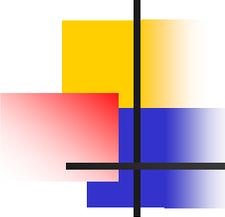


Blue Ribbon Commission on Health Care Costs and Access

October 27, 2006

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Washington State Planning Grant
Access to Health Insurance Project*



To Be Covered

- Who Has The “Real” Numbers?
- Washington’s Uninsured in 2006
- Why Coverage Matters
- The Link to Strategies

To Keep In Mind:

- As frustrating as it is, there is no one number that serves all purposes.
All estimates are wrong, some are useful
- A tremendous amount is known about the uninsured
The story hasn’t changed much – at least from what we’ve seen so far
- Opportunities to reduce the number of uninsured exist
Both structural and stop-gap measures are needed

A Look at the New Estimates:

2006 Uninsured:

2004 Uninsured:

593,385

605,790

For the total population

Children: 72,572	Children: 97,519
Adults: 520,813	Adults: 508,271

Uninsured Children
Uninsured Adults

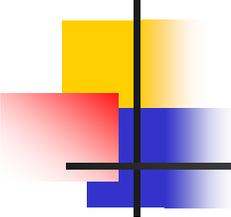
590,014

602,729

For the non-elderly population (0-64)

Children: 72,572	Children: 97,519
Adults: 517,442	Adults: 505,210

Source: State Planning Grant analysis of 2004v4M, 2006v2M2 Washington State Population Survey

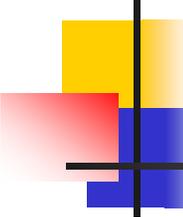


Why You See Different Numbers

Lost in a sea of measures:

WSPS, CPS, SIPP, BRFSS, MEPS, NHIS, NSAF, CTS

- How surveys get structured
- How data are prepared
- How numbers get used or misused

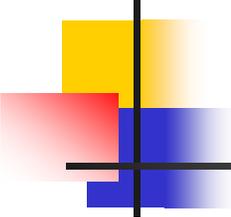


Two Primary Data Sources

- **WSPS: Washington State Population Survey**, Office of Financial Management
- Biennial household survey (Spring 2006)
- Most reliable and valid source of data for point-in-time estimates of Washington's uninsured (e.g., sample size [7,000], adjustments for undercounted public coverage, elimination of recall bias)
- Drawback: does not allow comparisons to other states; national surveys (CPS) used for ranking.
- **CPS: Current Population Survey**, U.S. Census Bureau
- Annual household supplement (March 2006)
- Focus on measuring uninsured for entire previous calendar year, for the nation as a whole.
- Precision issues: Recall bias leads experts to believe it more closely captures a point-in-time; small sample size for each state (1,300 for WA); no standardized adjustment for undercounted public coverage

WSPS has more precise rates and counts for policy discussions.

CPS is best barometer of where we are relative to other states

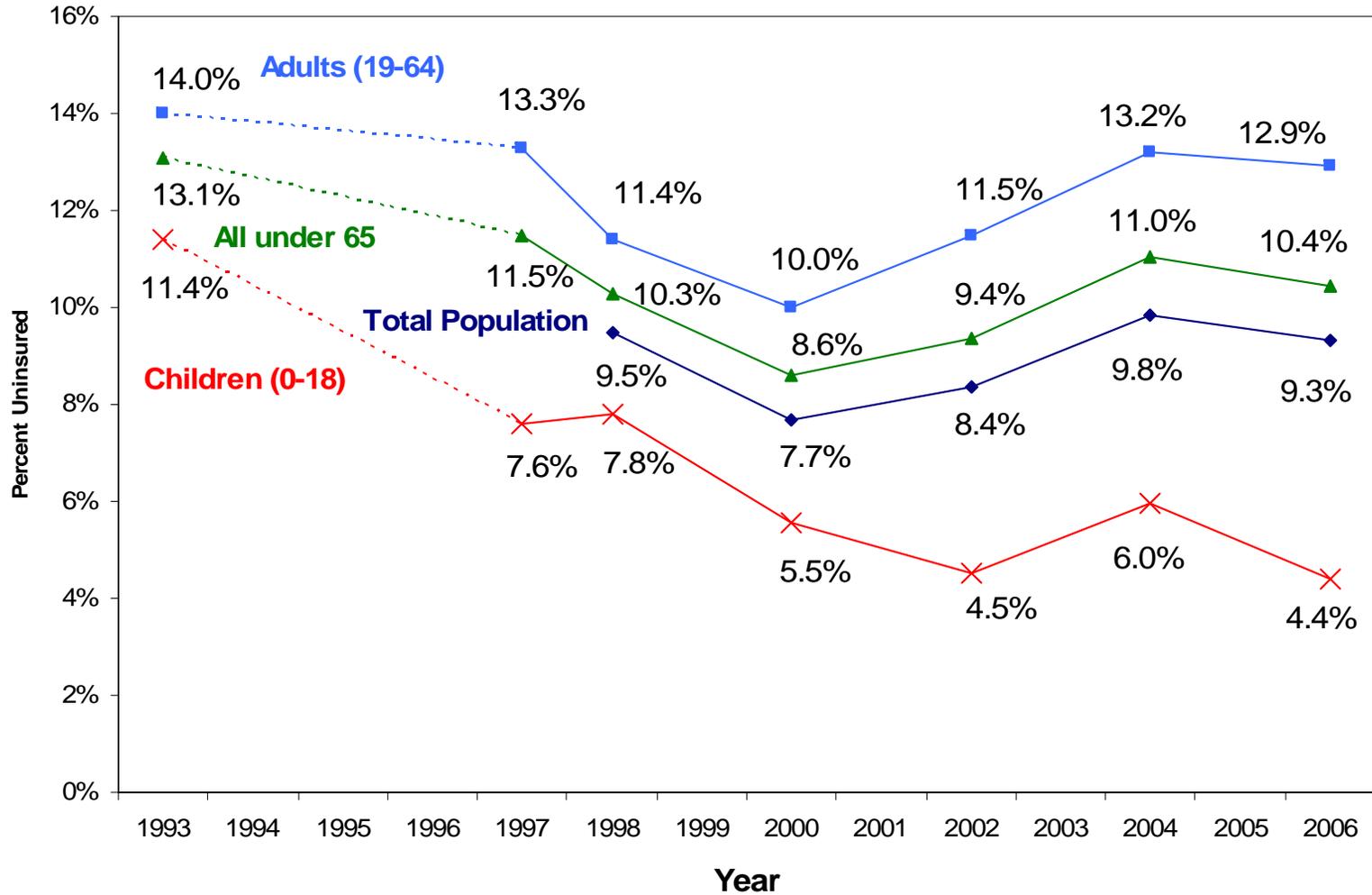


Washington's Coverage History

- We've gotten back to our "better self" for children. Can we do it for adults?
- While most of us continue to have employer coverage, we know the "big picture" masks some important underlying trends.

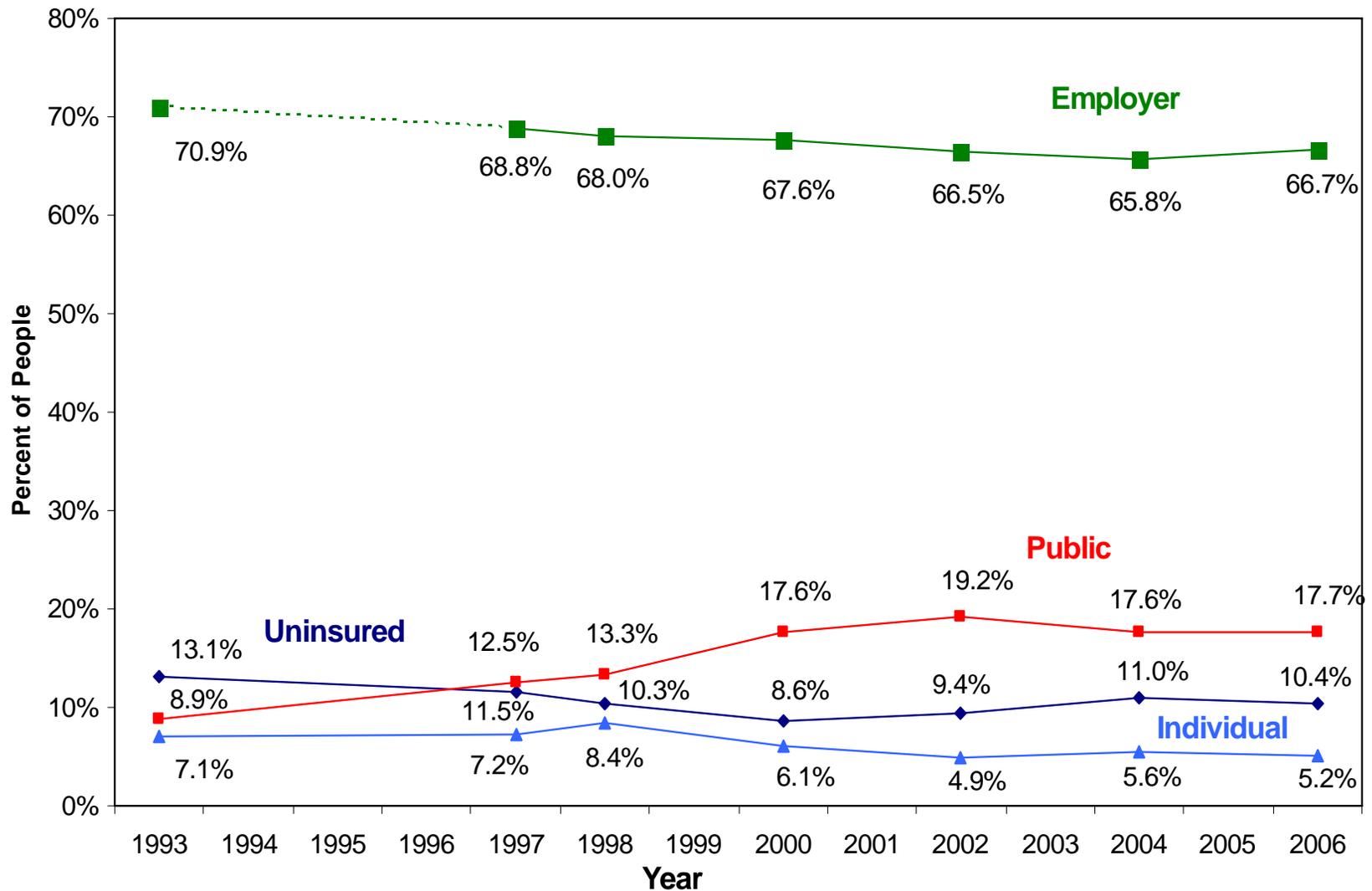
(e.g., significant decline in employer coverage and significant increase in uninsurance for 19-34 year olds)

Overview of Washington's Uninsured 1993-2006



Source: 1993, 1997, RWJF Washington Family Health Insurance Survey;
 1998, 2000v5M, 2002v4M, 2004v3M, 2006v2M2 Washington State Population Survey
 (Adjustments made to account for Medicaid underreporting are described in <http://www.ofm.wa.gov/sps/index.htm>)

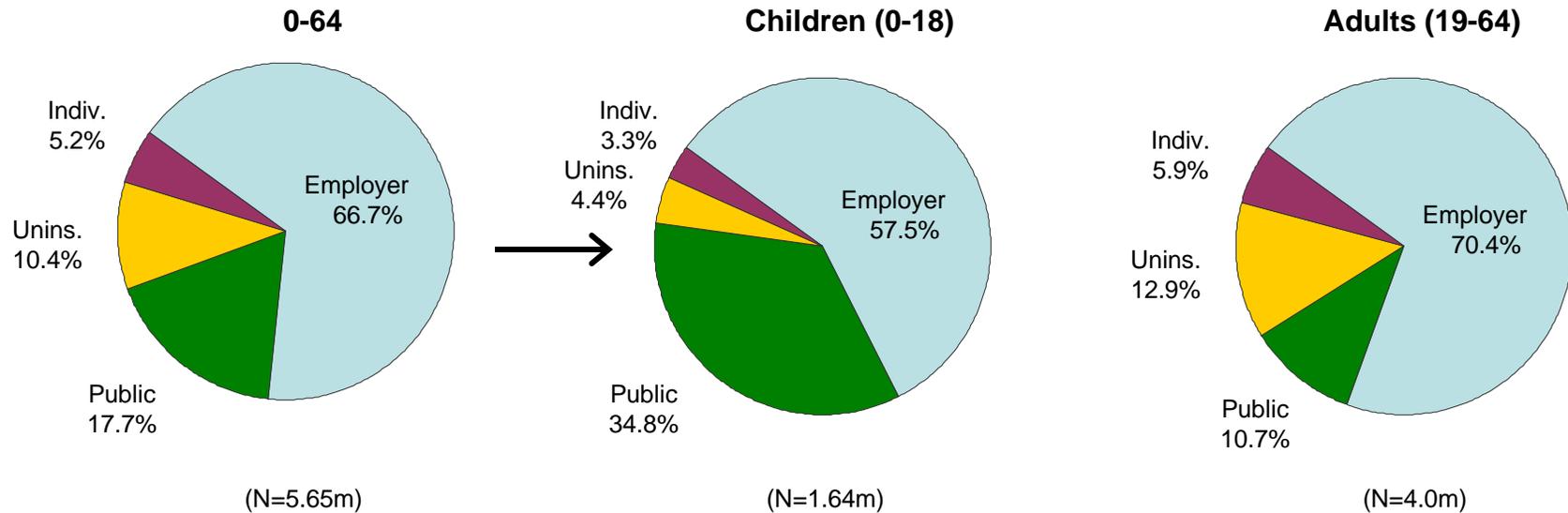
Primary Source of Insurance for those Under Age 65, 1993-2006



Source: 1993, 1997, RWJF Washington Family Health Insurance Survey;
 1998, 2000v6M, 2002v5M, 2004v4M, 2006v2M2 Washington State Population Survey
 (Adjustments made to account for Medicaid underreporting are described in <http://www.ofm.wa.gov/sps/index.htm>)

Changing Coverage Dynamics

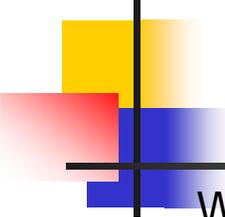
2006



2000 - 2006

Children: Growth in public program coverage
 Almost 2/3 from lower private coverage
 Just over 1/3 from lower uninsurance

Adults: Growth in uninsured
 Just over 3/4 from lower private coverage
 Almost 1/4 from lower public coverage



Washington's Story in 2006: Who Are the Uninsured?

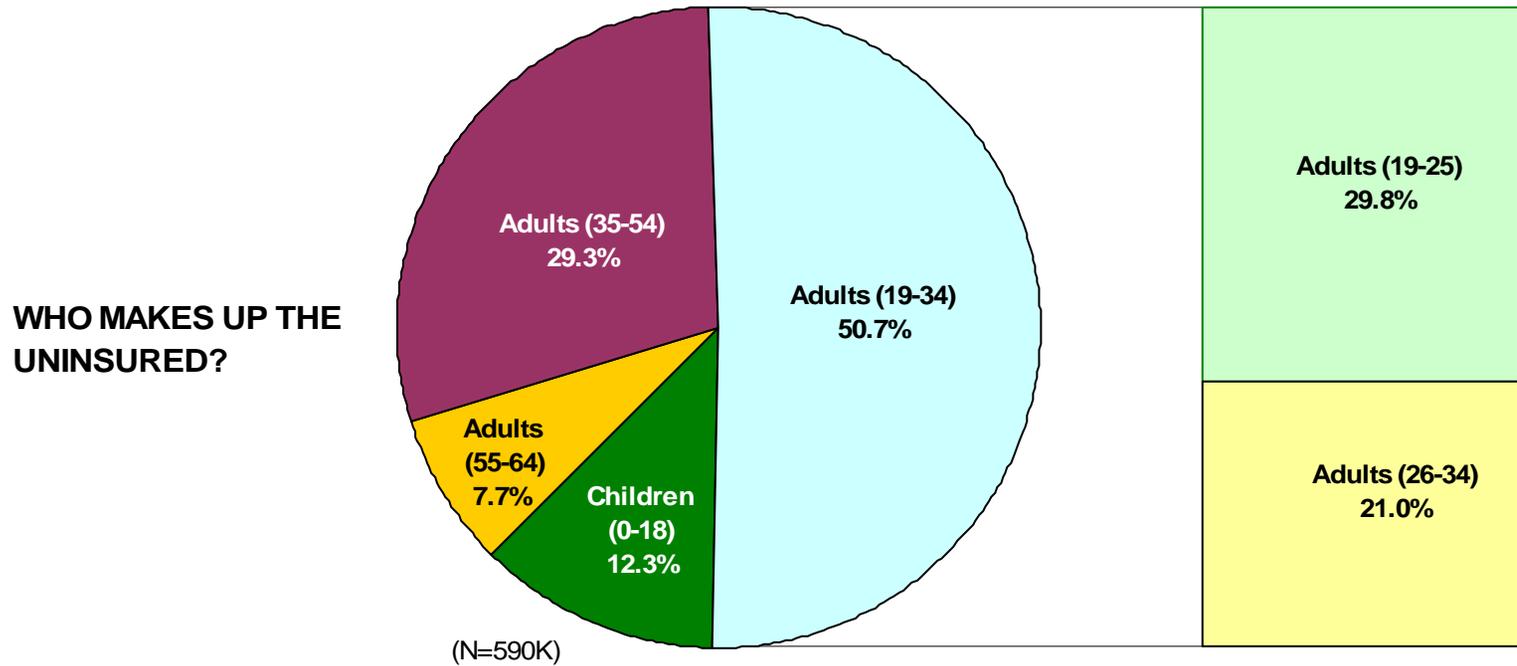
While there are some modest changes taking place in 2006, the picture we see (at least so far) is not much different from that of the past. The uninsured are generally...

- Young adults
- Quite low-income
- Part of working families
- Without dependent children
- Lacking the benefit of higher education

And unfortunately for these groups, not only do they make up the bulk of today's uninsured, they are likely to make up the bulk of tomorrow's uninsured (their risks of being uninsured are among the fastest growing).

We also know that disparities among racial/ethnic groups continue in 2006: Hispanic and American Indian/Alaskan Natives are more at risk of being uninsured than any other race/ethnic group.

Many of Washington's Uninsured (age 0-64) are Young Adults



WHO'S AT GREATEST RISK OF BEING UNINSURED?

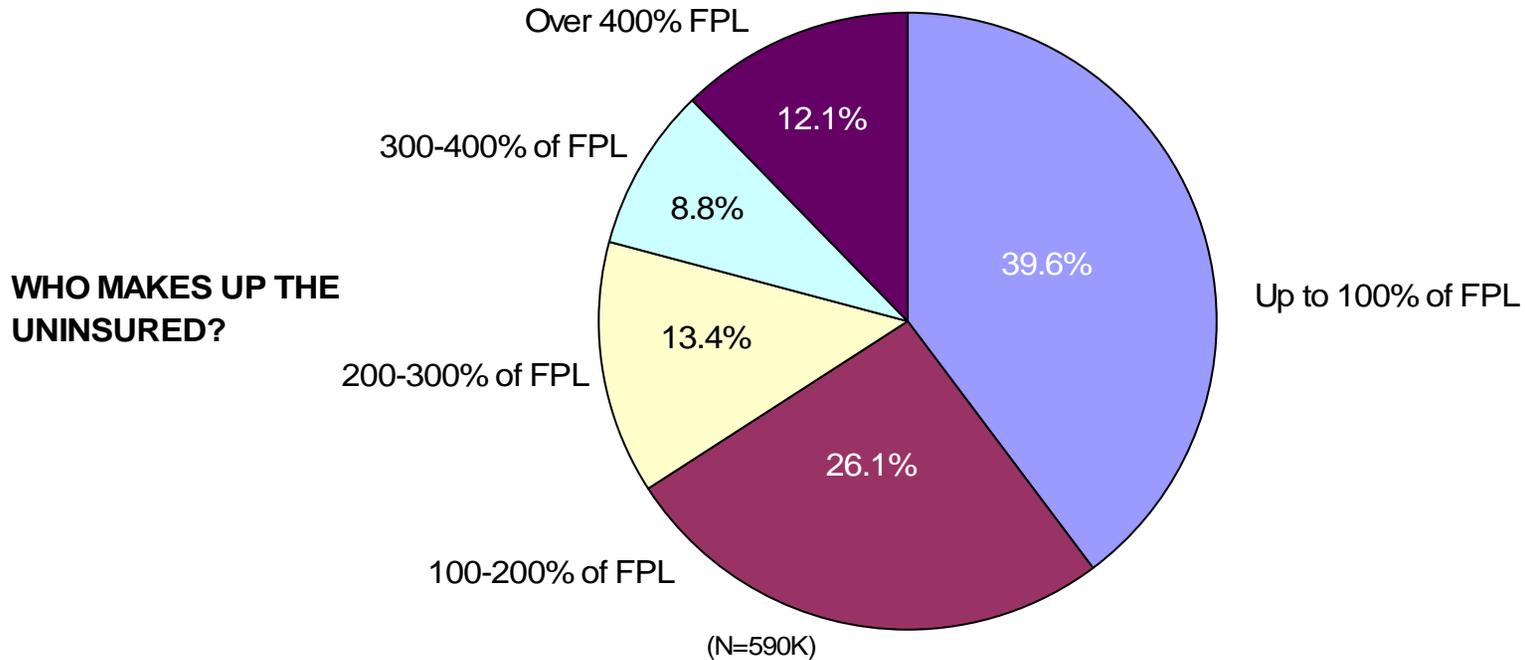
0-18	19-34	35-54	55-64	19-25
4.4%	22.0%	8.9%	6.3%	29.0%

WHICH GROUPS ARE GROWING/DECLINING AT THE FASTEST RATE? (2000 - 2006)

0-18	19-34	35-54	55-64	19-25
-20.3%	38.4%	25.0%	20.8%	57.4%

Source: State Planning Grant analysis of 2000v5M, 2006v2M2 Washington State Population Survey

Most of Washington's Uninsured (age 0-64) are Poor or Near-Poor



WHO'S AT GREATEST RISK OF BEING UNINSURED?

Up to 100% of FPL	100 - 200% of FPL	200-300% of FPL	300-400% of FPL	Over 400% of FPL
24.8%	19.6%	10.9%	6.5%	3.0%

WHICH GROUPS ARE GROWING/ DECLINING AT THE FASTEST RATE? (2000 - 2006)

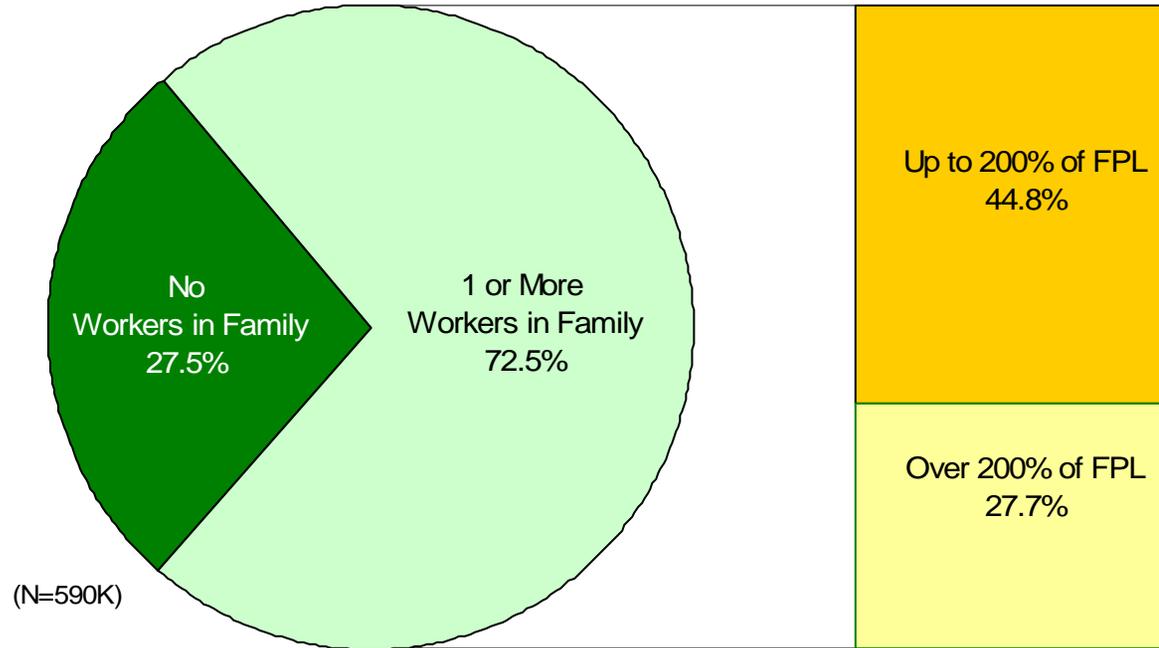
Up to 100% of FPL	100-200% of FPL	200-300% of FPL	300-400% of FPL	Over 400% of FPL
29.4%	14.4%	14.7%	-0.4%	20.2%

Up to 200% of FPL	Over 200% of FPL
23.7%	9.4%

Source: State Planning Grant analysis of 2000v5M, 2006v2M2 Washington State Population Survey

Most of Washington's Uninsured (age 0-64) are Members of Working Families

WHO MAKES UP THE UNINSURED?



WHO'S AT GREATEST RISK OF BEING UNINSURED?

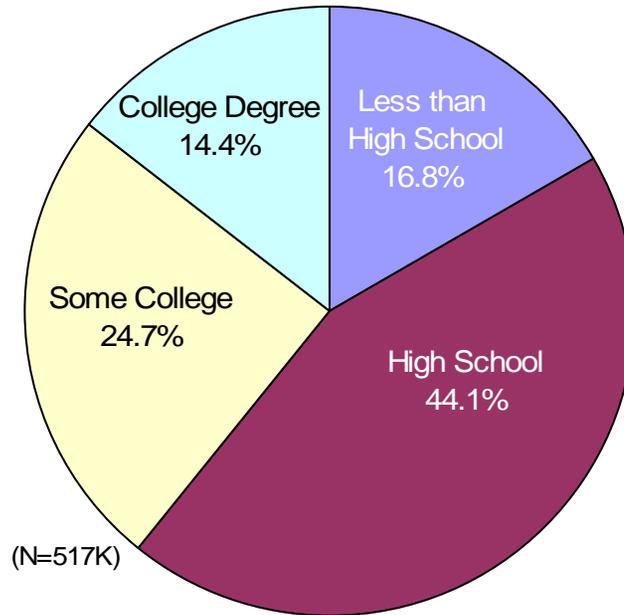
No Workers	1 or More Workers	No Workers < 200% FPL	No Workers > 200% FPL	1 + Workers < 200% FPL	1 + Workers >200% FPL
18.6%	9.0%	21.5%	13.0%	22.9%	4.5%

WHICH GROUPS ARE GROWING AT THE FASTEST RATE? (2000 - 2006)

No Workers	1 or More Workers	No Workers < 200% FPL	No Workers > 200% FPL	1 + Workers < 200% FPL	1 + Workers >200% FPL
12.9%	19.9%	15.4%	5.8%	27.6	6.9%

Most Uninsured Adults (age 19-64) Have No Education Beyond High School

WHO MAKES UP THE UNINSURED?



WHO'S AT GREATEST RISK OF BEING UNINSURED?

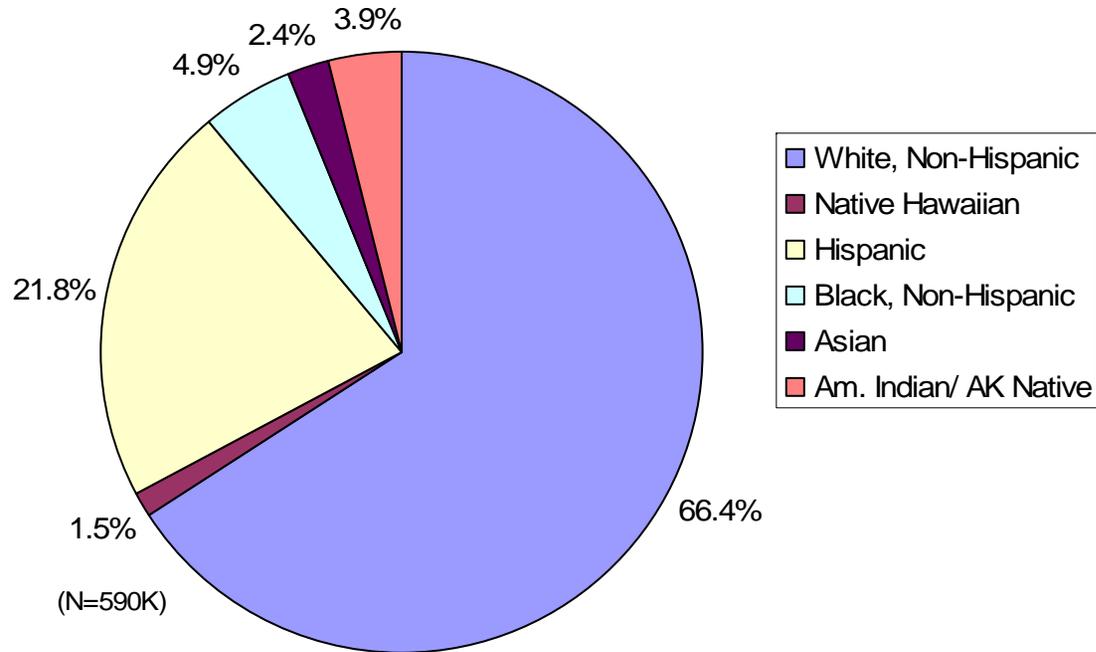
Less than High School	High School	Some College	College Degree
36.1%	21.8%	10.5%	4.9%

WHICH GROUPS ARE GROWING AT THE FASTEST RATE? (2000 - 2006)

Less than High School	High School	Some College	College Degree
30.3%	73.1%	18.9%	19.1%

Most of Washington's Uninsured (age 0-64) are White or Hispanic

WHO MAKES UP THE UNINSURED?



WHO'S AT GREATEST RISK OF BEING UNINSURED?

White, Non-Hispanic	Native Hawaiian	Hispanic	Black, Non-Hispanic	Asian	Am. Indian/ AK. Native
9.0%	9.3%	23.3%	13.2%	4.4%	23.8%

WHICH GROUPS ARE GROWING/ DECLINING AT THE FASTEST RATE? (2004¹ - 2006)

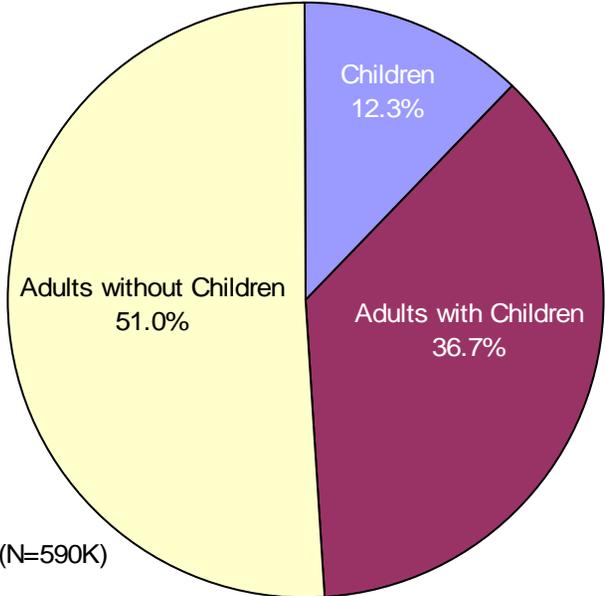
White, Non-Hispanic	Native Hawaiian	Hispanic	Black, Non-Hispanic	Asian	Am. Indian/ AK. Native
-10.7%	-44.8%	31.3%	33.5%	-60.5%	44.9%

Source: State Planning Grant analysis of 2004v3M, 2006v2M2 Washington State Population Survey.

¹Data quality issues were suspected with 2000 race/ethnicity data, therefore we use 2004 for comparison with 2006.

Most of Washington's Uninsured (age 0-64) are Adults Without Children

WHO MAKES UP THE UNINSURED?



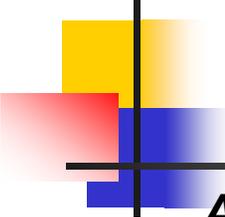
WHO'S AT GREATEST RISK OF BEING UNINSURED?

Children	Adults with Children	Adults without Children
4.4%	11.6%	14.0%

WHICH GROUPS ARE GROWING/DECLINING AT THE FASTEST RATE? (2000-2006)

Children	Adults with Children	Adults without Children
-20.3%	18.5%	38.2%

Source: State Planning Grant analysis of 2000v5M, 2006v2M2 Washington State Population Survey



Canary in the Mine-Shaft

Are middle-income and middle-age people at higher risk of being uninsured today than they were yesterday?



(Middle-Income = 200-400% of Federal Poverty and Middle-Age = 35-54)

Simple Probability of
Being Uninsured in 2000

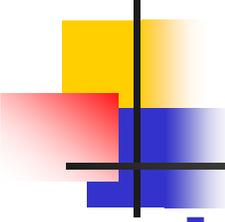
7.6%

Simple Probability of
Being Uninsured in 2006

9.5%

2000: Middle-income/middle-age adults made up 9.5% of Washingtonians age 0-64 (N=495K)

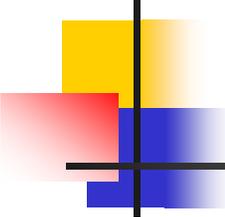
2006: Middle-income/middle-age adults made up of 8.5% of Washingtonians age 0-64 (N=482K)



Why Insurance Matters

- The uninsured don't get the care they need, when they need it. (E.g., uninsured cancer patients are diagnosed in later stages of disease and die earlier.)
- Population mortality could be reduced 5%-15% if the uninsured had continuous health coverage.
- Lack of insurance for even short periods results in lower rates of preventive service use.
- Despite our minimum standard of access to care (EMTALA), hospital access is different, and the outcomes are different:
 - Uninsured are less likely to be admitted to the ICU, mainly because they are less likely to be admitted to the hospital. Differences persist irrespective of age, gender, ethnicity, or reason for admission;
 - BUT if admitted, the uninsured are more likely to receive intensive care (ICU) (because they are sicker); and hospital mortality rates for them nearly double.*

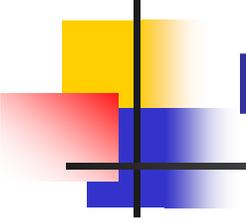
**Source: Critical Care Medicine, Aug 2006; National Institutes of Health, Department of Clinical Bioethics, Warren G. Magnuson Clinical Center,*



Why Knowing the Uninsured Matters

When asking the policy questions, knowing the uninsured can help us focus (where to put energy/ what to solve for):

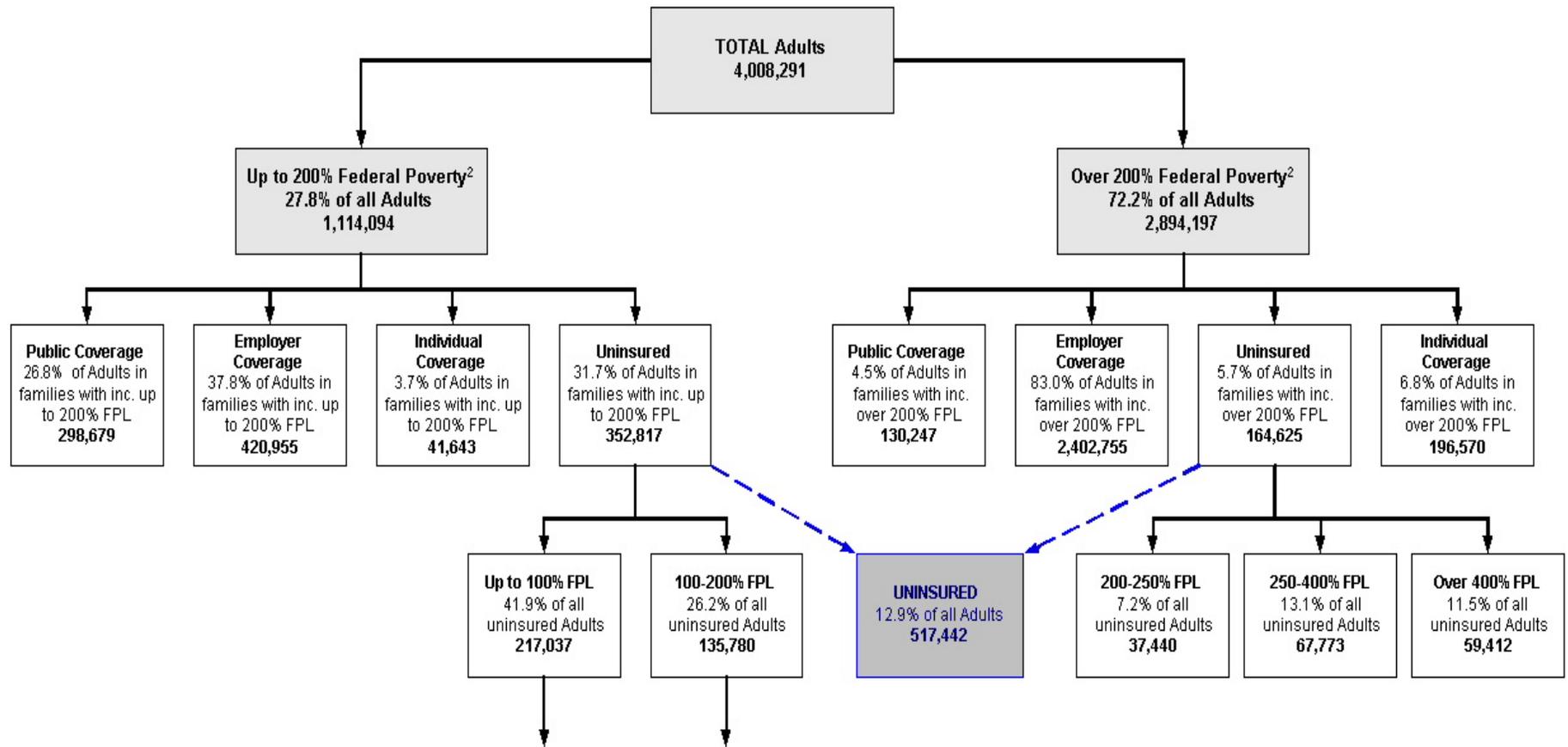
- The largest numbers of uninsured?
- The most vulnerable uninsured (e.g., least likely to be able to address the issue on their own; health impacts are greatest)?
- The highest rates/disparities?
- The groups requiring structural changes or stop-gap measures?
- The fastest growing?
- The easiest to tackle?
- Where the highest cost uncompensated care is occurring?
- Where 'new' dollars might be found?
- What gets people's attention?



Two Examples of Matching Profiles to Policy Intent

- Low-income children & adults (e.g., large numbers, vulnerable due to affordability, infrastructure in place)
- Small business (e.g., fast growing problem, possibly new dollars, on people's minds)

**WASHINGTON STATE PLANNING GRANT ON ACCESS TO HEALTH INSURANCE
2006 Adults Age 19-64 Years ¹**



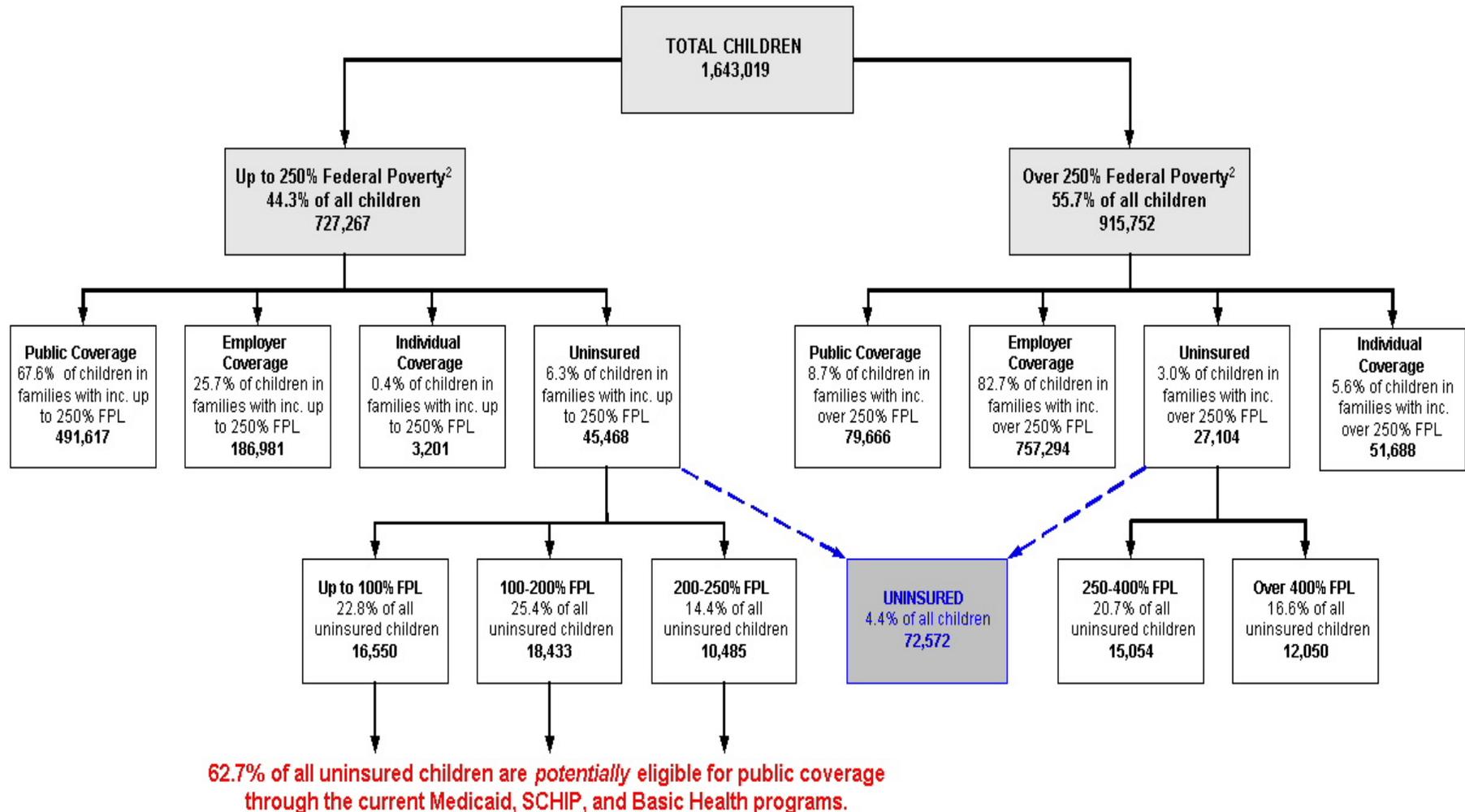
68.2% of all uninsured adults are potentially eligible for public coverage primarily through Basic Health.

¹ Source: 2006v2M2 Washington State Population Survey

² Income for 2005 was collected during the 2006 survey - poverty level for a family of four in 2005 was defined as \$19,350.

For more information see the Department of Health and Human Services website <http://aspe.hhs.gov/poverty/figures-fed-reg.shtml>

**WASHINGTON STATE PLANNING GRANT ON ACCESS TO HEALTH INSURANCE
2006 Children Age 0-18 Years ¹**



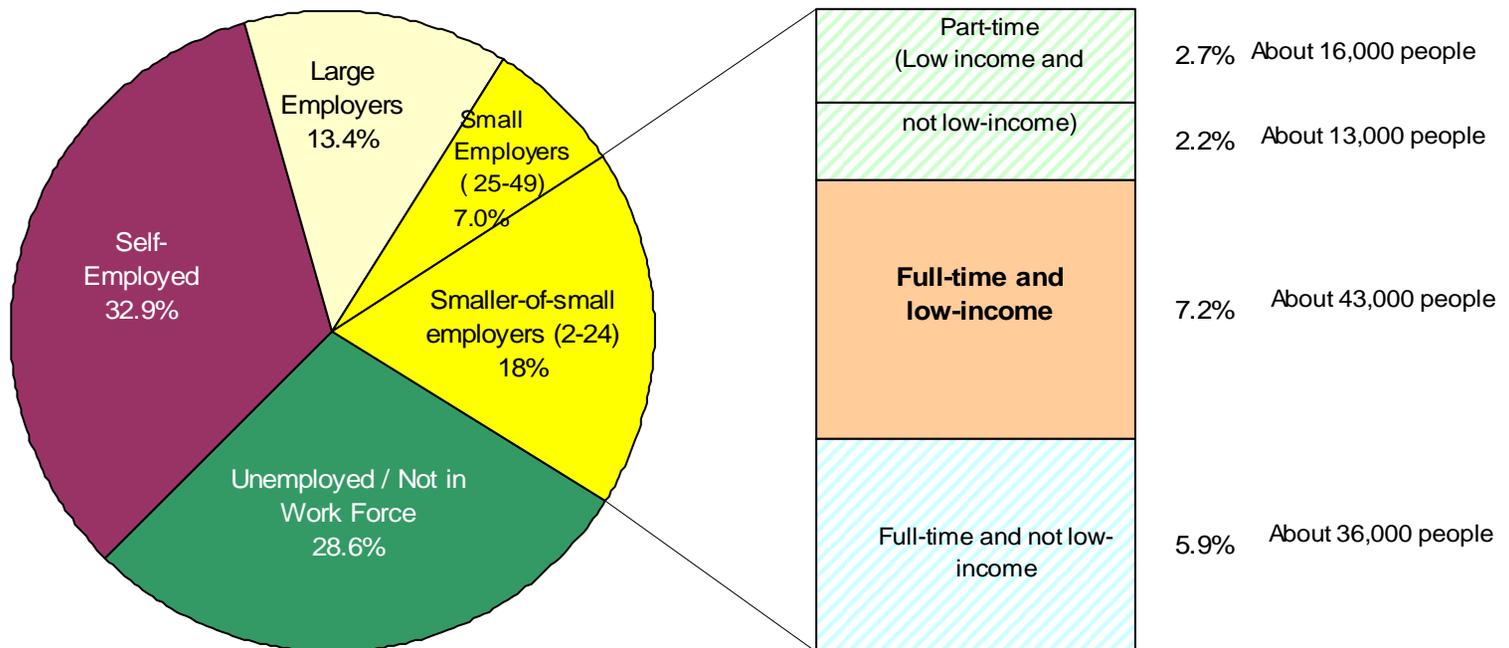
¹ Source: 2006v2M2 Washington State Population Survey

² Income for 2005 was collected during the 2006 survey - poverty level for a family of four in 2005 was defined as \$19,350.

For more information see the Department of Health and Human Services website <http://aspe.hhs.gov/poverty/figures-fed-reg.shtml>

Targeting Small Business

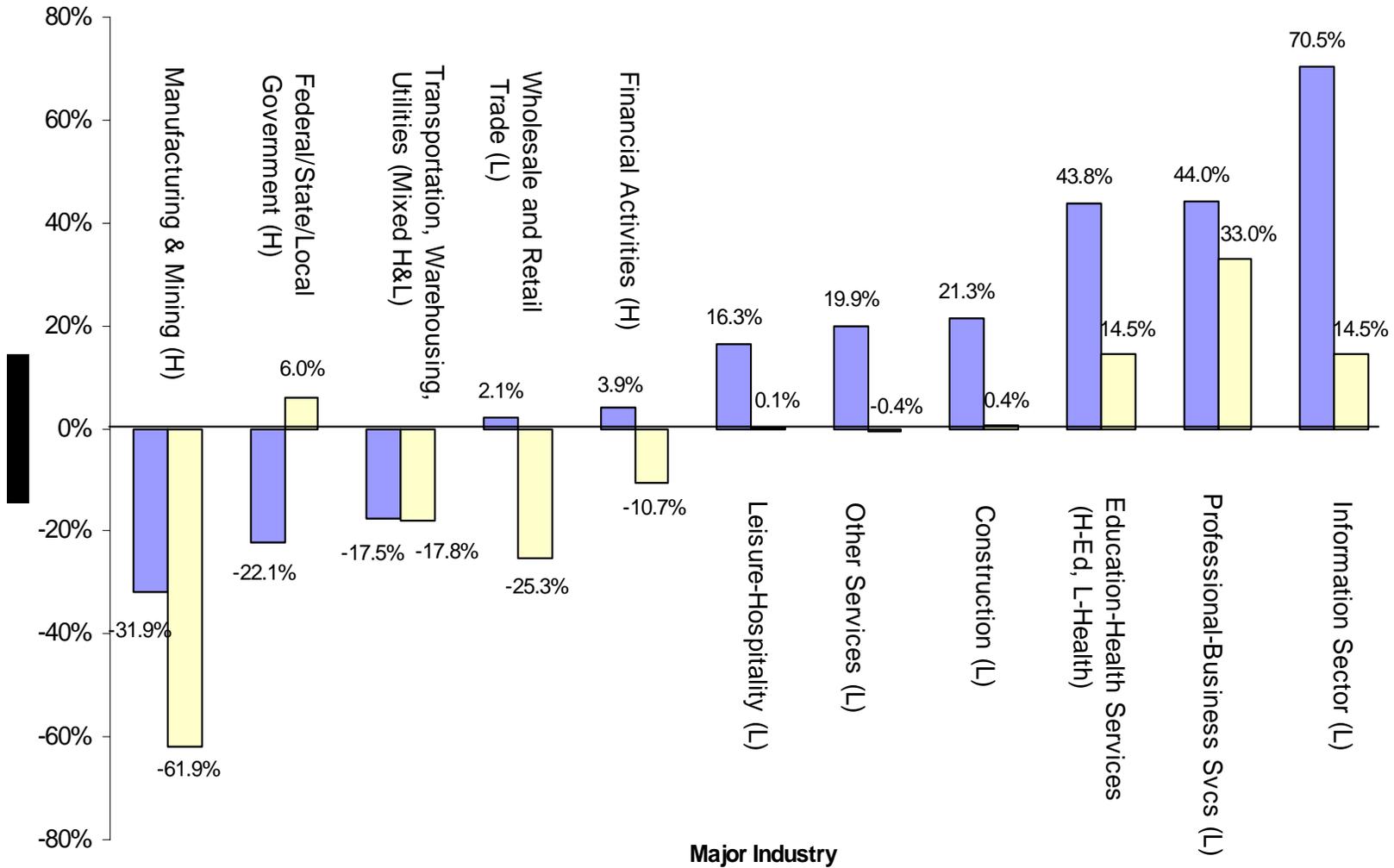
**Distribution of Washington Uninsured (0-64)
By 2004 Work Force Attachment
(approx. 603,000 people in 2004)**



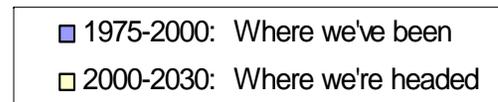
Source: State Planning Grant analysis of 1993, 1997, RWJF Washington Family Health Insurance Survey, 1998, 2000v5M, 2004v3M Washington State Population Survey

Note: Above is an "order of magnitude" best guess intended to demonstrate what portion or subgroup of the uninsured population is included through a focus on small business assistance.

Percentage Change in Employment in Major Industries



H = High Employer-Sponsored Insurance (ESI) industries
 L = Low ESI industries



Source: Economic and Revenue Forecast Council, Office of Financial Management, October 2006;

Holahan, J. and A. Cook. Why Did the Number of Uninsured Continue to Increase in 2005? October 2006. Kaiser Commission on Medicaid and the Uninsured.

What Else Can We Say...

CANDORVILLE | Darrin Bell

