Health Care Behaviors Among Enrollees in a State High-Risk Insurance Pool

Jean P. Hall, Shawna L. Carroll, Janice M. Moore
University of Kansas
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Presenter Disclosures

Jean P. Hall

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Background

- Approximately 200,000 people are enrolled in 35 state high risk pools nationally
- Individuals are uninsurable in the private market due to pre-existing conditions
- In the context of health care reform, risk pools are still being suggested as a a way to cover people with pre-existing conditions

High Risk Pool Plans

- Steep premiums that increase with age; range from 125 to 200% of individual market rates for the state
- High levels of deductibles and co-insurance; similar to other individual policies
- Limits on some benefits, such as preventive services, prescriptions, and mental health
- In Kansas, no coverage for adult immunizations, dental, vision, hearing, contraception, or obesity treatment

Risk Pool Coverage

More expensive and less comprehensive than employer-based group coverage:

Service or Benefit	Kansas High Risk Pool	Federal Employees BCBS Standard Plan (2007)
Annual Deductible	$1,500 to $10,000	$250
Prescription Drugs	50% co-payment after deductible is met; based on cost of generic	25% of average wholesale price
Mental Health Outpatient	1st visit paid at 100%; visits 2-20 have a $25 co-pay; 20-visit maximum	Same as for other illnesses: $15 copayment per visit; no calendar yr limits and no deductible
Premiums	50-yr old non-smoking ♀: $313 for $10,000 deduct. $599 for $1500 deductible	$124 employee ($307 employer) for $250 deductible

The Kansas Demonstration to Maintain Independence and Employment

- Funded by the Centers for Medicare and Medicaid Services (CMS)
- Tests the hypothesis that providing comprehensive benefits to risk pool members can prevent or forestall the loss of independence and employment due to disability
- Kansas high risk pool participants have historically transitioned to SSDI at a rate 8 times that of the general population

The Study Group

- Kansas Risk Pool participants:
  - Between ages 18 and 60 at start
  - Working at least 40 hours per month
  - Have a potentially disabling condition (based on Blue Book)
  - Recruited via letters and follow-up telephone calls
  - 416 individuals in two cohorts

Methods

- Six focus groups total n=42 (10% sample, self-selected)
- Telephone surveys with entire sample
  - Health status
  - Work efforts
  - Medical debt
  - Experiences with risk pool
- Analysis of claims data
  - Co-morbidities
  - Out-of-pocket costs

Demographics (entire sample)

- 50% male
- 99% white
- 50.6 years mean age
- 71% are self-employed
- 45% work <40 hours/week
- $49,970 average individual income
- 80% had some college; 45% have a four-year degree or higher
- 25% report medical debt

Claims and Survey Data Findings: Co-morbidities*

Back Injury/Pain	29.8%
Diabetes	29.1%
Mental Illnesses	35.3%
Muscle/Joint Conditions	25.7%
Cardiovascular	26.4%
Neurological Disorders	13.7%
Respiratory	18.3%
Cancers	18.8%

* Based on baseline claims and self-report

Focus Group Findings: 3 Themes

- High premiums and deductibles limit ability to afford even basic services
- Prescription costs are particularly problematic and compliance is poor
- Delay or forfeit strategies increase stress and diminish health and quality of life

High Premiums and Deductibles

- Choose higher deductibles to obtain affordable premiums (more than half >$2500)
- Delay or forgo care including diagnostic, preventive, and treatment
- “Save up” visits and surgeries until they meet deductible
- Stop care at start of calendar year

Prescriptions

- Use free samples, generics, double-dose whenever possible
- Refuse, delay, reduce dosage, skip doses or use drugs no longer prescribed
- "I cut my insulin in half."
- "It's not like you're really taking risks; you're taking responsibility for your own medical care."

But after the intervention…

- "Now that I've gotten the lower premiums and can afford the medication, I take the pills every day exactly like they're written on the prescription bottle and check my sugar three times a day like I'm supposed to… because even the little box of strips can cost $85 a box."

Increased stress

- "If somebody says you ought to do this [medical test] and you're saying I don't think I can because I can't afford it… and then you go home at night and say 'did I do the right thing?' That eats on people."
- "You're going 'is this other pain something I should have gotten tested?' I couldn't afford it, but you know you worry. [from a breast cancer survivor]

Discussion and Implications

- Most in the study were well-educated and middle class; they knew they needed services and medications but could not afford them
- Education alone is insufficient for people to get needed care and comply with treatment
- Underinsurance may be as big a barrier to access as uninsurance, especially for people with chronic conditions
- When provided DMIE benefits and relieved of cost burdens, participants increased use of medically appropriate services.

Some Parting Thoughts

- If health care reform results in more coverage only through plans with high cost-sharing, the benefits of coverage may be muted.
- "This is 'car accident' insurance and I need wellness insurance."
- Pools offer "more costly and less complete coverage than many policy makers might imagine" (Chollet, 2002).