

CalSIM

California Simulation of Insurance Markets

The California Simulation of Insurance Markets (CalSIM) model is designed to estimate the impacts of various federal and state policies on individual decisions to obtain insurance coverage and employer decisions to offer coverage in California. It was developed by the UC Berkeley Center for Labor Research and Education and the UCLA Center for Health Policy Research.

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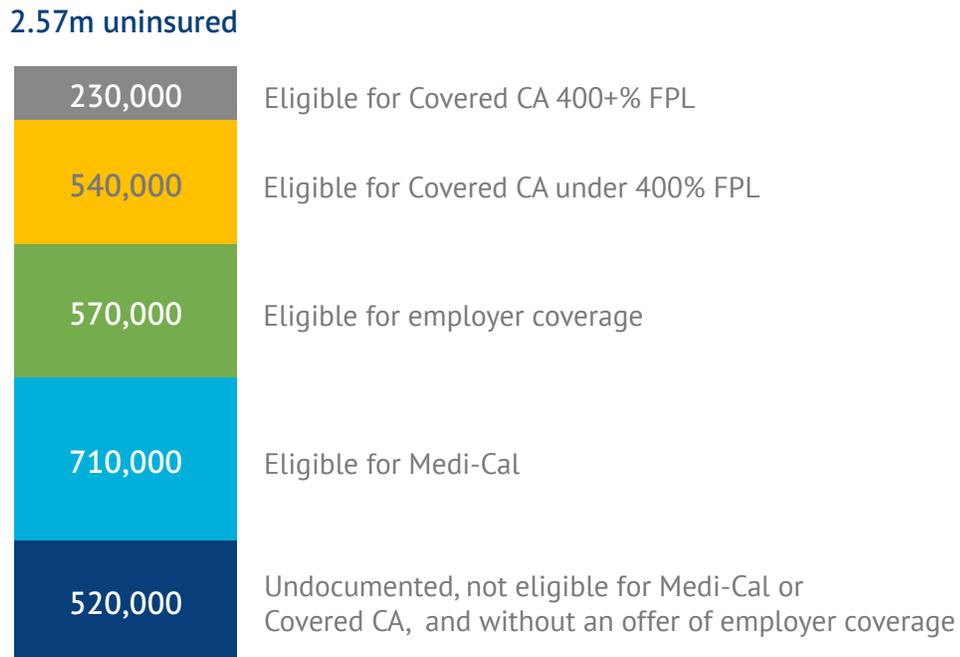
California's Uninsured in 2024: Medi-Cal expands to all low-income adults, but half a million undocumented Californians lack affordable coverage options

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California continues to make remarkable progress in expanding access to health coverage, including by expanding Medi-Cal eligibility for low-income undocumented residents. Yet, we project there will be 520,000 uninsured undocumented residents who earn too much for Medi-Cal and do not have employer coverage. This group remains categorically excluded from enrolling in Covered California and cannot receive federal subsidies to make coverage more affordable.

California's historic expansion of Medi-Cal eligibility to all low-income Californians regardless of immigration status is scheduled to go into effect in January of 2024, when low-income undocumented adults ages 26-49 will become eligible for full-scope Medi-Cal coverage. We project that after the new enrollment has taken place, California's uninsured population will decrease to a record low of 2.57 million under age 65. This represents substantial progress in access to health insurance.¹ Close to 1 million undocumented Californians will have gained access to Medi-Cal through the expansions to children, young adults, older adults, and now adults ages 26-49.²

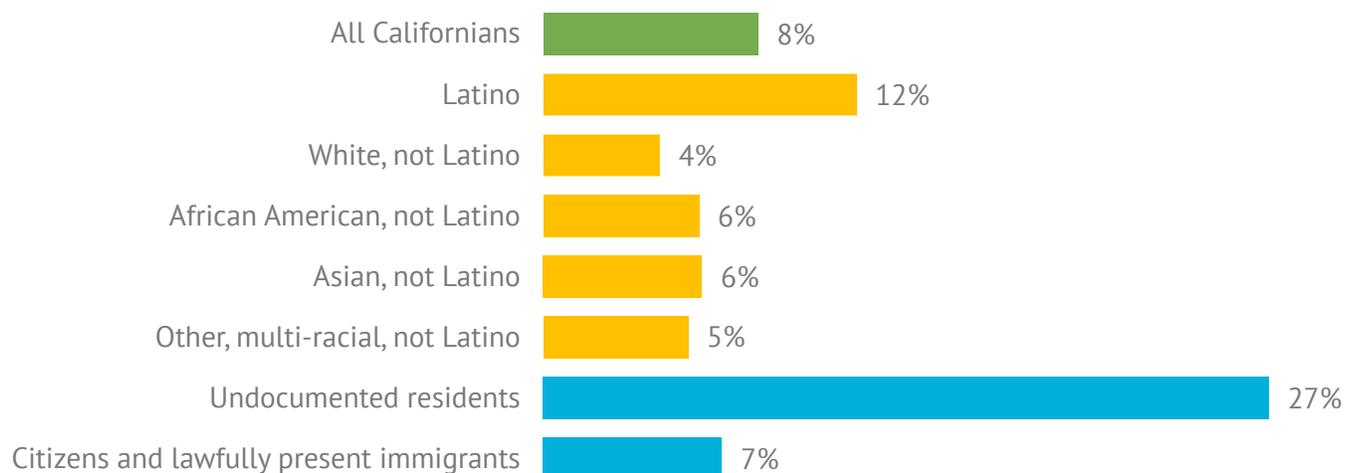
Figure 1. Uninsured Californians age 0-64 by eligibility group, 2024



Source: UCB-UCLA CalSIM version 3.51. Projections reflect Inflation Reduction Act enhanced federal premium subsidies;³ the family glitch fix;⁴ and increases to the minimum wage.

Note: Eligible for employer coverage includes those with “affordable” employer coverage—defined as less than approximately 9% of family income for single coverage

Figure 2. Uninsured Rate for All Californians age 0-64 by demographic group, 2024



Source: UCB-UCLA CalSIM version 3.51

Many of the 2.57 million uninsured are eligible for free coverage through Medi-Cal, zero premium or subsidized coverage through Covered California, or job-based coverage with an employer contribution. Among those who are uninsured but eligible for Covered California or employer coverage, cost is commonly cited as a reason for lacking coverage.⁵ For Californians eligible for Medi-Cal and Covered California, lack of awareness and administrative enrollment hurdles can also be barriers to coverage.⁶

Half a million undocumented Californians who earn too much for Medi-Cal remain uninsured

Next year, when California removes eligibility exclusions to health coverage for all low-income undocumented Californians who are eligible for Medi-Cal, it will be the biggest expansion of coverage in the state since the ACA.⁸ However, undocumented Californians will continue to be categorically excluded from Covered California under federal policy. They are currently excluded from purchasing coverage through Covered California and from receiving the federal premium subsidies that help make coverage more affordable for other Californians. Despite the lack of financial help, we project 110,000 undocumented Californians pay the full cost of individual market coverage. Others enroll in employer coverage, though undocumented workers are offered affordable employer coverage at a lower rate than their counterparts with citizenship or documentation.⁹ We estimate there will be 520,000 uninsured undocumented Californians not eligible for Medi-Cal, without an offer of affordable employer-based coverage, and not eligible for Covered California (Figure 1).¹⁰ The uninsured rate for all undocumented residents under age 65 (regardless of eligibility category) will be 27% in 2024, compared to 7% for citizens and lawfully present immigrants (Figure 2). While undocumented residents reflect a range of races and ethnicities, many are Latino,¹¹ which contributes to the higher-than-average uninsured rate for Latinos in the state.

Many of the 520,000 uninsured undocumented Californians cannot afford coverage at full cost. For example, approximately one-third (36%, Figure 3) of those in this group have family income below 250% of the federal poverty level, or approximately \$34,000 for a single person (or \$69,000 for a family of four). To put this in context, the income of a single person earning California minimum

Starting in April of 2023, Medi-Cal will begin redetermining eligibility for millions of enrollees, a typically ongoing process that was put on hold during the pandemic under federal rules known as the “continuous coverage provision.”⁷ Redeterminations are scheduled to be completed by mid 2024, and our 2024 projections represent a snapshot in time assuming all redeterminations have been processed. Our model, the California Simulation of Insurance Markets (CalSIM), does not explicitly estimate the effect of unwinding Medi-Cal’s continuous coverage provision; it does, however, model that take-up rates are higher in Medi-Cal than in Covered California, and builds in coverage losses during transitions based on an average amount of churn. Actual uninsured numbers could be higher, at least temporarily, if the administrative barriers to renewal during the unwinding are more challenging than usual.

wage and working full time is equivalent to approximately 220% of the federal poverty level. The average cost for a single silver plan is approximately \$6,000 per year,¹² or 18% of income for a single person earning \$34,000. Those earning more than 250% FPL are also likely to struggle to afford premiums without any financial assistance given that even with subsidies, some Californians struggle to afford premiums at these income levels.¹³ Approximately two-thirds of this uninsured undocumented group are age 30 and older (Figure 3); currently Covered California enrollees are also overwhelmingly adults age 30 and over, with about 75% age 30-64.¹⁴ Approximately one-third of this group resides in Los Angeles (Figure 3), the same as the California undocumented population overall.¹⁵

Figure 3: Demographics of those who are undocumented, uninsured, ineligible for Medi-Cal, and without an offer of affordable job-based coverage, 2024

	Uninsured	Share
Total	520,000	100%
Income		
At or below 250% FPL	190,000	36%
251-400% FPL	160,000	30%
401+% FPL	180,000	34%
Age		
Under 30 years	160,000	31%
30-64 years	360,000	69%
Region¹⁶		
Northern California & Sacramento Valley	20,000	4%
Greater Bay Area	80,000	16%
Central Coast	50,000	10%
San Joaquin, Central Valley, Eastern, Kern	50,000	9%
Los Angeles	190,000	36%
Inland Empire	50,000	9%
Orange	50,000	9%
San Diego	40,000	7%

Numbers may not add due to rounding.
Source: UCB-UCLA CalSIM version 3.51

California policy makers are considering applying for a federal waiver to expand eligibility for Covered California to all regardless of immigration status. If they did so we project that 520,000 uninsured undocumented Californians (Figure 1) and 110,000 undocumented residents currently enrolled in the individual market (not shown) would be newly eligible to enroll through Covered California.

Conclusion

California continues to make remarkable progress in expanding access to health coverage, including by expanding Medi-Cal eligibility to undocumented residents. We project that by 2024 approximately 2.57 million Californians under age 65 (7.9% of the population) will be uninsured. This includes 520,000 uninsured undocumented residents who earn too much for Medi-Cal and do not have an affordable offer of employer coverage. The health coverage needs of this group warrant particular attention because they remain categorically excluded from enrolling in Covered California and cannot receive federal subsidies to make coverage more affordable.

Acknowledgments

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Endnotes

- 1 These projections are from version 3.51 our California Simulation of Insurance (CalSIM) model. This updated version differs from those used in previous publications, reflecting policy changes, technical updates to the model, and updated data inputs. As in previous versions, our estimates of the uninsured before the Medi-Cal expansion count undocumented residents without access to full-scope Medi-Cal coverage as being uninsured even if they report having (emergency-only or pregnancy-only) Medi-Cal on surveys.
- 2 As with the earlier expansions of Medi-Cal coverage to undocumented residents, most of the anticipated enrollees age 26 to 49 are already enrolled in restricted-scope Medi-Cal, enabling them to be automatically transitioned to full-scope coverage in January 2024. For more on the timing of Medi-Cal expansions see Miranda Dietz et al., “California’s Biggest Coverage Expansion since the ACA: Extending Medi-Cal to All Low-Income Adults” (UC Berkeley Center for Labor Research and Education, April 14, 2022), <https://laborcenter.berkeley.edu/californias-biggest-coverage-expansion-since-the-aca/>.
- 3 Miranda Dietz and Laurel Lucia, “What’s at Stake for California Health Care Affordability in the Inflation Reduction Act?,” August 4, 2022, <https://laborcenter.berkeley.edu/whats-at-stake-for-california-health-care-affordability-in-the-inflation-reduction-act/>.
- 4 Miranda Dietz, Tynan Challenor, and Srikanth Kadiyala, “Fact Sheet: Fixing the Family Glitch in California—Projections from the California Simulation of Insurance Markets” (UC Berkeley Center for Labor Research and Education, August 30, 2022), <https://laborcenter.berkeley.edu/fixing-the-family-glitch-in-california/>.
- 5 Sara R. Collins, Lauren A. Haynes, and Relebohile Masitha, “The State of U.S. Health Insurance in 2022: Findings from the Commonwealth Fund Biennial Health Insurance Survey” (The Commonwealth Fund, September 29, 2022), <https://doi.org/10.26099/73zg-3432>; Jennifer Tolbert, Patrick Drake, and Anthony Damico, “Key Facts about the Uninsured Population” (Kaiser Family Foundation, December 19, 2022), <https://www.kff.org/uninsured/issue-brief/key-facts-about-the-uninsured-population/>.
- 6 Michele Cordoba et al., “The Medi-Cal Maze: Why Many Eligible Californians Don’t Enroll” (California Health Care Foundation, September 2021), <https://www.chcf.org/wp-content/uploads/2021/09/MediCalMazeWhyManyDontEnroll.pdf>; Rachel Schwab, Justin Giovannelli, and Kevin Lucia, “California’s Marketplace Tries New Tactics to Reduce the Number of Uninsured and Underinsured,” *To the Point (Commonwealth Fund)* (blog), March 31, 2022, <https://doi.org/10.26099/t8b2-xx31>.
- 7 For more see Laurel Lucia, Tynan Challenor, and Miranda Dietz, “How Will Californians’ Health Coverage Sources Change When the Public Health Emergency Ends?,” *Center for Labor Research and Education* (blog), April 28, 2022, <https://laborcenter.berkeley.edu/californians-health-coverage-sources-when-public-health-emergency-ends/>.
- 8 Dietz et al., “California’s Biggest Coverage Expansion since the ACA.”
- 9 CalSIM version 3.5.
- 10 We project an additional 60,000 undocumented and uninsured Californians accounted for in other categories: 30,000 undocumented Californians in the group of uninsured eligible for Medi-Cal and another 30,000 in the group of uninsured eligible for affordable employer coverage.
- 11 Nadereh Pourat, “Six Facts About Undocumented Californians” (California Health Care Foundation, June 6, 2018), <https://www.chcf.org/publication/six-facts-about-undocumented-californians/>.
- 12 Coverage costs vary by age, region, and metal tier; as of June 2021 the average unsubsidized silver tier plan cost \$491 per month. Covered California active member profile, June 2021. <https://hbex.coveredca.com/data-research/>.
- 13 Vicki Fung, Mary Price, and John Hsu, “Health Insurance and Health Care Affordability Perceptions Among Individual Insurance Market Enrollees in California in 2021” (California Health Care Foundation, May 17, 2022), <https://www.chcf.org/publication/health-insurance-affordability-perceptions-individual-insurance-market-enrollees-ca-2021/>.

14 Children are more likely to be eligible for Medi-Cal because the FPL thresholds are higher—266% FPL—for children up to age 18; Covered California active member profiles available at: <https://hbex.coveredca.com/data-research/>.

15 Joseph Hayes and Laura Hill, “Undocumented Immigrants in California,” Just the Facts (Public Policy Institute of California, March 2017), <https://www.ppic.org/publication/undocumented-immigrants-in-california/>.

16 **Region definitions**

Covered CA rating regions	Description	Counties
1,3	Northern CA & Sacramento Valley	Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Mendocino, Modoc, Nevada, Placer, Plumas, Sacramento, Shasta, Sierra, Siskiyou, Sutter, Tehama, Trinity, Tuolumne, Yolo, and Yuba
2,4,5,6,7,8	Greater Bay Area	Alameda, Contra Costa, Marin, Napa, San Mateo, San Francisco, Santa Clara, Solano, and Sonoma
9,12	Central Coast	Monterey, San Benito, San Luis Obispo, Santa Barbara, Santa Cruz, and Ventura
10,11,13,14	San Joaquin, Central Valley, Eastern, Kern	Fresno, Imperial, Inyo, Kern, Kings, Madera, Merced, Mariposa, Mono, San Joaquin, Stanislaus, and Tulare
15,16	Los Angeles	Los Angeles
17	Inland Empire	Riverside and San Bernardino
18	Orange	Orange
19	San Diego	San Diego

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