Evaluating the Financial Impact of the Affordable Care Act on Farmers in Wisconsin

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Background

The Patient Protection and Affordable Care Act (PPACA) encourages the economic development of small businesses by reducing the cost of health care and provides small businesses with an incentive to offer affordable employer-sponsored health insurance.

- 44 percent of farmers spent 10 percent of income on out-of-pocket medical expenses (Pryor et al., 2008).
- 23 percent of Wisconsin dairy farmers are underinsured (Wisconsin Family Farm Facts, 2002).
- 13 percent of small employers (50 or less full-time employees) are likely to start offering health coverage when the PPACA is fully implemented in 2014 (Dicken, 2012).

Research Questions

How is the implementation of the PPACA going to financially impact Wisconsin farm owners?

Will the Affordable Care Act offer enough incentive for Wisconsin farm owners to provide employee-sponsored health insurance?

Methods

Survey Design
- Demographic Characteristics
- Current Health Conditions
- Health Insurance Ratings
- Responses to the Affordable Care Act

Data Collection
- Anonymous Surveys
- Distribution via Mail/Qualtrics
- Stripped Identifiers for Confidentiality

Population
- 473 Wisconsin Farm Owners
- 74 Total Respondents (15.6% Response Rate)

Measures and Variables
- Categorical
- Likert Scale
- Statement Choice
- Open-Ended Text
- SPSS
- MS Excel
- EViews
- Regression Analysis

Discussion

- 40.2% agree that the ACA will improve the overall quality of health care
- 56.7% are not making any plans to accommodate changes in health care reform with the ACA
- 48.3% are unlikely to provide their employees with health insurance in the future

Conclusion

Improving efforts to inform Wisconsin farm owners about the upcoming changes under the ACA and how it may financially impact their businesses could potentially help some farm owners provide employer-sponsored coverage.

Despite many differences in the responses between Wisconsin farm owners, an overwhelming majority recognized the need for healthcare reform but also expressed their concern about whether the ACA will properly address the fundamental issue of affordability.

Dependent Variable: Possible Financial Struggle = 1 if yes, and 0 otherwise

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<thead>
<tr>
<th>Variable</th>
<th>Coefficient</th>
<th>P-value</th>
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<tbody>
<tr>
<td>Income</td>
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<td>Gender = 1 if male, 0 otherwise</td>
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<td>Side-job = 1 if yes, 0 otherwise</td>
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<td>Work schedule = 1 if full time, 0 otherwise</td>
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