

# Texas Voice for Health Reform

A project of the Center for Public Policy Priorities

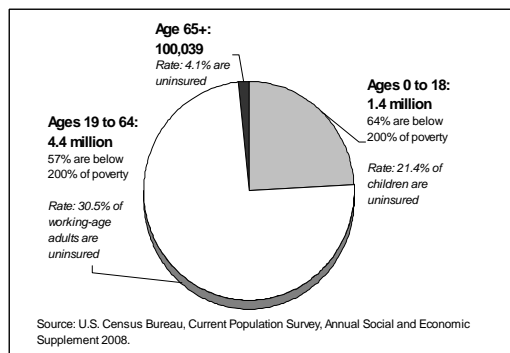
## Federal Health Reform and Texas

***The lack of a regulated health insurance market and a national system to guarantee financial access to a decent standard of care leaves millions uninsured and causes more than half of U.S. bankruptcies. The time has come to establish a sensible system in which every American can contribute a fair share and be guaranteed good care, without risk of financial ruin.***

### Texas Health Facts

•Texas has the highest percentage of people without health insurance in the nation. As of 2007, 5.96 million Texans, or a quarter of our state's population, lacked health insurance.<sup>A</sup>

### Uninsured Texans By Age Group, 2007



•Being uninsured is not just a problem for unemployed Texans in poverty. More than two thirds of uninsured Texans aged 16 to 64 are employed, and nearly three-quarters of them have incomes above the poverty line.<sup>Ibid</sup>

•Texans are far less likely—by nearly 10 percentage points—to be covered by health insurance through their jobs than workers in the rest of the U.S.<sup>Ibid</sup>

•Texas does not take full advantage of available federal matching dollars for Medicaid. Although Medicaid provides coverage for approximately 2 million Texas children, very few non-elderly adults are able to access Medicaid benefits contributing to our high rate of uninsured adults.

•For Texas Families, about \$1,500 of an average \$12,000 family health insurance premium is directly related to covering the costs of the uninsured.<sup>B</sup>

•Over the last decade wages have on average increased by 31.4%, whereas insurance premiums have increased nearly 119%.<sup>C</sup> From 2000 to 2007, Texans saw their health insurance premiums increase 87% while their incomes increased only 15%. With the cost of coverage growing nearly 6 times faster than incomes, health insurance becomes less affordable for Texas families every year.<sup>D</sup>

•In Texas, group health insurance premiums vary wildly, with some companies paying as much as \$29,000 a year per worker.<sup>D</sup> Texans seeking insurance in the individual market generally pay more for less coverage and can be denied coverage due to preexisting conditions.

### Promising Federal Developments in Health Care Reform

•President Obama has pledged to make health care reform a major priority in his administration. The administration has stated that health reform is needed now more than ever, as American families face uncertain financial times and need security in meeting their most basic needs.<sup>F</sup>

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## Who We Are

•In January 2009 Congress reauthorized the State Children's Health Insurance Program<sup>g</sup> (S-CHIP) which will provide health coverage to four million previously uninsured children nationally. The half million Texas children who currently have CHIP are guaranteed to continue receiving coverage, and the reauthorization makes extending CHIP to several hundred thousand additional Texas children possible.<sup>h</sup>

•In February 2009 Congress passed American Reinvestment and Recovery Act of 2009 (ARRA), which includes significant amounts of funding for health provisions, including additional funds for Medicaid, to help states respond to rising need for Medicaid. Additionally, ARRA will provide COBRA assistance, support for health centers, and health information technology.<sup>i</sup>

•President Obama released his first budget in February that included a significant down payment toward making sure every American has access to healthcare.<sup>j</sup>

### Sources:

<sup>A</sup>*Texas Health Care 2008: What Has Happened and What Work Remains*, p. 2, Center for Public Policy Priorities, <http://cPPP.org/research.php?aid=789&cid=3&scid=4>

<sup>B</sup>*Paying a Premium: The Increased Cost of Care for the Uninsured*, p. 4, Families USA, <http://www.familiesusa.org/resources/publications/reports/paying-a-premium.html>

<sup>C</sup>Center for Children and Families analysis of Kaiser/HRET *Survey of Employer-Sponsored Health Benefits, 1999-2008* and Bureau of Labor Statistics, *Seasonally Adjusted Data from the Current Employment Statistics Survey, 1999-2008* (April to April).

<sup>D</sup>*Premiums Versus Paychecks: A Growing Burden for Texas Workers*, Families USA, <http://www.familiesusa.org/assets/pdfs/premiums-vs-paychecks-2008/texas.pdf>

<sup>E</sup>TDI, 2006 Annual Group Accident and Health Survey *Day of Reckoning: Obama Outlines Road to Economic Recovery, Stressing Education, Energy, and Health Care*, Michael D. Shear and Anne E. Kornblut, Washington Post, <http://www.washingtonpost.com/wp-dyn/content/article/2009/02/24/AR2009022401832.html?hpid=topnews>

<sup>F</sup>*Day of Reckoning: Obama Outlines Road to Economic Recovery, Stressing Education, Energy, and Health Care*, Michael D. Shear and Anne E. Kornblut, Washington Post, <http://www.washingtonpost.com/wp-dyn/content/article/2009/02/24/AR2009022401832.html?hpid=topnews>

<sup>G</sup>State Children's Health Insurance Program Reauthorization Act <http://www.thomas.gov/cgi-bin/query/D?c111:5:./temp/~c111EwEQzp>

<sup>H</sup>*Texas Health Care 2008: What Has Happened and What Work Remains*, p. 18, Center for Public Policy Priorities, <http://cPPP.org/research.php?aid=789&cid=3&scid=4>

<sup>I</sup>American Recovery and Reinvestment Act, <http://www.thomas.gov/cgi-bin/query/D?c111:8:./temp/~c111EV7dyJ>

<sup>J</sup>*Examining the President's Budget Proposal*, Robert Greenstein, Center on Budget and Policy Priorities, <http://www.cbpp.org/2-26-09bud-stmt.htm>

**Texas Voice for Health Reform aims to inform and mobilize all Texans on the national debate on health care reform. As a resource and a catalyst for this work we will help Texans to engage in calling for sound proposals to solve our nation's health care coverage crisis. The following principles guide our work:**

### **Affordable Access to Good Health Care Must be Available for All Americans. It should:**

- Cover all who want it
- Be Affordable for people at all income levels
- Remain available and affordable when family and economic circumstances change
- Establish both a responsibility for the public to contribute and an assurance of cost containment for individuals and families
- Eliminate health costs as the #1 cause of bankruptcy in America.

### **A Decent Standard of Comprehensive Care Must Be Established. It should:**

- Keep people healthy and treat them when they're ill
- Cover the whole person
- Not be lost or reduced based on pre-existing conditions or pregnancy

### **In order to be effective, sustainable, equitable, and balanced with our other important priorities as a nation, national health reform should also address:**

- Safe and High Quality Care
- Costs and Cost-Effectiveness of Health Care
- Consumer Choice
- Eliminating Barriers to and Disparities in Care