

# Uninsured Facts Affecting Houston and Harris County

It is well-known that Houston and Harris County face a significant challenge – many would call a “healthcare crisis” – with regard to the number of residents who are without any form of health care insurance. However, many misperceptions about the uninsured problem exist.

**For example, misperceptions exist regarding:**

## How grave the problem is here, especially in comparison to the State and/or U.S.:

**Myth:** While Houston and Harris County have a significant uninsured problem, it is no worse than the crisis facing the state or the nation.

**Fact:** The nation as a whole is facing a healthcare/uninsured crisis; and, Houston/Harris County is one of the hardest hit areas in the U.S. Over one million of the county’s population (30.2%) are uninsured per the latest figures available (2005), representing one fifth of all the state’s uninsured.<sup>1</sup> In comparison, Texas’ uninsured rate -- although the highest of all states -- was only 24% and the national rate was 15% during that same time period.<sup>2</sup> Furthermore, data trends show that the uninsured problem is not improving, but worsening over time. For example, in 1990, there were a total of 3.6 million uninsured individuals in Texas, which increased by 55% in 2005 to 5.6 million.<sup>3</sup> In comparison, the state’s population only grew by 31.1%.<sup>4</sup>

## Who the uninsured are:

**Myth:** The uninsured are mostly unemployed and/or low-income, assistance-dependent adults who would have access to health insurance if they found and held a steady job.

**Fact:** A large portion of the county’s uninsured are younger and middle-aged adults, and a significant percentage are children.

- 29.3% (302,181) are between 0 and 17 years of age;
- 72.0%, (803,780) are adults between 18 and 64 years of age; and
- 3.4% (9,517) are 65 and over.<sup>5</sup>

**Fact:** Most uninsured people are part of working families:

- 72% of the state’s uninsured have at least one person in their families working full-time, another 10% have part-time workers.<sup>6</sup>
- Of the civilian labor force population 16 years and older in Harris County alone, 8.1% are unemployed,<sup>7</sup> while 25.8% of the population 18 years of age and older are uninsured.<sup>8</sup>

**Fact:** While the majority of uninsured in Texas are considered low-income by federal standards, a significant portion are also of moderate income: 71% of the uninsured are between 0-199% of the Federal Poverty Level (FPL) and 29% have income at 200% or more of the FPL.<sup>9</sup> In 2005, for which these figures are provided, an individual was considered as living at/below poverty level (0-100% of FPL) if his/her family income was below \$19,350 for a family of four, and at/below 200% FPL if his/her family income was below \$38,700 for a family of four.<sup>10</sup>

**Myth:** Most individuals who are in the workforce have employer-based health insurance.

**Fact:** While this may be true in some states, Texas has one of the highest uninsured rates in the nation, ranking 49<sup>th</sup> in employer-sponsored health insurance.<sup>11</sup>

<sup>1</sup> Texas State Data Center and Office of The State Demographer, “County Estimates of the Uninsured for Texas, 2005,” <http://txsdc.utsa.edu>. (Last visited November 1, 2007.)

<sup>2</sup> Kaiser State Health Facts, “Health Insurance Coverage of the Total Population, States (2004-2005), U.S.,” <http://www.statehealthfacts.org>. (Last visited November 1, 2007.)

<sup>3</sup> U.S. Census Bureau, “Health Insurance Historical Tables,” Table HI-4, Health Insurance Coverage Status and Type of Coverage by State: All People 1987-2005.” *Data not available at the county level.*

<sup>4</sup> U.S. Census Bureau, “2005 American Community Survey” and official 1990 Census.

<sup>5</sup> Texas State Data Center, etc., “County Estimates of the Uninsured...2005”.

<sup>6</sup> Texas Health Institute, “Access To Health Insurance for the Uninsured,” *Uninsured/Access to Care Health Policy Forum*, Austin, Texas, December 1, 2006.

<sup>7</sup> U.S. Census Bureau’s American Community Survey 2005.

<sup>8</sup> Texas State Data Center, etc., “County Estimates of the Uninsured...2005”.

<sup>9</sup> Texas Health Institute, “Access To Health Insurance for the Uninsured,”...2006.

<sup>10</sup> Available in pdf format at <http://www.cms.hhs.gov/MedicaidEligibility/downloads/POV05ALL.pdf>.

<sup>11</sup> Center for Public Priority Policies, “Our Grade Is In: Texas Receives “F” in Financial Stability,” <http://www.cppp.org/files/2/scorecard.pdf>.

**Fact:** In 2002, 73% of low-wage workers in small businesses (fewer than 10 employees) did not receive health insurance coverage through their employer.<sup>12</sup>  
 The following list shows Harris County industries with the highest uninsured rates<sup>13</sup> that employ at least 10,000 individuals and pay less than \$1,000 weekly wages.<sup>14</sup>

<u>Industry</u>	<u>No. of Employers</u>	<u>Avg. Employment</u>	<u>Avg. Weekly Wages</u>	<u>% Uninsured within Industry</u>
Heavy & Civil Engineering Construction	610	25,244	\$884	48.6
Specialty Trade Contractors	3,877	69,852	\$674	48.6
Personal and Laundry Services	1,861	18,577	\$432	36.4
Amusement, Gambling & Recreation	511	10,556	\$336	35.8
General Merchandise Stores	500	38,642	\$382	28.8
Clothing and Clothing Accessories Stores	1,511	19,456	\$355	28.8

**Myth:** In Mexico-border states like Texas, most of the uninsured are illegal/undocumented citizens.

**Fact:** The majority of uninsured individuals are documented U.S. citizens. In Texas, 68% of the uninsured are Native U.S. Citizens, and 5% are Naturalized U.S. Citizens.<sup>15</sup> A FY2005 Harris County Hospital District study showed that undocumented resident patients comprised only 14% of the district's operating costs and 20% of its unduplicated patients.<sup>16</sup>

**How the uninsured affects the rest of society:**

**Myth:** The fact there is such a high rate of uninsured in our county does not affect me, my family or business as long as I/my employees are insured.

**Fact:** The uninsured cost us all in terms of:

- o Premature deaths/lost productivity: Uninsured adults have a higher overall mortality risk of 25%.<sup>17</sup>
- o Higher insurance premiums: If the number of uninsured Texans continues to grow, premiums for insured people in Texas are predicted to be \$2,786 higher for families with private employer-sponsored insurance and \$922 higher for individual policies by 2010.<sup>18</sup>
- o Over-run emergency departments: The uninsured use the emergency room as their primary health care provider, at three times the cost of comparable clinic care. A Houston study stated that about half the time, the uninsured use the emergency room for non-emergency conditions.<sup>19</sup>
- o Increased property taxes to support the hospital district and city and county public health clinics: Because the uninsured generally pay substantially less than the actual cost of the services they receive, if anything, the cost of their care must be shifted to those who can pay. For the publicly funded agencies, taxpayers bear most of these costs.<sup>20</sup>

<sup>12</sup> Texas Comptroller of Public Accounts, "The Uninsured: A Hidden Burden on Texas Employers and Communities, April 2005," <http://www.window.state.tx.us/specialrpt/uninsured05/>. (Last visited November 1, 2007.)

<sup>13</sup> Texas Health and Human Services Commission, Research and Forecasting Department, "Analysis of 2001 Current Population Survey", (as cited by the Texas Department of Insurance, State Planning Grant).

<sup>14</sup> Texas Workforce Commission, "Quarterly Census of Employment and Wages, Harris County, 1<sup>st</sup> Quarter 2005/Private Sector".

<sup>15</sup> Texas Health Institute, "Access To Health Insurance for the Uninsured,"...2006.

<sup>16</sup> Memo to Harris County Commissioner's Court from President & CEO, David Lopez re. Patient Utilization Analysis of Undocumented Residents of Harris County, June 9, 2006.

<sup>17</sup> Texas Health Institute, "Access To Health Insurance for the Uninsured,"...2006.

<sup>18</sup> Ibid.

<sup>19</sup> Greater Houston Partnership, *Public Health Task Force Report*, p. 2, available in pdf format at <http://www.houston.org/pdfs/PHTF/Summary.pdf>

<sup>20</sup> Greater Houston Partnership, *Public Health Task Force Report*, p.4, available in pdf format at <http://www.houston.org/pdfs/PHTF/Summary.pdf>