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The Impact on Health Care Providers of Partial ACA Repeal through Reconciliation

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In-Brief

On December 7, 2016, we released estimates of the coverage and cost impacts of a partial repeal of the Affordable Care Act (ACA) through the budget reconciliation process. If partial repeal is modeled on the reconciliation bill passed by Congress in January 2016 and vetoed by President Obama, it would eliminate the Medicaid expansion, the individual and employer mandates, and the Marketplace premium tax credits and cost-sharing reductions, but the ACA's insurance market reforms (e.g., guaranteed issue, modified community rating, essential health benefit requirements, prohibitions on pre-existing condition exclusions) would remain. We estimated that an additional 29.8 million people would become uninsured because of the anticipated reconciliation bill. In this brief, we examine the financial impact of partial ACA repeal on health care providers: hospitals, physicians, other services, prescription drugs.

We find that spending by insurers (public and private) and households on health care delivered to the nonelderly population would be $145.8 billion lower in 2019 and $1.7 trillion lower between 2019 and 2028 as a result of reconciliation. Spending by these sources on hospital care would be $59.1 billion lower in 2019 and $596.4 billion lower between 2019 and 2028. Care provided in physician offices, other services, and prescription drugs – would be $86.8 billion lower in 2019 and $1.1 trillion lower between 2019 and 2028.

The newly uninsured would seek $88.0 billion in additional uncompensated care in 2019 (not included in spending figures above), $24.6 billion of that amount from hospitals. From 2019 to 2028, the newly uninsured would seek $1.1 trillion in additional uncompensated care, including $296.1 billion in hospital care. Even if this additional uncompensated care is provided to the uninsured, a large body of research has linked uninsurance to reduced receipt of health care, increased financial stress, and worse health outcomes.

Federal funding for uncompensated care would increase very little under a reconciliation bill similar to that passed in January 2016. The ACA's Medicaid Disproportionate Share Hospital (DSH) cuts never materialized, and our estimates assume that they would never have been implemented. We estimate that Medicare DSH funding would rise by $35.0 billion from 2019 to 2028 because a component of the DSH allocation formula increases with the number of uninsured. The 2016 reconciliation bill did not allocate additional funds beyond the automatic increase, and so far Congress has not signaled an intent to pay for the higher level of uncompensated care. The $35.0 billion increase in federal uncompensated care funding over 10 years would offer scant relief against the projected $1.1 trillion increase in uncompensated care services under an anticipated reconciliation bill. Budget constraints will limit how much state and local governments can contribute; the additional costs would require a sixfold increase in their spending on uncompensated care if they were to finance it all.

Thus, the additional financial burden of uncompensated care is likely to fall hardest on health care providers. Partial ACA repeal could lead to a fourfold increase in the amount of uncompensated care providers finance themselves compared to current levels. As a result there would likely be a substantial increase in unmet health care need for the uninsured.

Introduction

Congress passed a reconciliation bill repealing substantial portions of the Affordable Care Act (ACA) in January 2016; the bill was vetoed by President Obama.[1] Congress is now poised to pass a similar bill in early 2017.[2,3] The vetoed bill did not contain policies intended to replace the ACA, presumably because a consensus did not exist on what form such an alternative should take. It is unlikely that supporters of ACA repeal will have agreed on an alternative before voting on repeal. In the absence of agreement on an alternative to the ACA, Congress is likely to delay the repeal of most, if not all, provisions in the bill for two or three years, giving legislators time to develop an alternative set of policies. This was the approach taken by Congress last year. We recently analyzed the coverage and health care spending implications of this approach.[4]

Building on the previous analysis, this brief provides additional detail on the decreases in health care spending and increases in uncompensated care sought that would result from an estimated 29.8 million increase in the uninsured. We estimate how the reductions in health care spending and increases in uncompensated care would be distributed across different types of health care services: hospital care, office-based physician care, prescription drugs, and other services.

Significant coverage losses would result from repeal of the Medicaid expansion, elimination of financial assistance for purchase of private nongroup insurance through the Marketplaces, repeal of the individual mandate, and the unraveling of the private nongroup insurance market (as explained in our recent brief). The coverage losses would in turn decrease revenues for providers of all types. Providers' variable costs would also decrease, but their fixed costs would not. In this analysis, we estimate revenue changes but not cost changes.

Uninsured people use less medical care than they would if they had health insurance.[5] Recent studies found that uninsured parents and children were much more likely to report delaying health care because of costs, having trouble paying medical bills, and having greater unmet health care needs, compared with those with health coverage.[6,7] These studies also found that the uninsured were much less likely to have seen a doctor or dentist over the past 12 months. But though overall use of care declines when people become uninsured and unmet health care needs increase, many uninsured people do use some health care. This care is financed in different ways: some is paid for directly by the uninsured, some is financed by the federal government (e.g., Medicare and Medicaid disproportionate share hospital [DSH] programs), some is financed by state and local governments (e.g., uncompensated care pools, Medicaid DSH, funding for public hospitals), and some is delivered as free or reduced-price care by providers (e.g., hospitals, physicians, pharmaceutical companies). We assume that newly uninsured people would contribute to the costs of their own care consistent with the patterns of spending by uninsured people with similar characteristics and health needs in recent years. Health care delivered to the uninsured that is not paid for by the uninsured people themselves is referred to as uncompensated care.

In general, uncompensated care funding (e.g., from federal, state, and local governments or health care providers) does not increase automatically with the number of uninsured. The exception is federal funding under the Medicare DSH program, which would increase modestly—no higher than 2013 levels—if the number of uninsured people increased significantly. Such an increase in federal funding would be very small, however, relative to the increase in uncompensated care sought by the additional 29.8 million uninsured. It is unclear whether funding from federal, state, and local governments or from providers would increase to meet the larger amount of uncompensated care expected to be sought by the newly uninsured. As a result, we estimate the amount of care that the newly uninsured would *seek*, not the value of the uncompensated care they would actually *receive*. The amount of uncompensated care that uninsured people would seek is estimated based on the observed use of uncompensated care by the uninsured in recent years, taking individual characteristics and health statuses into account.

Key Findings

- As a direct effect of the projected increase in the uninsured under the anticipated reconciliation bill, spending by insurers (public and private) and households on health care delivered to the nonelderly would be $145.8 billion lower in 2019 and $1.7 trillion lower between 2019 and 2028.
- In 2019, spending by insurers (public and private) and households on hospital care would be $59.1 billion lower, spending on physician care would be $20.0 billion lower, spending on other services would be $34.7 billion lower, and spending on prescription drugs would be $32.1 billion lower under the anticipated reconciliation bill than under the ACA. From 2019 to 2028, insurer and household spending would be $596.4 billion, $217.7 billion, $416.4 billion, and $428.6 billion lower for hospitals, physicians, other services,[8] and prescription drugs, respectively.
- We estimate that the 29.8 million additional uninsured under the reconciliation bill would seek an additional $88.0 billion in uncompensated care in 2019—$24.6 billion in hospital care, $11.9 billion in physician office-based care, $33.6 billion in other services, and $18.0 billion in prescription drugs.
- We estimate that from 2019 to 2028 the uninsured would seek an additional $1.1 trillion in uncompensated care, including an additional $296.1 billion in hospital care, $147.0 billion in physician care, $406.1 billion in other services, and $217.6 billion in prescription drugs.
- Federal funding for uncompensated care would increase no more than $3.2 billion in 2019 and no more than $35.0 billion from 2019 to 2028. This automatic increase in federal funding would compensate for less than 4 percent of the increase in uncompensated care sought by the newly uninsured. There is no clear source of funding for the remainder. If federal, state, and local governments do not allocate more funding for this care, the financial burden would fall on health care

providers. Large increases in unmet need for the uninsured are likely because the additional costs would require a fourfold increase in provider funding of uncompensated care from current levels.

A recent report commissioned by the American Hospital Association and the Federation of American Hospitals also examined the impact of ACA repeal on hospitals, estimating that net hospital revenue would be reduced by $165.8 billion from 2018 to 2026, assuming restoration of Medicaid DSH payments.[9] Our analysis is broader, including revenue for nonhospital providers, highlighting the increase in uncompensated care sought by those who would lose health coverage, and accounting for uncertainty in the provision and financing of that care. We do not estimate provider costs or net revenue, so our estimates are not directly comparable to those in the industry study. Additional information on differences between the two reports is given at the end of this analysis.

Results

In this brief, we use the Urban Institute's Health Insurance Policy Simulation Model (HIPSM) to estimate the reduction in spending on health care services by insurers and households and the increase in uncompensated care that would result from partial repeal of the Affordable Care Act (ACA). These estimates are made separately for hospitals, physicians, prescription drugs, and other services (including health care services delivered by providers other than hospitals and office-based physicians and additional services such as dental care, home health care, and other medical equipment). Health care spending on behalf of the uninsured is estimated by the source of funding: the uninsured themselves versus spending by federal, state, and local governments and health care providers on behalf of the uninsured. Methodological detail is provided at the end of this brief.

We estimate that if the ACA is partially repealed through a budget reconciliation bill similar to the one passed by Congress in January 2016, the number of uninsured people in 2019 would be more than double that under the ACA, increasing from 28.9 million to 58.7 million (table 1).[4] This coverage loss is larger than the estimated coverage gains stemming from the ACA because partial repeal of this type would unravel the private nongroup insurance market. This unraveling would be caused by three forces: the elimination of financial assistance allowing lower-income, typically healthy nongroup enrollees to afford coverage; the elimination of the individual mandate's incentives for healthier individuals to purchase and retain insurance; and the retention of requirements for insurers to sell coverage to all would-be purchasers without discrimination by health status. The resulting decrease in coverage among many healthy enrollees would lead to an upward spiral in premiums and a downward spiral in coverage in these markets. These changes would be both dramatic and swift.

Table 1. Health Insurance Coverage Distribution of the Nonelderly under the ACA and the Anticipated Reconciliation Bill, 2019

	ACA (current law)		Reconciliation Bill		Difference (thousands)
	People (millions)	Share of US total	People (millions)	Share of US total	
Insured	245.4	89%	215.6	79%	-29.8
Employer	149.0	54%	149.8	55%	0.9
Nongroup (eligible for tax credit)	9.3	3%	0.0	0%	-9.3
Nongroup (other)	10.0	4%	1.6	1%	-8.4
Medicaid/CHIP	68.6	25%	55.6	20%	-12.9
Other (including Medicare)	8.6	3%	8.6	3%	0.0
Uninsured	28.9	11%	58.7	21%	29.8
Total	**274.3**	**100%**	**274.3**	**100%**	**0.0**

Source: Urban Institute analysis using HIPSM 2016.

Notes: ACA = Affordable Care Act; CHIP = Children's Health Insurance Program. Columns may not sum to totals because of rounding.

Health Care Spending and Uncompensated Care Sought by Provider Type, 2019

With fewer people insured, total spending on health care services would decrease. Our estimate of insurer (public and private) and household spending on health care for the nonelderly includes the following:

- Federal government spending on health care services (but not administrative costs) for Medicaid enrollees
- State government spending on health care services (but not administrative costs) for Medicaid enrollees
- Households' direct, out-of-pocket spending on health care services
- Payments by private insurers for health care claims incurred by enrollees (e.g., coverage through group and nongroup insurance policies, the latter including coverage sold inside or outside Marketplaces)

This definition of spending is different from the narrow definition of government health care spending used in our earlier analysis. Previously, we assessed the ACA's effect on federal and state spending on Medicaid (including claims and administrative costs) and Marketplace financial assistance (premium tax credits and cost-sharing reductions).

We estimate that if the ACA remained in place, about $1.7 trillion would be spent by insurers (public and private) and households on health care for the nonelderly in 2019 (table 2). Under the anticipated reconciliation bill, health care spending by these payers would be $145.8 billion lower, for a total of $1.6 trillion. About $59.1 billion less would be spent on services provided by hospitals, $20.0 billion less on services provided by office-based physicians, $34.7 billion less on other health care services, and $32.1 billion less on prescription drugs.

Appendix table 1 provides these details by state. For example, in California, health care spending by these payers would be $17.1 billion lower in 2019, with $6.8 billion less spent on hospital care, $2.4 billion less spent on care delivered in physician offices, $4.2 billion less spent on other services, and $3.8 billion less spent on prescription drugs.

Coverage losses from partial ACA repeal have another important consequence for health care providers: an increase in the amount of uncompensated care sought by the uninsured, with no obvious source of funding.[10] Only one component of uncompensated care funding would automatically increase with the number of uninsured: federal funding through the Medicare DSH program, which would increase to 2013 levels. We estimate that this increase in federal funding would be $3.2 billion in 2019 and $35.0 billion from 2019 to 2028, whereas the increase in uncompensated care sought would be $88.0 billion in 2019 and $1.1 trillion from 2019 to 2028. This automatic increase in federal funding would therefore compensate for less than 4 percent of the total increase in uncompensated care sought by the newly uninsured, and it would accrue exclusively to hospitals.[11]

We estimate that under the ACA, $19.8 billion of uncompensated care would be unfunded by government programs and delivered to the uninsured by health care providers in 2019 (figure 1). State and local governments would fund $14.1 billion in uncompensated care, and federal government programs would fund an additional $22.6 billion.

Under the ACA, an estimated $56.6 billion in uncompensated care would be provided to the uninsured in 2019 (table 3). The uncompensated care would be distributed as follows: $16.4 billion in services provided by hospitals, $7.1 billion in services provided by physician offices, $21.8 billion in other services, and $11.3 billion in prescription drugs.

As the number of uninsured would increase markedly under the anticipated reconciliation bill, so too would the total amount of uncompensated care sought by uninsured people. We estimate that the uninsured would seek $144.6 billion in uncompensated care in 2019 under the anticipated reconciliation bill—an additional $88.0 billion in care beyond the amount estimated under the ACA. Because government funding would not automatically increase to cover the amount of uncompensated care sought, $84.8 billion of this additional $88.0 billion would be "unfunded" uncompensated care.

Table 2. Health Care Spending by Insurers (Public and Private) and Households on the Nonelderly, with the ACA and Under the Anticipated Reconciliation Bill, 2019

Billions of dollars

	Total health care spending	Hospitals	Physician practices	Other services	Prescription drugs
Under the ACA	$1,728.9	$639.4	$270.8	$421.8	$396.9
Under anticipated reconciliation bill	$1,583.1	$580.3	$250.8	$387.2	$364.8
Difference	**-$145.8**	**-$59.1**	**-$20.0**	**-$34.7**	**-$32.1**

Source: Urban Institute analysis using HIPSM 2016.

Note: Health care spending includes insurance claims paid by private insurers and Medicaid and household out-of-pocket spending by the insured and the uninsured.

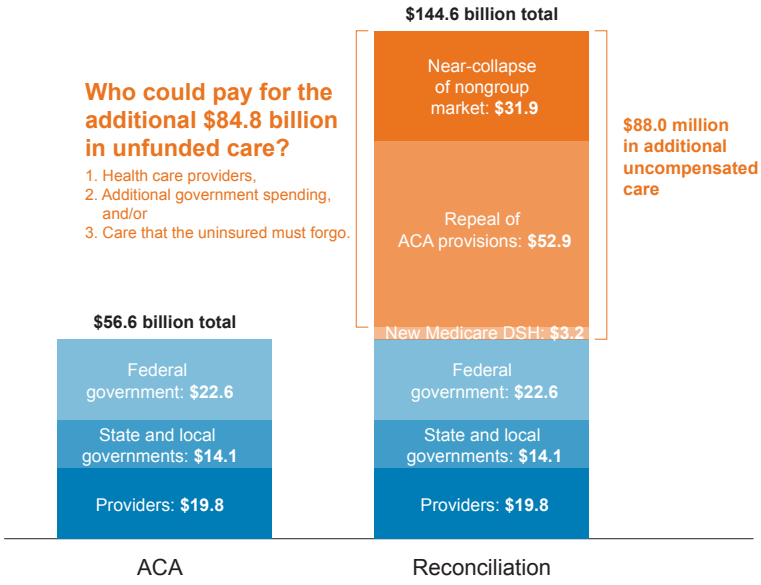
Table 3. Uncompensated Care Sought under the ACA and the Anticipated Reconciliation Bill, 2019
Billions of dollars

	Total health care spending	Hospitals	Physician practices	Other services	Prescription drugs
Under the ACA	$56.6	$16.4	$7.1	$21.8	$11.3
Under anticipated reconciliation bill	$144.6	$41.0	$19.0	$55.4	$29.3
Difference	**$88.0**	**$24.6**	**$11.9**	**$33.6**	**$18.0**

Source: Urban Institute analysis using HIPSM 2016.

Note: This table includes uncompensated care funded by federal, state, or local governments, and health care providers.

Figure 1. Uncompensated Care in 2019, With and Without the ACA *Billions of dollars*



Source: The Urban Institute. HIPSM 2016. These estimates originally appeared in Table 5 of Blumberg, Buettgens, and Holahan, Implications of partial Repeal of the ACA through Reconciliation.

Of the additional $88.0 billion in uncompensated care that would be sought under the anticipated reconciliation bill in 2019, about $24.6 billion would be attributable to care sought in hospitals, $11.9 billion to care sought in physician offices, $33.6 billion to other services, and $18.0 billion to prescription drugs. Appendix table 2 shows this distribution at the state level.

It is not at all clear whether the federal government would increase funding for uncompensated care beyond the $3.2 billion automatic increase in Medicare DSH funding in 2019; whether state or local governments would increase their financing of uncompensated care at all; or whether any level of government would increase funding sufficiently to compensate for the increase in care sought by the newly uninsured. The increase in Medicare DSH funding would cover less than 4 percent of the increase in uncompensated care sought. Medicaid DSH and supplemental payments support uncompensated care, but these payments are not scheduled to increase (the ACA's Medicaid DSH cuts never materialized, and our estimates assume that they would never have been implemented). Both funding sources vary greatly across states, providing substantial relief in some and much less in others. If federal, state, and local governments do not allocate additional funding, the cost of financing the estimated increase in uncompensated care sought would be more than four times the cost of uncompensated care expected to be financed by providers under the ACA. Given the large expected increase, it is unlikely that providers could internalize these costs while remaining financially viable. Without additional government spending, the reconciliation bill would lead to bigger financial losses for providers and even larger increases in unmet health care needs among the uninsured.

Health Care Spending and Uncompensated Care Sought by Provider Type, 2019–2028

Table 4 provides 2019–2028 estimates of health care spending funded by insurers (public and private), and households that parallel the 2019 estimates in table 2. We estimate that if the ACA remains in place through 2028, about $21.1 trillion would be spent on health care for the nonelderly from 2019 to 2028 (table 4). If, however, the anticipated reconciliation bill is passed, health care spending over that period would be $19.5 trillion, $1.7 trillion lower than under the ACA (table 4, figure 2). About $596.4 billion less would be spent on services provided by hospitals, $217.7 billion less on services provided by office-based physicians, $416.4 billion less on services provided in other facilities, and $428.6 billion less on prescription drugs. Appendix table 3 shows this distribution at the state level.

Table 4. Health Care Spending by Insurers (Public and Private) and Households on the Nonelderly, under the ACA and the Anticipated Reconciliation Bill, 2019–28

Billions of dollars

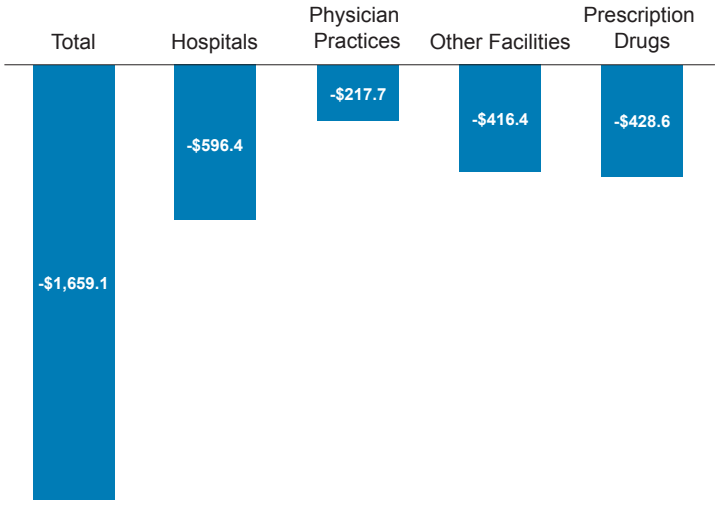
	Total health care spending	Hospitals	Physician practices	Other services	Prescription drugs
Under the ACA	$21,134.4	$7,783.7	$3,263.9	$5,172.8	$4,914.0
Under anticipated reconciliation bill	$19,475.3	$7,187.3	$3,046.2	$4,756.4	$4,485.4
Difference	**-$1,659.1**	**-$596.4**	**-$217.7**	**-$416.4**	**-$428.6**

Source: Urban Institute analysis using HIPSM 2016.

Note: Health care spending includes insurance claims (public and private) and household out-of-pocket spending by the insured and the uninsured.

Figure 2. Impact of Partial ACA Repeal on Health Care Spending by Insurers (Public and Private) and Households, 2019–28

Billions of dollars



Source: Urban Institute analysis using HIPSM 2016.

Note: Health care spending includes claims paid by public and private insurers and out-of-pocket spending by both insured and uninsured households.

Table 5 provides 2019–2028 estimates of uncompensated care that parallel the 2019 estimates in table 3. We estimate that under the ACA, $656.0 billion in uncompensated care would be provided to the uninsured from 2019 to 2028 (figure 3, table 5). Of this amount, $190.0 billion would be spent on services provided in hospitals, $82.7 billion on services provided in physician offices, $252.8 billion on other services, and $130.4 billion on prescription drugs.

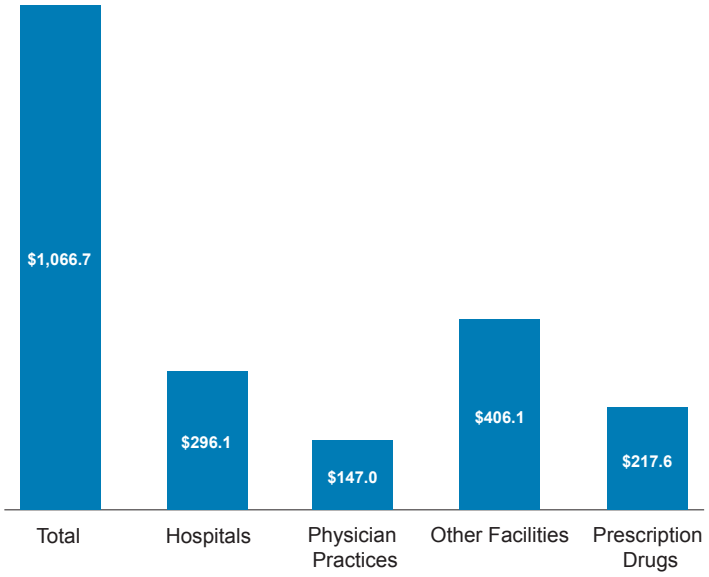
Table 5.Uncompensated Care Sought under the ACA and the Anticipated Reconciliation Bill, 2019–28 Billions of dollars

	Total health care spending	Hospitals	Physician practices	Other services	Prescription drugs
Under the ACA	$656.0	$190.0	$82.7	$252.8	$130.4
Under anticipated reconciliation bill	$1,722.7	$486.1	$229.6	$658.9	$348.0
Difference	**$1,066.7**	**$296.1**	**$147.0**	**$406.1**	**$217.6**

Source: Urban Institute analysis using HIPSM 2016.

Note: This table excludes uncompensated care funded by federal, state, or local governments.

Figure 3. Additional Uncompensated Care Sought As Result of Partial ACA Repeal, 2019–28 Billions of dollars



Source: Urban Institute analysis using HIPSM 2016.

Note: Uncompensated care is funded by a mix of federal, state, and local government programs and care delivered by health care providers without outside funding. Federal funding for uncompensated care would automatically increase by $35.0 billion over the 2019-28 period under reconciliation, less than 4% of the increase in uncompensated care that would be sought by the newly uninsured.

Under the anticipated reconciliation bill, an additional $1.1 trillion in uncompensated care would be sought, for a total of $1.7 trillion from 2019 to 2028. Of the $1.1 trillion increase in care sought, $296.1 billion would be in hospital services, $147.0 billion in physician office services, $406.1 billion in other services, and $217.6 billion in prescription drugs. State-specific breakdowns of these figures are provided in appendix table 4.

A reconciliation bill similar to that passed in 2016 would increase federal funding for uncompensated care by $35.0 billion from 2019 to 2028, covering only a small fraction of the $1.1 trillion increase in uncompensated care that would be sought by the newly uninsured. Federal funding for providers serving the uninsured could increase if legislative action is taken, but this is currently not anticipated. States and localities could also increase funding. If funds were increased but not commensurate with the increase in the uninsured, financial pressures on providers would increase substantially, and unmet medical needs among the uninsured would climb as well. The large projected increases in uncompensated care sought, relative to current support provided by governments and health care providers, suggests that these payers could not absorb much of the additional need.

How Does the Recent Hospital Industry Analysis Compare to the Urban Institute Analysis?

A recent report commissioned by the American Hospital Association and the Federation of American Hospitals also examined the impact of ACA repeal on hospitals.[9] They estimated that repeal would have substantial adverse effects on hospital finances, but their study differs notably from ours in methods, assumptions, and focus. In particular, they estimate that net hospital revenue would be reduced by $165.8 billion from 2018 to 2026, assuming restoration of Medicaid DSH payments.

There are several important differences between our analysis and the hospital industry study. First, their study focused on hospital finances and net revenue, including detailed analyses of hospital payment provisions under the ACA and what may happen under repeal. Our analysis is broader, including revenue for nonhospital providers, highlighting the increased demand for uncompensated care from those who would lose their health coverage, and accounting for uncertainty about how much of that demand would be met. We do not estimate provider costs or net revenue.

Second, the industry analysis assumed that ACA repeal would bring coverage back to 2013 levels. However, we estimate that the number of uninsured would be significantly higher than that in 2013 because Senate budget reconciliation rules permit the elimination of the individual mandate and financial assistance for Marketplace coverage but not repeal of the nongroup insurance market reforms (e.g., guaranteed issue, modified community premium rating, prohibitions on pre-existing condition exclusions, and requirements that all plans cover essential benefits). As a result, the nongroup market would largely collapse. Moreover, health care cost growth would lead to a gradual erosion of private insurance coverage over time; this trend has been observed for decades. Without the ACA, losses in private coverage would coincide with gradual increases in the uninsured and in Medicaid enrollment.

Third, we follow the MEPS-HC categorization of health care costs into hospital, physician, prescription drugs, and other services. The MEPS-HC levels of spending and categorization may not entirely agree with the industry's approach to measuring hospital care.

Discussion

We estimate that a reconciliation bill like that passed by Congress in January 2016 would increase the number of uninsured by 29.8 million people in 2019. Fewer insured people means lower spending on health care services; lower spending on health care services means lower revenue for health care providers and fewer services rendered. We estimate that from 2019 to 2028, insurers (public and private) and households would spend $1.7 trillion less on health care services for the nonelderly under the anticipated reconciliation bill than under the ACA. Of that total, spending on hospitals would be $596.4 billion lower, spending on services provided in physician offices would be $217.7 billion lower, spending on other services would be $416.4 billion lower, and spending on prescription drugs would be $428.6 billion lower than under the ACA.

The January 2016 reconciliation bill would have restored the ACA's cuts to federal Medicare DSH payments totaling $22 billion between 2014 and 2019 ($3.7 billion per year on average). Though this would have eliminated the federal Medicaid DSH cuts included in the ACA, those cuts had already been delayed and have yet to be implemented. This analysis assumes that the Medicaid DSH cuts would never have been implemented under the ACA. Even so, the increase in federal funding with restoration of the Medicare DSH cuts would only fund $3.2 billion of the $88.0 billion increase in uncompensated care that would be sought in 2019. Because Congress is likely to seek cuts in federal spending, it is unclear if additional funds for uncompensated care would be forthcoming. State and local governments may be able to increase funding for uncompensated care modestly, but they also face difficult budget constraints. The expected increase in uncompensated care sought under reconciliation is more than four times the value of current uncompensated care financed by providers, so providers probably could not absorb the costs and remain financially viable. Their provision of free and reduced-price care would surely increase to some extent, but the amount of unmet need for health care services would also increase considerably without a substantial increase in federal funding to support it.

Methods

The results in this brief are based on our earlier report estimating the coverage and cost implications of partial ACA repeal through budget reconciliation.[4] In this brief, we separate each individual's health care spending into four categories: hospital expenditures (including inpatient, outpatient, and emergency room care), physician expenditures, expenditures on prescription drugs, and all other spending for insurance-covered services (including health care services delivered by providers other than hospitals and office-based physicians and additional services such as dental care, home health care, and other medical equipment).

The estimation of health care costs for individuals with various types of insurance and the estimation of uncompensated care are basic features of the Urban Institute's Health Insurance Policy Simulation Model (HIPSM). Health care spending data used in HIPSM come from the Medical Expenditure Panel Survey-Household Component (MEPS-HC) as well as other sources. Details are available in the HIPSM methodology documentation.[12] We estimate total health care spending for each person represented in HIPSM for each possible health insurance status; these estimates of spending control for a broad array of sociodemographic variables and health statuses. Using the MEPS-HC, we then compute the share of individual health expenditures attributable to each type of care (hospital, office-based physician, prescription drugs, other) by individual characteristics: health insurance coverage, age, gender, income, and health status. The percentage splits of spending across provider types are then imputed to the individuals represented in HIPSM.

The MEPS-HC separates the amount spent on care by the uninsured themselves, so we are able to estimate how much health care spending for each type of service on behalf of the uninsured is self-paid and how much is attributable to uncompensated care. Uncompensated care is care delivered to uninsured people that is financed by government programs or is contributed by the health care providers themselves as free care. A recent study found that in 2013, people uninsured for a full year paid for an average of 30 percent of the care they received; the other 70 percent of health care spending on their behalf was attributable to uncompensated care.[13] Our analysis for this study found consistent results, with 31 percent of care provided to the uninsured financed directly by the uninsured themselves and 69 percent financed by federal, state, or local governments or by providers.

We predict the amount of uncompensated care that each newly uninsured person would seek, controlling for age, gender, income, health status, and other sociodemographic characteristics. The prediction model is estimated using 2013 MEPS-HC data, where the dependent variable is the value of uncompensated care received by each uninsured person

that year.[14] We use this estimated equation to predict the value of uncompensated health care services that each insured individual *would seek* if he or she were to become uninsured. As explained in the results, current patterns of use of uncompensated care may not persist if, for example, large increases in the number of uninsured are not met by commensurate increases in government funding or in provider contributions of free or reduced-price care. As a result, we refer to the estimated amounts of care based on recent patterns of use of uncompensated care as the value of the care the newly uninsured *would seek*, not the value of the uncompensated care they would actually *receive*. Levels of uncompensated care sought are inflated by per capita growth in health care expenditures to 2019 and beyond.

Uncompensated care is currently funded in a number of ways:

- Medicaid disproportionate share hospital (DSH) and upper payment limit programs
- Medicare DSH payments
- The Veterans Health Administration
- Other federal programs
- State and local government programs
- Private programs, such as the patient assistance programs that provide free or reduced-cost prescription drugs to qualifying individuals
- Charity care and bad debt absorbed by health care providers

Coughlin and colleagues estimated that about 39 percent of uncompensated care in 2013 was funded by the federal government through programs such as Medicaid and Medicare DSH payments, 24 percent was funded by state and local governments, and 37 percent was funded by health care providers.[13] Aside from the restoration of federal Medicare DSH funding cuts, we do not make assumptions about the source of funding for increased uncompensated care under an anticipated reconciliation bill, since it is unclear how willing or able the different levels of government and the providers would be to increase funding for such care in the future.

Appendix

Appendix Table 1. Health Care Spending by Insurers (Public and Private) and Households on the Nonelderly in 2019 by State, Under the ACA and the Anticipated Reconciliation Bill (Millions $)

State	ACA					ACA Repealed Through Reconciliation					Difference				
	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs
National	**1,728,947**	**639,409**	**270,767**	**421,838**	**396,933**	**1,583,100**	**580,317**	**250,798**	**387,179**	**364,807**	**-145,847**	**-59,092**	**-19,969**	**-34,660**	**-32,125**
Expansion States	***1,101,757***	***406,232***	***171,001***	***270,568***	***253,955***	***1,011,667***	***370,664***	***159,316***	***248,158***	***233,529***	***-90,090***	***-35,568***	***-11,685***	***-22,410***	***-20,426***
AK	5,289	1,946	826	1,326	1,192	4,895	1,790	766	1,232	1,107	-394	-155	-60	-93	-85
AZ	36,507	13,658	5,490	8,908	8,450	32,496	12,066	5,016	7,897	7,516	-4,011	-1,592	-474	-1,011	-934
AR	14,280	5,309	2,226	3,444	3,301	13,144	4,809	2,080	3,181	3,074	-1,137	-500	-146	-263	-228
CA	196,962	72,135	31,353	48,447	45,027	179,848	65,349	29,002	44,229	41,269	-17,115	-6,787	-2,351	-4,218	-3,758
CO	27,382	9,936	4,277	6,831	6,339	24,136	8,667	3,853	6,015	5,601	-3,246	-1,269	-424	-815	-738
CT	26,145	9,478	4,131	6,508	6,029	24,762	8,961	3,941	6,155	5,706	-1,383	-517	-190	-353	-323
DE	5,644	2,078	874	1,385	1,306	5,363	1,969	836	1,318	1,241	-281	-109	-39	-67	-65
DC	4,423	1,630	662	1,101	1,031	4,303	1,591	647	1,064	1,001	-121	-40	-14	-37	-30
HI	8,050	3,040	1,259	1,922	1,829	7,562	2,848	1,198	1,804	1,712	-488	-193	-61	-118	-116
IL	71,872	26,460	11,327	17,700	16,385	66,732	24,382	10,678	16,453	15,219	-5,140	-2,078	-649	-1,247	-1,167
IN	36,086	13,390	5,658	8,682	8,356	33,642	12,397	5,325	8,104	7,817	-2,443	-993	-333	-578	-539
IA	16,346	5,953	2,597	4,040	3,756	15,604	5,641	2,496	3,866	3,601	-742	-312	-101	-174	-155
KY	25,995	9,694	3,912	6,328	6,061	21,766	7,995	3,412	5,276	5,083	-4,230	-1,699	-500	-1,053	-978
LA	23,751	8,862	3,596	5,768	5,525	20,952	7,741	3,256	5,068	4,888	-2,798	-1,121	-340	-700	-637
MD	36,204	13,254	5,745	9,020	8,185	33,537	12,237	5,400	8,334	7,566	-2,667	-1,017	-345	-686	-619
MA	48,373	17,639	7,683	12,007	11,045	46,158	16,804	7,380	11,440	10,535	-2,215	-835	-304	-566	-510
MI	54,403	20,370	8,324	13,079	12,631	50,200	18,685	7,783	12,044	11,688	-4,203	-1,685	-541	-1,035	-943
MN	32,806	11,971	5,080	8,184	7,571	31,426	11,429	4,890	7,840	7,266	-1,379	-541	-190	-343	-304
MT	5,636	2,111	857	1,366	1,301	4,664	1,722	740	1,125	1,077	-972	-390	-117	-241	-224
NV	14,767	5,454	2,327	3,557	3,429	12,821	4,686	2,069	3,084	2,982	-1,945	-768	-258	-473	-446
NH	9,154	3,359	1,466	2,244	2,084	8,615	3,147	1,395	2,113	1,961	-538	-212	-71	-131	-124
NJ	49,357	17,754	7,614	12,447	11,543	43,321	15,436	6,850	10,916	10,118	-6,035	-2,317	-763	-1,530	-1,424
NM	13,641	5,087	2,046	3,391	3,117	11,116	4,142	1,736	2,712	2,527	-2,524	-945	-310	-679	-590
NY	115,282	42,878	17,155	28,430	26,818	110,171	40,869	16,444	27,180	25,679	-5,110	-2,010	-712	-1,250	-1,139
ND	3,705	1,343	592	922	848	3,365	1,203	545	843	774	-341	-140	-47	-80	-74
OH	66,997	24,957	10,279	16,194	15,568	61,968	22,950	9,664	14,939	14,415	-5,029	-2,006	-615	-1,255	-1,153
OR	23,869	8,882	3,628	5,848	5,511	20,538	7,603	3,229	4,987	4,718	-3,332	-1,279	-399	-861	-793
PA	65,552	24,181	10,160	15,971	15,240	61,603	22,599	9,607	15,036	14,361	-3,949	-1,581	-554	-936	-879
RI	8,006	3,018	1,235	1,941	1,812	7,247	2,738	1,139	1,735	1,634	-758	-280	-95	-205	-177

Appendix Table 1 (continued)

State	ACA					ACA Repealed Through Reconciliation					Difference				
	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs
VT	4,755	1,750	738	1,168	1,099	4,566	1,677	713	1,120	1,056	-189	-73	-25	-48	-43
WA	40,221	14,779	6,333	9,936	9,173	36,041	13,132	5,817	8,875	8,217	-4,180	-1,648	-516	-1,061	-956
WV	10,296	3,877	1,551	2,473	2,395	9,101	3,400	1,410	2,172	2,120	-1,195	-477	-141	-301	-275
Non-Expansion States	***627,190***	***233,177***	***99,766***	***151,270***	***142,977***	***571,434***	***209,653***	***91,482***	***139,020***	***131,278***	***-55,757***	***-23,524***	***-8,284***	***-12,249***	***-11,699***
AL	22,391	8,275	3,621	5,403	5,091	20,899	7,619	3,400	5,080	4,800	-1,491	-656	-221	-323	-291
FL	95,920	35,791	15,004	22,819	22,307	84,311	30,891	13,283	20,314	19,822	-11,609	-4,899	-1,721	-2,505	-2,485
GA	51,789	19,316	8,276	12,437	11,761	46,735	17,165	7,533	11,332	10,704	-5,054	-2,150	-742	-1,105	-1,056
ID	8,391	3,180	1,299	2,008	1,905	7,626	2,844	1,183	1,846	1,753	-765	-336	-115	-162	-152
KS	14,211	5,246	2,294	3,458	3,214	13,362	4,872	2,169	3,276	3,045	-849	-374	-125	-181	-169
ME	8,774	3,241	1,376	2,113	2,044	8,217	3,013	1,290	1,992	1,923	-556	-229	-86	-121	-121
MS	14,627	5,556	2,267	3,454	3,350	13,365	5,013	2,086	3,178	3,087	-1,262	-543	-181	-276	-263
MO	34,128	12,762	5,375	8,146	7,845	31,354	11,604	4,962	7,529	7,258	-2,774	-1,157	-413	-617	-587
NE	9,564	3,497	1,553	2,341	2,173	8,950	3,237	1,456	2,207	2,049	-615	-260	-97	-134	-124
NC	56,774	21,264	8,903	13,621	12,987	50,024	18,460	7,926	12,115	11,523	-6,750	-2,804	-976	-1,506	-1,464
OK	19,247	7,196	3,029	4,620	4,401	18,118	6,709	2,862	4,372	4,175	-1,129	-488	-167	-248	-226
SC	23,895	8,961	3,758	5,681	5,496	22,271	8,270	3,508	5,330	5,164	-1,625	-691	-250	-351	-332
SD	4,434	1,639	702	1,088	1,004	4,151	1,522	659	1,022	948	-283	-118	-43	-65	-57
TN	34,246	12,862	5,323	8,206	7,856	31,246	11,645	4,911	7,482	7,208	-3,000	-1,218	-412	-724	-647
TX	135,557	50,380	21,883	32,919	30,374	123,963	45,447	20,126	30,401	27,989	-11,594	-4,933	-1,757	-2,518	-2,385
UT	13,890	5,078	2,253	3,496	3,062	12,980	4,693	2,113	3,293	2,881	-910	-385	-140	-203	-182
VA	44,389	16,190	7,281	10,911	10,007	41,194	14,856	6,791	10,210	9,337	-3,194	-1,334	-490	-701	-670
WI	31,775	11,601	5,060	7,758	7,356	29,798	10,778	4,765	7,319	6,936	-1,977	-823	-296	-438	-420
WY	3,189	1,141	509	795	744	2,870	1,014	458	722	676	-319	-127	-51	-73	-68

Source: Urban Institute analysis, HIPSM 2016.

Note: Includes insurance claims (via Medicaid and private insurance policies) and household out-of-pocket health spending by the insured and the uninsured.

Other services includes: health care services delivered by providers other than hospitals and office-based physicians and additional services, such as dental care, home health care, and other medical equipment.

Appendix Table 2. Uncompensated Care Sought by the Uninsured, 2019, Under the ACA and the Anticipated Reconciliation Bill (Millions $)

State	ACA					ACA Repealed Through Reconciliation					Difference				
	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs
National	**56,564**	**16,379**	**7,103**	**21,808**	**11,274**	**144,607**	**40,977**	**18,997**	**55,380**	**29,254**	**88,043**	**24,598**	**11,894**	**33,572**	**17,980**
Expansion States	***29,497***	***8,408***	***3,726***	***11,492***	***5,871***	***85,033***	***24,107***	***11,207***	***32,624***	***17,095***	***55,536***	***15,699***	***7,481***	***21,132***	***11,224***
AK	319	95	40	118	65	468	135	61	176	96	149	40	21	58	30
AZ	1,692	470	222	678	321	3,449	963	456	1,348	682	1,757	492	234	670	361
AR	665	180	74	276	135	1,741	487	205	696	352	1,076	307	131	420	217
CA	5,979	1,660	779	2,342	1,199	18,066	4,973	2,416	7,016	3,662	12,087	3,313	1,637	4,674	2,463
CO	1,119	280	136	476	227	3,098	789	410	1,259	641	1,979	510	273	783	414
CT	442	119	61	178	84	1,616	426	227	654	308	1,175	307	167	477	224
DE	119	31	15	52	21	331	81	41	146	63	212	50	26	93	42
DC	78	27	13	25	14	181	52	29	64	35	102	25	16	40	21
HI	138	38	21	53	25	345	96	51	133	65	208	58	29	80	40
IL	2,029	600	249	774	405	6,319	1,872	838	2,323	1,285	4,290	1,272	589	1,549	880
IN	1,189	375	151	434	229	3,129	1,021	390	1,127	592	1,940	646	239	693	363
IA	345	99	39	144	63	1,197	339	160	464	234	851	239	120	320	171
KY	578	166	67	231	114	1,916	580	240	726	370	1,338	414	173	494	257
LA	837	241	106	328	163	2,428	723	310	913	482	1,591	483	204	585	319
MD	668	188	88	265	127	2,011	579	264	777	392	1,343	391	175	512	265
MA	361	107	43	140	71	1,716	491	242	655	327	1,355	384	200	515	256
MI	1,427	414	159	571	284	4,457	1,272	532	1,767	887	3,030	858	373	1,196	604
MN	931	258	104	380	190	2,970	805	374	1,181	610	2,039	548	270	801	420
MT	319	85	40	133	61	800	225	103	316	156	481	140	63	183	95
NV	577	162	74	229	111	1,581	441	208	621	311	1,005	279	134	392	200
NH	131	38	17	49	28	524	146	66	210	102	393	109	49	161	74
NJ	1,078	306	145	405	222	3,286	914	451	1,258	663	2,208	608	306	853	441
NM	350	97	46	135	71	954	272	127	362	194	604	174	81	226	123
NY	2,719	818	360	1,003	538	6,291	1,825	855	2,361	1,250	3,572	1,007	495	1,358	712
ND	83	25	10	33	14	371	102	53	141	74	288	77	43	107	60
OH	1,400	404	176	533	287	4,118	1,223	554	1,505	836	2,718	819	378	972	549
OR	605	177	76	232	120	2,060	605	274	770	411	1,455	428	198	538	291
PA	1,671	504	210	634	323	4,192	1,220	556	1,571	845	2,521	715	346	937	522
RI	79	22	10	33	14	340	88	46	137	68	261	67	36	104	54
VT	102	26	12	42	22	308	77	39	122	69	206	51	27	81	47

Appendix Table 2 (continued)

State	ACA					ACA Repealed Through Reconciliation					Difference				
	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs
WA	1,200	322	150	474	254	4,004	1,076	532	1,546	850	2,804	753	382	1,073	596
WV	267	72	33	93	69	767	207	96	279	185	500	135	64	186	115
Non-Expansion States	***27,067***	***7,971***	***3,377***	***10,316***	***5,403***	***59,574***	***16,870***	***7,789***	***22,756***	***12,158***	***32,508***	***8,899***	***4,413***	***12,440***	***6,756***
Alabama	880	275	102	317	186	1,930	556	238	715	421	1,050	282	136	398	235
Florida	5,004	1,409	635	1,953	1,007	11,453	3,103	1,464	4,556	2,330	6,450	1,694	829	2,603	1,323
Georgia	2,278	675	293	861	449	4,774	1,353	634	1,812	975	2,497	678	342	951	526
Idaho	428	131	55	159	84	981	266	139	371	204	552	135	84	212	121
Kansas	624	212	79	221	113	1,549	504	207	550	288	924	292	128	329	175
Maine	229	63	28	91	47	704	198	83	280	143	475	135	54	189	96
Mississippi	858	261	98	314	185	1,608	480	197	589	342	751	219	99	275	158
Missouri	1,388	402	162	552	271	3,319	914	428	1,296	681	1,932	512	266	744	410
Nebraska	348	95	40	147	65	920	247	129	363	181	572	152	89	215	116
North Carolina	1,713	530	214	635	334	4,562	1,348	624	1,675	915	2,849	818	410	1,039	581
Oklahoma	1,432	441	182	534	275	2,462	748	328	908	478	1,030	306	147	374	203
South Carolina	1,034	313	126	383	213	1,937	564	248	728	396	902	252	122	345	183
South Dakota	193	57	24	73	38	453	132	59	171	91	260	75	35	97	52
Tennessee	1,273	380	155	470	268	2,709	780	351	1,002	576	1,436	400	196	532	308
Texas	5,829	1,737	756	2,206	1,130	11,712	3,389	1,545	4,445	2,333	5,883	1,652	789	2,239	1,203
Utah	747	203	94	295	155	1,569	441	210	600	318	822	238	116	305	163
Virginia	1,857	519	221	732	384	4,255	1,107	552	1,678	917	2,398	589	331	946	533
Wisconsin	761	212	90	299	159	2,336	645	308	889	495	1,575	433	217	590	336
Wyoming	191	57	21	73	40	340	94	45	129	73	149	37	23	57	33

Source: Urban Institute analysis, HIPSM 2016.

Note: This table includes uncompensated care funded by federal, state, or local governments, and health care providers. Federal funding for uncompensated care would automatically increase by $3.2 billion in 2019 under reconciliation, less than 4% of the increase in uncompensated care that would be sought by the newly uninsured.

Other services includes: health care services delivered by providers other than hospitals and office-based physicians and additional services, such as dental care, home health care, and other medical equipment.

Appendix Table 3. Health Care Spending by Insurers (Public and Private) and Households on the Nonelderly 2019-2028 by State, Under the ACA and the Anticipated Reconciliation Bill (Millions $)

State	ACA					ACA Repealed Through Reconciliation					Difference				
	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs
National	**21,134,414**	**7,783,738**	**3,263,926**	**5,172,756**	**4,913,994**	**19,475,296**	**7,187,318**	**3,046,200**	**4,756,389**	**4,485,389**	**-1,659,118**	**-596,419**	**-217,727**	**-416,367**	**-428,605**
Expansion States	***13,527,113***	***4,988,901***	***2,066,293***	***3,327,934***	***3,143,985***	***12,369,686***	***4,564,907***	***1,919,781***	***3,028,723***	***2,856,275***	***-1,157,427***	***-423,994***	***-146,512***	***-299,211***	***-287,710***
AK	66,369	24,398	10,205	16,728	15,037	62,321	22,990	9,632	15,721	13,978	-4,047	-1,408	-573	-1,007	-1,059
AZ	486,831	182,660	71,788	118,937	113,447	428,548	160,293	65,093	104,071	99,091	-58,283	-22,366	-6,695	-14,866	-14,356
AR	178,277	66,202	27,509	43,103	41,464	163,327	60,203	25,618	39,524	37,982	-14,951	-5,999	-1,891	-3,579	-3,482
CA	2,355,330	856,913	370,565	581,492	546,360	2,168,642	792,855	345,820	531,795	498,172	-186,689	-64,058	-24,745	-49,697	-48,189
CO	348,517	126,846	53,573	87,047	81,052	301,811	108,994	47,551	75,166	70,100	-46,706	-17,852	-6,022	-11,881	-10,952
CT	313,043	113,684	48,648	77,949	72,763	295,210	107,731	46,219	73,213	68,046	-17,834	-5,953	-2,430	-4,735	-4,716
DE	70,536	26,011	10,748	17,338	16,439	66,458	24,547	10,199	16,369	15,343	-4,078	-1,464	-549	-970	-1,095
DC	58,896	21,572	8,622	14,729	13,973	56,778	20,837	8,378	14,119	13,444	-2,118	-734	-245	-611	-528
HI	98,276	37,138	15,198	23,559	22,380	91,463	34,540	14,378	21,872	20,673	-6,812	-2,598	-821	-1,687	-1,707
IL	875,525	322,225	136,072	216,141	201,088	810,293	297,669	128,038	199,719	184,867	-65,232	-24,555	-8,034	-16,422	-16,220
IN	439,216	163,469	67,819	105,473	102,455	407,861	151,546	63,681	97,902	94,733	-31,354	-11,923	-4,138	-7,571	-7,723
IA	198,659	72,586	31,117	49,192	45,765	189,071	68,982	29,815	46,797	43,478	-9,588	-3,604	-1,302	-2,395	-2,287
KY	325,183	121,500	48,135	79,375	76,173	266,066	98,437	41,195	64,382	62,052	-59,117	-23,063	-6,940	-14,993	-14,121
LA	292,463	109,128	43,518	71,177	68,640	256,011	95,164	39,228	61,891	59,728	-36,452	-13,964	-4,291	-9,285	-8,912
MD	450,080	164,755	70,450	112,642	102,233	415,894	152,683	66,161	103,471	93,579	-34,185	-12,071	-4,289	-9,171	-8,654
MA	575,790	209,787	90,041	143,294	132,669	555,395	203,678	87,400	137,211	127,107	-20,395	-6,109	-2,641	-6,083	-5,562
MI	644,522	241,448	97,006	155,268	150,799	593,857	222,962	90,705	142,137	138,052	-50,665	-18,486	-6,301	-13,131	-12,747
MN	416,492	152,888	63,251	103,757	96,596	397,003	145,562	60,594	98,680	92,167	-19,490	-7,326	-2,657	-5,077	-4,430
MT	71,259	26,762	10,674	17,294	16,529	57,670	21,493	9,051	13,897	13,228	-13,589	-5,268	-1,623	-3,397	-3,301
NV	192,471	70,903	30,012	46,382	45,175	165,094	60,716	26,442	39,520	38,416	-27,377	-10,187	-3,570	-6,862	-6,758
NH	105,960	38,738	16,795	26,137	24,290	100,168	36,712	16,058	24,632	22,767	-5,792	-2,027	-737	-1,505	-1,523
NJ	605,292	218,211	91,728	152,677	142,677	522,658	187,974	81,373	131,314	121,997	-82,634	-30,237	-10,355	-21,363	-20,680
NM	179,877	67,030	26,671	44,979	41,197	143,033	53,462	22,154	35,044	32,373	-36,844	-13,568	-4,518	-9,935	-8,823
NY	1,454,420	542,489	212,205	358,709	341,017	1,389,795	519,288	203,251	342,178	325,078	-64,625	-23,201	-8,953	-16,531	-15,939
ND	44,398	16,106	6,994	11,061	10,238	40,341	14,566	6,438	10,078	9,259	-4,058	-1,540	-555	-983	-979
OH	805,987	301,507	121,512	194,699	188,270	738,131	275,722	113,361	177,458	171,591	-67,857	-25,786	-8,151	-17,241	-16,679
OR	299,237	111,189	44,669	73,645	69,734	251,710	93,726	39,015	61,090	57,879	-47,527	-17,463	-5,654	-12,555	-11,856
PA	798,290	295,276	121,754	194,544	186,715	749,910	277,862	115,145	182,458	174,446	-48,379	-17,414	-6,609	-12,087	-12,269
RI	98,664	37,327	14,966	23,891	22,480	87,892	33,519	13,604	20,972	19,796	-10,771	-3,807	-1,361	-2,919	-2,684

Appendix Table 3 (continued)

State	ACA					ACA Repealed Through Reconciliation					Difference				
	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs
VT	55,700	20,398	8,521	13,784	12,997	53,840	19,904	8,258	13,251	12,428	-1,859	-494	-263	-532	-570
WA	497,031	182,841	77,064	122,940	114,186	435,237	159,569	69,387	107,035	99,245	-61,794	-23,272	-7,677	-15,905	-14,941
WV	124,521	46,914	18,464	29,994	29,148	108,198	40,719	16,540	25,759	25,180	-16,323	-6,196	-1,924	-4,235	-3,968
Non-Expansion States	***7,607,301***	***2,794,837***	***1,197,633***	***1,844,822***	***1,770,009***	***7,105,609***	***2,622,411***	***1,126,418***	***1,727,666***	***1,629,114***	***-501,691***	***-172,425***	***-71,215***	***-117,156***	***-140,895***
AL	264,363	96,221	42,551	64,317	61,273	250,463	91,393	40,586	61,116	57,368	-13,900	-4,828	-1,965	-3,201	-3,906
FL	1,131,583	412,566	174,687	271,668	272,662	1,038,052	382,404	161,581	250,097	243,971	-93,531	-30,162	-13,106	-21,572	-28,691
GA	638,338	235,055	100,984	153,951	148,348	589,982	217,741	94,261	142,992	134,988	-48,356	-17,315	-6,722	-10,959	-13,361
ID	105,373	39,701	16,068	25,267	24,337	96,698	36,359	14,815	23,399	22,126	-8,675	-3,342	-1,253	-1,868	-2,211
KS	168,996	62,031	27,046	41,290	38,629	160,467	58,854	25,825	39,378	36,410	-8,529	-3,177	-1,222	-1,911	-2,219
ME	99,838	36,435	15,411	24,236	23,756	95,411	35,139	14,771	23,150	22,351	-4,428	-1,297	-640	-1,086	-1,405
MS	175,227	66,035	26,832	41,592	40,768	163,424	61,625	25,235	38,902	37,661	-11,803	-4,410	-1,597	-2,690	-3,106
MO	407,623	150,819	63,440	97,767	95,597	382,082	142,274	59,753	91,690	88,365	-25,541	-8,544	-3,688	-6,077	-7,232
NE	112,693	40,683	18,143	27,782	26,085	107,565	39,168	17,313	26,465	24,619	-5,128	-1,515	-829	-1,317	-1,466
NC	690,424	255,307	107,006	166,643	161,468	626,308	232,609	98,325	151,533	143,841	-64,116	-22,698	-8,681	-15,111	-17,627
OK	234,960	87,163	36,639	56,663	54,494	225,744	84,020	35,333	54,527	51,864	-9,216	-3,143	-1,306	-2,136	-2,630
SC	284,050	105,197	44,197	67,956	66,700	272,965	101,726	42,577	65,425	63,237	-11,085	-3,470	-1,620	-2,532	-3,463
SD	54,498	20,160	8,517	13,402	12,419	51,490	19,058	8,066	12,691	11,675	-3,008	-1,102	-451	-711	-744
TN	425,962	159,140	65,373	102,404	99,045	389,781	146,230	60,579	93,220	89,752	-36,181	-12,910	-4,794	-9,184	-9,293
TX	1,693,764	623,560	271,201	412,794	386,209	1,592,834	587,818	256,401	389,839	358,776	-100,930	-35,743	-14,799	-22,955	-27,434
UT	178,415	64,787	28,535	45,024	40,070	168,290	61,060	27,010	42,653	37,566	-10,125	-3,727	-1,525	-2,370	-2,504
VA	532,457	191,874	86,806	131,912	121,866	507,447	184,052	83,075	125,806	114,514	-25,009	-7,822	-3,730	-6,106	-7,352
WI	371,303	134,875	58,312	90,778	87,338	352,746	128,910	55,566	86,209	82,061	-18,557	-5,965	-2,746	-4,569	-5,277
WY	37,432	13,228	5,886	9,377	8,942	33,861	11,972	5,346	8,574	7,968	-3,572	-1,256	-540	-802	-974

Source: Urban Institute analysis, HIPSM 2016.

Note: Includes insurance claims (via Medicaid and private insurance policies) and household out-of-pocket health spending by the insured and the uninsured.

Other services includes: health care services delivered by providers other than hospitals and office-based physicians and additional services, such as dental care, home health care, and other medical equipment.

Appendix Table 4. Uncompensated Care Sought by the Uninsured, 2019-2028 by State, Under the ACA and the Anticipated Reconciliation Bill (Millions $)

State	ACA					ACA Repealed Through Reconciliation					Difference				
	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs
National	**655,979**	**190,031**	**82,686**	**252,829**	**130,434**	**1,722,656**	**486,145**	**229,636**	**658,888**	**347,987**	**1,066,677**	**296,114**	**146,950**	**406,059**	**217,554**
Expansion States	***339,888***	***96,894***	***43,113***	***132,407***	***67,474***	***1,016,095***	***286,968***	***136,282***	***388,701***	***204,144***	***676,208***	***190,074***	***93,169***	***256,294***	***136,671***
AK	3,693	1,107	457	1,372	756	5,399	1,540	712	2,053	1,094	1,707	433	255	681	338
AZ	20,213	5,652	2,660	8,090	3,810	41,432	11,604	5,531	16,146	8,151	21,219	5,952	2,871	8,055	4,341
AR	7,489	2,046	839	3,084	1,520	20,280	5,711	2,441	8,037	4,092	12,791	3,665	1,602	4,952	2,572
CA	68,157	18,951	8,897	26,667	13,643	208,295	57,011	28,269	80,607	42,409	140,138	38,060	19,371	53,940	28,766
CO	12,932	3,226	1,592	5,483	2,631	38,215	9,683	5,082	15,515	7,934	25,283	6,457	3,490	10,032	5,303
CT	5,088	1,406	693	2,036	953	19,963	5,283	2,858	8,133	3,689	14,875	3,877	2,165	6,096	2,737
DE	1,345	353	169	588	235	4,155	1,079	525	1,745	805	2,809	727	355	1,157	570
DC	810	275	128	256	152	2,518	688	381	955	495	1,708	413	253	699	343
HI	1,580	436	248	610	286	4,337	1,139	617	1,708	873	2,757	703	369	1,098	587
IL	23,186	6,835	2,871	8,848	4,631	77,732	22,751	10,503	28,613	15,865	54,547	15,916	7,632	19,765	11,233
IN	13,831	4,367	1,764	5,047	2,653	36,984	11,932	4,705	13,308	7,039	23,154	7,565	2,942	8,260	4,386
IA	4,150	1,203	492	1,702	754	14,764	4,162	2,038	5,661	2,902	10,614	2,960	1,547	3,959	2,148
KY	6,627	1,905	771	2,649	1,302	22,240	6,730	2,796	8,477	4,237	15,613	4,825	2,025	5,828	2,935
LA	9,331	2,681	1,184	3,651	1,816	26,893	7,986	3,459	10,097	5,350	17,562	5,305	2,275	6,446	3,535
MD	7,944	2,256	1,056	3,133	1,499	23,926	6,875	3,173	9,259	4,620	15,982	4,619	2,117	6,126	3,121
MA	4,182	1,248	496	1,619	819	21,317	6,088	3,030	8,201	3,998	17,135	4,841	2,534	6,582	3,178
MI	15,763	4,581	1,771	6,286	3,126	51,168	14,565	6,318	20,084	10,201	35,405	9,984	4,547	13,799	7,075
MN	10,491	2,904	1,184	4,274	2,129	35,030	9,714	4,430	13,761	7,126	24,539	6,810	3,246	9,487	4,997
MT	3,731	996	477	1,530	727	8,848	2,502	1,163	3,450	1,733	5,117	1,505	686	1,920	1,005
NV	7,123	1,999	932	2,826	1,366	20,129	5,542	2,690	7,870	4,027	13,006	3,543	1,758	5,044	2,661
NH	1,489	425	196	554	314	6,292	1,715	819	2,491	1,267	4,802	1,290	623	1,937	953
NJ	12,447	3,535	1,684	4,687	2,541	41,417	11,586	5,805	15,717	8,309	28,970	8,051	4,121	11,030	5,768
NM	4,002	1,108	527	1,556	811	10,632	3,012	1,423	4,031	2,166	6,630	1,905	896	2,475	1,355
NY	31,125	9,345	4,132	11,496	6,152	78,548	22,648	10,854	29,550	15,497	47,423	13,303	6,721	18,054	9,345
ND	984	289	122	396	177	4,874	1,344	715	1,845	970	3,890	1,055	593	1,449	793
OH	15,862	4,588	2,007	6,032	3,235	51,291	15,201	7,178	18,517	10,396	35,429	10,613	5,171	12,485	7,161
OR	8,575	2,475	996	3,420	1,683	23,736	6,930	3,189	8,913	4,703	15,161	4,455	2,192	5,494	3,020
PA	18,769	5,651	2,375	7,119	3,624	51,727	14,816	7,000	19,466	10,445	32,958	9,166	4,625	12,347	6,821
RI	903	242	116	379	167	3,720	968	512	1,494	746	2,817	726	396	1,115	579
VT	1,081	276	132	440	232	3,506	881	456	1,380	789	2,426	604	324	940	557

Appendix Table 4 (continued)

State	ACA					ACA Repealed Through Reconciliation					Difference				
	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs	Total Health Care Spending	Hospitals	Physician Practices	Other Services	Prescription Drugs
WA	14,142	3,769	1,806	5,571	2,995	48,091	12,924	6,512	18,472	10,182	33,949	9,155	4,706	12,901	7,187
WV	2,841	764	338	1,004	735	8,635	2,358	1,097	3,145	2,035	5,794	1,594	759	2,142	1,300
Non-Expansion States	***316,091***	***93,136***	***39,573***	***120,422***	***62,960***	***706,561***	***199,176***	***93,355***	***270,187***	***143,843***	***390,469***	***106,040***	***53,782***	***149,765***	***80,883***
AL	10,031	3,129	1,170	3,614	2,118	21,822	6,215	2,723	8,103	4,780	11,791	3,086	1,553	4,489	2,662
FL	57,506	16,254	7,307	22,358	11,587	132,560	35,668	16,985	53,018	26,889	75,053	19,414	9,678	30,660	15,301
GA	27,680	8,210	3,559	10,484	5,427	57,766	16,258	7,670	22,092	11,746	30,086	8,048	4,111	11,608	6,319
ID	5,024	1,543	648	1,859	974	11,471	3,120	1,625	4,340	2,386	6,446	1,577	977	2,481	1,412
KS	7,231	2,427	918	2,570	1,316	18,470	5,904	2,483	6,631	3,452	11,239	3,477	1,565	4,060	2,136
ME	2,472	685	303	978	507	7,477	2,106	935	2,887	1,549	5,004	1,421	632	1,909	1,042
MS	9,543	2,909	1,096	3,492	2,045	18,147	5,377	2,260	6,657	3,854	8,604	2,467	1,164	3,164	1,809
MO	15,812	4,579	1,863	6,285	3,084	40,281	11,047	5,217	15,796	8,220	24,469	6,468	3,354	9,511	5,136
NE	4,076	1,124	484	1,710	758	11,161	3,110	1,620	4,269	2,162	7,085	1,986	1,136	2,560	1,404
NC	20,357	6,308	2,558	7,530	3,961	55,399	16,274	7,769	20,191	11,164	35,041	9,966	5,211	12,662	7,203
OK	16,398	5,047	2,099	6,116	3,136	28,730	8,781	3,936	10,485	5,528	12,331	3,734	1,837	4,369	2,392
SC	11,919	3,608	1,459	4,410	2,442	21,984	6,419	2,840	8,261	4,464	10,065	2,811	1,381	3,851	2,022
SD	2,241	666	282	845	447	5,630	1,582	771	2,128	1,148	3,389	916	489	1,283	700
TN	14,759	4,403	1,817	5,445	3,095	31,441	9,023	4,125	11,684	6,609	16,682	4,620	2,308	6,239	3,514
TX	68,576	20,395	8,890	25,987	13,305	138,246	39,849	18,319	52,503	27,575	69,669	19,454	9,429	26,516	14,270
UT	9,386	2,528	1,191	3,707	1,960	21,418	5,881	2,927	8,225	4,384	12,031	3,353	1,736	4,518	2,424
VA	21,998	6,186	2,627	8,695	4,489	50,710	13,239	6,673	19,995	10,803	28,713	7,052	4,046	11,300	6,314
WI	8,844	2,472	1,048	3,488	1,836	28,316	7,788	3,801	10,753	5,974	19,472	5,316	2,752	7,265	4,138
WY	2,237	663	252	850	472	5,534	1,535	675	2,170	1,154	3,297	872	423	1,320	683

Source: Urban Institute analysis, HIPSM 2016.

Note: This table includes uncompensated care funded by federal, state, or local governments, and health care providers. Federal funding for uncompensated care would automatically increase by $35.0 billion over the 2019-28 period under reconciliation, less than 4% of the increase in uncompensated care that would be sought by the newly uninsured.

Other services includes: health care services delivered by providers other than hospitals and office-based physicians and additional services, such as dental care, home health care, and other medical equipment.

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8 Other services include health care services delivered by providers other than hospitals and office-based physicians and additional services such as dental care, home health care, and other medical equipment.

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10 Our earlier analysis of the effects of the anticipated reconciliation bill erroneously ignored the automatic increase in federal Medicare DSH funding, restoring the cuts in the ACA. The ACA's Medicaid DSH cuts have never been implemented; we assume that they are restored permanently and held constant and that Congress has no interest in increasing them. States could increase their use of Medicaid supplemental payments to fund uncompensated care, but under the anticipated reconciliation bill, fewer patients would be eligible for these payments. Other sources of federal funding for uncompensated care could increase, but any increases are likely to be modest given the new administration's commitment to budget cuts.

11 The increase in uncompensated care and the decrease in spending on care by insurers and households should not be added together to obtain a total effect on providers. When direct spending on care decreases and less care is provided, the variable costs incurred by those providers decrease as well. We are unable to estimate the decrease in costs that providers would experience as they deliver reduced levels of health care to those becoming uninsured under the reconciliation bill.

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