A hand in a blue glove holds a glass vial containing a red liquid. Below the vial, a pair of black-rimmed glasses and a white first aid kit with a red label are visible. Several US dollar bills are scattered on the surface.

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

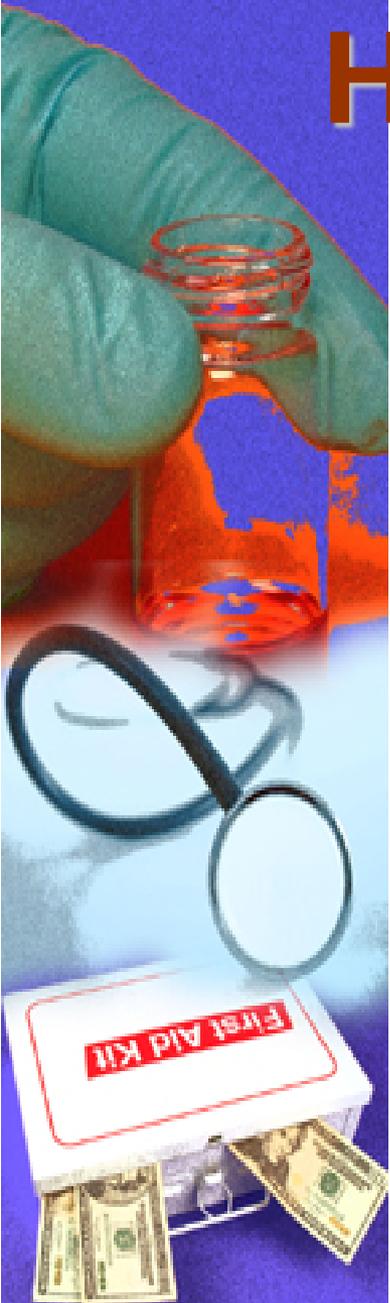
Daphne Herling
Montana KIDS COUNT

Findings from
BBER Health Care Research Program
Steve Seninger, PhD, Director

**BUREAU OF
BUSINESS
AND ECONOMIC
RESEARCH**

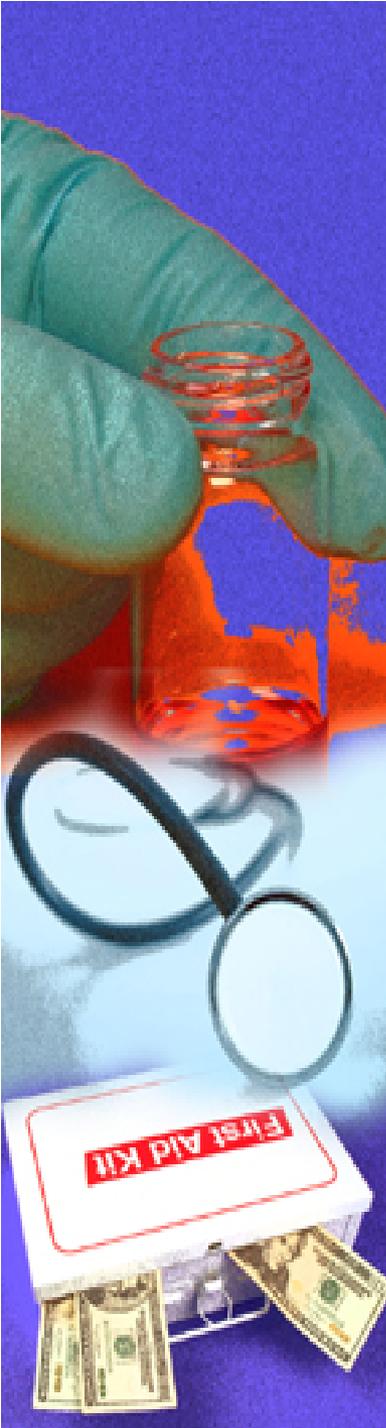
Health Care in US - 2005

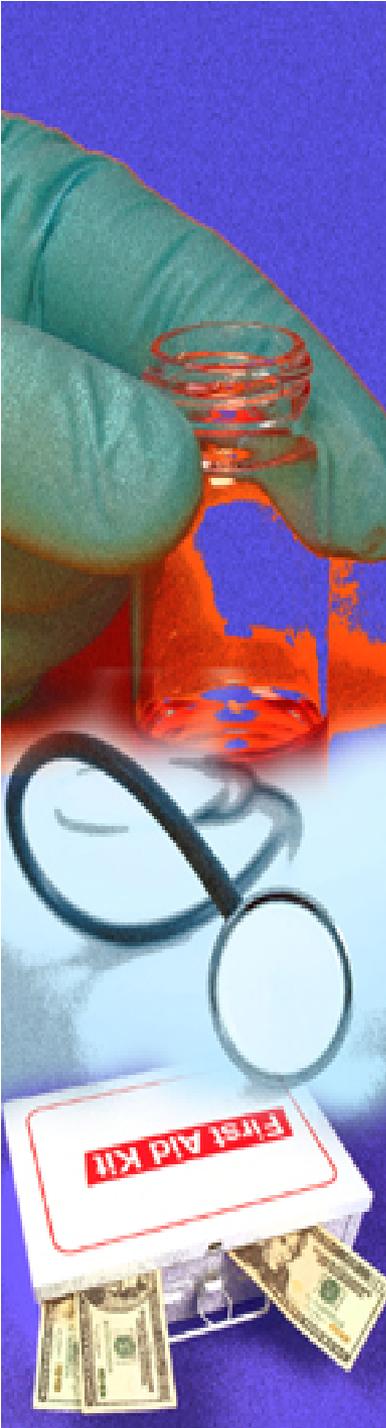
- Spent \$2 trillion (16% of GDP or \$6,500 per person)
- Premiums rose 7.7%
- Drug prices increased 15%
- 15.9% all Americans do not have health insurance
- % of U.S. firms offering health benefits fell from 69% to 60% in past 5 years



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



A hand in a blue glove holds a glass vial with orange liquid. Below it are magnifying glasses and a first aid kit with money.

2006 Employer Survey (n=486 with 418 from 2003 Survey)

Health Insurance offered by:

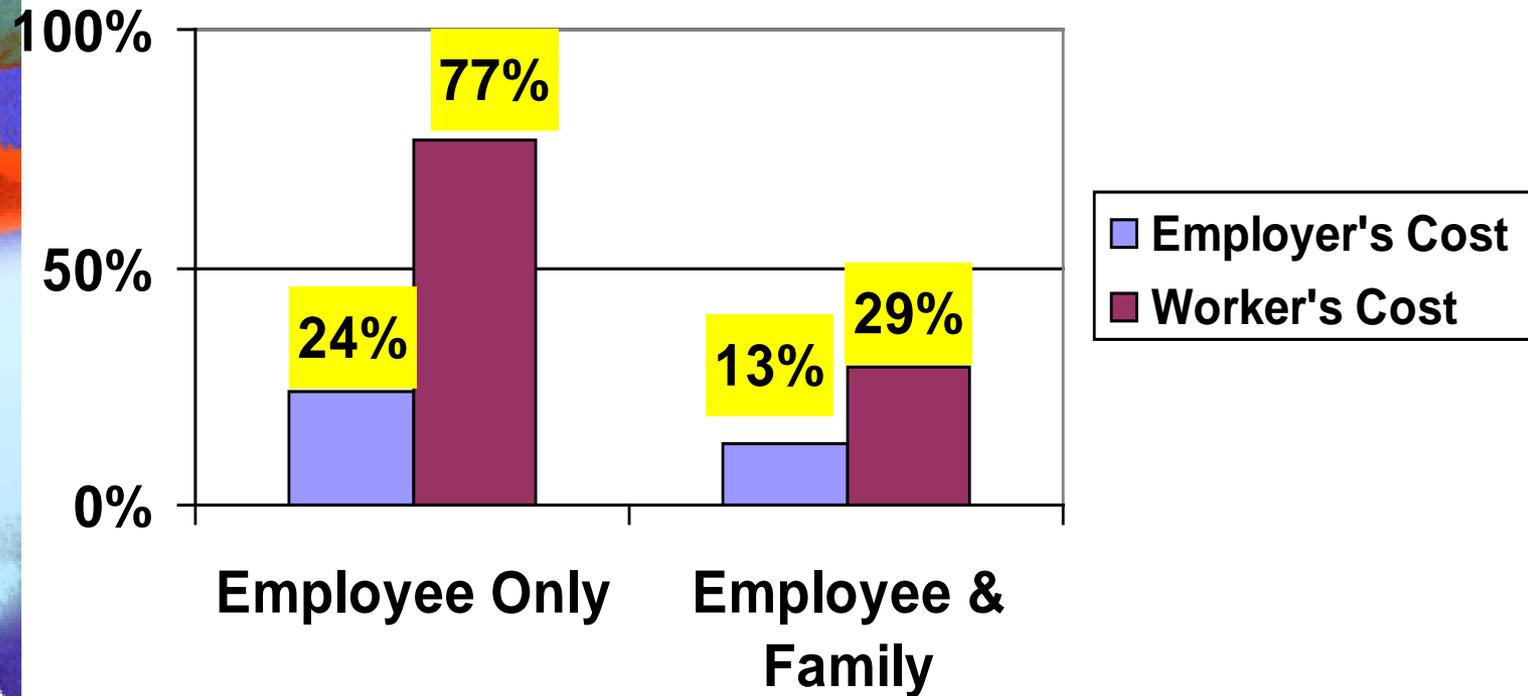
- 49% of all Montana employers
- 40% of firms with 1 to 5 workers
- Almost all employers > 100 workers

76% of non-offering firms cite cost

Average Monthly Health Insurance Premiums Paid by Montana Employers Offering Health Insurance: 2003 & 2006

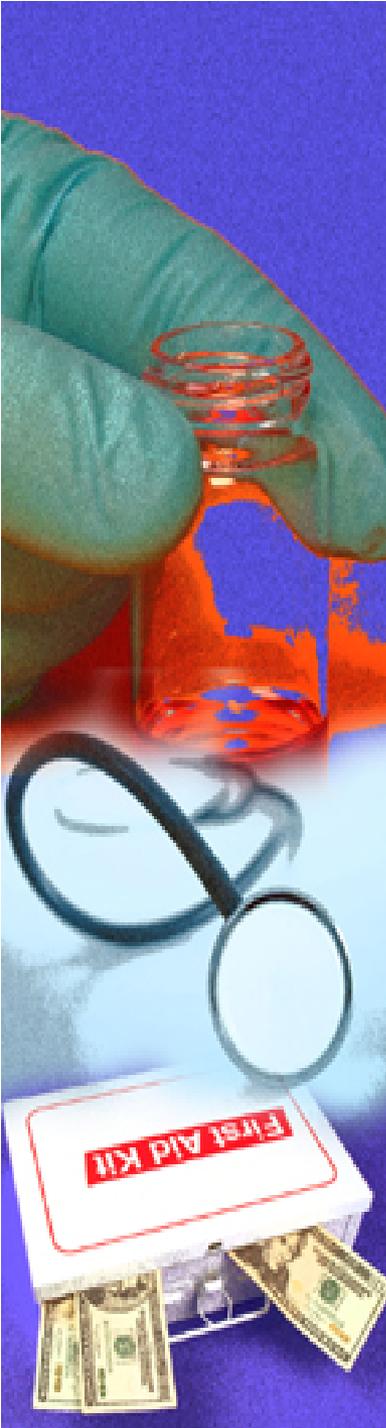


Percentage Change in Monthly Health Insurance Premiums: 2003 to 2006

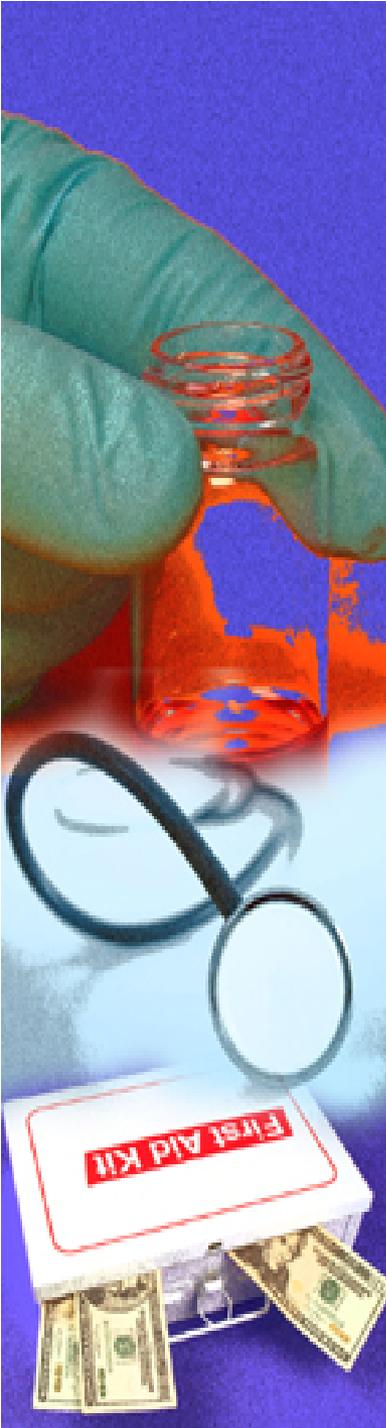
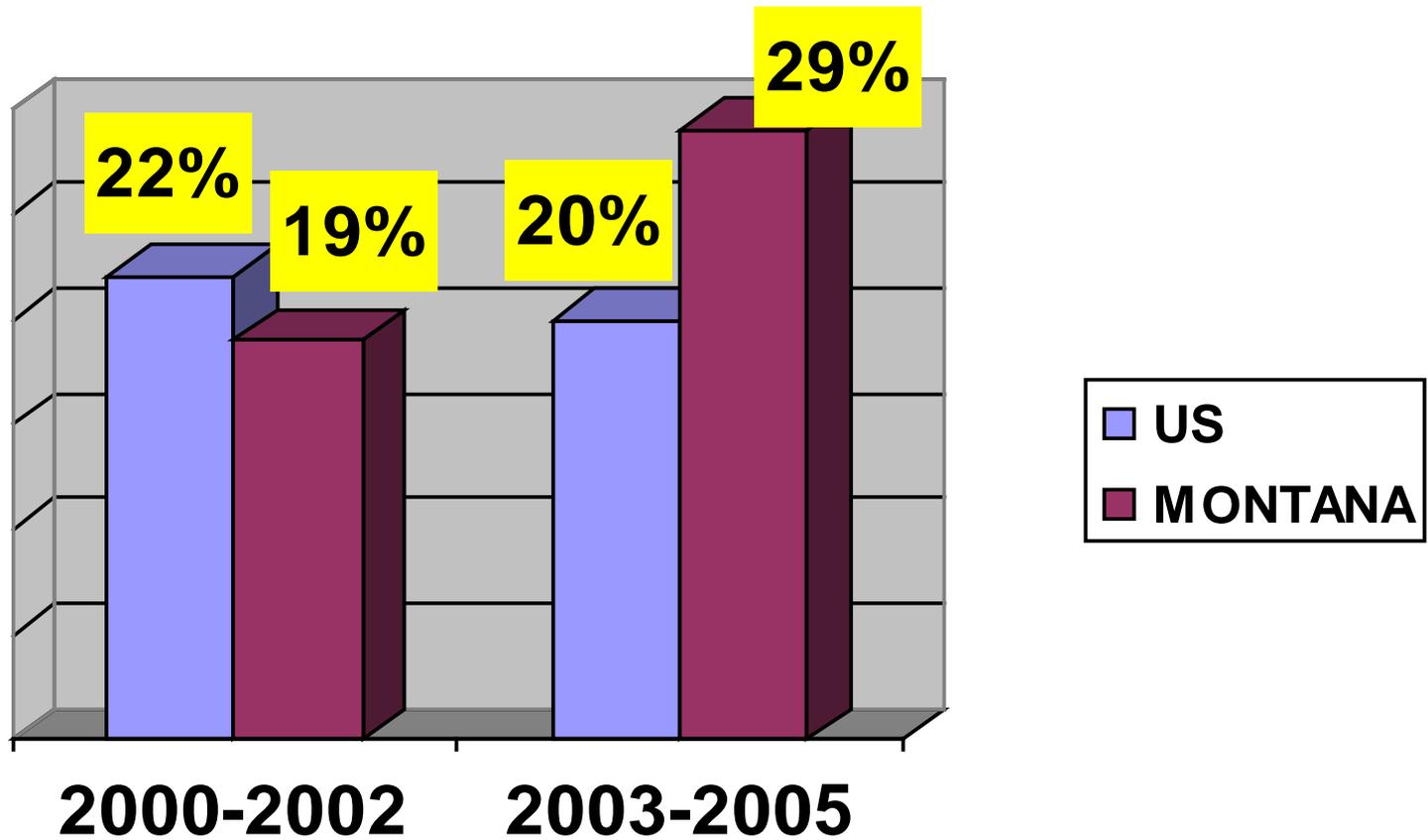


Employers & Workforce Coverage

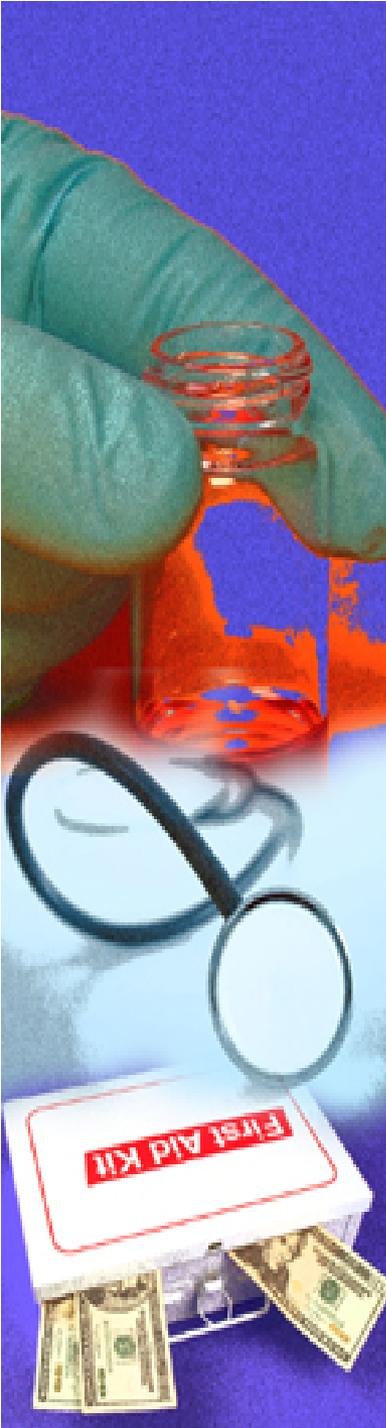
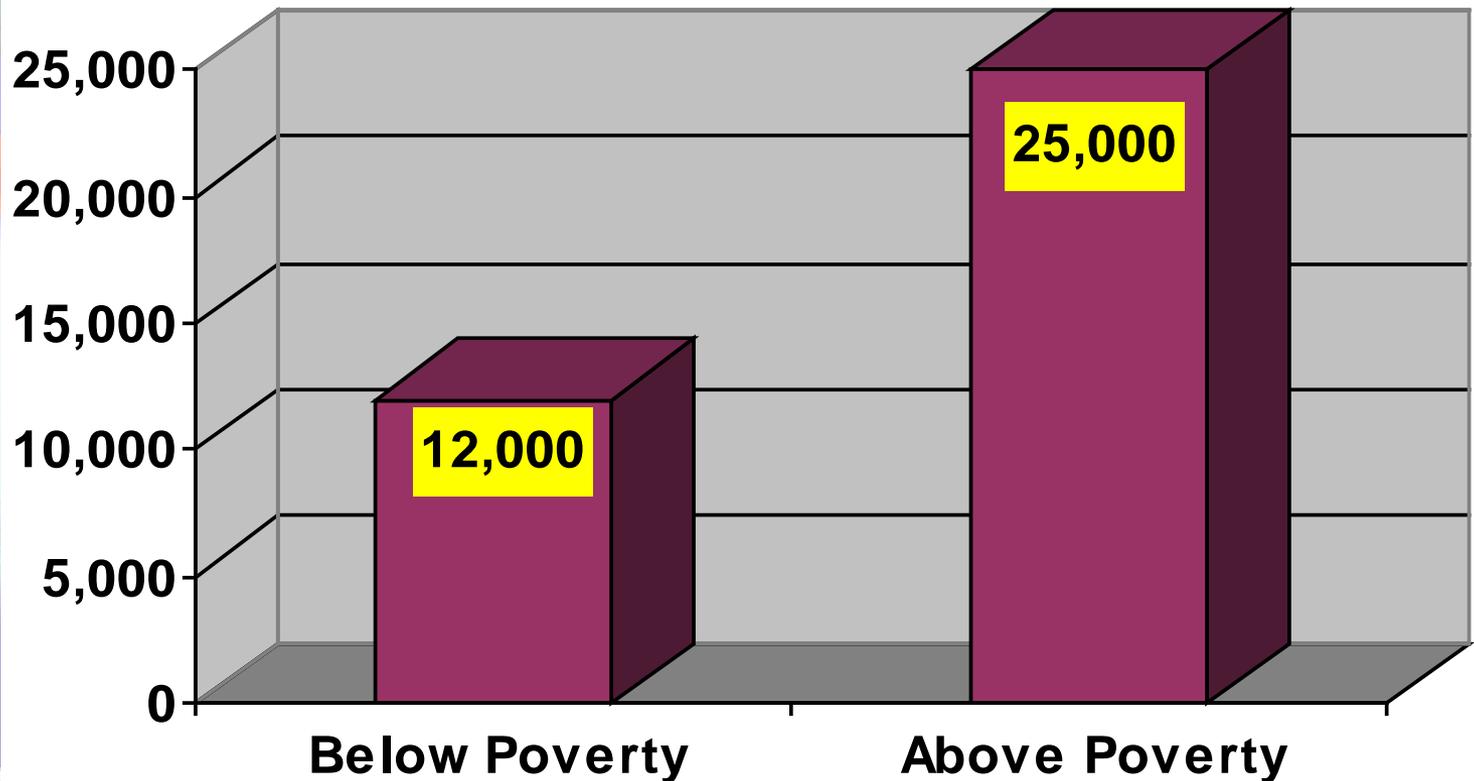
- **Increases in % of firms offering insurance to all workers.....but.....**
- **These gains offset by cost shifting of premiums to workers**
- **Harder for working parents to get health insurance for their families**



Percent of US & Montana Kids Below Poverty without Health Insurance

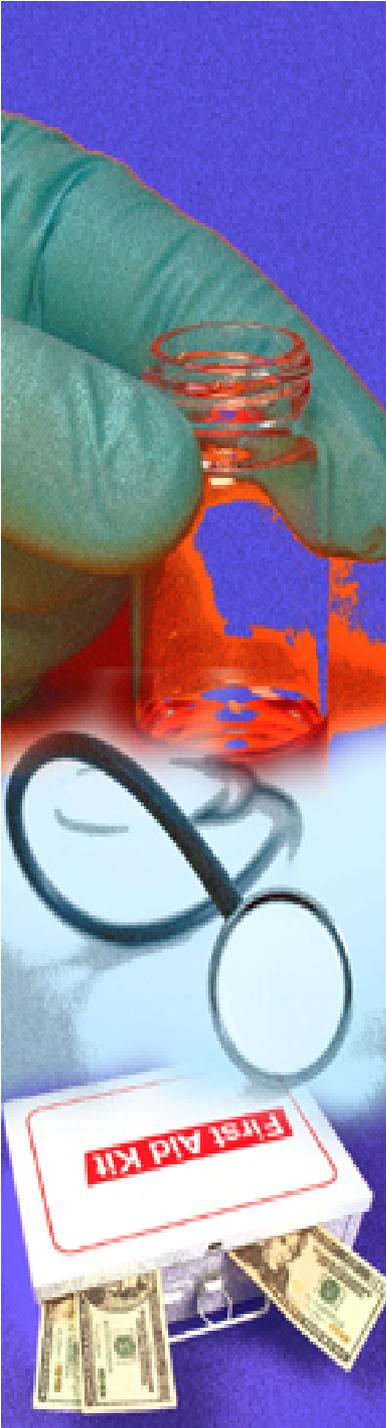


Number of Montana Kids Above and Below Federal Poverty Level without Health Insurance



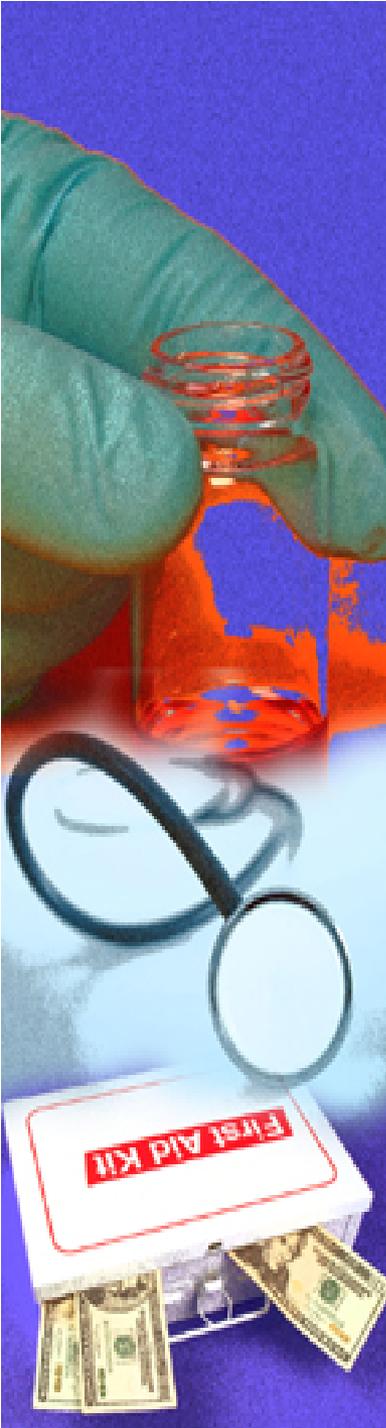
Array of Solutions

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



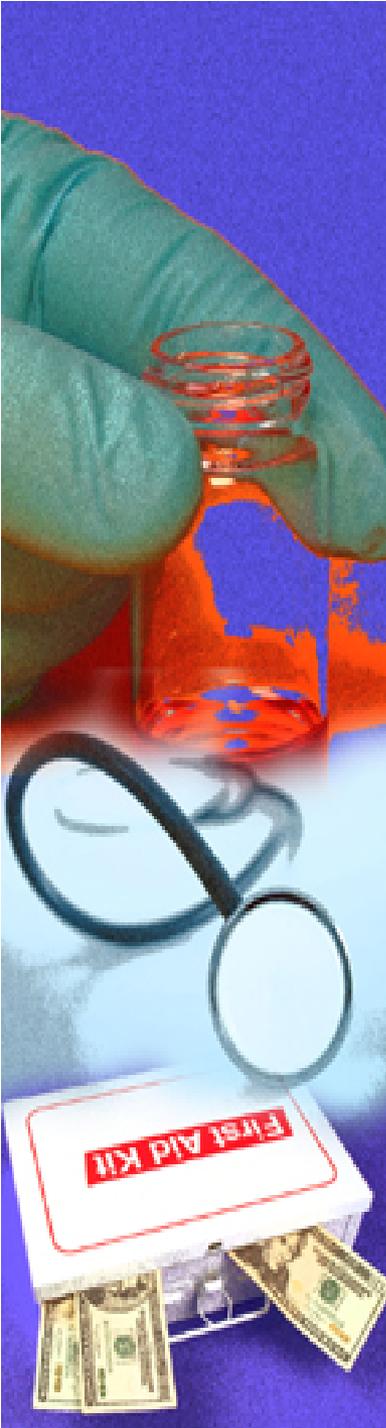
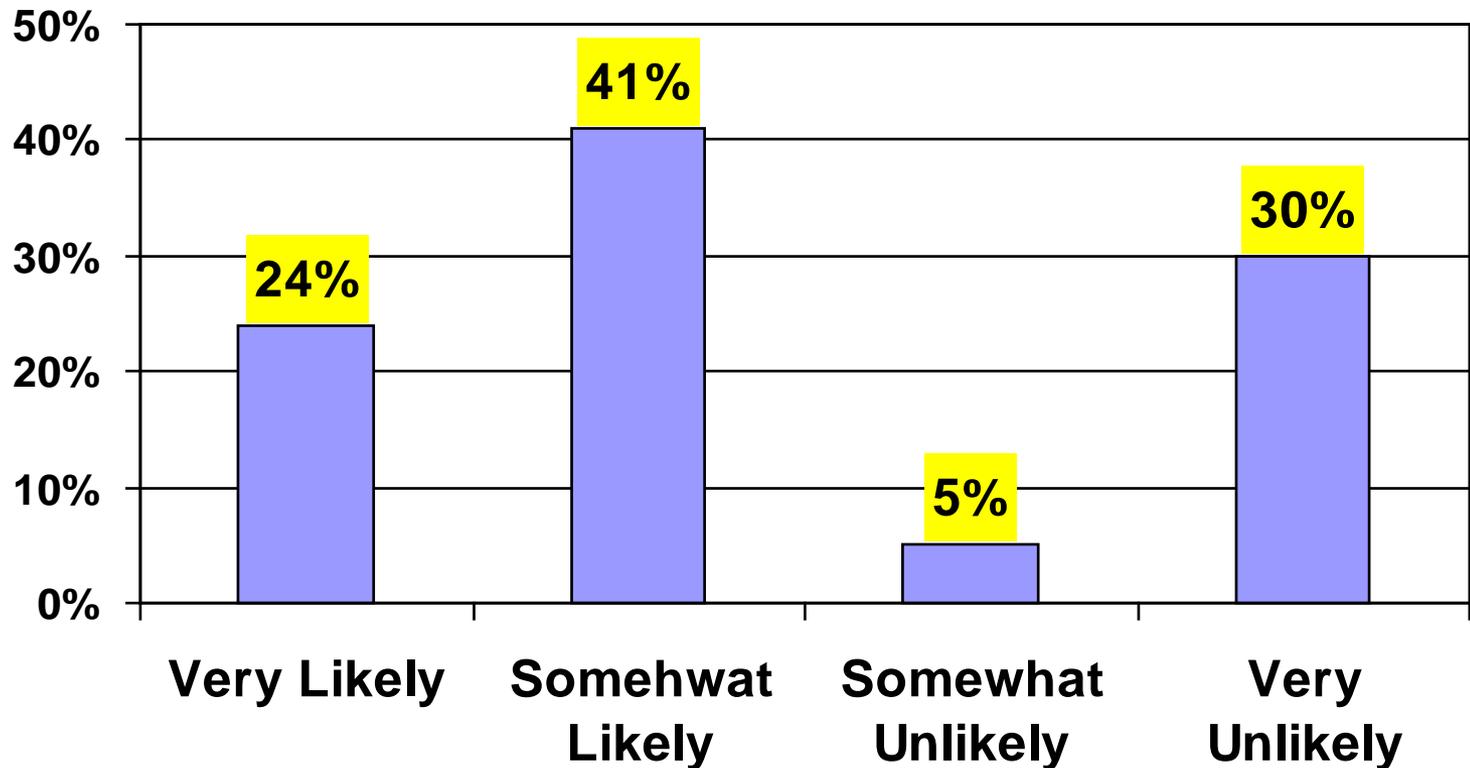
Insure Montana

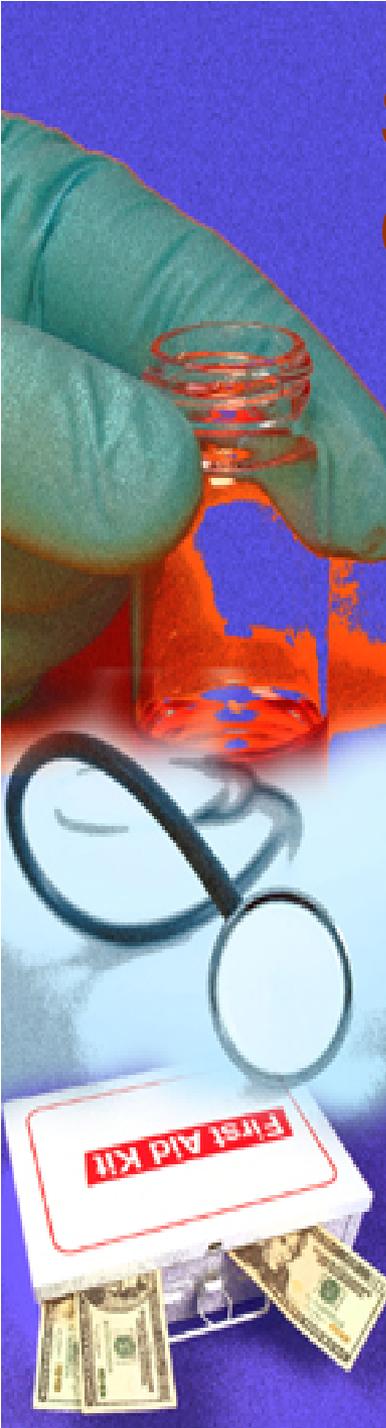
- 57 % employers not offering health insurance had heard of program
- 43 % offering insurance had not heard of program
- 49 % of eligible firms were aware of program
- 51 % of eligible firms had not heard of program



Insure Montana

Likelihood of Eligible Small Firms Participating in the State Health Insurance Assistance Program, 2006 (n=113)



A hand in a blue glove holds a glass vial with orange liquid. Below it are a pair of glasses and a white box labeled 'First Aid Kit' with several US dollar bills scattered around it.

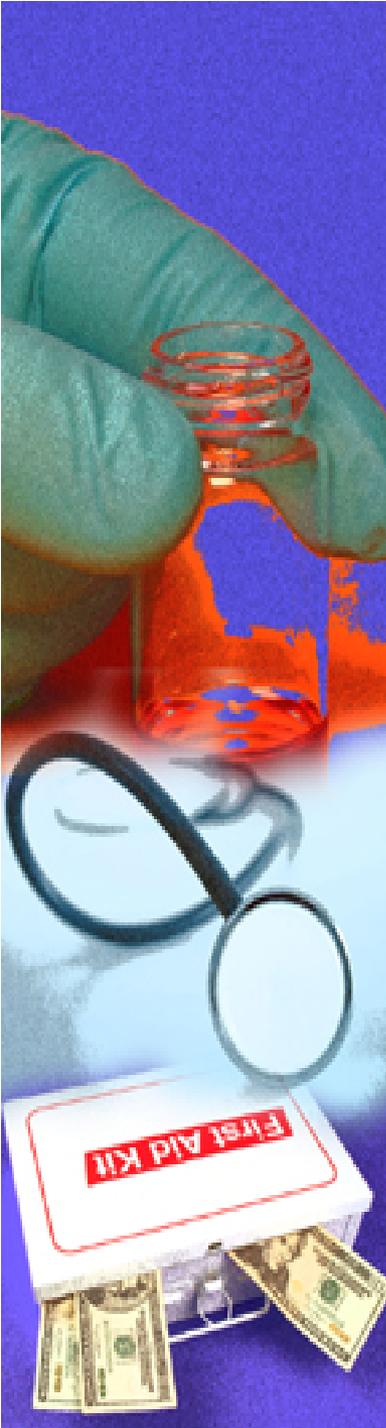
State Dollars Required to Expand CHIP for ALL Uninsured Montana Kids: 2005

- 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**

