

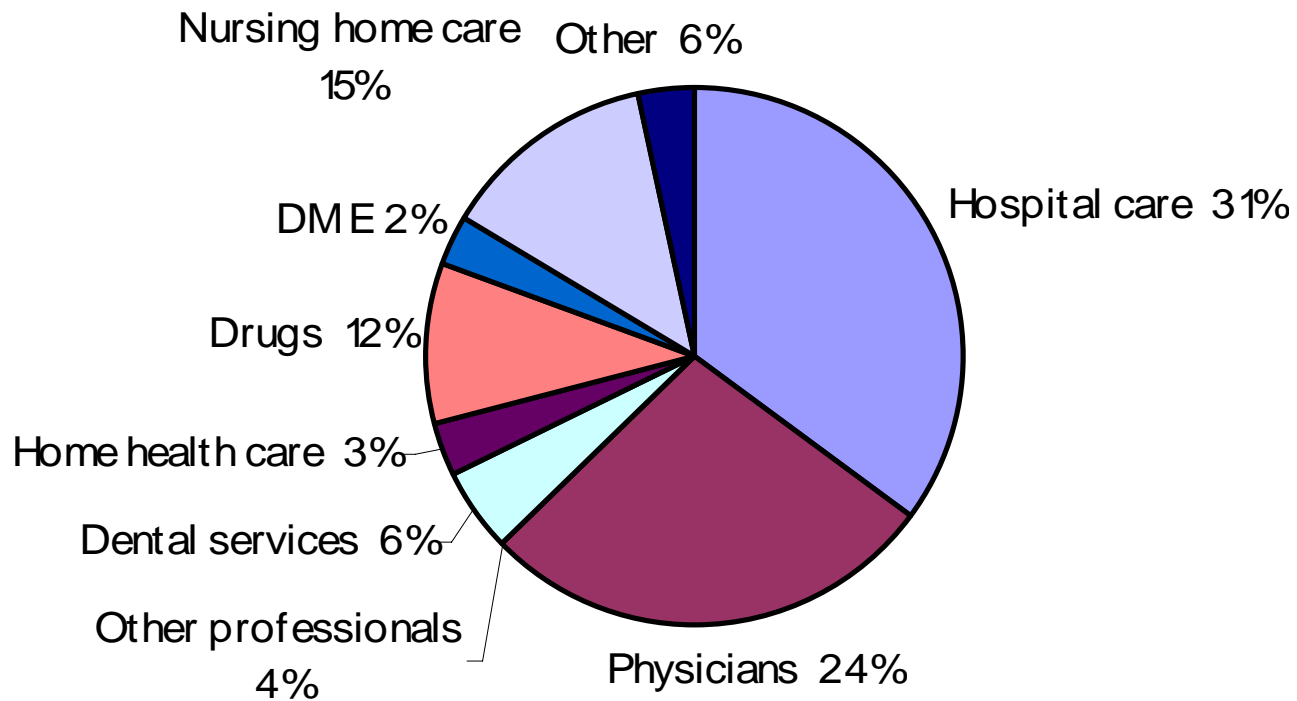
Connecticut's Health Care System: A network of cracks and who's falling through

CT Health Policy Project

July 2007

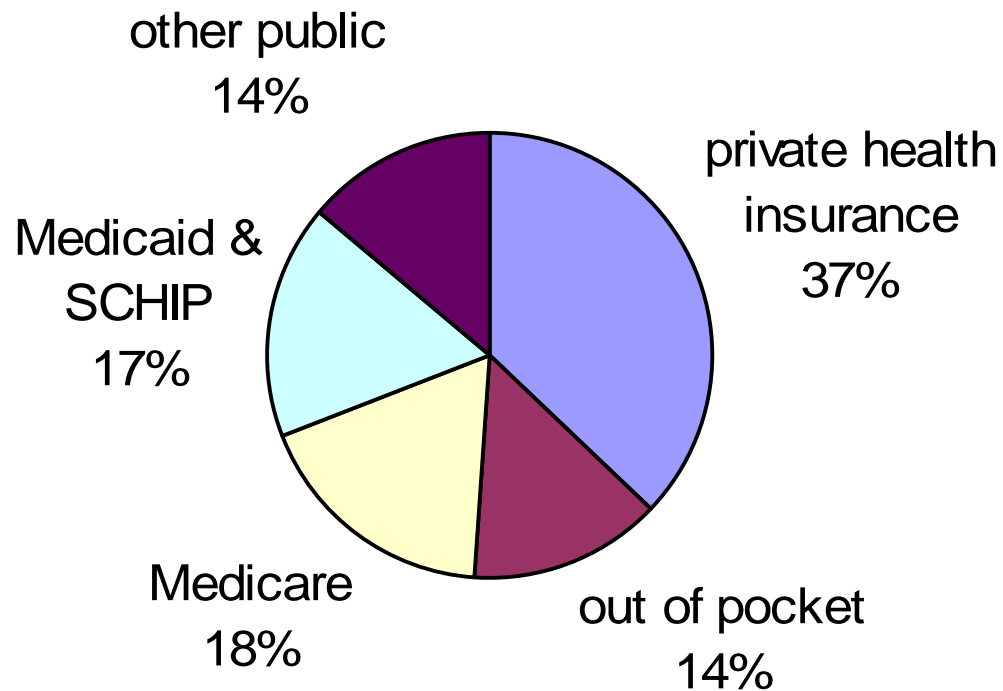
CT's Health Care Dollar Where does it go?

(2004 – CMS)



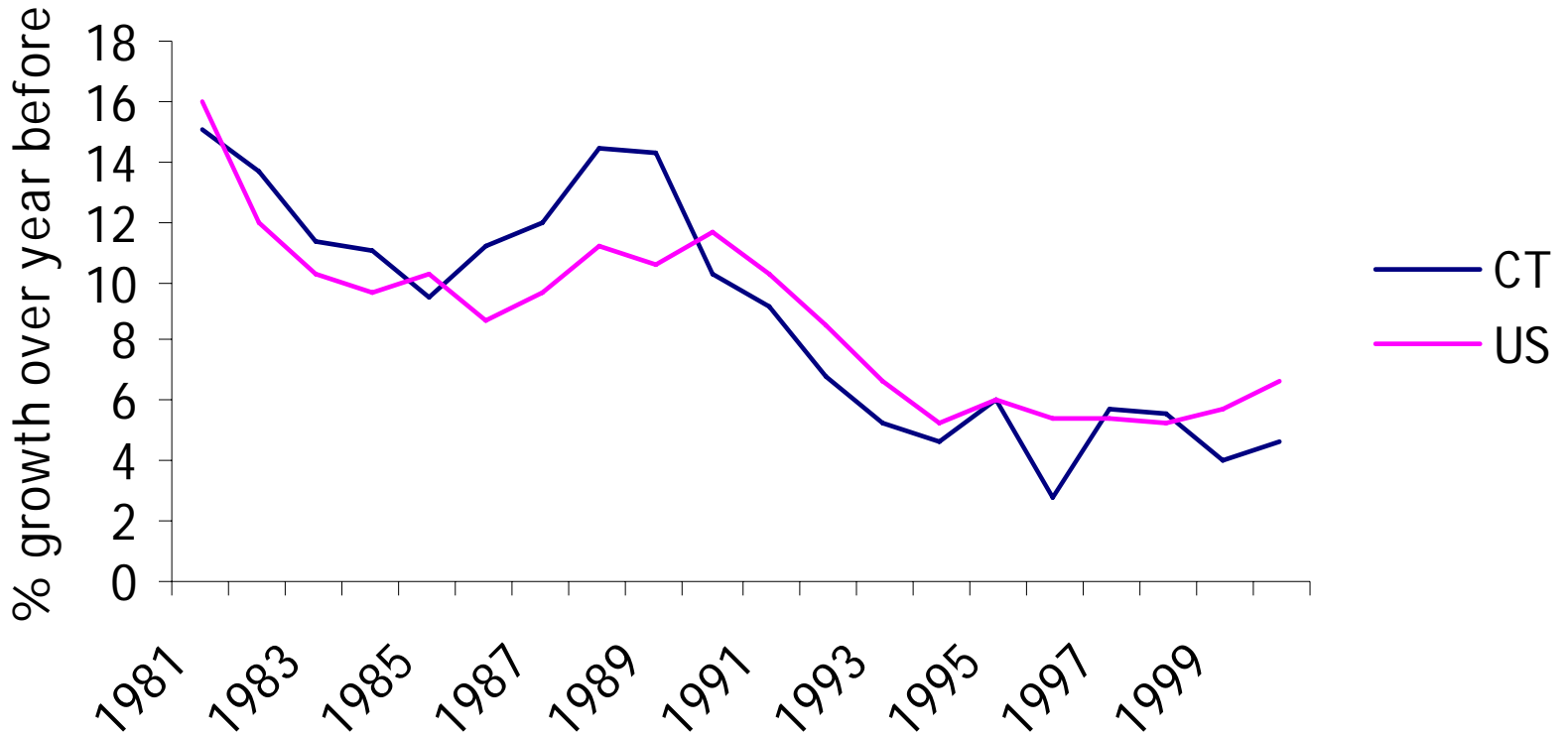
Where does it come from?

(US – CMS, 2004)



Growth in CT's health care costs

annual growth, CMS



Costs of Health Care in CT

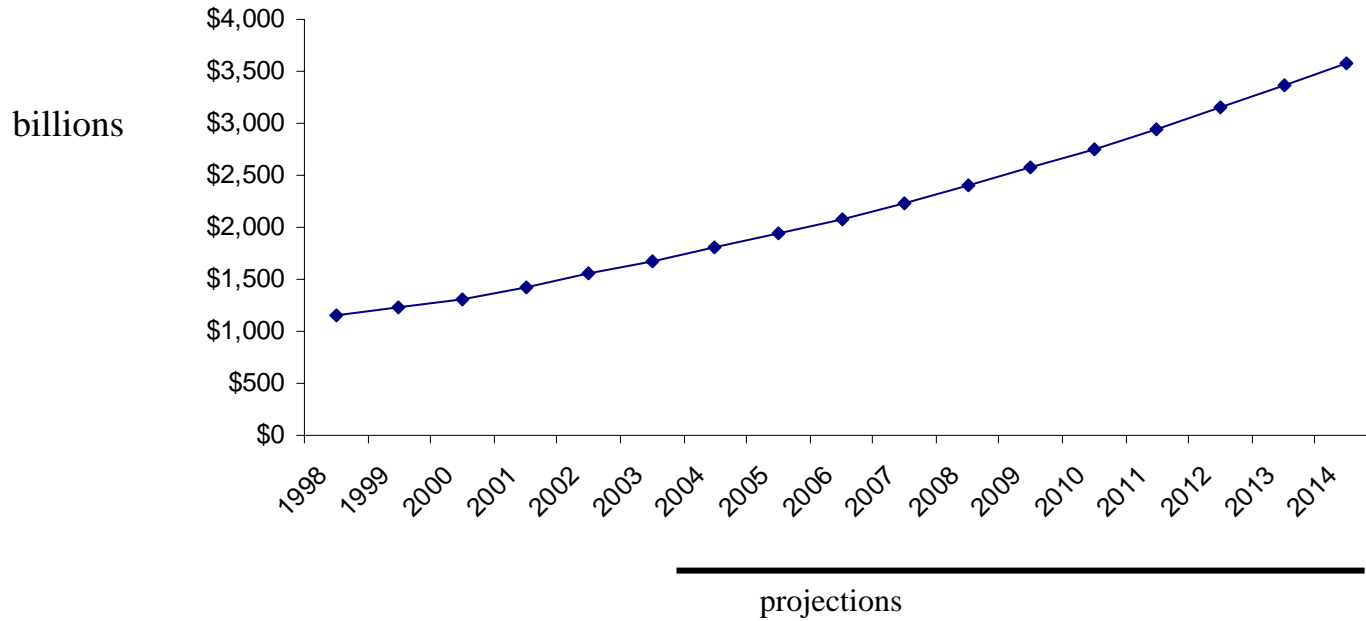
- CT spends 12.1 % of our Gross State Product on health care
- In 2004 we spent \$6,279.85 per person – US average \$5,313.18
- 4th most expensive state in US for family coverage -- 13th highest for single coverage
- Average CT premiums up 56% since 2000, but wages are only up 14%

Why is health care so expensive?

- First, because one in nine CT residents doesn't have coverage -- that costs us an extra \$198 per year for single coverage and \$583 for CT families
- Rise in prevalence of the top five medical conditions accounted for 31% of the growth in costs, not cost per case
- Lifestyles – e.g. Obesity costs each CT resident \$246/year in higher medical costs
- What isn't driving costs – malpractice, waiting lists
- Drivers of cost growth
 - Drug prices
 - Hospital costs
 - Profit

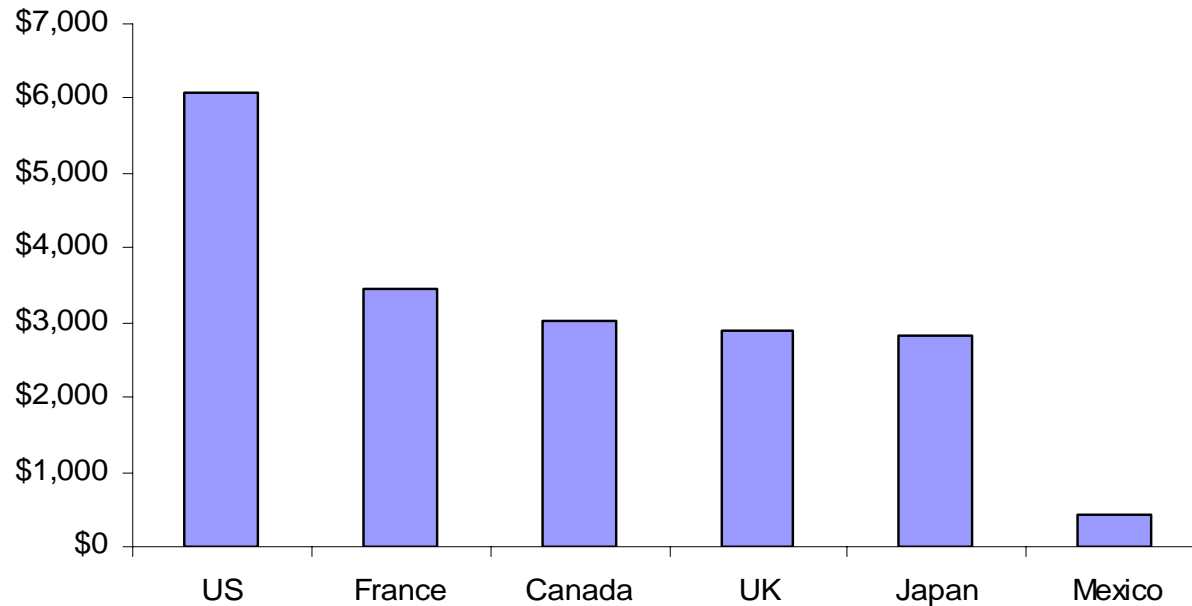
And it's getting worse

(US, CMS)



Expensive compared to others

health care spending per capita, 2004



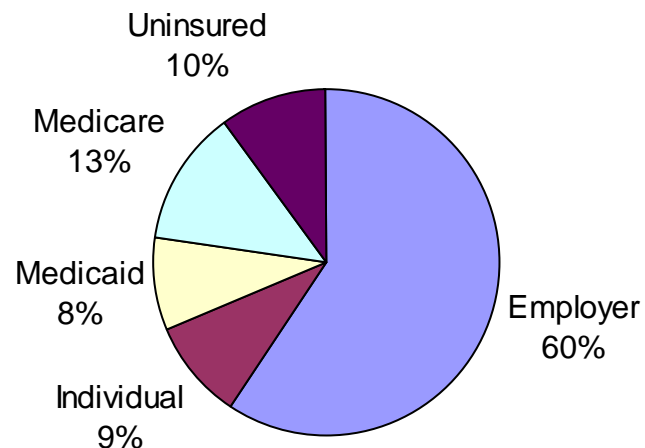
Health care is critical to CT's economy

- One in nine CT workers is employed in healthcare services
- From 7/00 to 7/05 health care jobs grew by 16% while overall job growth was only less than 2%
- Health care providers lead the list of highest paid workers in a wealthy state – 5 of top 6
- Every dollar spent on Medicaid in CT creates \$2.09 in business activity, generating 31,695 jobs and \$4.5 billion in wages
- CT is central to the growing “US healthcare epicenter” from DC to Boston corridor
- Stock analysts have consistently advised their clients to invest in healthcare during troubled times

Insurance Coverage in CT

(US Census, 2005 data)

Employer	2,356,000
Individual	372,000
Medicaid	337,000
Medicare	514,000
Uninsured	394,000



CT's Uninsured is not a small problem

Number of Uninsured in CT

=

The populations of the City of
New Haven + City of
Hartford + City of
Waterbury+ City of
Norwich

	Population
Fairfield County	882,567
Hartford County	857,183
New Haven County	824,008
CT's Uninsured	394,000
New London County	259,088
Litchfield County	182,193
Middlesex County	155,071
Tolland County	136,364
Windham County	109,091

Number of Uninsured in CT > total # of

accountants + auditors + computer programmers + architects + engineers + economists + social workers + clergy + lawyers + judges + librarians + writers + authors + photographers + dentists + doctors + pharmacists + nurses + veterinarians + dental hygienists + fire fighters + security guards + crossing guards + chefs and cooks + waiters and waitresses + dishwashers + janitors + maids + tree trimmers and pruners + barbers + hairdressers + child care workers + cashiers + insurance sales agents + travel agents + telemarketers + file clerks + mail carriers + electricians + painters + bakers + butchers + machinists + tool and die makers + commercial pilots + air traffic controllers + bus drivers + parking lot + service station attendants.

Who is uninsured in CT? (2005 – OHCA)

- Two out of three uninsured adults are workers
- 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

Who are CT's Uninsured?

- Income is most closely correlated with insurance
- 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

It's not healthy to be uninsured

- CT's uninsured are 10 times less likely to get care for an injury and 7 times less likely to get care for a medical emergency
- The uninsured often go without screenings and preventive care
 - 12% of hospital stays for the uninsured could have been prevented with early treatment, each avoidable stay averaged \$3300 in 2002
- The uninsured are less likely to access on-going care to manage chronic diseases
- Uninsured Americans are less healthy and die earlier

It's expensive to be uninsured

- While the uninsured use half as much health care as the rest of us, they pay far more out of pocket
- Half of bankruptcies are due to high medical bills
- The uninsured are four times more likely to delay seeking medical care due to cost
- The uninsured often pay the highest prices for their care, full retail prices, no HMO discounts

It's not good for communities either

- Taxpayers fund 80 to 85% of care for uninsured
 - Financial strains on safety net providers, funded with public dollars
- Access to care is lower for everyone in communities with higher rates of uninsured
 - Hospitals have fewer beds
 - Less likely to offer trauma and burn care
- Providers raise rates to cover uninsured patients, raising local costs of care and premiums
- Public health hazards of increased populations with untreated disease

HUSKY

- Covers 316,114 low-income CT children and families, who would be uninsured if not for HUSKY
- Covers one in every five CT children and one in every four CT births
- Comprehensive, affordable coverage, far better than most low wage earners could get from employers

HUSKY is cost effective

- Children and families are the least expensive to cover – Families make up 73% of CT Medicaid recipients but use only 18% of the dollars
- Medicaid is more cost-effective than private insurance – study finds moving privately insured adults to Medicaid could save 16%
- HUSKY cost only \$2,328 per person last year, compare to \$3,864 single coverage premium average (2004)
- CT Medicaid spending is under control – less than other states, fed.s, private increases

State budget update 6/07

- HUSKY provider rates increased significantly – up to 50% higher
- HUSKY parents to 185% FPL, pregnant women to 235% FPL
- Children can stay on parents' policies to age 26
- Primary Care Case Management pilot
- Dangerous premium assistance plan
- Charter Oak Health Plan – to offer coverage to uninsured through individual market
- Cigarette tax increase
- No movement on universal health coverage, despite much hype

Why advocate?

Agitators are a set of interfering, meddling people, who come down to some perfectly contented class of the community and sow seeds of discontent amongst them. That is the reason why agitators are so absolutely necessary. Without them, in our incomplete state, there would be no advance toward civilization.

Oscar Wilde

For more help and regularly
updated information



Sign up for **CT Health Notes**
www.cthealthpolicy.org/cthealthnotes
and visit
The Health Advocacy Toolbox
www.cthealthpolicy.org/toolbox