

Quarterly Crowd-out Reporting

Response to HCR 57 of the 2020 Regular Legislative Session

State Fiscal Year 2022, Quarter 4

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Introduction

In response to House Concurrent Resolution 57 (HCR 57) of the 2020 Regular Legislative Session, the Louisiana Department of Health (LDH) composed this crowd-out report for quarter four of State Fiscal Year 2022 (April through June 2022).

Crowd-out Definition

Crowd-out occurs when the presence of public insurance causes someone with private insurance to drop their privately-funded insurance in lieu of the publicly-funded coverage.

Crowd-out generally occurs when individuals choose to be insured by Medicaid when they would otherwise have private insurance if Medicaid did not exist. There are two types of crowd-out:

- Continuation crowd-out: people who remained with Medicaid insurance when they had an offer of private insurance.
- Substitution crowd-out: people who had private insurance and intentionally dropped it so they could gain Medicaid insurance.

Measurement

Crowd-out is a difficult concept to quantify. Any measure of transition of insurance has the potential to be an overestimate because many people gain Medicaid coverage because they lose access to their private insurance. Per HCR 57, this report provides data from potential Medicaid enrollees about their private health insurance status and participation in, or offers of, employer-sponsored insurance at both the time of their application and the time of their eligibility redetermination.

Data

The tables below provide data for the fourth quarter of Fiscal Year 2022, during the period of April through June 2022. During the application and renewal processes, potential and active Medicaid enrollees are asked about their private health insurance status and participation in, or offers of, employer-sponsored insurance. Additionally, at renewal, enrollees are checked against third party liability (TPL) data files which determine if the beneficiary is actively enrolled in private insurance.

At Application

	Applicants
Number of applicants during the quarterly reporting period	22,609
Number of applicants responding (any response at all) to the question asking if they have employer-sponsored insurance	22
Number of applicants responding affirmative to the question asking if they have employer-sponsored insurance	21

At Renewal

	Number
Number of Medicaid beneficiaries eligible for renewal during the quarterly reporting period	607,396
Number of Medicaid beneficiaries verified with active TPL/private insurance	92,968
E (Employer)	1,834
EC (Employer - COBRA)	6
ER (Employer - Retiree Health Plan)	3
P (Private)	1,451
U (Unknown) *	89,674
Number of Medicaid beneficiaries sent standard renewal packet	83,115**
Of standard renewals, number responding (any response at all) to the question asking if they have employer-sponsored insurance	3,122**
Of standard renewals, number responding affirmative to the question asking if they have employer-sponsored insurance	2,347**

*While the request was to provide counts for individuals with Employer (E), Employer – COBRA (EC), Employer – Retiree Health Plan (ER) or Private (P) insurance, the Department also included a count for those with Unknown (U) coverage as there were several records that looked like they would fit one of the above categories; however, some records had “dental” in the policy name and would not fulfill intent of this report.

**Due to the public health emergency (PHE), standard renewal packets have not been sent since March 2020, except for the months of January, February and March of 2021. The data reflected in the report shows the number of renewals that would have occurred outside of the PHE.

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