



# Media Release

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**For Immediate Release**

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## **Private Option Enrollees Younger, Help Lower Median Age of Arkansas's Insurance Marketplace**

More than 50 percent of people enrolled in Arkansas's "Private Option" as of the first of the year are under age 40 and 77 percent are under age 50, according to demographic information released by the Department of Human Services (DHS) on Wednesday.

"Unlike what we've seen in the federal exchange, the majority of people enrolled in Arkansas's Private Option are younger," said DHS Director John Selig. "Bringing in more young, relatively healthy people through the Private Option will reduce premiums for all insured Arkansans."

The Private Option (formally known as the Health Care Independence Program) allows the state of Arkansas to use federal Medicaid funding to pay the monthly private health insurance premiums for eligible individuals who make 138 percent or less of the federal poverty level, or about \$15,850 a year for an individual.

Of the 64,872 people enrolled in private plans as of Jan. 2 (the most recent demographic information available):

- 16,923 were between the ages of 18-29,
- 19,669 were between the ages of 30-39,
- 13,904 were between the ages of 40-49
- 11,432 were between the ages of 50-59, and
- 2,944 were age 60 or older.

An additional 6,706 people who applied for the Private Option were determined to be better served by the traditional Medicaid program as of Jan.2, and 46 percent of those were under age 40. For this group:

- 1,370 were between the ages of 18-29,
- 1,731 were between the ages of 30-39,
- 1,656 were between the ages of 40-49,
- 1,580 were between the ages of 50-59, and
- 369 were age 60 or older.

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Arkansas Medicaid Director Andy Allison said the demographic data released Wednesday shows that the Private Option lowers the median age of the first participants in Arkansas's Marketplace by at least 10 years.

"Given that Private Option enrollees account for about 80 percent of the participants in the Marketplace, Arkansas's private insurance market is significantly larger and younger than it would be, and includes healthier participants than it otherwise would," Allison said. "That makes Arkansas a more attractive place for insurance carriers, and likely will increase competition among the carriers that sell plans in this state."