

Reforming health care in challenging times

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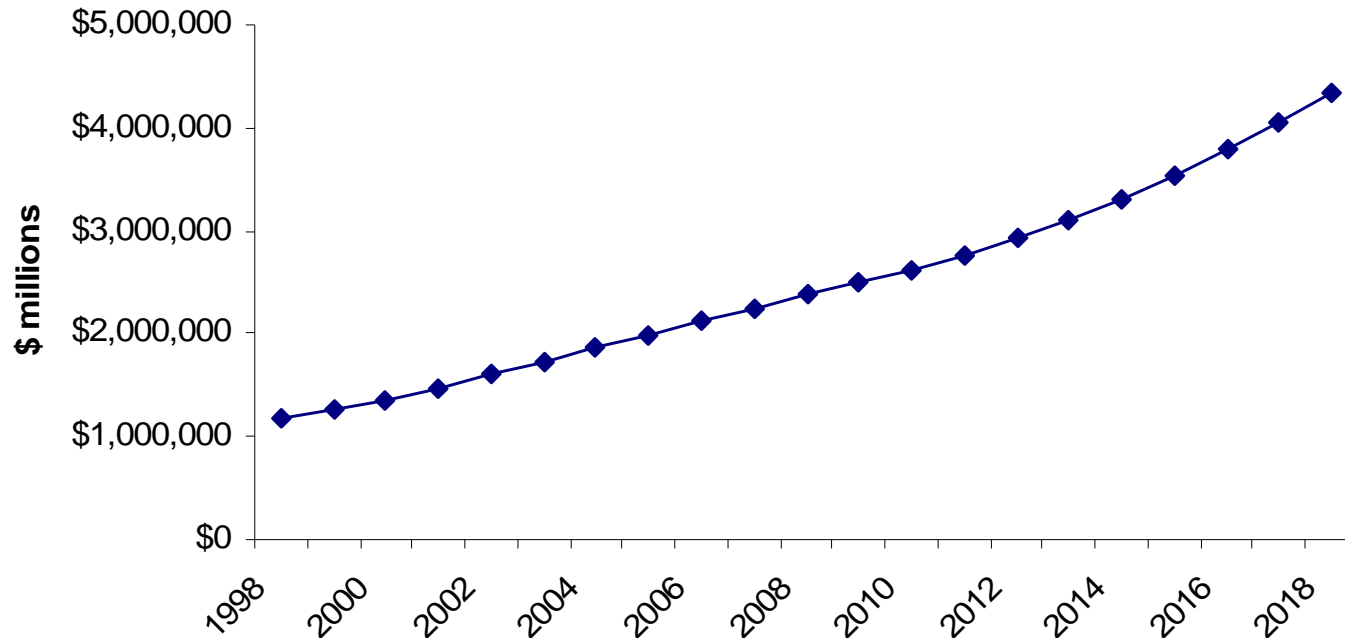


The problem: Costs are out of control

- CT family health insurance premiums grew 7.4X faster than median family income from 2000 to 2009
- Doesn't count increasing copays, co-insurance, deductibles and eroding benefits
- In 2008, the average CT family small group premium was equal to 77% of the gross earnings of a full-time minimum wage CT worker
- Health care services consume 12.1 cents of every dollar in CT's economy
- In 2004, CT residents spent \$6,344 per person on health care, 20% higher than the US average

It's only going to get worse

US health care spending projections

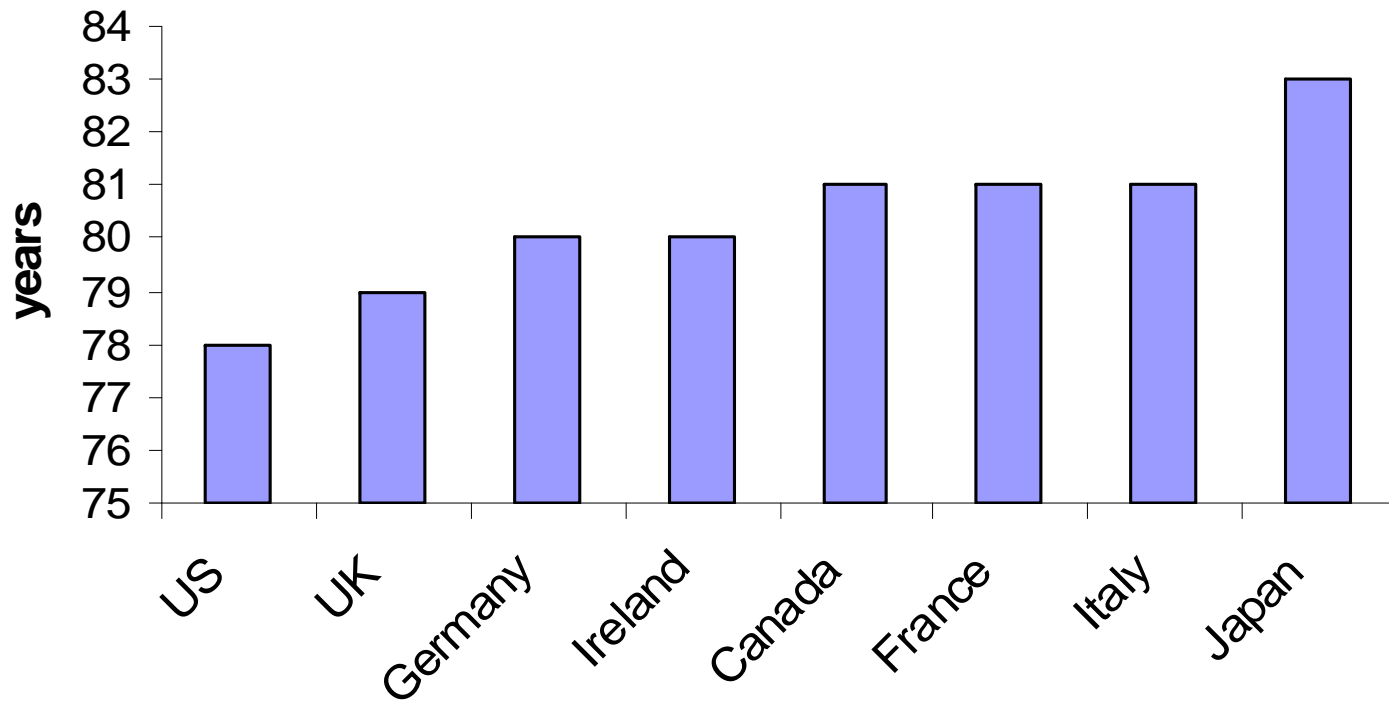


Why is health care so expensive?

- Because 343,000 in CT doesn't have coverage
- We are getting sicker
- Lifestyles
- Administration consumes 31% of health costs vs. 16% in Canada
- Administrative costs, including profit, have risen 65% faster than health costs overall
- Technology advances

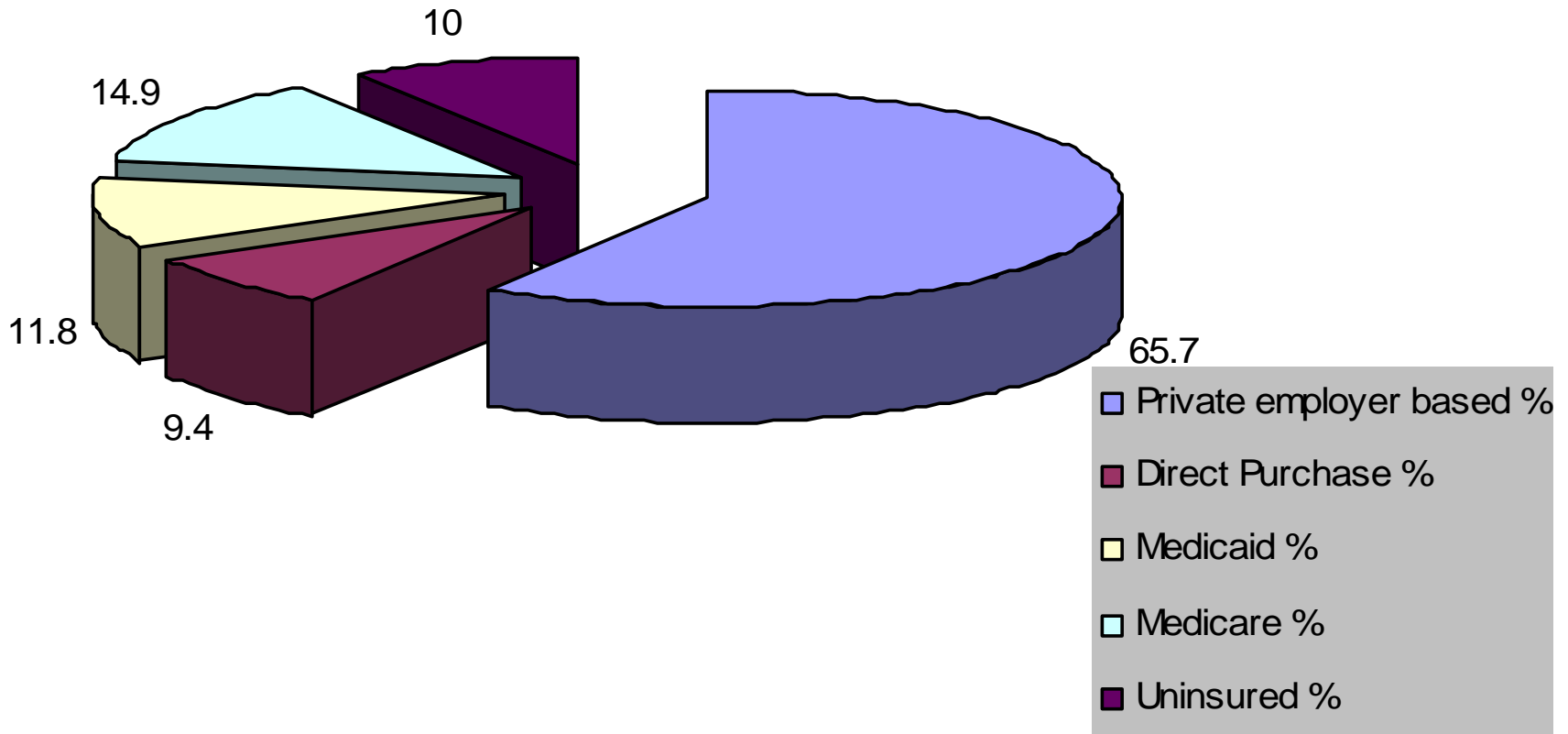
But we have the best health care in the world, right?

Life expectancy at birth, 2006



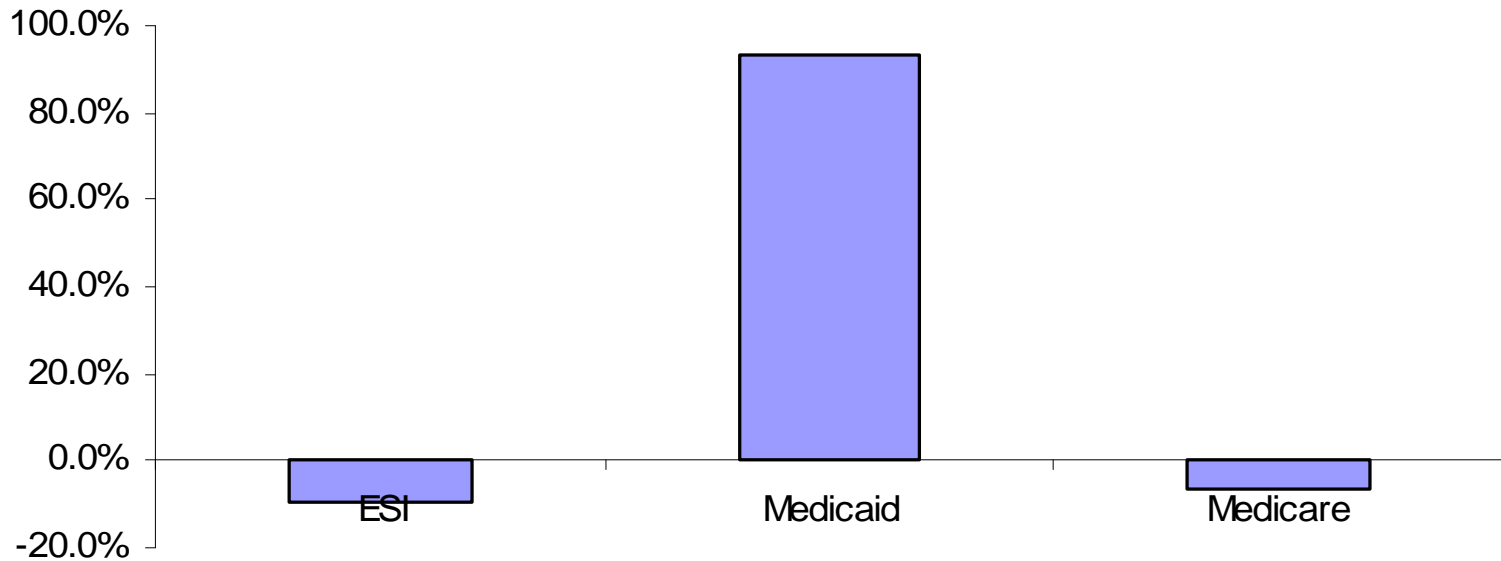
How are we covered?

2008 CT coverage



We are losing ground

CT coverage change, 1999-2008



CT's uninsured

- 343,000 uninsured (2008)
- Likely to be higher this year
- Compare to combined populations of Cheshire + Wallingford = 73,925 (2008)
- One in ten of us
- Number of uninsured in CT =
the populations of
New Haven + Hartford + Middletown +
New London + Bloomfield

Number of Uninsured in CT > total # 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, reporters, **PLUS** legislators

The average uninsured CT resident

- Age 19 to 24
- Employed
- Family income \$12,000 to \$45,000
- Has been uninsured over a year
- 4 times more likely to be in poor health
- 1.5 times more likely to be African-American
- 1.7 times more likely to be Hispanic
- 2.2 times more likely not to be a citizen

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 go without important screenings and preventive care
 - 12% of hospital stays for the uninsured could have been avoided with early treatment
- The uninsured are less likely to access on-going care to manage chronic disease
- Every week 3 people in CT die because they lack health insurance

SustiNet

- **Plan for universal health care for all CT residents**
 - **Public option for uninsured and small business**
 - **Pool with state employees, HUSKY**
 - **Raise reimbursements to at least Medicare**
 - **Exchange, public/private partnership**
 - **No individual mandate, auto enrollment**
 - **Employer responsibility**
- **Includes wellness, prevention, HIT, medical homes, workforce, diversity initiatives**
- **Standard benefit package**
- **Premium subsidies**
- **Planning now happening**

Federal reform

- Senate bill would reduce the number of uninsured in CT by 225,000 by 2019
- Without reform there will be an additional 58,000 uninsured

Federal reform

- House and Senate bills
- Individual mandate, subsidies
- Employer responsibility, subsidies
- No pre-existing condition exclusions, community rating
- Massive Medicaid expansion – 100,000+ in CT
- Medicare improvements, savings
- Public option ?
- Health insurance exchange
- Comparative effectiveness research
- Patient-centered medical homes

Federal reform

- Value based purchasing – bundling, global cap rates
- Accountable care organizations
- Menu labeling
- Incentives for wellness programs
- Expands safety net
- Workforce expansions
- Taxes

For more information

- Our website: www.cthealthpolicy.org
- CT Health Notes Blog:
<http://cthealthnotes.blogspot.com>
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