

Vermont Campaign for Health Care Security Education Fund

Working to make health care affordable for every Vermonter.

Testimony to Senate Finance Committee by Peter Sterling,
Director of the Vermont Campaign for Health Care Security

The Uninsured

- Of the 23,231 uninsured, 6,484 are Medicaid eligible and 3,942 have access to ESI (and therefore aren't eligible for subsidies in the Exchange)
- 46% of the uninsured are under 200%FPL
- 79.4% of uninsured adults are employed and 76% work full time.
- The big drop in the uninsured rate is from the population 0-300%FPL

	2012	2014	Change
0-100%FPL	9,383	4,582	-4801
100-199%FPL	11,794	5,918	-5876
200-299%FPL	9,627	4,719	-4908
300-399%FPL	4,727	3,158	-1569
>400%FPL	7,228	4,854	-2374

65.6% say cost is “absolutely the only or one of the main” reasons they are uninsured

The Underinsured:

27% or 92,000 people with private insurance under age 65 are underinsured

While a decrease from 2012:

- 20% or 124,023 people said, “Were there times that there were problems paying for medical bills for anyone in your household?”
- 35.9% or 224,937 people said they were concerned about being able to afford prescription drugs
- 14% or 88,400 people said someone in their family had been contacted by a collection agency about owing money for unpaid medical bills
- 52.2% paid \$1,500 or less out of pocket for medical expenses in 2014

There is confusion among consumer about what cost sharing is. Dartmouth analysis found:

- Less than 60% of Americans can correctly describe what a deductible is
- High deductibles result in reduction in overall utilization, even for free preventative care and in emergency room use even for severe emergencies
- High co-insurance does not affect health outcomes for the healthy but does put low income groups at risk of illness
- 10% rise in co-pays resulted in increased hospitalizations especially for the sickest

Solution: Increase state cost sharing reduction subsidy to bring everyone 200-400%FPL up to Catamount Health's 87%AV

- Currently 200-250%FPL are at 77%AV; 250-300%FPL are at 73%AV