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Utah uninsured rate inching up despite state health reforms

Insurance • Increase is partly due to a new survey method, but home grown reforms haven't fixed the problem.

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Utah's home-grown health reforms have failed to put a dent in the ranks of the state's uninsured.

A record 377,700 Utahns — 13.4 percent of the population — went without health coverage in 2011, according to new data from the state Department of Health. That's up 25 percent from an estimated 301,700 uninsured in 2010.

But whether that represents a real increase isn't clear, due to improved survey methods. Among other changes, pollsters are now calling cellphones instead of just landlines to reach a wider range of residents, which nudged estimates higher.

"It's inched up, but we think it's more a reflection of a different way of collecting data," said Legislative Health Reform Task Force Chairman Rep. Jim Dunnigan, R-Taylorsville. "But [the uninsured rate] hasn't improved much."

U.S. census figures show nearly 50 million Americans, or 16.3 percent of the population, were uninsured in 2010, the most recent year national data are available.

Utah's updated numbers make it harder to draw year-to-year comparisons. "This will essentially be a new baseline for us," said health department spokesman Tom Hudachko.

But they shed new light on the source of the problem: unaffordability.

Part-time workers and the self-employed who don't have access to employer-sponsored coverage are twice as likely to be uninsured as the rest of the population.

And the poor — a single person earning under \$14,867 a year, or \$1,239 a month — are uninsured at four times the state's average rate.

For them, buying a policy would eat up 14 percent of their monthly income, said Shelly Braun, health reform director at the Utah Health Policy Project. And that's assuming the person is relatively healthy; the average monthly individual health premium in Utah is \$173, according to the Kaiser Family Foundation.

Dunnigan acknowledged that Utah's reforms have fallen short of the mark.

"Frankly, part of the challenge is we've been sidetracked by federal health reform," he said, "which sucked the air out of the room. Just understanding and preparing for that is a full-time job."

But the federal law offers relief through an expansion of Medicaid, assuming Utah buys into the expansion. Republican leaders are waiting until after the election to decide.

The health law also benefits the middle class, those between 100 percent and 400 percent of the federal poverty level. A family of four earning between \$23,000 and \$92,000 a year will be eligible for tax credits to buy coverage.

A whopping 95 percent of Utah's uninsured fall into this category. The Affordable Care Act, in other words, has the potential to virtually eliminate the state's uninsured problem.

But, as Dunnigan notes, it's not that simple.

Among those who are ineligible for subsidies: undocumented immigrants and middle-class workers with affordable workplace plans. The law considers a plan unaffordable when a worker's share of the coverage exceeds 9.5 percent of the worker's household income.

Further complicating things, that calculation is based on coverage for the worker only, and not for family plans, which on average cost 14 percent of household income.

There's also the possibility that people will shirk the law's requirement to have coverage, Dunnigan warned, because the tax penalty costs less than the premiums would.

What's more, as health costs continue to rise, the subsidies may not keep pace. Massachusetts' reforms, upon which the federal law was modeled, have "done a good job at enrolling the uninsured," he said, "but they haven't done a good job at controlling the costs."

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Other key findings

Even though they're eligible for Medicaid, 56,500 Utah children are uninsured.

24 percent of young adults, between 19 and 34 years of age, have no health coverage.

26 percent of part-time working adults, and 29 percent of the self-employed, are uninsured.

Source: Utah Department of Health 2011 census of the uninsured

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