

Methodology: *King v. Burwell* Could Put Health Insurance at Risk

These infographics present national and statewide numbers and congressional district-level estimates of the number of consumers who receive premium tax credits in states that would be directly affected by a decision against the government in *King v. Burwell*. These estimates were calculated from three publicly available data sources, as well as a data set that matches zip codes with congressional districts, according to the methodology that follows.

Data Sources for Statewide and National Numbers

The statewide number of consumers who receive premium tax credits that are shown in each state infographic, as well as the number that is in the national infographic, are from a report by the U.S. Department of Health and Human Services (HHS), Centers for Medicare and Medicaid Services (CMS), *March 31, 2015, Effectuated Enrollment Snapshot* (available online at <http://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2015-Fact-sheets-items/2015-06-02.html>). This report contains national and state-level data on effectuated marketplace enrollment (consumers who have selected a plan *and* paid their first premium) in all 50 states and the District of Columbia between November 15, 2014, and February 15, 2015. These data also include individuals who signed up through a special enrollment period (SEP) through March 31, 2015. These data do not include individuals who enrolled but did not pay their premiums or whose immigration status could not be verified.

The overall state totals of consumers who are at risk of losing premium tax credits come directly from the CMS report described

in the previous paragraph. We did not manipulate those data. We also used data from this CMS report to calculate the number of consumers who receive premium tax credits in each congressional district, as described below.

Data Sources for Congressional District-Level Estimates

The data used to estimate the numbers of consumers receiving premium tax credits by congressional district were primarily derived from an HHS Office of the Assistant Secretary for Planning and Evaluation (ASPE) data set titled “Plan Selections by ZIP Code in the Health Insurance Marketplace.” ASPE released this data set in April 2015. (The data set and its accompanying explanation are available online at aspe.hhs.gov/health/reports/2015/MarketPlaceEnrollment/EnrollmentByZip/rpt_EnrollmentByZip_Apr2015.cfm.)

This data set includes the number of marketplace-qualified health plan selections by zip code in the states that use the healthcare.gov federally facilitated marketplace online enrollment platform. The data set excludes zip codes in which fewer than 51 unique individuals selected a plan. Plan selections specifically represent “unique individuals who have been determined eligible to enroll in a Marketplace plan and had selected a plan...”

The time period over which these plan selections occurred is the open enrollment period that ran from November 15, 2014, through February 15, 2015. The data also include individuals who signed up through an SEP through February 22, 2015. The data do not include individuals who enrolled in SEPs after that point.

When calculating the congressional district estimates, we also used another report by ASPE on enrollment. This report is titled *Health Insurance Marketplaces 2015 Open Enrollment Period: March Enrollment Report* (available online at http://aspe.hhs.gov/health/reports/2015/MarketPlaceEnrollment/Mar2015/ib_2015mar_enrollment.pdf). This report contains national and state-level data on marketplace enrollment in all 50 states and the District of Columbia between November 15, 2014, and February 15, 2015. These data also include individuals who signed up through an SEP through February 22, 2015.

It is important to note that these data represent plan selections only and do not include data on individuals who receive premium tax credits. Later in this methodology, we describe how we calculated the numbers of people who receive premium tax credits. To facilitate matching zip code-level data to congressional districts, we purchased a data set from Greatdata.com that contains a list of each zip code and its corresponding congressional district(s) for the 114th Congress. For zip codes with multiple congressional districts, this set indicates the share of residents of the zip code that are constituents of each applicable district.

How We Calculated Congressional District-Level Estimates

We first matched each zip code from the ASPE data set, “Plan Selections by ZIP Code in the Health Insurance Marketplace,” with its corresponding congressional district from the Greatdata.com matching document. Zip codes with multiple congressional districts were matched with each

of the applicable districts as follows: For those districts, the percentage of the zip codes’ addresses in each district was multiplied by the total enrollment for the zip code. For example, zip code 19120 had 3,283 enrollees; 87 percent of that zip code is in Pennsylvania’s 13th district, and 13 percent is in the 2nd district. Therefore, we assigned 2,856 enrollees (87 percent of 3,283) from that zip code to the 13th district and 394 to the 2nd district.

The enrollments per zip code for each congressional district were then added together to arrive at one number representing the total enrollment for each congressional district.

Because the zip code *data do not include* the effectuated data (data on those individuals who selected plans and paid their premiums), and because the most recent state-by-state enrollment report (the *CMS March 31, 2015, Effectuated Enrollment Snapshot*) *does include* the effectuated data, we adjusted each congressional district’s numbers to match the data in the CMS report.

First, we determined how enrollment in each state had changed between February 22 (the last day counted in the data set from ASPE, “Plan Selections by ZIP Code in the Health Insurance Marketplace”) and March 31 (the last day counted in the *CMS March 31, 2015, Effectuated Enrollment Snapshot*). To do this, we used the ASPE *Health Insurance Marketplaces 2015 Open Enrollment Period: March Enrollment Report*, which also has enrollment data through Feb 22, to determine the state-wide totals as of February 22, which we then divided by the statewide totals in the CMS report (*March 31, 2015, Effectuated Enrollment Snapshot*).

For example, enrollment in Ohio as of February 22 was 234,341, and the effectuated enrollment was 188,867 as of March 31. Therefore, the ratio between the two dates was 80.59 percent ($188,867 \div 234,341$). We then multiplied each congressional district by its state's change in enrollment to estimate March 31 enrollment in the district. For example, as of February 22, enrollment in Ohio's 12th district was 14,227. We multiplied that total by the statewide change of 80.59 percent, which yielded an estimated enrollment of 11,466 as of March 31.

We then used the percentage of enrollees receiving premium tax credits for each state from the *CMS March 31, 2015, Effectuated Enrollment Snapshot* and multiplied that percentage by the number of enrollees in each congressional district to reach an estimate of the number of consumers per congressional district who are at risk of losing their premium tax credits.

For example, we estimated that 46,765 people were enrolled in marketplace plans in Florida's 10th congressional district. According to the *CMS March 31, 2015, Effectuated Enrollment Snapshot*, 93.5 percent of marketplace enrollees are receiving premium tax credits in Florida. Therefore, we calculated that 43,725 people will lose premium tax credits in Florida's 10th district should the Supreme Court rule against the government.

For states with just one at-large congressional district, we show only state-wide data from the *CMS March 31, 2015, Effectuated Enrollment Snapshot*.

Limitations of Our Data

The goal of this project was to estimate the number of individuals currently receiving premium tax credits who would lose that financial assistance should the Supreme Court rule against the government in the *King v. Burwell* case. Data on the number or percentage of consumers enrolled in marketplace plans who receive these tax credits or on the number of enrollees as of March 31 are not currently available in geographies smaller than the state level. Therefore, the estimates were made, as described above, by extrapolating the data to the district level using data from the *CMS March 31, 2015, Effectuated Enrollment Snapshot* as the best possible stand-in, with the *ASPE Health Insurance Marketplaces 2015 Open Enrollment Period: March Enrollment Report* supplementing the data in the CMS report.

Using data from these sources means that each state's total number of affected consumers may be higher than the sum of the estimates for all the state's congressional districts. This is because the data set that the congressional district-level data are derived from does not include zip codes with fewer than 51 enrollees, while the state totals reflect enrollment in every zip code without any geographic exclusions. This gap may be significant in states with numerous zip codes that have small populations.

Separately, our data showing the impact of a *King v. Burwell* verdict against the government is more likely to be an underestimate in congressional districts that have numerous zip codes with small populations due to the exclusion of these zip codes from the data set.