

BENEFITS CORNER



Examining the Uninsured

Health insurance and health care coverage reform has been a topic for political and social reform for many years now. This debate topic has bubbled to the top of the list of public concern many times over the past fifty years. Believe it or not, health care coverage was even a major concern going all the way back to the Truman administration in the late 1940s. Over the past fifteen years or so, one of the major areas of focus in this debate is the “uninsured” population. The uninsured is that segment of our citizenry that lacks a formal third party funding arrangement for the access and payment of healthcare.

This segment of the population makes for great political capital, as it is easy to make the case that the entire health care financing system is broken since a significant portion of our society lacks insurance coverage. I would agree that the uninsured place a major drain on our financing system and needs to be addressed. I would, however, like to examine the numbers of the uninsured and provide a quick review of programs already addressing this part of our population.

Many studies and analyses have been done to try to understand the uninsured population. At this time, it is estimated that almost 45 million American citizens and residents comprise the uninsured. This means that these folks do not have a formal arrangement in place to pay for their health care needs. This does not mean that these folks cannot access health care. Because the uninsured can still obtain necessary care, it has to be paid for in some way, shape, or form. In most instances, this means that those of us with health insurance end up

paying more for our care.

This cost shifting is a major contributor to the high cost of the premiums that we pay for health insurance. When those in our community receive health care without the means to pay for it, health care providers such as hospitals are forced to charge those with the means to pay for it more. Hospitals and other care givers are usually required by law to treat anyone with a possible life-threatening illness or accident regardless of how the treatment will be paid. If it turns out that the person needing the care cannot pay for it, the treatment provider must try to recoup these costs from anyone who can. This means we all end up paying! This is why the uninsured issue is important.

Who really makes up the uninsured population? This is where a closer examination is warranted. The most common thought is that the uninsured are comprised of the sick, poor, and near poor. This is not entirely accurate. Let’s take a closer look at the uninsured population in Colorado.

The most recent statistics indicate that there are over 700,000 uninsured Colorado residents. This is about 17 percent of the entire population of Colorado. Who makes up this number and are they truly uninsured? A 2002 review of U.S. Census Bureau data by the Blue Cross Blue Shield Association provides some interesting insight. 165,000 of this number are eligible for some type of public assistance program but have not signed up for the programs. 125,000 Coloradans are between jobs or health insurance plans and have made the decision to go without coverage but will have coverage within three months. 180,000 Colorado residents are truly uninsured; they would like coverage, but do not qualify for government assistance and cannot get coverage in the open market.

The largest percentage of the uninsured population, and the most disconcerting, are those who have a private insurance coverage option available but have not elected to sign up for it. Nearly 40 percent of the uninsured people in Colorado fit into this category. Those in this group also have an annual household income over \$50,000. This group has access to an employer-sponsored program or individual coverage but has made the conscious decision that health insurance is not a priority. Unfortunately, this still is a problem for the rest of us.

So in review, 75 percent of the uninsured in Colorado can get some form of health

insurance. They have not taken the steps or feel the personal responsibility to do so. That leaves 25 percent of the uninsured, approximately 180,000 people, as the issue.

What are the government-sponsored programs currently available? There are many and they target different segments of the uninsured. Medicaid targets the lower income segments and medically needy. Medicare is available for the senior population and chronically disabled. The Child Health Plan Plus is available for children if the household income is below 185 percent of the Federal Poverty Level based on family size. CoverColorado is available to anyone who has a pre-existing medical condition and does not qualify for private health insurance. There are also programs available to Veterans, Native Americans, Women with Cancer, and those who have lost their employer health insurance coverage due to foreign outsourcing of their jobs. Health care providers can also obtain reimbursement for uncompensated care from the Colorado Indigent Care Program.

There are a few things that I would hope that you take away from this article. The first is that the uninsured population is far from static. Many in this group will have health insurance coverage within three to twelve months. Next, a large part of this population does not feel the personal responsibility to address this issue on their own, even though they can plausibly afford health insurance. Another point is that there are many government programs already available—people just need to sign up. Finally, we do need to address the 25 percent of the uninsured that need help and fall outside of the already available government programs.

I would hope that you have found this article interesting. I further hope that if you are part of the uninsured, you will take the steps necessary to personally address this issue. We all have a part to play in tackling this very important topic.

Mitch Michener, RHU, REBC, can be reached at Evergreen Benefits Group at The Stone House Business Center. (303-670-0935) mitch@everben.com.

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