

## HEALTH INSURANCE & ACCESS TO CARE

<p><b>Importance</b></p>	<p>Access to health care is one of the fundamental determinants of good health, and in this country, health insurance is a fundamental determinant of access to care. Health care costs are rising much faster than incomes, and faster than other costs of living, leaving many people unable to afford medical care. Lack of health insurance leads people to forgo preventive medical care, resulting not only in worse health outcomes but also in greater monetary costs ultimately borne by society as a whole. Moreover, uninsured persons are more likely to present with more severe illness and to seek care at emergency rooms rather than using less expensive primary care practitioners to whom they have no access.</p>
<p><b>Definitions</b></p>	<p><u>Uninsured</u>: Usually refers to those <i>currently</i> without health insurance when asked; sometimes refers to those who were uninsured <i>at some point during the past year</i>.</p> <p><u>Underinsured</u>: Persons who spent at least 10% of their income on health care (5% for low-income persons), or at least 5% of their income on health insurance deductibles.</p>
<p><b>Healthy People 2020 Objective</b></p>	<p>The Healthy People 2020 goal is health insurance coverage for <b>100%</b> of the population. The county, the state, and the nation all fall far short of that goal. However, the recent health insurance reform bill is expected to bring the nation far closer to meeting the objective.</p>

### HEALTH INSURANCE REFORM

The passage of the Affordable Care Act in 2010 has already had a considerable impact on health insurance coverage, even though many of its most important provisions have not yet come into effect. The ACA will dramatically reduce the number of Americans without health insurance. The law mandates that most people obtain coverage, provides subsidies to those who need financial assistance, prohibits the denial of coverage on the basis of pre-existing conditions, prohibits rescission of coverage as a result of getting ill, expands eligibility for Medicaid (Medi-Cal), allows parents to maintain their children on their insurance plan through age 25, creates an incentive for employers to provide insurance, eliminates lifetime coverage caps, prohibits co-pays for preventive services, closes the prescription drug benefit hole, and makes many other changes to broaden insurance coverage. Many of these provisions will not go into effect for years, but they are eventually expected to extend health insurance coverage to 32 million of the estimated 40 million Americans currently without coverage. On the other hand, since the cost of employer-provided family coverage is in the range of \$8000 per year, while the fine imposed under the new law for employers failing to provide coverage is only \$2000 per year, it is likely that many employers will stop providing insurance, and there will be extensive and painful dislocations until the mandated regulations actually take effect and equalize access to care. Moreover, the ACA does not extend coverage to non-citizens.

Section 1115 of the ACA is often called the Bridge to Reform. It allows states to take early steps toward implementation of the ACA and provides federal matching funds to develop the program and to enroll some previously uninsured patients. California's Bridge to Reform implementation program is called the Low Income Health Plan. Santa Cruz County is one of the early adopters; our local plan is called MediCruz Advantage. Since January 1, 2012, the County has already enrolled more than 2000 patients with annual income below the Federal Poverty Level who did not qualify for other coverage.

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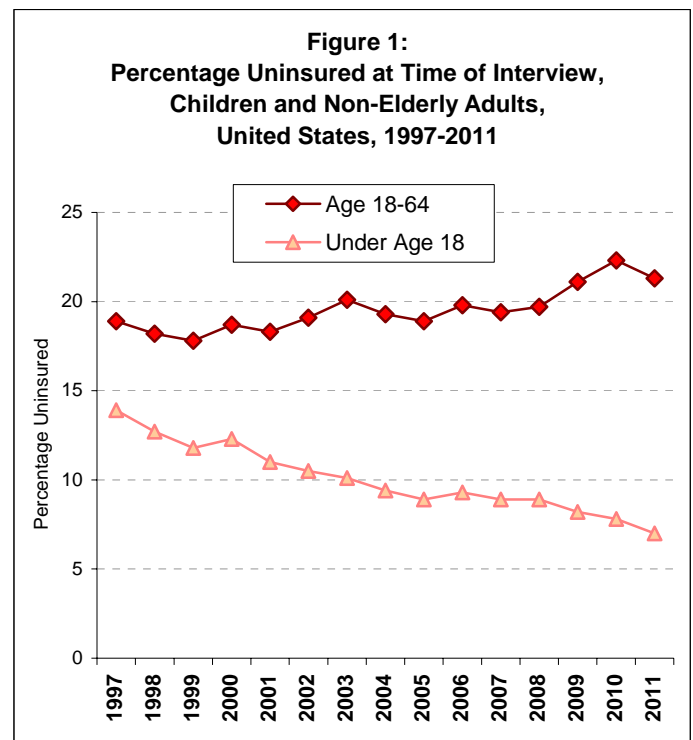
## HEALTH INSURANCE PROGRAMS

Santa Cruz County residents may qualify for a wide variety of public health insurance programs. Most people age 65 or older are eligible for Medicare, which offers excellent coverage at little or no cost. Santa Cruz County is served by the Central California Alliance for Health, a locally governed nonprofit managed care health plan for the poor that also serves Monterey and Merced Counties. The Alliance (CAAH) facilitates operation of the Medi-Cal, Healthy Kids, and Healthy Families programs. Medi-Cal uses state and federal funds to cover adults and children. Medi-Cal enrollees must re-apply each year in order to maintain coverage. For those with unsatisfactory documentation, Medi-Cal covers only pregnancy and emergency services. Santa Cruz County also funds its own indigent care program, called Medi-Cruz. Medi-Cruz only provides episodic care for specific medical conditions and does not provide on-going preventive care; enrollees must re-apply every 2-3 months to retain coverage. The Healthy Families program uses state and federal money to provide coverage to children under 19 years of age. The Healthy Kids program uses county funds to extend similar coverage to children who are not eligible for Healthy Families coverage, including children with unsatisfactory documentation status. HSA's Children's Medical Services includes two programs, CCS and CHDP, that help cover undocumented children and youth. California Children's Services (CCS) operates as a State-County partnership that provides diagnosis, treatment, and case management for children under age 21 with certain eligible major medical conditions (approximately 1600 each year); 77% of the covered children are Medi-Cal eligible, so their treatment is paid by State and federal funds; treatment for the other 23% is funded by a mix of County, State, and federal funds. CCS also provides physical and occupational therapy at no cost to children with qualifying medical conditions. The Children's Health and Disability Prevention Program (CHDP) confers presumptive Medi-Cal eligibility from the date of application through the following calendar month, covering early and periodic screening, diagnosis and treatment. Also called CHDP Gateway, the program is intended as a bridge to Medi-Cal or Healthy Families programs. Santa Cruz County CHDP Gateway leads the State in success: each year, 55%-65% of Gateway children become benefited under Medi-Cal, Healthy Families, or Healthy Kids. Finally, the new MediCruz Advantage program uses county funds and matching federal funds to offer coverage for a limited number of adult (ages 19-64) U.S. citizens who have lived in the county for at least six months.

## HEALTH INSURANCE COVERAGE RATES

From 1997-2008 there was no substantial change in the proportion of non-elderly adult Americans (ages 18-64) living without health insurance (Figure 1).<sup>1</sup> The economic crash in 2008 led to a jump in the number of uninsured adults. But children (under age 18) are increasingly likely to be insured; children's uninsured rates nationally have dropped fairly steadily from 14% in 1997 to 7% in 2011.<sup>1</sup>

The 2010 U.S. Census estimated Santa Cruz County's uninsured rate among adults aged 18-64 at 21.9%, better than the statewide rate of 25.3%.<sup>2</sup> The 2011 CAP survey found a rate of 19.7% in the county; the White rate was only 10.5%, while the Hispanic rate was 49%.<sup>10</sup> The Census estimated rates for children age 18 and under at 7.9% for Santa Cruz County and 9.5% statewide.<sup>2</sup> CHIS' 2009 survey reported the same rate, 7.9%, for children under age 18 in Santa Cruz County, but found a rate of just 4.9% for children statewide.<sup>3</sup>



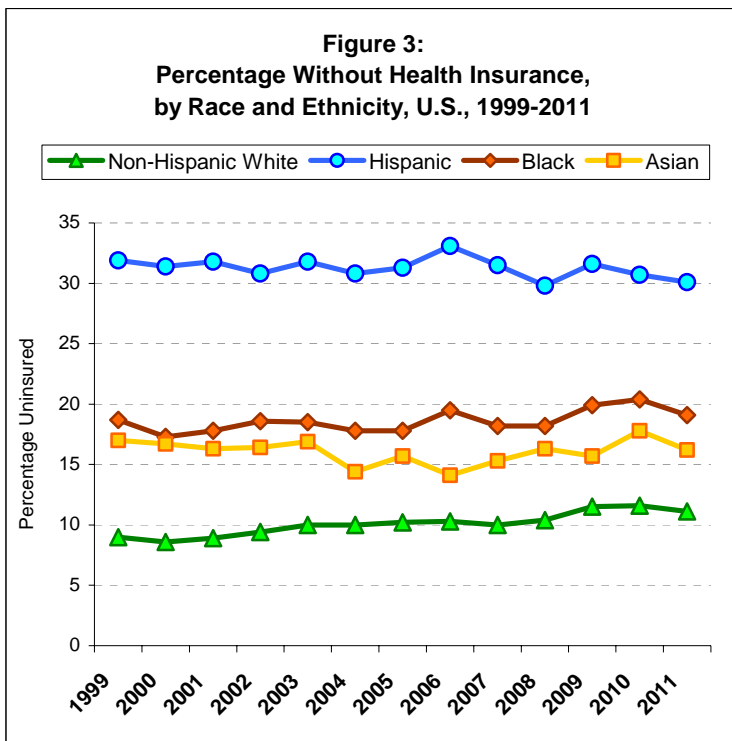
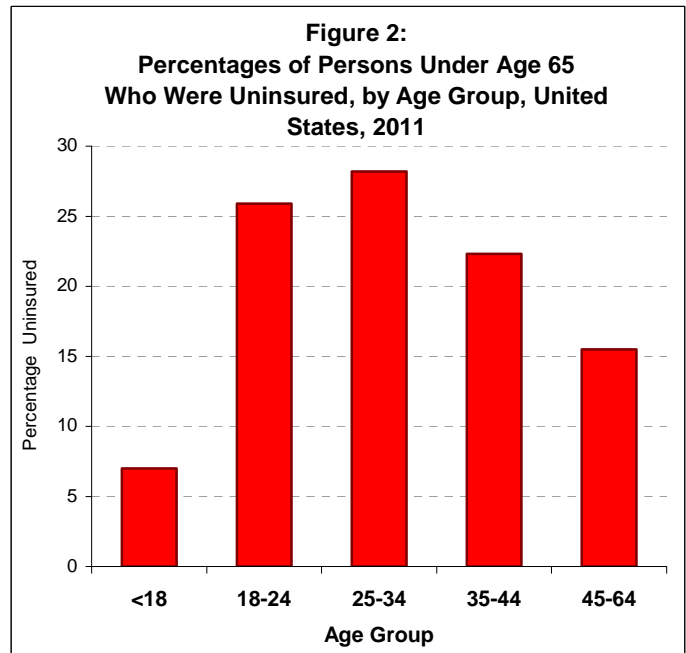
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Until recently, young adults (ages 18 to 24) were the age group most likely to be uninsured. This may have reflected both a lesser perceived need for insurance among young adults and a lesser ability to pay for insurance. However, the Affordable Care Act's provision allowing children to be maintained on their parents' insurance through age 25 has changed that. In each of the older age groups, the percentage uninsured has increased since the economic crash, but in the 18-24 age group the percentage uninsured actually dropped in spite of the recession (Figure 2).<sup>1</sup>

Men are more likely than women to be uninsured. Nationally, the difference is more than 9% in the 25-34 age group, but less than 2% in the 45-to-64 age group.<sup>1</sup> In California, Medi-Cal provides coverage for pregnancy; it is not clear how big a role pregnancy plays in the disparity by sex.

Nationwide, Hispanic ethnicity is very strongly associated with a lack of health insurance coverage. In the U.S., Hispanics are almost three times as likely as non-Hispanic Whites to be uninsured – 30% compared to 11% in 2011<sup>1</sup> – while the rates among Blacks and Asians are 19% and 16% respectively (Figure 3).

California has a higher proportion of uninsured persons than most other states. In 2010, the U.S. Census found that 19.4% of all California residents were without coverage; the rate for the U.S. as a whole was 16.3%, and only seven states had higher rates than California.<sup>5</sup> In 2011, the Behavioral Risk Factor Surveillance System reported uninsured rates of 18.4% for California and 17.7% for the nation.<sup>6</sup> California's high proportion of uninsured persons can be explained by its high proportion of Hispanics (tied for second highest among all states),<sup>7</sup> who have very high uninsured rates.<sup>4</sup> California Hispanics, non-Hispanic Whites, and non-Hispanic Blacks each have uninsured rates fairly similar to national rates for those groups, respectively.<sup>2,4</sup>



## UNDERINSURANCE

Unfortunately, many people's health insurance coverage does not adequately protect them from large medical expenses. As of 2010, there were an estimated 29 million "underinsured" adults in the United States, an 80% increase since 2003.<sup>8</sup> Underinsured persons are those who spent at least 10% of their income on health care (5% for low-income persons), or at least 5% of their income on health insurance deductibles. Being underinsured is a problem that goes beyond the poor; even among those with annual incomes of \$40,000 to \$60,000, 16% were underinsured in 2010. More than half of underinsured persons went without needed care, including not seeing a doctor when sick, not filling prescriptions and not following up on recommended tests or treatment.

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## DENTAL INSURANCE COVERAGE

Dental health is important in its own right, but also contributes in important ways to overall health. Research has pointed to possible associations between chronic oral infections and cardiovascular disease, stroke, fatal heart attacks, bacterial pneumonia, and premature birth, as well as making the control of diabetes more difficult.<sup>9</sup> In addition, attentive oral health care can contribute to early detection of a wide variety of other illnesses. A thorough oral examination can detect signs of nutritional deficiencies as well as a number of systemic diseases, including microbial infections, immune disorders, injuries, and some cancers.<sup>9</sup>

Dental health is a challenge in Santa Cruz County, particularly due to the county's inability as yet to establish a drinking water fluoridation program. Lack of dental health insurance coverage is much more widespread than lack of medical health insurance. According to CHIS, 47% of county adults and 13% of children were without dental insurance for all or part of 2007, similar to the statewide rates of 41% and 20%.<sup>7</sup> Santa Cruz County's Community Assessment Project reported that 43% of county adults had no dental coverage in 2011.<sup>10</sup> Some of the same nutritional issues that contribute to overweight and obesity also contribute to poor dental health.

State budget cuts eliminated Denti-Cal coverage for nearly all adult services, beginning July 1, 2009. The majority of dentists no longer accept Denti-Cal even for children, because of the low reimbursement rates.

The Dientes program, a community voluntary agency, provides emergency, preventive, restorative, and rehabilitative services to uninsured and publicly insured patients (e.g., Medi-Cal, Healthy Families, and Healthy Kids). Over 40% of Dientes patients are uninsured, and over 96% live at or below the Federal Poverty Level. Dientes provided over 18,600 visits to more than 6,400 individual patients in 2009. Dientes brings services to the Women, Infants, and Children center in Watsonville, to children in eight elementary schools across the county, and to elderly and disabled persons in skilled nursing facilities. Unfortunately, Dientes' resources are limited. Patients who do not have Denti-Cal or Healthy Kids/Healthy Families coverage pay on a sliding fee scale, with rates typically 50% of those ordinarily charged by dentists in private practice. The County of Santa Cruz provides some funding through the Homeless Persons Health Project and the Human Services Department.

There is virtually no other source of specialized dental care in the county for uninsured or publicly insured patients; individuals needing a licensed pedodontist, root canals, or other special services must usually travel out of the county when Dientes does not have sufficient resources to serve them.

## PRIMARY CARE PROVIDER RATE

The primary care provider (PCP) rate is the number of practicing primary care physicians per 100,000 persons; a high number indicates ready availability of primary care, while too low a number indicates a shortage of primary health care providers. High PCP rates are strongly correlated with high life expectancies. According to one source, PCP rates (including OB/GYNs) varied in 2009 from as few as 18 per 100,000 in Glenn County to as many as 249 per 100,000 in San Francisco, while Alpine and Sierra had no PCPs at all. The statewide average PCP rate was 118, and Santa Cruz County's rate was 155, ranking the county 8<sup>th</sup> best in the state.<sup>11</sup>

However, the California Healthcare Foundation (CHCF) reported<sup>12</sup> a 2008 PCP rate of just 58 per 100,000 for Santa Cruz County, with a statewide rate of 59; and unpublished work by Santa Cruz County's Health Improvement Partnership (HIP) generated county numbers that are closely in line with CHCF's data. The CHCF and HIP data did not include OB/GYNs, did not count "inactive" physicians (retirees, administrators, physicians who practice only in other counties, etc.), and only included physicians who accept Medi-Cal patients; it's not clear whether that explains the very large difference between those sources and the County Health Rankings results.

Finally, the American Association of Medical Colleges calculated a rate of 90.8 active primary care physicians per 100,000 population in California in 2010, essentially identical to their calculated national rate of 90.5.<sup>13</sup>

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A low PCP rate makes it difficult for patients, whether insured or not, to gain access to primary care, preventive care, and referrals when they need them. There is evidence that good access to primary care can reduce overall demand for medical care, probably through enhanced coordination of care and a preventive care focus.<sup>14</sup> Yet many PCPs in California already are not accepting any new patients, and the problem is expected to get worse: the population continues to grow, but the number of new physicians remains fairly constant; a large proportion of physicians are nearing retirement age, while only a limited number of new physicians will be available to replace them; and we can expect an increased demand for medical care as a result of health care reform.<sup>15</sup>

<p><b>Primary Prevention Activities</b></p>	<p><b>Santa Cruz County’s MediCruz Advantage program</b> is designed to create a medical home for each patient, integrating mental and behavioral health care with physical health care. This is expected to reduce the need for expensive hospital visits and admissions, a very large proportion of which are attributable to alcohol, drug, and mental health issues.</p>
<p><b>Sources</b></p>	<p>(1) Centers for Disease Control, NHIS. Health Insurance Coverage: Early Release of Estimates from the National Health Interview Survey, 2011. <a href="http://www.cdc.gov/nchs/data/nhis/earlyrelease/insur201206.pdf">http://www.cdc.gov/nchs/data/nhis/earlyrelease/insur201206.pdf</a>.</p> <p>(2) United States Census Bureau. Small Area Health Insurance Estimates. Interactive Data Tool. <a href="http://www.census.gov/did/www/sahie/data/interactive/">http://www.census.gov/did/www/sahie/data/interactive/</a>.</p> <p>(3) California Health Interview Survey. <a href="http://ask.chis.ucla.edu/main/default.asp">http://ask.chis.ucla.edu/main/default.asp</a>.</p> <p>(4) United States Census Bureau. Historical Table HIB-1, Health Insurance Coverage by Race and Hispanic Origin: 1999 to 2010. <a href="http://www.census.gov/hhes/www/hlthins/data/historical/HIB_tables.html">http://www.census.gov/hhes/www/hlthins/data/historical/HIB_tables.html</a>.</p> <p>(5) United States Census Bureau. Current Population Survey, 2011 Annual Social and Economic Supplements, Table HI06. <a href="http://www.census.gov/cps/data/">http://www.census.gov/cps/data/</a>. Accessed September 2012.</p> <p>(6) Behavioral Risk Factor Surveillance System. Prevalence and Trends Data. Health Care Access/Coverage. <a href="http://apps.nccd.cdc.gov/BRFSS/">http://apps.nccd.cdc.gov/BRFSS/</a>. Accessed September 2012.</p> <p>(7) United States Census Bureau. The Hispanic Population: 2010. Table 2. May, 2011. <a href="http://www.census.gov/prod/cen2010/briefs/c2010br-04.pdf">http://www.census.gov/prod/cen2010/briefs/c2010br-04.pdf</a>.</p> <p>(8) C. Schoen, M. Doty, R. Robertson, and S. Collins. “Affordable Care Act Reforms Could Reduce the Number of Underinsured U.S. Adults by 70 Percent.” <i>Health Affairs</i> 30(9):1762-71, Sept. 2011. Summary available at <a href="http://www.commonwealthfund.org/Publications/In-the-Literature/2011/Sep/Reduce-Uninsured.aspx">http://www.commonwealthfund.org/Publications/In-the-Literature/2011/Sep/Reduce-Uninsured.aspx</a>.</p> <p>(9) US Department of Health and Human Services, US DHHS, National Institute of Dental and Craniofacial Research, NIH. <i>Oral Health in America: A Report of the Surgeon General</i>. 2000. <a href="http://www.nidcr.nih.gov/DataStatistics/SurgeonGeneral/sgr/">http://www.nidcr.nih.gov/DataStatistics/SurgeonGeneral/sgr/</a>.</p> <p>(10) Applied Survey Research. <i>Community Assessment Project, Santa Cruz County, Year 18, 2012</i>. United Way of Santa Cruz, 2012. Accessed September 2012. <a href="http://www.appliedsurveyresearch.org/storage/database/quality-of-life/santacruzcap/cap18_2012/CAP_Year18_CompleteReport.pdf">http://www.appliedsurveyresearch.org/storage/database/quality-of-life/santacruzcap/cap18_2012/CAP_Year18_CompleteReport.pdf</a>.</p> <p>(11) University of Wisconsin Population Health Institute. <i>County Health Rankings 2012</i>. <a href="http://www.countyhealthrankings.org/">http://www.countyhealthrankings.org/</a>.</p> <p>(12) California Healthcare Foundation. <i>Fewer and More Specialized: A New Assessment of Physician Supply in California</i>. June 2009.</p> <p>(13) Association of American Medical Colleges. <i>2011 State Physician Workforce Data Book</i>. November 2011. <a href="https://www.aamc.org/download/263512/data/statedata2011.pdf">https://www.aamc.org/download/263512/data/statedata2011.pdf</a>.</p> <p>(14) Kravet SJ et al. “Health Care Utilization and the Proportion of Primary Care Physicians.” <i>American Journal of Medicine</i> 121:142-148, 2008.</p> <p>(15) California Healthcare Foundation. <i>California Health Care Almanac – California Physician Facts and Figures</i>. July 2010.</p>