the same fringe benefit package) if the employer had instead decided to ask for \$11,000 as an employee contribution, but paid all workers at the firm \$1,000 extra. Since the change in employee contribution and the change in wage is across the board at the firm, it does not involve any assumptions about whether wage-fringe tradeoffs occur at the worker or firm level.

5. Data Sources

Our calculations are based on 2009 March CPS data merged with average health insurance premiums data from the MEPS-IC and KFF. We limit our sample to private sector non-self-employed working age individuals (aged 17 to 64). When we consider the worker decisions, we include characteristics of their family (such as the number of dependents) and create family health insurance units, grouping together parents and children under the age of 26 who live in the same family. We merge data on health insurance costs (total premiums, as well as the employee and employer portions) from 2008 MEPS-IC public-use summary tables using state and firm size (above and below 50 workers), separately by single and other types of family plans and obtain estimates of exchange premiums from the KFF exchange premium calculator. (See Burkhauser et al. (2011) and <http://www.nber.org/data-appendix/w17279> for details).

6. Results

Financial Incentives Calculations

Using 2009 March CPS data and Equation 1, we first calculate the extent to which workers gain or lose from switching to subsidized exchange coverage, if they are able to overcome the affordability firewall. Of workers who are income eligible for exchange subsidies (133 percent to 400 percent of poverty) and are either currently covered by ESI or would be affected by the ACA employer mandate, only 40 percent have a financial incentive to obtain exchange coverage. This is an indication of the effectiveness of the individual fines and tax penalties in the ACA in reducing the potential crowd out of ESI.

Coverage Under Alternative Employee Contribution Levels and Affordability Definitions

We next consider the extent to which the 40 percent of our workers with financial incentives to obtain exchange coverage would be able to overcome the affordability firewall under the single and family definitions. Figure 1 first shows ESI coverage rates and then exchange coverage rates in its two graphs, in the context of all workers in our full sample. The solid line depicts the single definition and the dotted line depicts the family definition, for the full range of possible employee contributions. Although the data presented are for all workers, variation in affordability definition and employee contribution level are solely the result of workers in families with incomes between 133 and 400 percent of poverty.

Figure 1 shows a flat line indicating that exchange and ESI rates do not vary with employee premium contribution shares, in either the single or the family affordability definitions, until employee contribution shares reach approximately 20 percent. This is because average employee premium contributions for both single and family coverage are low enough that no worker with family income between 133 and 400 percent of poverty breaches the affordability firewall until employee premiums reach approximately 20 percent of total premium costs. There is a large amount of movement into exchange coverage and out of ESI under the family

definition, as employee contributions rise from current levels (20.1 percent for single and 27.5 percent for family coverage), until they reach the 50-60 percent of premiums range. We find that ESI coverage rates decline from 72.94 percent (at current levels) to 65.14 percent (at 50 percent employee contributions) and 62.57 percent (at 100 percent employee contributions) under the definition of family affordability. The corresponding increase in exchange coverage rates are 13.02, 20.82 and 23.33 percent, respectively. In contrast, there are only small changes in ESI coverage under the single definition as employee contributions rise from current levels to 50 percent, moving from 74.57 percent to 73.19 percent, respectively. ESI coverage rates decline from 73.19 to 69.97 percent when employee contributions move from 50 percent to 100 percent. The difference in patterns for family vs. single coverage is unsurprising. Even at high levels of cost sharing (such as employees paying half the cost—\$2,193—of the average national single premiums of \$4,386), single premiums are affordable for most workers, since those with income lower than 133 percent of poverty are eligible for Medicaid rather than exchange subsidies. But even at lower levels of cost sharing than 50 percent, family premiums are high enough that ESI employee contributions become unaffordable for many workers.

While one might have expected successively more workers to have both the incentive and the ability to opt for exchange coverage rather than ESI coverage as employee contributions rise under the family affordability definition, the line in Figure 1 flattens out after about the 60 percent employee contribution mark. This is because the marginal family whose coverage is made unaffordable by a further increase in the employee contribution beyond this point has relatively higher income. At higher levels of income, exchange subsidies taper off, and the cost of the foregone tax benefit and employer penalties make exchange coverage less attractive even if the affordability criterion has been met.

While our Figures and Tables thus far have shown fractions of our population of workers, Table 2 shows the relevant weighted numbers of workers with exchange coverage corresponding to Figure 1. If employee premiums remain at current levels, 5.8 million workers would receive exchange subsidies under a single affordability rule and 7.1 million under a family affordability rule. If employees pay 50 percent of premiums, these numbers rise to 7.1 million, and 13.1 million respectively. At 100 percent premium contributions, they are 9.9 million and 14.8 million. Even with a 50 percent employee contribution, roughly 6 million more workers would receive subsidized exchange coverage if the affordability definition is family rather than single.

The Size of No Man's Land Under Alternative Employee Contribution Levels

While choosing a single coverage definition will reduce movement onto the exchanges, it will leave some percentage of workers with affordable single coverage but unaffordable family coverage for their dependents. This occurs because such workers and their dependents, even though income eligible for subsidized exchange coverage are prevented from obtaining it by the single coverage affordability definition. Figure 2 shows the relationship between workers' single

coverage ESI contribution and how many find themselves in this “no-man’s land” with no source of affordable coverage for dependents. The Figure 2 sample is restricted to workers (with dependents) who would gain from access to subsidized family exchange coverage. Figure 2 is the result of two offsetting changes. As employee contributions for single and family coverage rise, dependent coverage becomes increasingly unaffordable for workers seeking to insure their families, thus increasing the likelihood of dependents being trapped in “no-man’s land.” But at the same time workers’ likelihood of having unaffordable single coverage rises, allowing both workers and their dependents access to the exchanges and an escape from “no-man’s land.”

Table 3 shows the number of workers and dependents not able to find affordable family coverage at current employee contribution shares and at 50 and 100 percent of employee premiums using a single definition. The number of workers in “no-man’s land” is the difference between the number of workers with unaffordable family and unaffordable single coverage. As employee contributions rise, family coverage begins to become unaffordable for many families. However, single coverage does not become unaffordable until employee contributions exceed 30 percent. Eventually, as the employee contribution rises, more workers and their families escape “no-man’s land” than enter it, and the totals fall because they become eligible for subsidies.

Figure 2 and Table 3 show that under single affordability, as many as 2.6 million workers and their 7.5 million dependents could find themselves without affordable ESI or exchange health insurance, even if employee premiums stayed at current levels. Table 3 also shows that the number of dependents without affordable ESI or exchange insurance could rise to 16 million if rising health care costs lead employees to pay half of total premiums in the future. Since these numbers do not take into account the many currently uninsured children eligible but not signed up for CHIP, we also calculate the numbers assuming that all of these uninsured but eligible children will do so. This lowers our numbers to 1.4 million workers and 4 million dependents without affordable family coverage using the single affordability definition, even if employee premiums remain at the current level. This would be 3.7 million workers with 9.9 million dependents if employee contributions are 100 percent of the premium, and 5.8 million workers with 12.7 million dependents if employee contributions are 50 percent of employee premiums.

7. Discussion and Summary

Our stylized calculations illustrate the sensitivity of subsidized exchange coverage and ESI take-up to two understudied factors that are important for understanding the potential impact of the ACA. We show that under a family definition, relatively small changes in the middle of the cost sharing levels (such as 50 percent of the full premium) could have large consequences for exchange coverage and ESI rates. We also show there is a difficult tradeoff involved, as setting affordability on the single coverage definition would leave many dependents without any affordable source of coverage. In fact, if single coverage affordability is adopted, close to 6

million workers (and close to 13 million dependents) will be unable to find affordable family coverage even if employee contributions are set in the future to be only half of the total premium.

Selecting a definition for the affordability rule involves a difficult tradeoff because while single coverage rules do not leave as much room for employers and employees to change behavior in ways that would reduce ESI coverage rates, they would leave many millions of workers in a “no-man’s land” of finding no source of affordable coverage. A valuable next step for policy analysis research in this regard would be to examine how coverage impacts may be affected by these different possible affordability interpretations using more sophisticated analyses, and the assumptions regarding employer and employee responses in premium cost sharing.

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Table 1: Illustrating the Importance of Family vs. Single Affordability with Hypothetical Families

Income (Percent of the Federal Poverty Level, 2008) (1)	Single Premium (2)	Family Premium (3)	Potential subsidy for exchange family coverage (4)	Current single premium share, as % family income (5)	Current family premium share, as % family income (6)	100% single premium share, as % family income (7)	100% family premium share, as % family income (8)
\$28,196 (133)	\$4,386	\$12,298	\$11,406	3.08%	11.9%	15.3%	43%
\$53,000 (250)	\$4,386	\$12,298	\$7,793	1.7%	6.4%	8.3%	23.2%
\$84,800 (400)	\$4,386	\$12,298	\$4,242	1.04%	4%	5.2%	14.5%

Notes: These hypothetical families are comprised of four members each. While the ACA language refers to household income in some parts and family income in others, we consistently use only the concept of family income (Columns 5 and onwards).

The first column shows the incomes of these hypothetical families, and the percent of the federal poverty level corresponding to that level of income, in 2008.

The second column shows the average national single total premium for employer health insurance in 2008 (Source:

http://www.meps.ahrq.gov/mepsweb/data_stats/summ_tables/insr/national/series_1/2008/tic1.pdf)

The third column shows the average national family total premium for employer health insurance in 2008. (Source:

http://www.meps.ahrq.gov/mepsweb/data_stats/summ_tables/insr/national/series_1/2008/tid1.pdf)

The fourth column shows the gross subsidy that would be available to such a family in the exchange. This number is obtained by taking the Kaiser Family Foundation estimate of the exchange plan premium for a family of 4 and subtracting out the maximum out of pocket for which this family is eligible. This number does not take taxes or fines into account, and is a gross simplification for illustrative purposes relative to how we perform our calculations later in the paper.

The fifth column shows at the current level of employee contributions for single coverage (\$882), what the employee contribution for single coverage would be as a percent of the family's income

http://www.meps.ahrq.gov/mepsweb/data_stats/summ_tables/insr/national/series_1/2008/tic2.pdf

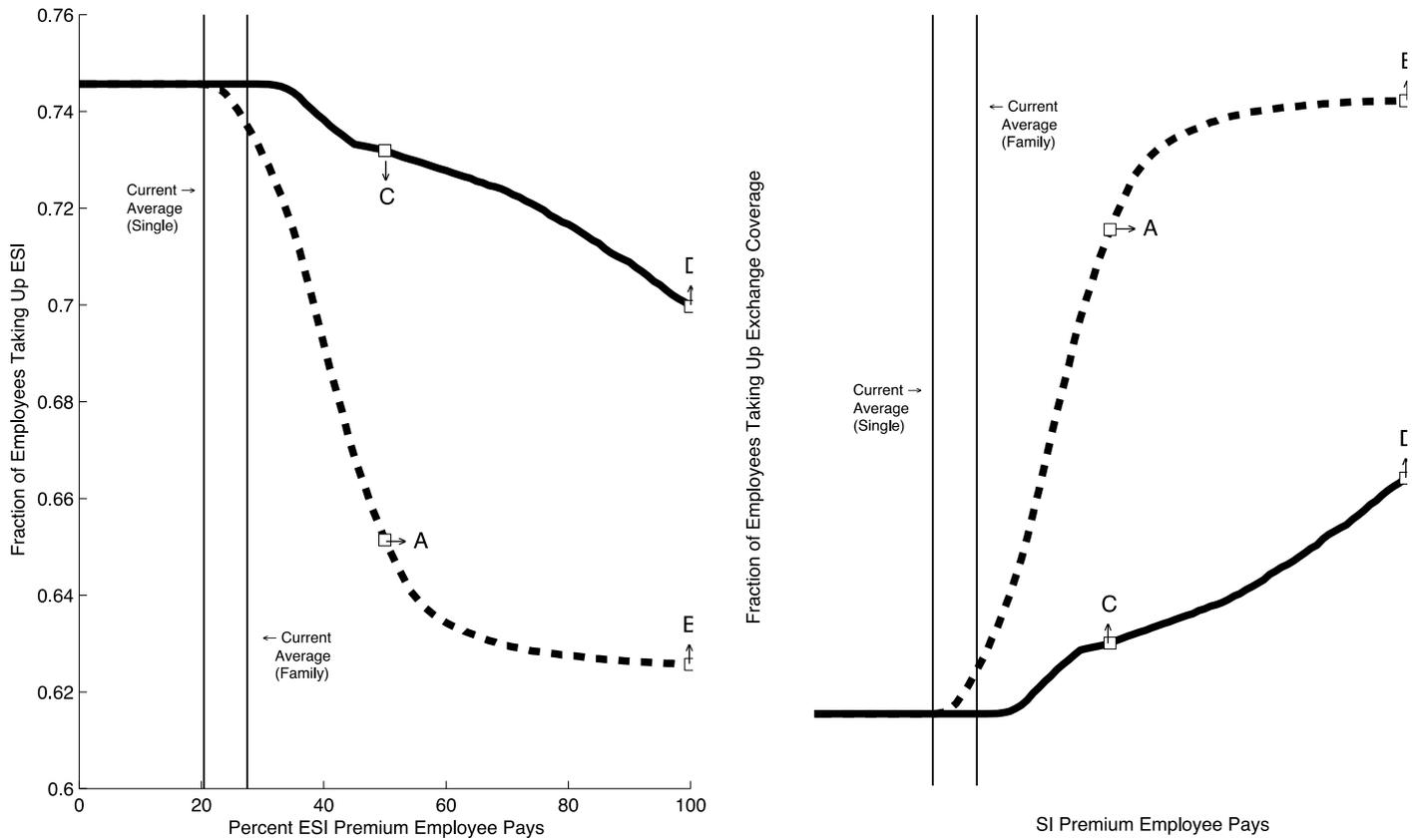
The sixth column shows at the current level of employee contributions for family coverage (\$3,394), what the employee contribution for family coverage would be as a percent of the family's income.

http://www.meps.ahrq.gov/mepsweb/data_stats/summ_tables/insr/national/series_1/2008/tid2.pdf

The seventh column shows what the employee contribution for single coverage would be as a percent of the family's income, if the employee has to contribute 100% of the single premium.

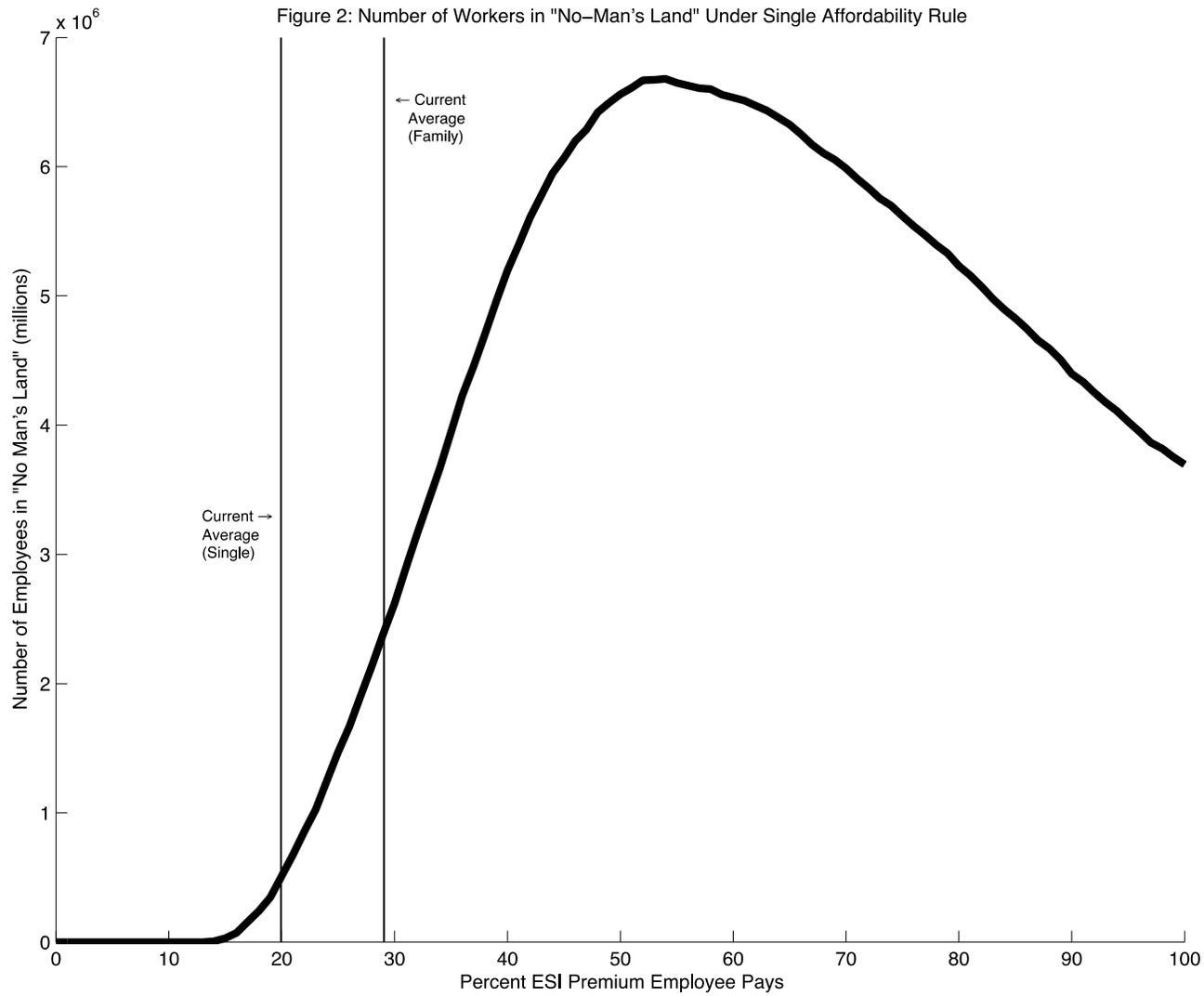
The eighth column shows what the employee contribution for family coverage would be as a percent of the family's income, if the employee has to contribute 100% of the family premium.

Figure 1: The Importance of Single vs. Family Affordability
 Combined with Different Employee Premium Levels For Exchange Coverage and ESI Rates



Notes:

1. Data from the 2009 March CPS merged with estimates of employer health insurance costs in 2008 from the MEPS-IC and estimates of exchange coverage costs from the KFF premium calculator. We select workers from the March CPS in private sector non self-employed jobs aged 17-64, representing 95,392,412 workers.
2. This Figure shows how the percentage of workers with ESI changes with the definition of affordability (single or family) and the employer's contribution rule (percent of the full ESI premium paid by the worker). Points noted here correspond to points described in further detail in Table 2 (100%, 50% and the current average level of employee contributions). Since the current level of employee contributions differs by state and firm size, there is no direct equivalent number to indicate in this figure, thus we have drawn in a line corresponding to the average national rate of employee contributions for single and family coverage.



Notes:

1. See Notes to Figure 1.

Table 2
Number of Workers With Exchange Subsidized Coverage

Employee Contribution Level	Single Affordability	Family Affordability	Difference
Current	5,803,944	7,092,138	-1,288,195
50%	7,120,189	13,109,899	-5,989,710
100%	9,870,451	14,748,991	-4,878,541

Notes:

1. See Notes to Figure 1.
2. This Table shows the points indicated on Figure 1 corresponding to employee cost sharing of 100 percent, 50 percent and the current level of employee contributions. We show only insurance rates for the income ranges that are eligible for subsidies.

Table 3: Number of Workers and Number of Dependents in “No-Man’s Land”
Under Single Affordability Definitions

Employee Contribution Level	Number of Workers with Unaffordable Family Coverage	Number of Workers with Unaffordable Single Coverage	Number of Workers in "No-Man's Land"	Number of Dependents of Workers in "No-Man's Land"
Current	2,561,827	0	2,561,827	7,542,726
50%	6,951,141	390,401	6,560,740	16,063,536
100%	7,643,769	3,948,638	3,695,131	10,841,965

Notes:

1. This table assumes that CHIP take-up stays at current levels. If one assumes full take-up of CHIP, then the values in the last column would be 4,017,351 at the current, 12,657,387 at 50 percent and 9,881,903 at 100 percent.
2. See notes to Figure 2.

Richard V. Burkhauser is the Sarah Gibson Blanding Professor of Public Policy in the Department of Policy Analysis and Management, Cornell University. He received his Ph.D. in Economics from the University of Chicago. He is a member of the National Bureau of Economic Research, a Research Professor of the German Institute for Economic Research (DIW-Berlin), a Professorial Fellow at the University of Melbourne, and an Adjunct Scholar for the American Enterprise Institute for Public Policy Research. He was the 2010 President of the Association for Public Policy Analysis and Management. He was Associate Editor of *Journal of Human Resources* for over a decade and is currently on the editorial board of *Demography*. He has successfully completed numerous externally funded projects for government agencies and has served on various academic commissions and study sections.

His professional career has focused on how public policies affect the economic behavior and well-being of vulnerable populations, e.g., older persons, people with disabilities, low-skilled workers. He has published widely on these topics in journals of demography, economics, gerontology, as well as public policy. Among his latest publications are a co-authored book in 2011 with Mary C. Daly, *The Declining Work and Welfare of People with Disabilities: What Went Wrong and a Strategy for Change*, Washington, DC, American Enterprise Institute Press, and a forthcoming co-authored paper with Shuaizhang Feng, Stephen Jenkins and Jeff Larrimore in *The Review of Economics and Statistics*, “Recent Trends in Top Income Shares in the USA: Reconciling Estimates from March CPS and IRS Tax Return Data.” He is the author, along with Sean Lyons and Kosali Simon, of the 2011 NBER working paper “The Importance of the Meaning and Measurement of ‘Affordable’ in the Affordable Care Act.”

For a complete C.V., please see: <http://www.human.cornell.edu/bio.cfm?netid=rvb1>

Committee on Oversight and Government Reform
Witness Disclosure Requirement - "Truth in Testimony"
Required by House Rule XI, Clause 2(g)(5)

Name:

RICHARD V. BURKHAUSER

1. Please list any federal grants or contracts (including subgrants or subcontracts) you have received since October 1, 2008. Include the source and amount of each grant or contract.

Please see reverse.

2. Please list any entity you are testifying on behalf of and briefly describe your relationship with these entities.

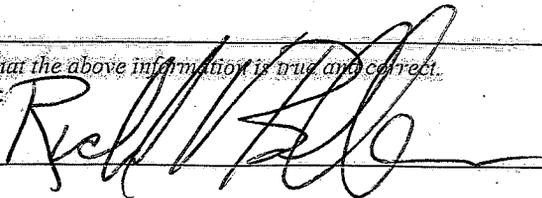
None.

3. Please list any federal grants or contracts (including subgrants or subcontracts) received since October 1, 2008, by the entity(ies) you listed above. Include the source and amount of each grant or contract.

None.

I certify that the above information is true and correct.

Signature:



Date:

10/24/2011

Committee on Oversight and Government Reform
Witness Disclosure Requirement – “Truth in Testimony”
Required by House Rule XI, Clause 2(g)(5)

Name: Richard V. Burkhauser

Response to Question 1: federal grants or contracts since Oct. 1, 2008:

- 2011-2012 Principal Investigator, “Using the 2008 CPS-ASEC-SSA Matched Data Set to Show Who Is and Is Not Captured in the Official BLS Six-Question Sequence on Disability,” University of Michigan Retirement Research Center, Social Security Administration (\$125,000).
- 2010-2015 Investigator, “Rehabilitation Research and Training Center on Employment Policy and Measurement,” National Institute on Disability and Rehabilitation Research (\$397,104).
- 2010-2011 Principal Investigator, “Returns to Work for Young Adults After Aging Out of the SSI-Disabled Children’s Program: Implementation,” RAND Financial Planning Research Consortium, Social Security Administration (\$125,000).
- 2010-2015 Investigator, “Rehabilitation Research and Training Center on Individual-Level Characteristics Related to Employment Among Individuals with Disabilities,” National Institute on Disability and Rehabilitation Research (\$198,551).
- 2009-2010 Principal Investigator, “Returns to Work for Young Adults After Aging Out of the SSI-Disabled Children’s Program,” RAND Financial Planning Research Consortium, Social Security Administration (\$125,000).
- 2008-2013 Investigator, “Rehabilitation Research and Training Center on Disability Statistics and Demographics,” National Institute on Disability and Rehabilitation Research (\$189,228).
- 2007-2008 Co-Investigator, “The Impact of Fatness on Disability Insurance Application by the Non-Elderly,” Michigan Retirement Research Consortium, Social Security Administration (\$100,000).
- 2004-2009 Co-Principal Investigator, “RRT Center on Improving Employment Outcomes,” National Institute on Disability and Rehabilitation Research (\$3,500,000) H133B040013.
- 2003-2008 Co-Principal Investigator, “RRT Center on Disability Demographics and Statistics,” National Institute on Disability and Rehabilitation Research (\$3,500,000) H133B031111.