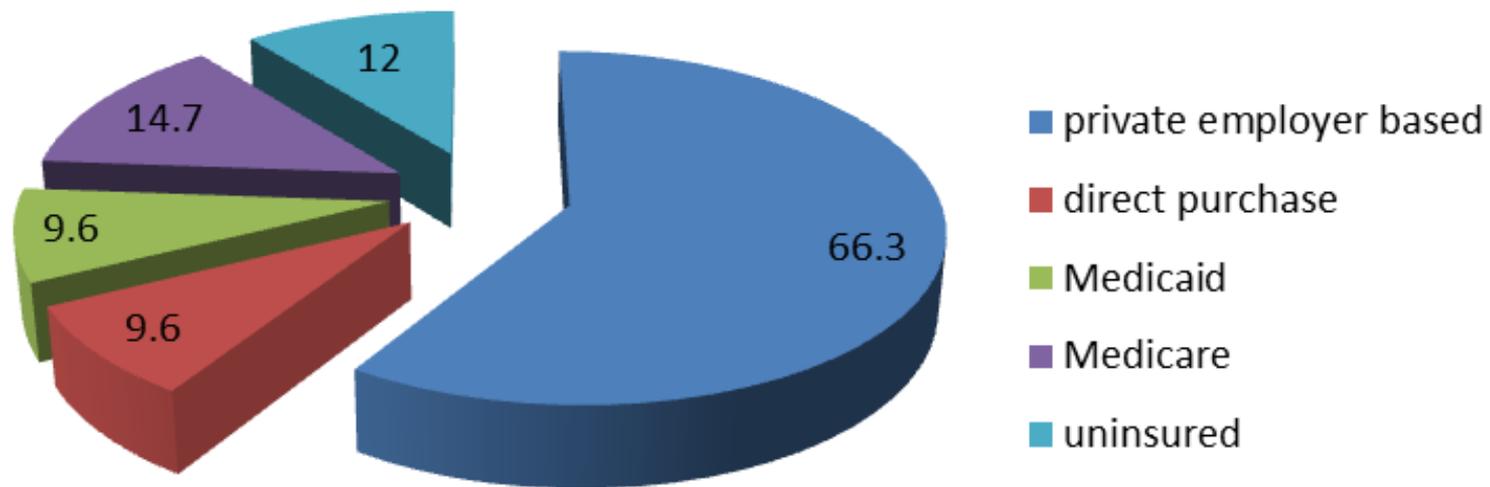


# **Health Policy 201– CT's health care system**

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CT Health Policy Project  
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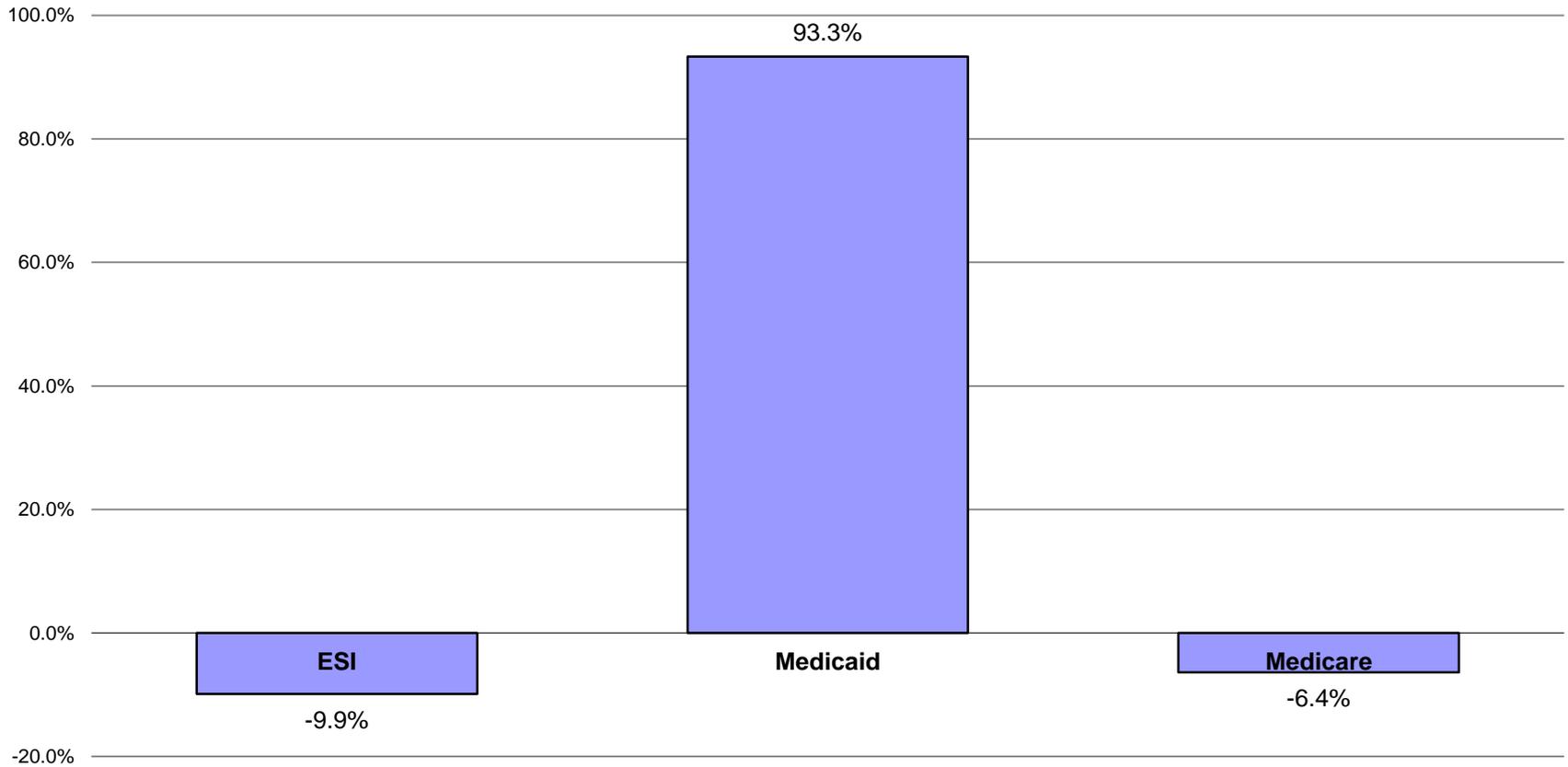
what it looks like depends on where  
you are sitting

**CT coverage**  
(CPS, US Census 2009)



# seats are changing

## CT coverage change, 1999-2008



Source: US Census

# who is left out?

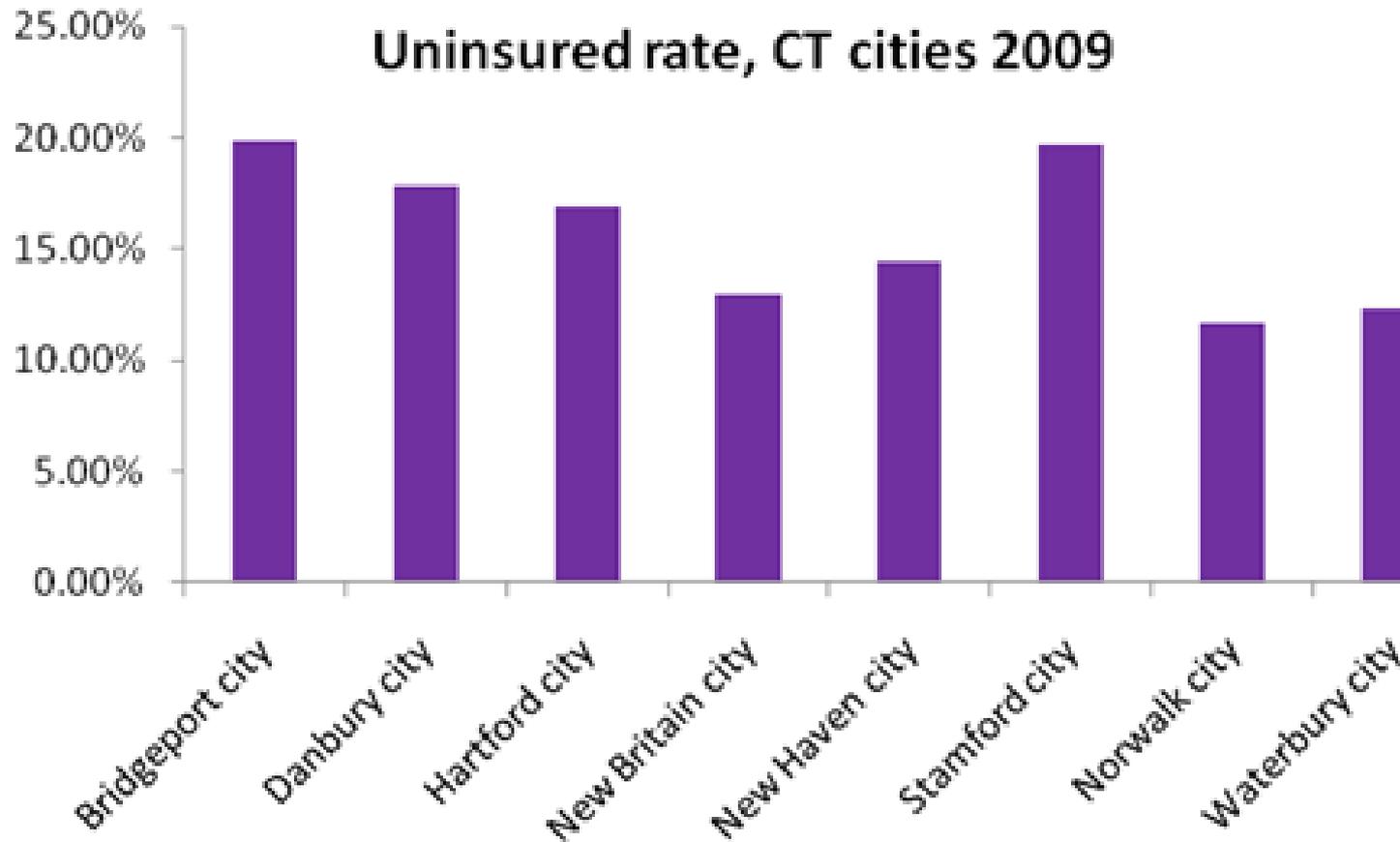
- 418,000 uninsured in CT (2009)
- More than populations of New Haven plus Hartford plus Middletown plus New London plus Bloomfield
- Likely worse since then – estimated that 310 CT residents have lost coverage each week since Jan. 2008
- Just the increase in uninsured 2008 to 2009 is larger than the total populations of nine in ten Connecticut municipalities

# CT's uninsured larger than

The number of accountants, auditors, computer programmers, architects, economists, chief executives, social workers, clergy, lawyers, judges, librarians, writers and authors, photographers, dentists, doctors, pharmacists, registered nurses, veterinarians, dental hygienists, fire fighters, security guards, crossing guards, chefs and cooks, waiters and waitresses, dishwashers, janitors, tree trimmers and pruners, hairdressers, child care workers, insurance sales agents, travel agents, file clerks, mail carriers, electricians, painters, bakers, butchers, machinists, tool and die makers, commercial pilots, air traffic controllers, bus drivers, parking lot and service station attendants, fitness trainers, health educators, actors, dancers, funeral directors, budget and financial analysts, loan officers, chemists, historians, reporters,

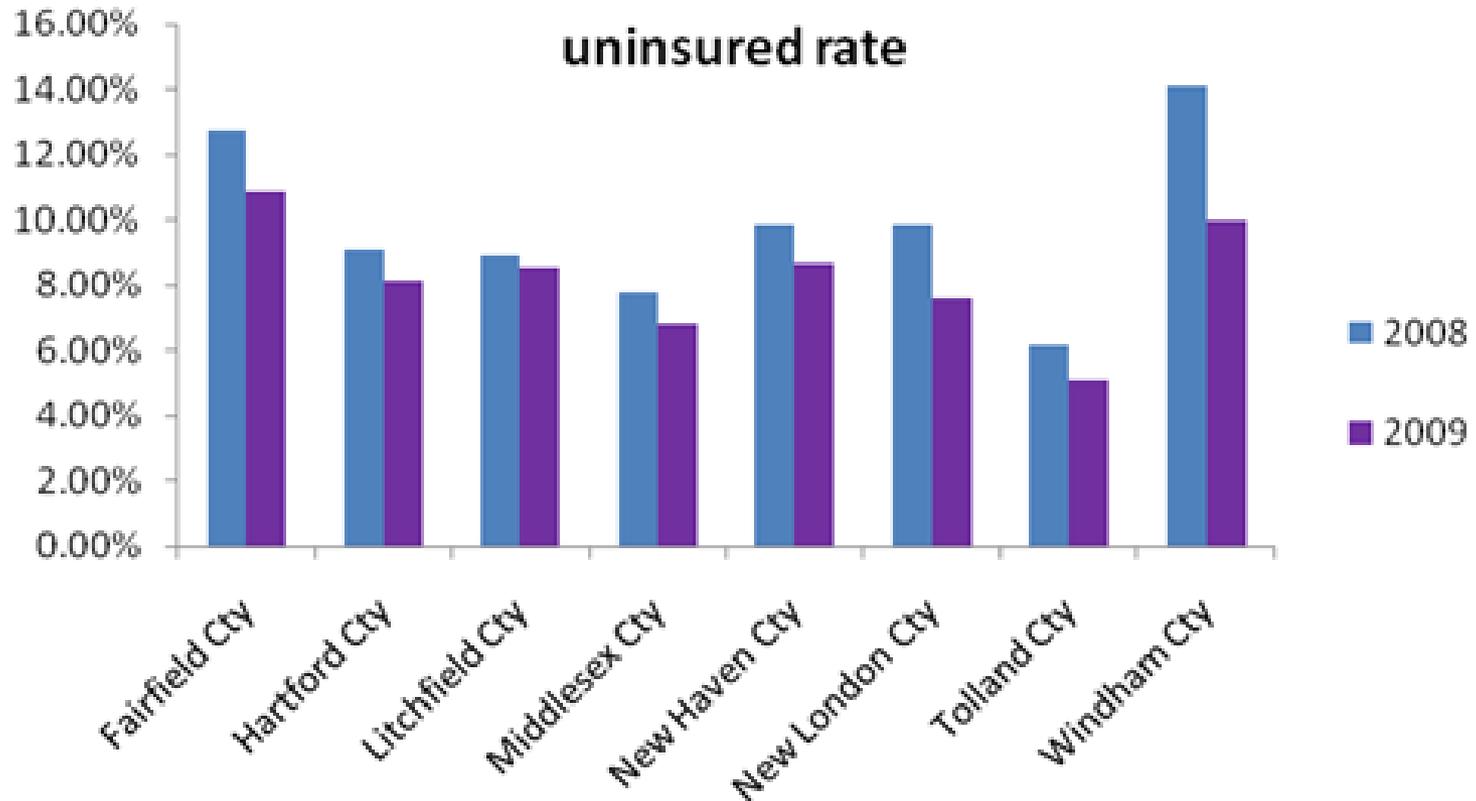
**PLUS** legislators in CT

# CT uninsured are not evenly distributed



Source: US Census, ACS

# CT uninsured are not evenly distributed



Source: US Census, ACS

# who are CT's uninsured

- Most uninsured adults are working
- Most family incomes \$12,000 to \$45,000/year
- Tend to be single, young adults age 19 to 29
- Nine out of ten do not have a college degree
- Hispanics in CT are >3 times more likely to be uninsured
- Most uninsured workers are employed at small firms (<50 workers)
- For 6 in 10, their employer does not offer coverage
- Another 14% are not eligible for health benefits at work
- Half are temporary or part-time workers

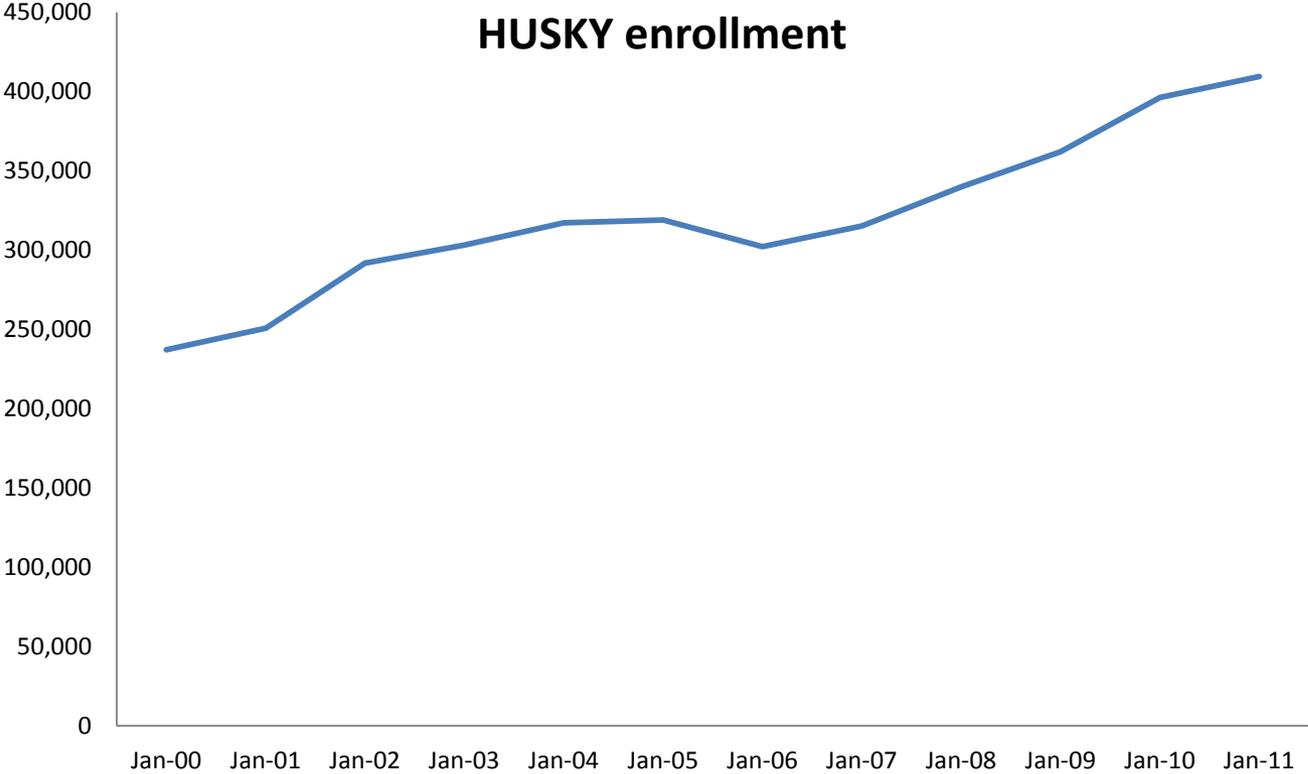
# public programs

- Cover one in four of us
- Rising -- >100,000 CT residents lost ESI 2007 to 2008, most shifted to public programs
- Medicare – 513,000
  - Covers seniors and people with disabilities
  - Only federal funding
- Medicaid – 406,000
  - Means tested, eligibility categories – children, parents, seniors
  - Covers
  - State and federal funding
  - Operated by state

# HUSKY

- Largest purchasing pool in state
- Up 60% in last ten years
- Counter cyclical
- Costs rising, overpay HMOs
- Only half of HUSKY children get a check up each year
- Few CT providers accept HUSKY

# HUSKY



Source: CT DSS, ACS

# health care critical to CT's economy

- 12 cents of every dollar spent in CT goes to health care
- One out of eight CT workers is employed in health care services
- While CT employment dropped 4.3% from 2008 to 2009, health care employment was up 1.7%
- Ten major drug and 22 biomedical companies as well as six major HMOs have large facilities in Connecticut
- CT hospitals had combined annual revenues of over \$9 billion in 2010
- Every dollar spent on Medicaid in CT creates \$2.09 in business activity; Medicaid generates 31,695 CT jobs and \$4.5 billion in CT wages
- Companies that operate in Canada, with universal health care, save an estimated \$4 per hour per worker on health insurance costs compared to the US

# health care is expensive in CT

- Health care spending per person in CT is 21% higher than US
- From 2000 to 2009, total CT family premiums rose 96% while family incomes rose only 13%
- Family costs rose even more – by 114% or 8.8 times faster than incomes

# why is it so expensive

- **Because one in nine CT residents doesn't have coverage**, adding inefficiency that increases premiums \$198 per year for CT single coverage and \$583 for CT families
- **We are getting sicker** – rising prevalence of the top five medical conditions accounted for almost a third of the rise in costs
- **Lifestyles** – obesity costs every CT resident \$246 each year in higher medical costs
- **Administration** consumes 31% of every dollar spent on health care in the US, compared to 16.7% in Canada
- **Technology advances** are a significant driver of health costs, however they are important in reducing future costs
- **Waste** – it is estimated that \$1.2 trillion of the \$2.2 trillion US spends on health care is wasted – duplicate services, unnecessary treatments, inefficient administration

# what to do about it

- Two-thirds of rising health costs due to rising prevalence of disease
- Improving physical activity, avoiding obesity and quitting smoking can reduce annual health costs between \$1521 and \$2565 per person
- 26% of CT school-aged children were overweight or obese in 2007, leading to diabetes, hypertension and a variety of other disorders
- Seven in ten CT adults do not meet CDC guidelines for fruit and vegetable intake
- Half of Americans do not receive reminders for preventive care from providers or health plans
- Only 30% of US employers have any health promotion programs
- Lowest wage workers are the least likely to receive preventive care such as blood pressure and cholesterol checks