Montana’s Uninsured: Trends & Outlook for Kids & Families

Daphne Herling
Montana KIDS COUNT

Findings from
BBER Health Care Research Program
Steve Seninger, PhD, Director
Health Care in US - 2005

- Spent $2 trillion (16% of GDP or $6,500 per person)
- Premiums rose 7.7%
- Drug prices increased 15%
- 15.9% all Americans do not have health insurance
- % of U.S. firms offering health benefits fell from 69% to 60% in past 5 years
Health Care in Montana - 2005

- 19% all Montanans uninsured
- 22% Montanans under 65 uninsured
- $5 billion spent (17% of GSP)
- $460 million on RX
- 28% of spending on Medicare, Medicaid/CHIP
2006 Employer Survey
(n=486 with 418 from 2003 Survey)

Health Insurance offered by:

• 49% of all Montana employers
• 40% of firms with 1 to 5 workers
• Almost all employers > 100 workers

76% of non-offering firms cite cost

- Employee Only:
  - 2003: $295
  - 2006: $365

- Employee & Family:
  - 2003: $597
  - 2006: $677
Percentage Change in Monthly Health Insurance Premiums: 2003 to 2006

- Employee Only:
  - Employer's Cost: 24%
  - Worker's Cost: 77%

- Employee & Family:
  - Employer's Cost: 13%
  - Worker's Cost: 29%
Employers & Workforce Coverage

- Increases in % of firms offering insurance to all workers........but........
- These gains offset by cost shifting of premiums to workers
- Harder for working parents to get health insurance for their families
Percent of US & Montana Kids Below Poverty without Health Insurance

- **2000-2002**
  - US: 22%
  - Montana: 19%

- **2003-2005**
  - US: 20%
  - Montana: 29%
Number of Montana Kids Above and Below Federal Poverty Level without Health Insurance

- Below Poverty: 12,000
- Above Poverty: 25,000
Array of Solutions

- Tax credits
- Increase eligibility levels in public programs
- Premium assistance
- Health savings accounts
- Increase public health infrastructure
Insure Montana

- 57% employers not offering health insurance had heard of program
- 43% offering insurance had not heard of program
- 49% of eligible firms were aware of program
- 51% of eligible firms had not heard of program
Likelihood of Eligible Small Firms Participating in the State Health Insurance Assistance Program, 2006 (n=113)
State Dollars Required to Expand CHIP for ALL Uninsured Montana Kids: 2005

• To expand CHIP to kids under poverty level = $4.5 million
• To expand CHIP to kids above poverty = $9.4 million

Investing $13.9 million would bring in $55.6 million federal $’s
Economic Benefits

• Employer premiums for family coverage 17% higher because of uninsured health costs of all Montanans

• Estimated cost savings of 70% when all kids are covered (Illinois)

• $60 million cumulative impact from $55 million federal $’s
Conclusions

• Montana employers expect to do more cost shifting to workers
• Workers squeezed out by unaffordability
• Working parents in small firms & low wage jobs will continue to lose job based coverage