The Economic Benefits of the Affordable Care Act

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Center for American Progress
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The Affordable Care Act Has Driven the Nation’s Uninsured Rate to the Lowest Level Ever


Note: Data are quarterly starting in 2014:Q1. Data for earlier years are generally either annual or bi-annual. The NHIS is the best tool for studying trends in insurance coverage, but because NHIS data are not currently available after 2014:Q3, Gallup data are used to extrapolate the uninsured rate through 2015:Q1.
Improved Health Among the Newly Insured May Have Major Labor Market Benefits

Percent of Working Age Adults Employed by Health Status

Percent of adults ages 25-64 who are employed

The Affordable Care Act is Helping to Reduce Job Lock, Especially For Young Workers

Source: National Health Interview Survey; CEA calculations.
The Affordable Care Act’s Coverage Expansion is Boosting Aggregate Demand

Change in Health Care Services Employment

Year-over-year percentage job gain


Main ACA Coverage Provisions Took Effect

States with below median 2014 coverage gains

States with above median 2014 coverage gains

Source: Bureau of Labor Statistics; Gallup-Healthways Well-Being Index; CEA calculations.
Note: In most states, we include only employment in the health care services industry. For seven states, health care services employment is reported jointly with social assistance employment, and for these states we use the broader category. No data are available for New Mexico.
Health Care Prices Have Been Rising at the Slowest Pace in Nearly 50 Years

**Health Care Price Inflation versus Overall Inflation**

Year-over-year inflation rate

Source: Bureau of Economic Analysis; CEA calculations.
Health Care Spending Per Enrollee Has Grown Exceptionally Slowly in Both the Public and Private Sectors

Growth in Real Per Enrollee Spending by Payer

Average annual percent growth

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<tr>
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</thead>
<tbody>
<tr>
<td>Private Insurance</td>
<td>5.2</td>
<td>4.2</td>
<td>1.4</td>
</tr>
<tr>
<td>Medicare</td>
<td>5.5</td>
<td>2.4</td>
<td>0.4</td>
</tr>
<tr>
<td>Medicaid</td>
<td></td>
<td>-1.0</td>
<td>-0.5</td>
</tr>
</tbody>
</table>

Source: Centers for Medicare and Medicaid Services; Bureau of Economic Analysis; CEA calculations.
The Quality of Care Received by Hospital Patients Has Improved Since 2010, Corresponding to 50,000 Avoided Deaths

Source: Agency for Health Care Research and Quality; CEA calculations.
The Average Family Premium in Job-Based Coverage is About $1,800 Below the 2000-2010 Trend and Savings Could Grow in the Years Ahead

Source: Kaiser Family Foundation and Health Research and Education Trust, Employer Health Benefits Survey; Bureau of Economic Analysis; CEA calculations.
Deductibles Have Increased in Recent Years, but No Faster than Before the Affordable Care Act

Source: Kaiser Family Foundation and Health Research and Education Trust, Employer Health Benefits Survey; Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey; Bureau of Economic Analysis; CEA calculations.
Premium Growth has Slowed Even More Sharply for Workers Than For Employers

Growth in Family Premiums for Job-Based Coverage

Annual percent growth, adjusted for inflation

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<thead>
<tr>
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<th>2000-2010</th>
<th>2010-2014</th>
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<tr>
<td>Total premium</td>
<td>5.6</td>
<td>7.2</td>
</tr>
<tr>
<td>Worker's contribution</td>
<td>3.4</td>
<td>3.0</td>
</tr>
<tr>
<td>Employer's contribution</td>
<td>3.5</td>
<td>5.1</td>
</tr>
</tbody>
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Source: Kaiser Family Foundation and Health Research and Education Trust, Employer Health Benefits Survey; Bureau of Economic Analysis; CEA calculations.
The ACA and CBO’s Sharp Reductions in Health Care Spending Have Cut the Long-run Deficit Forecast More Than in Half

Source: Congressional Budget Office; CEA calculations.
Note: The August 2010 GDP estimates have been adjusted for major NIPA revisions in the summer of 2013. Without these revisions, the decline since August 2010 would be larger.