

Quarterly Crowd-Out Reporting

Response to HCR 57 of the 2020 Regular Legislative Session

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Introduction

In response to House Concurrent Resolution No. 57 (HCR 57) of the 2020 Regular Legislative Session, approved by the Senate and presented to the Louisiana Secretary of State on June 2, 2020, Louisiana Department of Health (LDH) presents this Crowd-Out Report for quarter one of State Fiscal Year 2021 (July through September 2020).

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.

Please note that standard Medicaid renewal packets have not been distributed since March 2020 due to the COVID-19 public health emergency.

Data

The tables below provide data for the first quarter of Fiscal Year 2021, during the period of July through September 2020. 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, applicants are checked against Third Party Liability (TPL) data files which determine if the applicant is actively enrolled in private insurance.

At Application

At Application	Number
Number of applicants during the quarterly reporting period	49,147
Number of applicants responding (any response at all) to the question asking if they have employer-sponsored insurance	35
Number of applicants responding affirmative to the question asking if they have employer-sponsored insurance	32

At Renewal

At Renewal	Number
Number eligible for renewal during the quarterly reporting period	373,692
Number verified with active TPL/private insurance	49,101
E (Employer)	431
EC (Employer - COBRA)	4
ER (Employer - Retiree Health Plan)	1
P (Private)	478
U (Unknown) *	48,187
Number sent standard renewal packet **	0
Of standard renewals, number responding (any response at all) to the question asking if they have employer-sponsored insurance **	0
Of standard renewals, number responding affirmative to the question asking if they have employer-sponsored insurance **	0

*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 public health emergency, there are no standard renewal packets sent out since March 2020.

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