

Healthcare Reality for our Low-Income Neighbors

by Sallie Neillie, Executive Director, King County Project Access

Health care and health insurance coverage—access, cost and quality—are in the news. From the White House to each of our own homes, the cost and access to health care are on our minds and impact our budgets. While I don't know if we, as a nation, will yet have the political will for significant health care reform in this recessionary time, it is clear that the current system doesn't work.

As more of the middle class struggle to maintain their insurance in the midst of job loss and increasing health care costs, it becomes more likely that a national effort to change that system will result.

Both the uninsured and underinsured populations in Washington State are rising. As a result, these people are experiencing difficulty in accessing the health care system and staying healthy. The length of time people go without insurance coverage is increasing. In 2007–2008, one in four Washingtonians (over 1.6 million people) under the age of 65 were without insurance for all or part of this period. Nearly three-quarters of these Washingtonians were uninsured for six months or longer.

In addition, over 400,000 Washingtonians are on public-subsidized health insurance (Medicaid, Basic Health Plan). This population, which is 10% of the entire adult population in Washington, experience challenges in accessing health care services, particularly specialty care services. Not all physicians or licensed clinicians will see these populations due to the challenges of the population and to the low reimbursement rate from the state.

Minority communities are impacted more by lack of insurance than the white community. Public subsidized insurance also serves a very diverse population with similar percentages of ethnic populations represented. These diverse populations, from an insurance perspective, share common challenges in regards to language and culture when needing medical care.

Most of the uninsured are working poor, with 81.7% of the uninsured being members of working families. Almost one-half (49.1%) of Washingtonians living in families at or below 200% Federal Poverty Level are also without health insurance. For a family of four, that is \$44,100 annually. Supporting a family at this level is almost impossible. To get a more realistic sense of what it costs to live in King County, go to www.livingwagecalculator.org.

Lack of insurance and the correlating lack of access to health care impacts both health and death. Uninsured Americans between 55 and 64 are at much greater risk of premature death than their insured counterparts. One working Washingtonian dies each day due to lack of health insurance (approximately 380 people in 2006).

This makes lack of insurance the third leading cause of death for this age group, following heart disease and cancer. In 2006, in the United States twice as many people died from lack of health insurance as died from homicide. If uninsured were a disease, there would be fund-raisers, public service announcements and public health information to research a cure!

The uninsured are in the least advantageous position to negotiate discounts on hospitals and doctors.

Insured patients have the unseen advantage of insurance companies negotiating large discounts with health delivery systems that get passed on in the form of employer paid premiums with employee co-payments and deductibles. The uninsured are often charged 2.5 times more than insured patients for hospital services.

Because of the barriers for the uninsured to seek preventive and routine health care, they often use the emergency room as a standard place of care when they become ill. This is the most expensive place to get non-urgent or non-emergent care. All hospitals provide charity care for the uninsured and are required to report their charity care to the state. The Department of Health estimates that on average, avoiding an uncompensated ED visit saves a hospital \$1,500 in uncollected charges. Project Access programs in seven communities have attempted to measure their impact on the ED use by uninsured.

Lack of uninsured and access to healthcare services are too big of a problem to ignore. The time to address this issue is now! King County Project Access is an step in helping solve this problem locally while we as a nation determine how to address the challenge of access for the uninsured and underinsured nationally.



SOURCES:

www.statehealthfacts.org, Kaiser Family Foundation, 2006, www.livingwagecalculator.org (King County), Families USA, "The Uninsured: A Closer Look" March 2009, Families USA, "Dying for Coverage" March 2008, Heineccius, L., "Reducing Unnecessary Use of the ED by the Uninsured" March 9, 2009.