

1/3 Uninsured in 2007-08

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A third of Utahns under age 65 were without medical insurance at some point during the past two years — more than twice the percentage estimated by local health care policy analysts and advocates — a national health care policy reform group reported Tuesday.

Even more disturbing, the figures don't take into account the erosion of coverage in Utah and nationwide due to the recession.

"These numbers were very high even before the economic downturn," Ron Pollack, executive director of Families USA, said in a Tuesday conference call announcing the results of the health policy and advocacy group's survey showing that one in three Americans were without insurance, at least temporarily, during the time studied. Best estimates by the Utah Department of Health, as well as others working on reform in Utah, have estimates close to one in 10.

There were 784,000 Utahns — 32.2 percent of residents under age 65 — uninsured at some point in the two past calendar years, according to the report, which shows Utah just under the national average of 33.1 percent.

In addition, 557,000 of those uninsured Utahns, or 71 percent, were uninsured for six months or more during that time

An estimated 86.7 million Americans were uninsured at some point during 2007-08, Pollack said.

"The huge number of people without health coverage in Utah is worse than an epidemic. At this point, almost everyone in the country has had a family member, neighbor or friend who was uninsured, and that's why meaningful health care reform can no longer be kept on the back burner," he said.

"The key motivating factor underlying these numbers is the continuing high cost of medical care," Pollack said. "It has eaten away at the working family's budget through resulting in higher insurance premiums and higher co-pays for procedures while at the same time reducing the number and types of procedures plans will cover."

The report is a reminder that efforts to reform the medical system, such as the one under way in Utah, must address the need for coverage to be affordable, continuous and not disrupted by job changes or other life circumstances, Judi Hilman, executive director of the Utah Health Policy Project research and advocacy group, said in response to the report.

"This is why we are asking for bold, comprehensive reforms that fundamentally change the way we manage risk so people don't fall through the cracks, or gaps, in coverage," she said.

One Salt Lake resident is typical of the thousands here who had a job and medical benefits but lost them when she lost her job last year. The woman, who did not want to be identified, was diagnosed with cervical cancer and quickly became too sick to work. She couldn't stop treatment but was forced to sell her house to try to keep up with her medical bills. She managed to find another job with benefits, although she said the coverage doesn't come close to what she needs and doesn't offer any help in reducing the remaining debt incurred during treatment.

"Every month I pay for insurance, but I can't count on using it because I have pre-existing conditions," she said.

Like Pollack, Hilman and others share an attitude that things will get worse before they get better.

"As Utah moves deeper into the recession, we can only expect to see the number of uninsured grow due to a lack of employment as well as a decrease in the number of businesses offering health benefits," said Elizabeth Garbe, UHPP coverage initiative coordinator, who has been actively involved in the Utah reform effort. "This report shows that the link between employment and health care coverage is becoming increasingly tenuous. As we move deeper into the recession, not only can you not count on a job, you can't count on a job that comes with health benefits."

A recent annual estimate by the Utah Department of Health pegged the uninsured total in 2008 at just under 300,000, or about 10.2 percent of those under age 65 have no medical coverage. Utahns over age 65 are eligible for and most are covered by Medicare.

While whites accounted for the largest number of uninsured, Hispanics/Latinos were much more likely to be uninsured than whites: 57.2 percent of Hispanics/Latinos went without health insurance in 2007-08, compared to 27.7 percent of whites.

In addition, almost one quarter, or 23.2 percent, of those individuals and families with incomes at or above twice the poverty line went without health insurance at some point in 2007-08.

More than half, or 53.9 percent, of those individuals and families with incomes below twice the poverty line — \$42,400 of annual income for a family of four in 2008 — went without health insurance at some point in 2007-08.

More than four out of five, or 84 percent, were in working families, working full or part time.

Garbe said small businesses need immediate and permanent relief from rising health care costs so they can create or support jobs and thus lead the way to better economic times. "In this respect, health system reform is the key to economic recovery.

"Access to insurance and medical care is a key factor but only one of the issues Utah is trying to address in its system wide revamp of how health care works here. According to pieces of legislation approved by the just-concluded session of the Legislature, small business employees starting in January will have more options for coverage through a defined contribution market that allows a family to aggregate premium payments from multiple employers or government assistance programs and apply the payments to one plan. The employer must pay 50 percent of the insurance premium selected, whether the plan is personally selected and not the one-size-fits all plan provided through work.

Pollack, who is an adviser to the chairmen of the five congressional committees addressing health care reform — which is President Barack Obama's top domestic agenda because of its intricate connection to the faltering economy — was quick to point out Tuesday that while his group is vitally interested in seeing that quality, affordable health care is available to all Americans of all income levels, "that doesn't mean it will come from the federal government and that coverage for most can't or won't continue through the workplace."