

Perspectives on the Uninsured

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**BlueCross BlueShield
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The Uninsured in America

The 2002 Bureau of Labor & Statistics reports 41.2 million Americans (14.6%) are without health coverage.

State of Florida

- ❖ Statewide approximately 16.8% lack health insurance coverage.
- ❖ This translates into approximately 2,085,000 uninsured.

Where Are the Uninsured in Florida?

- ❖ South Florida has the highest rate of Uninsureds.
 - Desoto, Glades, Hardee, Hendry, Highlands, Monroe, Okeechobee Counties – 25.5%
 - Dade County – 24.6%

Floridians Without Coverage

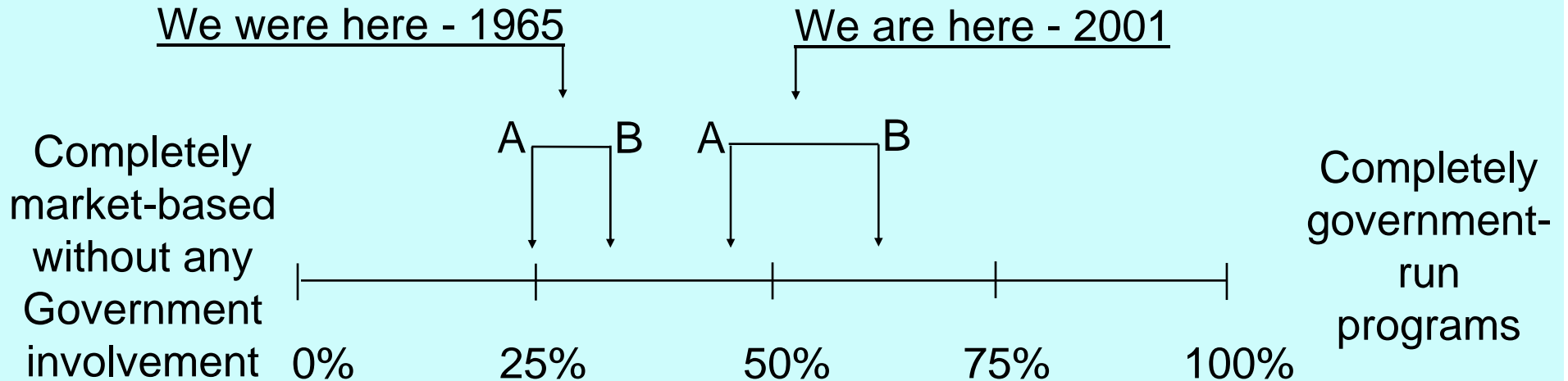
75% of uninsured Floridians
(1,544,976) reported an inability to
afford premiums as the main reason
for lack of coverage.

Rising Premiums

❖ As premiums rise, fewer people will be able to afford coverage, resulting in:

- Increased reliance on “safety net”
- Increased uninsured
- Increased time spent uninsured

Government Spending in Health Care



- A** Federal direct spending; State/local direct spending
- B** Federal direct spending; State/local direct spending; Public employee benefits; Tax subsidies

Government-Sponsored Health Programs

- ❖ One-third of the Uninsured are eligible for but are not enrolled in government-sponsored programs. However, funding is not always available for all those who are eligible.
- ❖ Government-sponsored health programs are only as good as the participation of providers, hospitals, etc.

What Can or Will the U.S. Afford to Provide?

Percent of Gross Domestic Product (GDP)

2000	13.2%
2001	14.0%
2002	14.7%
2005	15.6%
2011	17.0%

Source: Center for Medicare and Medicaid Services, 2002, U.S. Census Bureau

Other Countries – Universal Health Care

❖ A goal of universal health care schemes is to eliminate economic variations in health status ... However, this has proved difficult in practice.

- For example, the health gap between the rich and poor in terms of life expectancy and infant mortality is widening.
- Single payer systems may discriminate against the elderly and powerless (rationing).

Problems with Existing Universal Coverage Systems

- ❖ An 80 year-old American woman can expect to live almost a year longer than her British counterpart.
- ❖ In 1997, an estimated 20 – 30% of all patients on Canadian waiting lists were expected to die before receiving care.

Problems (Continued)

❖ Health disparities

Example - Prostate cancer mortality rate:

U.S. -- 19%

Germany – 44%

Canada -- 25%

France – 49%

New Zealand – 30%

U.K. – 57%

Australia – 35%

Market-Based Reforms ...

- ❖ ... offer a *real* opportunity to reduce costs.
- ❖ The RAND health insurance experiment conclusively demonstrated that people who use their own money to buy health care reduce spending by 30% without harming their health.

“Not Insurance” Plans

- ❖ “Association” groups, out-of-state trusts, “discount” plans.
- ❖ These plans may be exempt from state oversight.
 - These programs may offer “teaser” rates that rise sharply when consumers use health services.
- ❖ “Discount” programs may offer little to no financial relief from health costs.

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