

**Expanding Health Access to Uninsured Massachusetts Residents
Health Now!—the Next Big Step toward Universal Health Care**

Who are the uninsured?

What are the consequences of being uninsured?

How Health Now! will expand coverage and access to care?

Table: Uninsured residents of Massachusetts by city and town

Did you know that most uninsured people in Massachusetts are working can't get coverage at work? Health Now would help.

Introduction

Massachusetts has made great strides in reducing the number of uninsured residents, particularly since 1996, when we passed a 25 cent tobacco tax to expand health coverage to all children and many low income adults. Since that time over 250,000 new adults and children have been enrolled in MassHealth and the Children's Medical Security Program. An aggressive community based outreach effort helped make the new programs fulfill their promise. In the process, we have saved the Free Care Pool over \$550M and brought in \$768M in new federal matching funds for MassHealth.

Our success since 1996 shows that we have the tools and experience to make the next important step toward universal coverage. The Health Now! bill (Senate Bill 1703 and House Bill 2169) provides the roadmap. By raising the tobacco tax by 50 cents, we can provide the revenue, along with federal matching funds, to cover 85,000 of those who remain uninsured.

This report will describe the uninsured in Massachusetts, the health consequences of being uninsured, and how Health Now! would help. Most of the uninsured are working single adults whose employers do not provide coverage or who cannot afford the coverage offered. Many are parents whose children are now covered. Some are older "teens" who lose their MassHealth coverage when they turn 19. They are in every city and town, in every region of the state.

Our detailed picture is based on the household survey conducted in 1998 and 2000 by the University of Massachusetts for the Division of Health Care Finance and Policy on the health insurance status of Massachusetts residents. Their results closely match those of Urban Institute studies conducted in 1997 and 1999 (see footnote)

At the back of this report is a chart with the estimated number of uninsured residents in each city and town in Massachusetts. Our estimates are based on the percentage of uninsured reported by DHCFP in five regions of the state (Northeast, Southeast, West, Worcester and Metro Boston). We then applied that percentage to the latest population totals from the 2000 Census. These should be seen as estimates, since a larger sample from the city or town would have to be used for more exact results. DHCFP did conduct such specific studies ("over-sampling) in five urban areas (Boston, Fall River/New Bedford, Lawrence/Lowell, Springfield and Worcester), and these results are included in the chart.

WHO ARE THE UNINSURED?

- ? Over 365,000 of your friends and neighbors
- ? 8 percent of adults age 19-65
- ? 3% of children under 19 years of age

MOST UNINSURED PEOPLE ARE WORKING

Box—Story from home care study

This was one home care worker interviewed in 1998 as part of a survey of 100 home care workers conducted by Health Care For All. Thirty four percent of these workers were uninsured, 90% women and their income was well below the state average.

- ? Over 70% of uninsured adults under the age of 65 are employed. They are more likely to work in small businesses or to be self-employed. (DHCFP 200)
- ? Eligibility: Only 25% of working uninsured adults are eligible for health insurance through their employers. DHCFP2000 p. 15)
- ? Impact of job change: 55% of all uninsured adults who lost insurance in the past year said that changing jobs was the reason. (DHCFP2000 p. 16)

Health Now! would for the first time cover low income single adults who are not eligible for MassHealth because they are not parents or disabled.

LOW INCOME UNINSURED PEOPLE CANNOT AFFORD INSURANCE

Box—the typical cost of a non-group health plan today is \$xxxx. For a worker making \$11,400 per year (133% of poverty level), --or we could use minimum wage --that amounts to x % of their pay)

- ? The highest rate of uninsurance is among low income households with incomes less than 200% of the poverty level or \$29,260 for a family of 3. (DHCFP2000, pg. 10)
- ? 70% of uninsured working adults under age 65 reported said that the cost of insurance was the reason they were uninsured. (DHCFP2000 pg. 16)

HealthNow! would help low income households by covering parents and 19 and 20 year olds who make less than \$29,260 for a family of 3 and adults without children who make less than \$11,400 for an individual.

LATINOS AND AFRICAN AMERICANS ARE MORE LIKELY TO BE UNINSURED

- ? Hispanic adults are more likely to be uninsured (24.2%) than other racial or ethnic groups and Black adults have the second highest uninsured rates (16.2%). (DHCFP Access Update, June 2001) They are also more likely to reside in low income households. (DHCFP2000 p. 9)

Box: The high rate of uninsurance among Latinos and African Americans is one cause higher rates of infant mortality, heart disease, cancer, diabetes, and AIDS in these communities. . (U.S. Surgeon General Report, 2000)

Health Now! would help by providing new coverage as well as community health workers in low income and minority communities to help get people the coverage and care they need.

YOUNG ADULTS ARE UNINSURED AT HIGHER RATES

? 17% of adults age 19 to 24 are uninsured—the highest of all age groups.

Box: Did you know that hard working young adults who do not attend college are not eligible to stay on their parents insurance? Health Now! would help by covering 19 and 20 year olds with incomes up to \$17,170/year. These young adults often work at low-wage entry level or part time jobs as they are acquiring skills that will last their life time and are trying to make it on their own for the first time. Usually, they are healthy, but that does not mean that they do not need health insurance. Habits formed early in adulthood-- habits like regular preventive doctor visits, nutrition and wellness advice that is provided through those visits-- remain, encouraging a healthier older adult population.

WHAT ARE THE CONSEQUENCES OF BEING UNINSURED?

Box: An outreach worker in Lynn sees a 64 year old worker who has been working in a restaurant on Route 1 for 28 years without health insurance. He now has untreated diabetes and high blood pressure. The diabetes has affected his eyes and he is almost blind—he is not covered MassHealth because he is working.

? Uninsured adults rate their quality of health below those who are insured. (DHCFP, Access Report, June 2000, pg. 3)

? Insured adults are twice as likely as uninsured adults to visit a doctor and more likely to visit an Emergency Room. When uninsured adults did seek physician care, 60% paid out of pocket and another 30% received services paid by the Free Care Pool. (DHCFP Access Report, June 2000, pg. 3)

Footnote on the DHCFP study vs. CPS: The Current Population Survey of 1999, produced by the Census Bureau, showed Massachusetts with 636,000 uninsured or 10.5% of the population. The Umass percentage was 8.2% in 1998 and 5.9% in 2000. The differences between the CPS results and the Urban Institute/Umass results are largely methodological. First, the CPS asks interviewees each spring to recall their insurance coverage status over the course of the entire preceding year. The Umass and Urban Institute studies figures for the uninsured are based on a question to respondents about their insurance status only at the point in time of the survey. CPS would thus show a larger number. Indeed, Umass did ask a second question in its 2000 survey about uninsured status at any time over the past year and the result was 8%. Also, the Census Bureau itself recognizes that the CPS estimate undercounts enrollees in Medicaid, which was the main program expanded in 1996 in Massachusetts. Finally, the Census Bureau used a substantially

smaller sample-size than the two other surveys (approximately 1100 vs. 2500) and warns about the unreliability of their estimates at the individual state level).