

Quarterly Crowd-out Reporting

Response to HCR 57 of the 2020 Regular Legislative Session

State Fiscal Year 2022, Quarter 3

Prepared by:

Louisiana Department of Health

Bureau of Health Services Financing

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Introduction

In response to House Concurrent Resolution No. 57 (HCR 57) of the 2020 Regular Legislative Session, the Louisiana Department of Health (LDH) presents this crowd-out report for quarter three of State Fiscal Year 2022 (January through March 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 third quarter of Fiscal Year 2022, during the period of January through March 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	26,228
Number of applicants responding (any response at all) to the question asking if they have employer-sponsored insurance	36
Number of applicants responding affirmative to the question asking if they have employer-sponsored insurance	35

At Renewal

	Number
Number eligible for renewal during the quarterly reporting period	504,114
Number verified with active TPL/private insurance	73,537
E (Employer)	1,614
EC (Employer - COBRA)	10
ER (Employer - Retiree Health Plan)	5
P (Private)	1,352
U (Unknown) *	70,556
Number sent standard renewal packet	82,203
Of standard renewals, number responding (any response at all) to the question asking if they have employer-sponsored insurance	2,908
Of standard renewals, number responding affirmative to the question asking if they have employer-sponsored insurance	2,090

*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 the intent of this report.

Louisiana Department of Health

628 North Fourth Street, Baton Rouge, Louisiana 70802

(225) 342-9500

www.ldh.la.gov



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