



Children's Health Insurance Rates in 2014: ACA Results in Significant Improvements

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Key Findings

- The rate of uninsurance among children dropped to a historic low of 6 percent following implementation of the Affordable Care Act in 2014. The improvement was widespread with 25 states recording statistically significant declines in the number of uninsured children and no state reporting a significant increase. Just under 4.4 million children remain uninsured in 2014, and about half of these children live in six states—Texas, California, Florida, Georgia, Arizona, and Pennsylvania.
- Some states saw much greater improvements in children's coverage than others. States with the sharpest declines in the rate of uninsured children were Nevada, Colorado, West Virginia, Mississippi, and Rhode Island. Nevada's decline was considerably larger than any other state.
- States that extended Medicaid coverage to more uninsured adults saw nearly double the rate of decline in uninsured children as compared to states that didn't accept the ACA's Medicaid option. This is likely due to a robust "welcome mat" effect as parents enrolled their children when they signed up for newly available coverage. Even states that did not expand Medicaid appear to have experienced a welcome mat effect due to the ACA.

Children's Uninsured Rate Is at Historic Low Thanks to the Affordable Care Act

On January 1, 2014 many of the key provisions of the Affordable Care Act (ACA) took effect. The ACA created new pathways to coverage primarily for adults either through premium subsidies for those purchasing coverage in new federal or state marketplaces or by extending Medicaid eligibility, which is now a state option. Most of the eligibility expansions were aimed at adults because their insured rates have lagged behind children's for many years; however, the ACA included some important policy changes for children that were expected to have both a direct and indirect impact on children's coverage rates.¹ Health coverage for children leads to improved access to care, better health outcomes, and stronger educational achievement.²

This year's American Community Survey (ACS) data from 2014 provide a first look at how the implementation of the ACA is affecting coverage rates for children – both nationwide and in all 50 states and the District of Columbia. Our analysis looks at the profile of uninsured children in 2014 and examines rates of change in coverage for children from 2013 to 2014.³ *The children's uninsured rate in the United States declined significantly from 7.1 percent in 2013 to 6.0 percent in 2014.* This was welcome news, as 2013 data had shown no significant decline in the children's coverage rate for the first time in many years.⁴