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## Access to Health Care News Monthly Update – 4.4.07:

(Note: Access to Health Care related materials have been highlighted in **RED** in longer sections for quick reading)

### The Growing Number of Uninsured Who are Middle Class

*New York Times 3.5.07*

Being uninsured is increasingly a middle-class problem, according to a front-page article in the *New York Times* profiling Vicki H. Readling, a 50-year-old real estate agent from North Carolina who had cancer in 2005. Readling, an independent contractor who made about \$60,000 last year, would have had to spend more than \$27,000 a year to obtain coverage. However, she never voluntarily allowed her coverage to lapse. She had a policy set to expire in January 2006, and began shopping for a new policy in May 2005 when she learned a month later that she had cancer. After that, she was "blackballed." Readling asked, "Why am I being punished? I just don't understand how I could have fallen through this horrible, horrible crack." While Blue Cross and Blue Shield of North Carolina will sell to anyone, the monthly premiums, which are "based on the anticipated cost of providing care," may be in the thousands for those with pre-existing illnesses, especially in the individual market. The article describes how Readling defers doctor visits and "stretches out" her cancer medication, taking it three or four times a week rather than the prescribed seven days.

As Readling's situation illustrates, a "surprise" about the growing number of uninsured is that "solidly middle-class people...are one of the fastest growing subgroups." More than one-third of the nation's 47 million uninsured have family incomes of \$40,000 or more, the article reports, and two-thirds of the uninsured are in households where at least one person works full time. The article notes that the increase in middle-class uninsured is one reason that the issue has "jumped to the top of the domestic political agenda in Washington and on the campaign trail."

### Governor Granholm Highlights Plan to Address Michigan Nursing Shortage

3.6.07 Michigan News Wire

LANSING - Governor Jennifer M. Granholm today highlighted a key initiative in her plan to provide Michigan workers with the training they need to succeed in a global economy. The Michigan Nursing Corps initiative, unveiled in the State of the State address last month, will help alleviate the state's chronic nursing shortage. The governor made her remarks during a rally held on the steps of the State Capitol in Lansing.

"Training workers to fill the good-paying jobs available right now in health care facilities across the state is a key component of our plan to revitalize Michigan's economy," Granholm said. "By expanding our capacity for training nurses and accelerating the training, we are not only placing workers in jobs, we are helping to ensure every Michigan citizen receives world-class health care."

The Michigan Nursing Corps initiative will train 500 additional nursing instructors and graduate more than 3,000 additional nurses over the next three years. Current estimates show Michigan on track to have a nursing shortage of 18,000 by 2015.

The Michigan Nursing Corps is part of the governor's economic plan designed to diversify the economy, expand affordable college education and training to every student, put thousands of people to work improving Michigan's infrastructure, hold schools to higher standards, extend access to health care to every family, and grow our cities.

## Investing in children could boost economy, legislators are told

3.13.07 -- FREE PRESS

LANSING — Despite a state budget deficit of more than \$900 million, cutting programs that help children could actually make Michigan's economic viability worse, a children's advocacy group said today.

The agenda urges more investment in programs that help children develop before birth and in early childhood as well as in programs that prevent child abuse and neglect. The agenda is available at [www.MICCF.org](http://www.MICCF.org). The Michigan Coalition for Children and Families, which has more than 70 member agencies and individuals from a range of disciplines including [health care](#), social work and education, presented its annual "Children's Agenda" to state legislators during a five-hour briefing in the Capitol.

## Fewer Low-Income Parents Offered Health Insurance on Job, Able to Afford Privately

CTU press release 3.14.07

Washington, DC – As President Bush, governors and members of Congress debate how much federal funding to devote to the State Children's Health Insurance Program (SCHIP), a [new analysis](#) provides a clearer look at uninsured children in every state. [The analysis, released today by the Robert Wood Johnson Foundation, shows that since 1997, employer offers of health insurance to parents with lower incomes have fallen three times as fast as offers to parents who earn more money.](#)

[The figures underscore that working parents who earn modest incomes are experiencing dramatic erosion in employee benefits. Nationally, fewer than half \(47 percent\) of parents in families earning less than \\$40,000 a year are offered health insurance through their employer – a nine percent drop since 1997. Meanwhile, offers of health insurance to parents in families earning \\$80,000 or more have held steady at about 78 percent.](#)

"In reauthorizing SCHIP, Congress must provide the funds needed to maintain coverage for all currently enrolled kids and the millions more who are eligible, but remain unenrolled. We must ensure that children whose parents work hard, but cannot afford health insurance for their kids can get the health care they need to thrive," said Risa Lavizzo-Mourey, M.D., M.B.A., president and CEO of the Robert Wood Johnson Foundation. "For the last decade, SCHIP has provided a much-needed safety net for our nation's kids, especially as there has been a decline in the number of children in low-income families covered by employer-sponsored health insurance. [Parents realize that providing health insurance for their children is becoming more costly and those who earn modest wages are doubly squeezed. They are less likely to be offered insurance on the job, and less able to afford to purchase it on their own.](#)"

Many uninsured children would likely be eligible for free or low-cost insurance coverage through SCHIP, which Congress is set to reauthorize this year. Signed into law in 1997, SCHIP provides each state with federal funds to design a health insurance program for vulnerable children. The states each determine eligibility rules, benefit packages and payment levels.

Other information contained in the analysis includes:

- Most uninsured children – including children in low-income homes – have parents who work. Across the nation, 75 percent of uninsured children live with someone who works full-time.
- Nearly 9 million children in the United States are uninsured – that's an average of 11.5 percent, or about one in every eight kids.
- States with the highest percentage of uninsured children include Texas (20.3 percent), Florida (16.9 percent), New Mexico (16.6 percent), Nevada (16.4 percent) and Montana (16.2 percent).
- States with the lowest percentage of uninsured children are Vermont (5.6 percent), New Hampshire (6.0 percent), [Michigan \(6.1 percent\)](#), Hawaii (6.2 percent), Minnesota (6.5 percent) and Nebraska (6.5 percent).
- For uninsured children in families that earn modest incomes, the situation is even more dire. The analysis shows nearly two out of three uninsured kids in the United States (64 percent) live with adults who earn modest incomes, calculated at roughly \$40,000 or less for a family of four.
- States with the highest percentage of uninsured children who are in families with modest incomes are: the District of Columbia (73.9 percent), Mississippi (73.7 percent), Kentucky (73.4 percent), Arizona (72.3 percent) and North Dakota (71.5 percent).
- States with the lowest percentage of uninsured children who are in families with modest incomes are: Vermont (36.2 percent), New Hampshire (41.3 percent), Hawaii (42.5 percent), Wyoming (46.2 percent) and Massachusetts (48.0 percent).
- Last fiscal year, more than 6 million children in the United States were enrolled in SCHIP.

"Because of SCHIP, millions of children can see doctors when they are sick and get the check-ups and prescription medicines they need. That's an important investment in our nation's future," said Lavizzo-Mourey. "Many parents who work but cannot afford health insurance, or are not offered coverage through their jobs, can make sure their children

get the health care they need because of these programs. Healthy children are better prepared to learn in school and succeed in life."

## Firms push healthy ways on workforce

3.20.07 – Free Press

See a doctor? Just the thought made Linda Broome fume.

But the request came from her employer, the Judson Center in Royal Oak, where she has worked nine years. The nonprofit social services agency is one of 200 companies in Michigan to sign up for Healthy Blue Living.

The Blue Care Network program, started in October, offers enhanced insurance benefits, such as **lower co-pays for medical care, to employees and their spouses who commit to healthy lifestyle goals.**

**For now, the program centers on six high-impact health modifications that can contribute to lower health costs: Smoking cessation or at least reduction; alcohol moderation; weight reduction; and diabetes, blood pressure and cholesterol management.**

Lifestyle modification products like these are one of the newest trends in the health insurance industry. Only a few dozen companies now offer them. But expect to hear more about them soon, possibly in your own workplace. They reward good health practices with lower insurance co-pays, gift cards, diet- and fitness-program discounts, cash and other rewards.

The Judson Center, which faced an 8.5% increase for its Blue Care plan, got a price cut of \$58,200 -- a smaller hike - off its charges for the program, said Paul Kahler, a consultant for Judson project with JS Clark, a Southfield benefit solutions company that helps the agency with human resources issues, as a pro bono account. "I'd say that's a lot of money," for a smaller company with 360 employees, Kahler said.

Most of the policies don't tie future employment with compliance to health goals. The few companies that have imposed penalties for unhealthy behaviors have invited controversy, as occurred in 2005, when an Okemos firm fired four workers who refused to take drug tests for smoking.

Plans differ from employer to employer. Some choose to deposit money into employee health savings or flexible spending accounts, a fund for future needs such as medical care and life insurance.

Other companies are tip-toeing into the field, with incentives, such as cash prizes for filling out health questionnaires. Though largely well accepted, the plans bring controversy.

Smokers may consider it unfair to reward nonsmokers and others with better benefits. Or people worry about privacy issues over health information they list on company Web sites or given to their doctors.

Insurers are quick to respond that the information is confidential, not available to colleagues and bosses. Rewarding healthy behavior helps curb rising health costs, they add.

**The Blue Cross program works this way: Employees have 90 days to see a doctor and fill out a health assessment questionnaire about six risk factors linked to higher deaths and health problems: cholesterol, smoking status; alcohol consumption; weight; diabetes and blood pressure.**

Primary care doctors score a person on the six factors, giving 15 points for all but smoking cessation, which is 25 points. Everyone gets enhanced benefits for 90 days; after that, those who meet goals set by their doctors can continue to get enhanced benefits. The rest are dropped to costlier standard benefits.

"The way it works is there are two levels of benefits, enhanced and standard," said Dr. Douglas Woll, medical director of Blue Care Network. "The benefit you get is dependent on whether you adopt certain healthy behaviors. It's one of our fastest-selling products," Woll added. "It's hit a chord with our employers and members." He predicts it will cover 25,000 members and families in the metro Detroit area by the end of 2007.

## GM to press unions to cut health care, pension costs, filing reveals

AP – 3.15.07

General Motors Corp. will try to reduce its employee and retiree health care liabilities in upcoming contract talks with the United Auto Workers, according to a government regulatory filing today.

GM said its obligation for postretirement health care and other benefits was \$68 billion at the end of last year and could grow on a global basis, the company said in its annual report filed with the U.S. Securities and Exchange Commission. **The Detroit-based company also said it spent \$4.8 billion on health care in the United States last year, and that is expected to drop only slightly to \$4.7 billion this year.**

**"We must continue to make structural changes to reduce our U.S. health-care cost burden, the source of our largest competitive cost disadvantage," the company said in the filing.**

**GM said it provides extensive pension and retiree health-care benefits to more than 400,000 retirees and surviving spouses in the United States.**

In the filing, the company pointed out that the UAW agreed to retiree health-care cost sharing in 2005 that reduced its post-retirement health care obligations by \$17 billion, and it capped salaried retiree health care spending levels effective in January.

## **USA Today Profiles the Uninsured as Issue Re-Emerges as Domestic Topic**

Cover the Uninsured 3.21.07 Source: [USA Today](#), 3/14/07

"The debate over how to provide health care for the uninsured is moving back to center stage in Washington and many state capitols," reports *USA Today*, in an article profiling six individuals or families who, "through choices, circumstance, bad luck -- or a combination of all" -- found themselves among the nation's 46 million uninsured. The resurgence of the issue after a decade is "amazing and extraordinary," said Drew Altman of the nonpartisan Kaiser Family Foundation. "This issue was nowhere as a top political priority four or five months ago. Now it's front and center again." The article notes the attention to the uninsured in Bush's latest State of the Union address, in presidential candidates' stump speeches, in states like Massachusetts that are expanding coverage, and in unusual coalitions between businesses such as Wal-Mart and labor unions calling for health reform. The profiles illustrate the diverse population that comprises the uninsured, "whose ranks include the poor and the well-off, the employed and the jobless, the young and the middle-aged." According to a Kaiser Foundation survey, the average family policy offered by employers costs more than \$11,765 a year, contributing to a decline in the number of workers offered coverage, reports the article. A new study from the Robert Wood Johnson Foundation found that only 47 percent of parents in families earning less than \$40,000 a year are offered employer-based coverage, which is a 9 percent drop since 1997.

## **Computing Error Leads Government to Lower Estimate of Uninsured Slightly**

*The Census Bureau reported that it has overstated the number of uninsured by almost 2 million since 1995 due to a computer programming error, according to the Associated Press, though it said the impact of the revision is small.* From Cover the Uninsured, Source: [Associated Press](#), 3.23.07

The Census Bureau reported that it has overstated the number of uninsured by almost 2 million since 1995 due to a computer programming error, according to the Associated Press, though it said the impact of the revision is small. The revised estimate for the number of uninsured in 2005 is 44.8 million people, or 15.3 percent of the population, rather than 46.6 million, or 15.9 percent of the population, as was originally reported. Similar reductions are expected for previous years. The revision is "leaving historical trends unchanged," with 2005 still having the highest percentage of uninsured.

## **Hoekstra, Stupak Introduce Legislation to Help Provide Health Coverage for Uninsured**

Communities Building Access Act Modeled after Nationally Recognized Programs in Muskegon, Toledo/Lucas County 3.27.07 – From Congressman Hoekstra's web site

U.S. Reps. Pete Hoekstra, R-Holland, and Bart Stupak, D-Menominee, have introduced legislation that would authorize \$45 million in federal grants for proven, locally designed and administered health care programs for the uninsured.

"The initiative provides for local flexibility and innovation to enable communities to address their unique and diverse health care needs," Hoekstra said. "It is an opportunity for stakeholders who are closest to the issue to develop solutions to covering the uninsured."

"These grants will encourage local, community-based solutions to America's health insurance crisis," Stupak noted. "More than 46 million Americans are uninsured and we have a responsibility to tackle this problem at both the national and local levels."

The Communities Building Access Act would offer grants to communities that design and implement proven, community-based programs that have successfully provided health care coverage for uninsured individuals. The legislation was inspired by two nationally acclaimed model programs – Access Health of Muskegon and CareNet of Toledo/Lucas County, Ohio – that have succeeded in covering uninsured individuals.

Localities could use the grants to administer programs in which the cost of health care is distributed equally among employers, employees and the community. Communities could also receive grants to administer Volunteer Specialty Provider Networks, which are a coordinated approach between local governments and health care providers to donate time, services and information for low-income members enrolled in the network. The legislation would authorize the grant funding for a seven-year period.

The Communities Building Access Act would also establish a national clearinghouse for collecting, evaluating and disseminating data and information regarding the administration of the program.

## Michigan is alone in recession, business index finds

Free Press 3.14.07

The slashing of auto industry jobs by the thousands, a weakening housing market and slower national growth have combined to push Michigan into a "one-state recession," according to the Michigan Business Activity Index. The index fell 1 point in January to 101. It matches the recent low level set in November and is down 3% from a year ago. Produced by Comerica Bank and used since 1957, the MBI represent 10 separate measures of economic activity across Michigan. It is seasonally adjusted and corrected for inflation.

"Our index confirms that Michigan remains stuck in a one-state recession," said Dana Johnson, chief economist for the bank. "The state economy is not likely to make much headway anytime soon given the sizable cuts in jobs at Ford and Chrysler, the ongoing steep declines in residential building permits, and the backdrop of sluggish national growth."

## Clinton promises health care for everyone if elected 3.26.07 - AP

Democratic presidential hopeful Hillary Rodham Clinton vowed today to create a universal health care system if elected, saying she "learned a lot" during the failed health care effort of her husband's presidency.

"We're going to have universal health care when I'm president — there's no doubt about that. We're going to get it done," the New York senator and front-runner for the 2008 nomination said.

Clinton focused on health care issues during an appearance on ABC's "Good Morning America," broadcast from Iowa, where precinct caucuses will launch the presidential nominating season. Asked how she could improve on her failed effort to reform health care during the presidency of her husband, Bill Clinton, Hillary Clinton said that pressure for change has built in the last decade and that it would make tackling the issue easier.

"I believe the American people are going to make this an issue," Clinton said. "I believe we're in a better position today to do that than we were in '93 and '94..... It's one of the reasons I'm running for president."

Clinton argued that health coverage has deteriorated over the last decade, and that has increased public pressure to act: "The number of uninsured has grown," she said. "It's hard to ignore the fact that nearly 47 million people don't have health insurance, but also because so many people with insurance have found it's difficult to get health care because the insurance companies deny you what you need." However, while Clinton said the issue is a high priority for her, she has not offered a specific plan.

## Superior Watershed Partnership 4.21.07 Earth Day Event : Pharmaceutical Waste Drop-Off

Have an old bottle of codeine in your medicine cabinet? Does the expiration date read December 30, 2001? From 9 a.m. to noon 4.21.07, across the UP, citizens will have the opportunity to drop off old and unused pharmaceuticals. Drop-off possible will be at nearly 20 different locations that morning. For more information and collection sites, go to <http://superiorwatersheds.org/projects.php?id=5> .

### Web Sites of Interest:

## Take health care gripes to the Web

3.21.07 – Free Press

Working America, an AFL-CIO affiliate, launched a new web site Wednesday for workers to vent about health care. The site, [www.workingamerica.org/healthcarehustle](http://www.workingamerica.org/healthcarehustle), kicks off a "movement to unmask the real villains behind our nation's broken health care system and to bring health consumers together as a powerful force for change," the group said in a statement.

Visitors to the site will have a chance to vent online about their own stories and can send messages to the pharmaceutical and insurance industries, among others, as well as to the White House. The union will count the messages and award the one generating the most negative messages with a campaign demanding changes, the group said.

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