

*When thinking about
Health Reform in Alaska...*
Facts You Want to Know
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Health & Social Services*

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Selected Topics Covered

1. Who is uninsured? How many? Where? Why?
2. What are state health expenditures now in Alaska, from what sources?
3. Access issues: facilities, services and workforce
4. Health status issues
5. Employers' offerings of insurance in Alaska
6. Summary

Covered and Uninsured *Alaska Residents*

Uninsured in 2007 per Current Population Survey:

18% of population -- 123,000

2005-2007 3-year average: 17% of population – 115,000

Covered:

- Private insurance subscribers
- Military and their dependents, and Veterans
- Medicaid and Denali KidCare enrollees
- Medicare enrollees



Health Insurance Coverage of Alaskans 2005-2007

(Source: Current Population Survey, US Bureau of the Census)

Coverage Type (overlapping)	Alaska (percentages add to more than 100% due to overlapping types of coverage)	
	Count	Percent of Total
Employer	386,754	58 %
Individual (self-purchased)	38,703	6 %
Medicaid & Denali KidCare	88,181	13 %
Medicare	54,840	8 %
Other Public (Mil, Vet)	89,683	14 %
Uninsured all year	115,040	17 %
Total	664,317	100 %

*14% are "uninsured" in Alaska (15% in the US) if otherwise uninsured American Indians and Alaska Natives are redefined as "covered." By CPS definition, "uninsured" includes people of Alaska Native and American Indian Race who may have access to IHS-funded services. In Alaska this is 19% of the uninsured. 63% of Alaska Natives are covered by private insurance (36%) or public programs (27%), 36% have no insurance.

WHO is uninsured in Alaska?

Source: Current Population Survey (US)

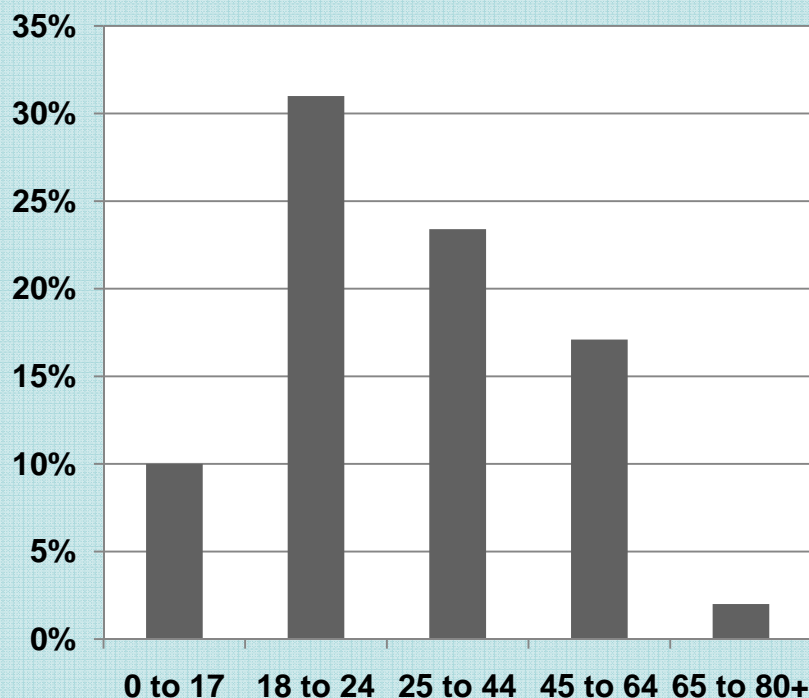
About 1 in 6 Alaskans (115,000) were counted as uninsured on average 2005-2007. (This includes about 21,000 Alaska Natives who may have access to Tribal health services but have no other public or private coverage.)

People **most likely to be uninsured:**

- self-employed
- part-time workers
- seasonal workers, and/or
- people who work for small firms
- young adult men

More than half of the uninsured (52%) are adults who are employed, only 9% are unemployed.

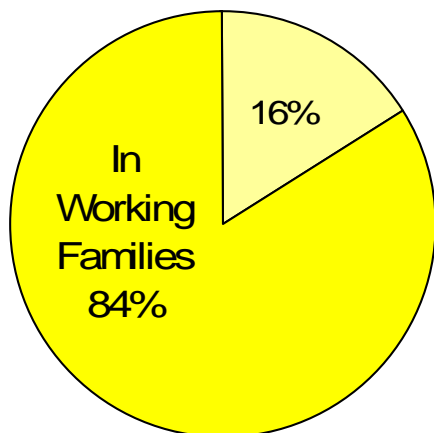
Age groups' rates of being uninsured



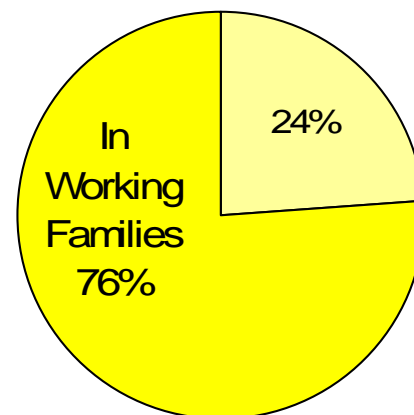
Most Alaskans without health insurance are in working families -- 84% vs. 76% nationally

(Source: Current Population Survey, 2004-2006)

Alaska Uninsured
Persons in Working
Families



United States Uninsured
Persons in Working
Families



“Not” in working families includes households where all members are retired, unemployed, students or children.

Underinsured: *"people who have health coverage that does not adequately protect them from high medical expenses"*

- **High deductibles** can result in postponed care similar to being totally uninsured
- **Benefit limitations** (caps or exclusions) can result in high out of pocket costs
- **Coverage** does not necessarily mean **access** to needed services –
 - Geography – services may be very far away
 - Providers may not accept Medicare (and thus state retirement benefits will not apply)
 - Provider shortages may mean delays, travelling – inconvenience, delays and cost

Data from Alaska State Planning Grant on the Uninsured are on the state website (USDHHS HRSA Funding 2005-2007)

- Household Survey
- Employer Survey
- National Data – CPS (Current Population Survey) and MEPS (Medical Expenditure Panel Survey)
- Economic Analysis
- Regional Forums
- “Key Informant” Interviews
- Focus Groups with Small Employers and Individuals likely to be Uninsured

<http://www.hss.state.ak.us/dph/healthplanning/planningGrant/default.htm>



Expenditures for Health Services

- \$5.3 Billion* (2005) in Alaska
 - \$1.0 Billion from individuals
 - \$0.9 Billion from businesses
 - \$0.5 Billion from local governments
 - \$0.8 Billion from State government
 - \$2.0 Billion from Federal government
- At average annual increase of 8.4% (as between 1991-2004) projection would suggest \$6.3 Billion (2009)

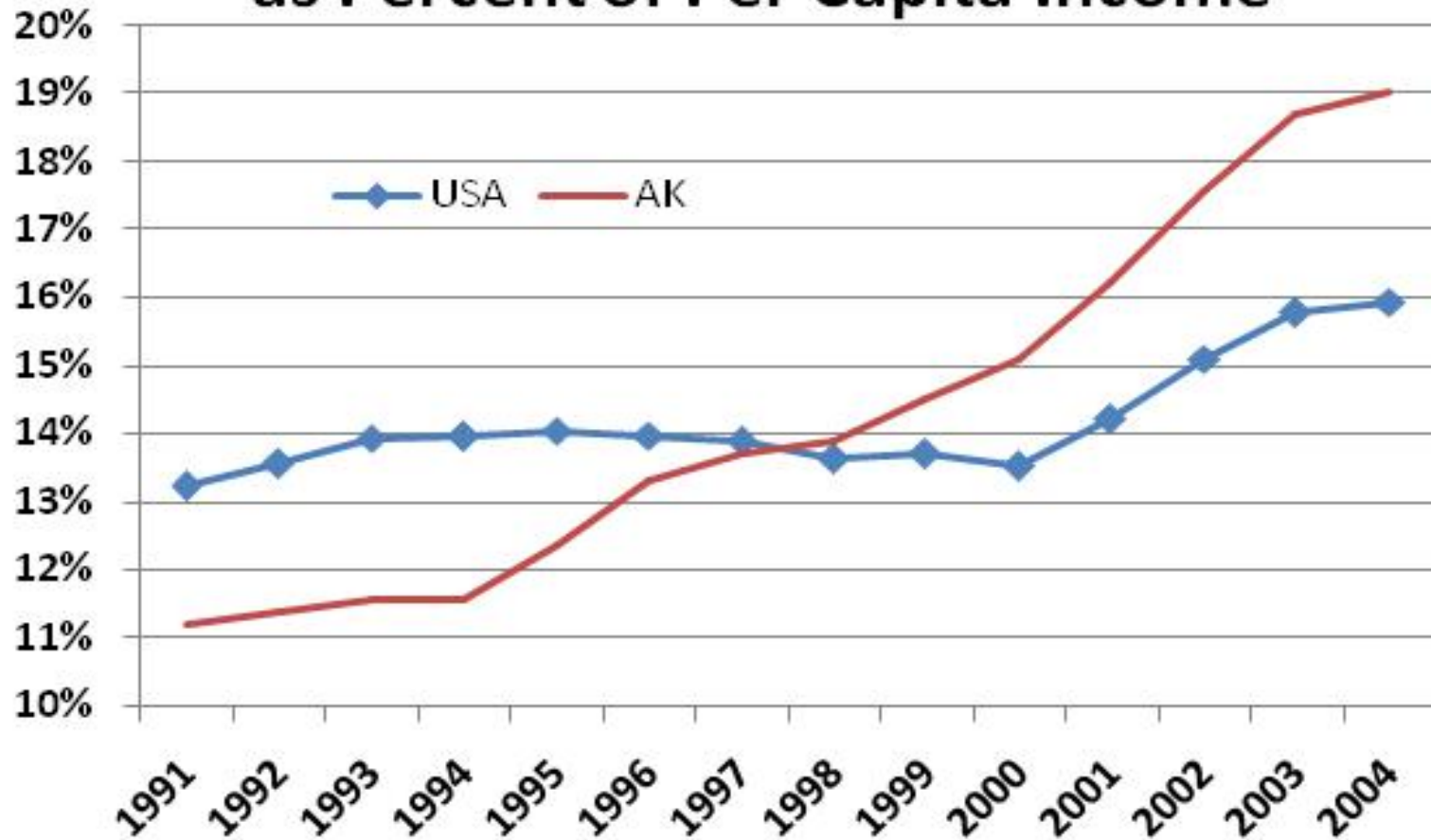
*See ISER study and updates:

<http://www.iser.uaa.alaska.edu/Home/ResearchAreas/healthcare.htm>

Also Center for Medicare and Medicaid Services

http://www.cms.hhs.gov/NationalHealthExpendData/01_Overview.asp

Per Capita Health Care Expenditure as Percent of Per Capita Income



Source: Center for Medicare and Medicaid Services

http://www.cms.hhs.gov/NationalHealthExpendData/01_Overview.asp and
Bureau of Business & Economic Research, UNM / bber@unm.edu (per capita income)



Access Issues

Primary Care, Hospitals and other Facilities (selected maps follow) are geographically distributed but distance to service can be great

- 24 hospitals, 11 now “Critical Access Hospitals” with fewer than 25 beds;
- Veterans’ clinics Anchorage and Juneau.
- 26 Community Health Center organizations -- 141 sites including village clinics and clinics for the homeless in Anchorage and Juneau
- Nursing homes, Pioneer Homes and other Assisted Living facilities
- Residential Psychiatric Treatment Facilities
- Community-based programs and levels of care – Behavioral Health

Workforce shortages exist

- Physicians, Mid-level providers, dentists, nurses, pharmacists, behavioral health workers , and paraprofessionals including community health aides
- Nationally as well as in Alaska – challenges include growing the supply and assuring better distribution geographically, and with respect to need

Reimbursement barriers prevent some eligible people from accessing services: for example, citizenship documentation requirements for Medicaid and Denali KidCare, and provider refusals to accept Medicare patients.

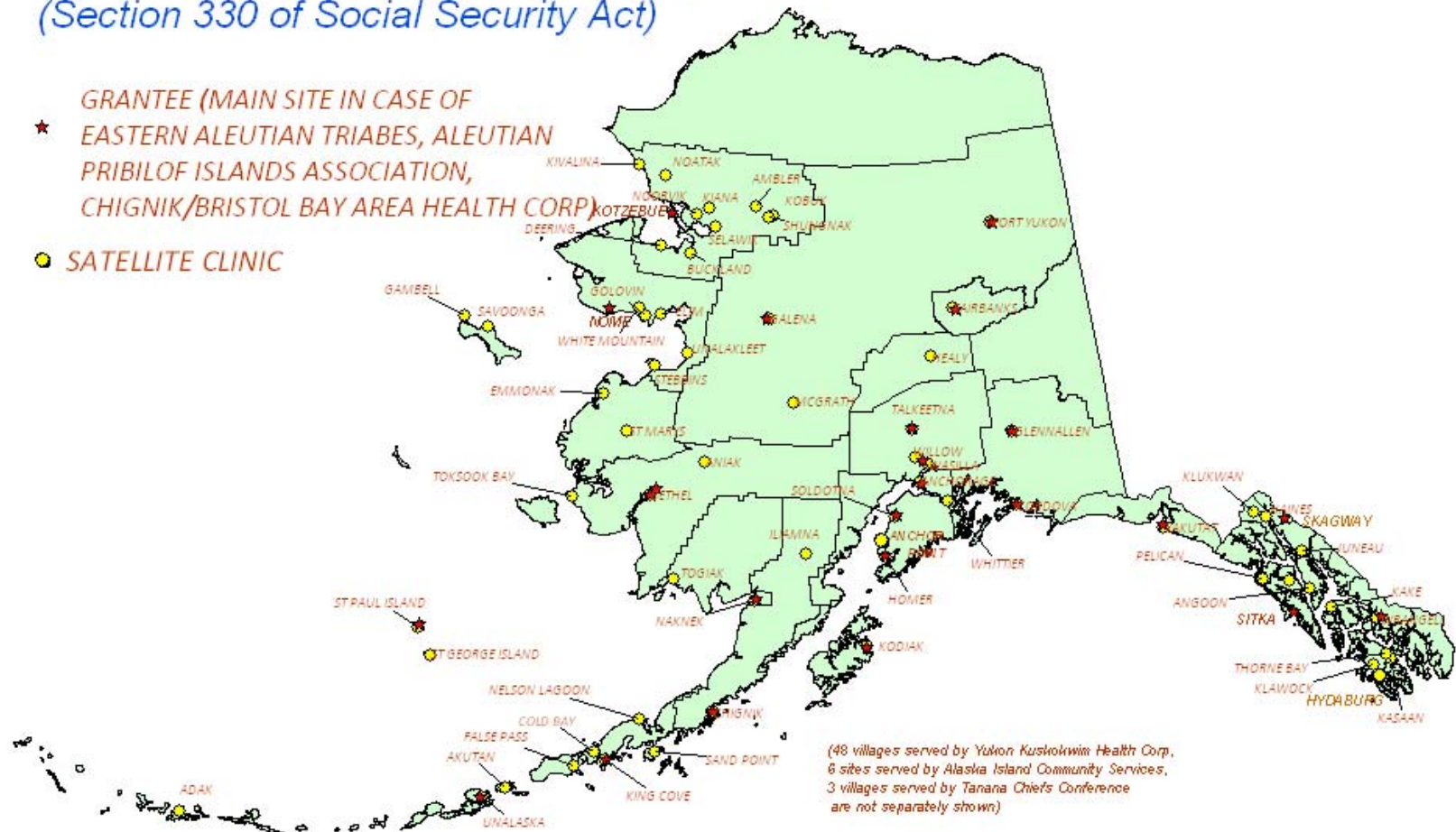


COMMUNITY HEALTH CENTERS

Alaska Communities with Community Health Centers (Section 330 of Social Security Act)

- ★ GRANTEE (MAIN SITE IN CASE OF EASTERN ALEUTIAN TRIBES, ALEUTIAN PIRIBLOF ISLANDS ASSOCIATION, CHIGNIK/BRISTOL BAY AREA HEALTH CORP)

- SATELLITE CLINIC



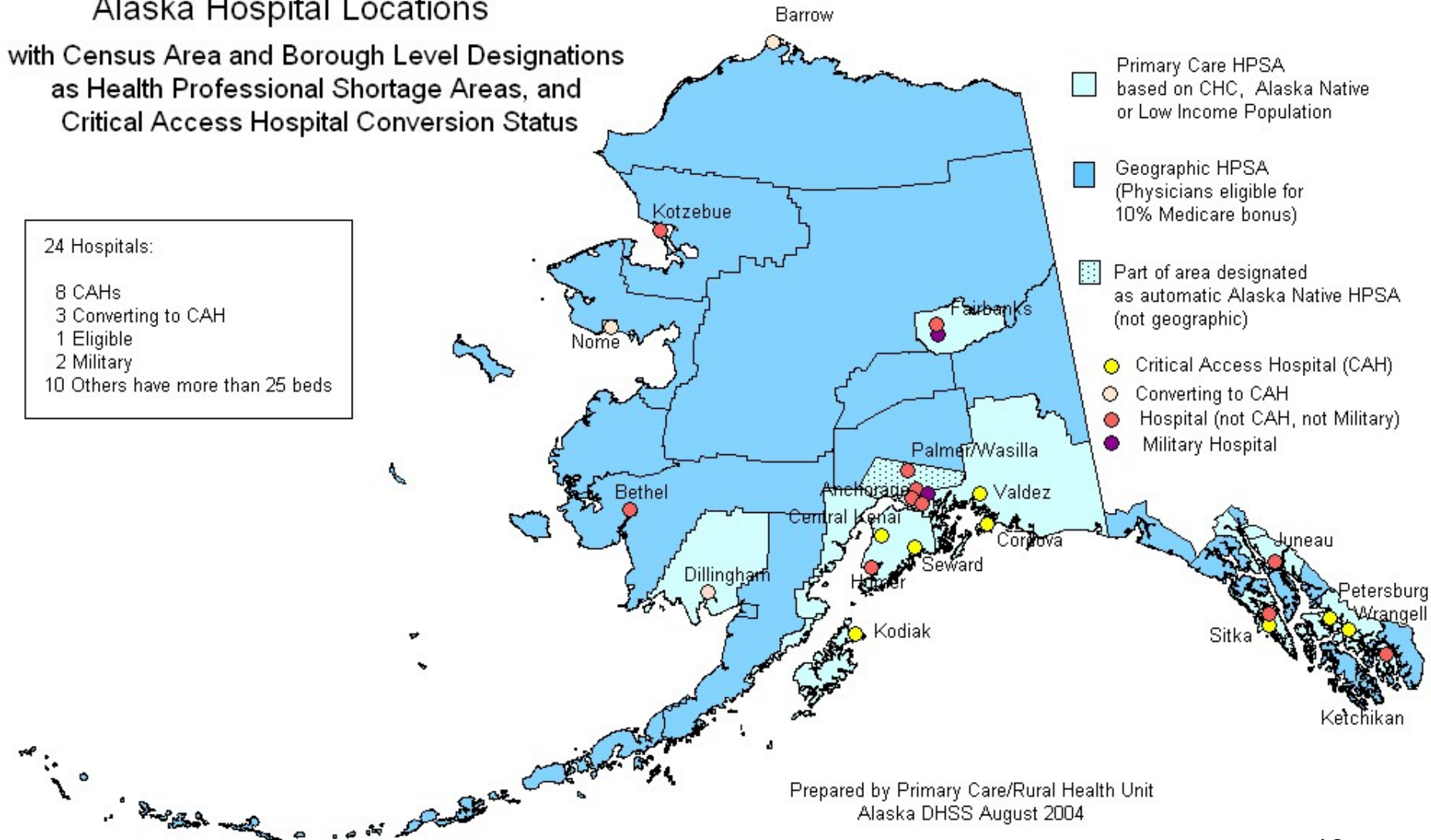
HOSPITALS

Alaska Hospital Locations

with Census Area and Borough Level Designations
as Health Professional Shortage Areas, and
Critical Access Hospital Conversion Status

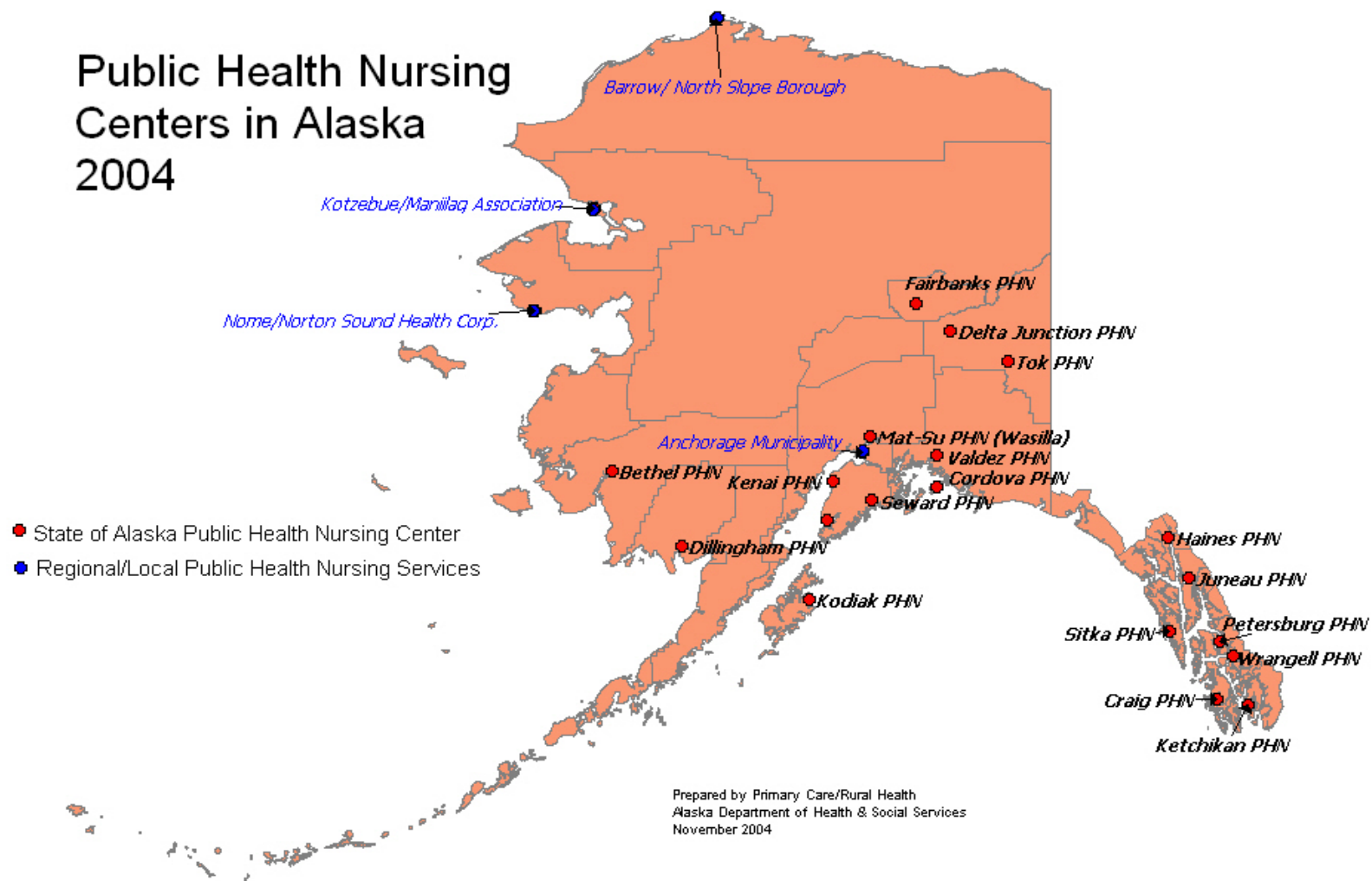
24 Hospitals:

- 8 CAHs
- 3 Converting to CAH
- 1 Eligible
- 2 Military
- 10 Others have more than 25 beds



PUBLIC HEALTH NURSING CENTERS

Public Health Nursing Centers in Alaska 2004



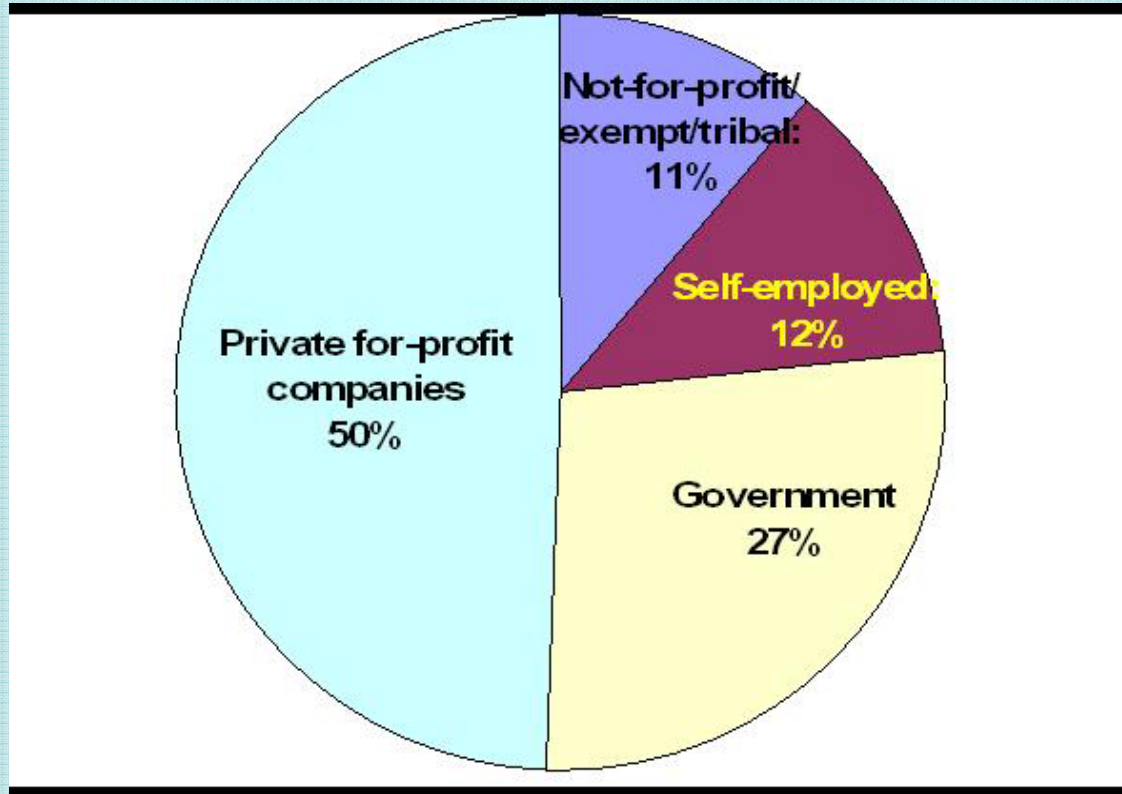
Health Status Considerations

- Aging of the population – increases use of services
- Behavioral health needs – services could have big impact on improving community health, and reducing future costs (e.g., BTKH reduction in RPTC use), and reducing incarcerations
- Leading causes of death – health status improving in selected areas, but diabetes and suicide not improving
- Lifestyle choices and “built environment” improvements – provide opportunities for improving health of Alaskans

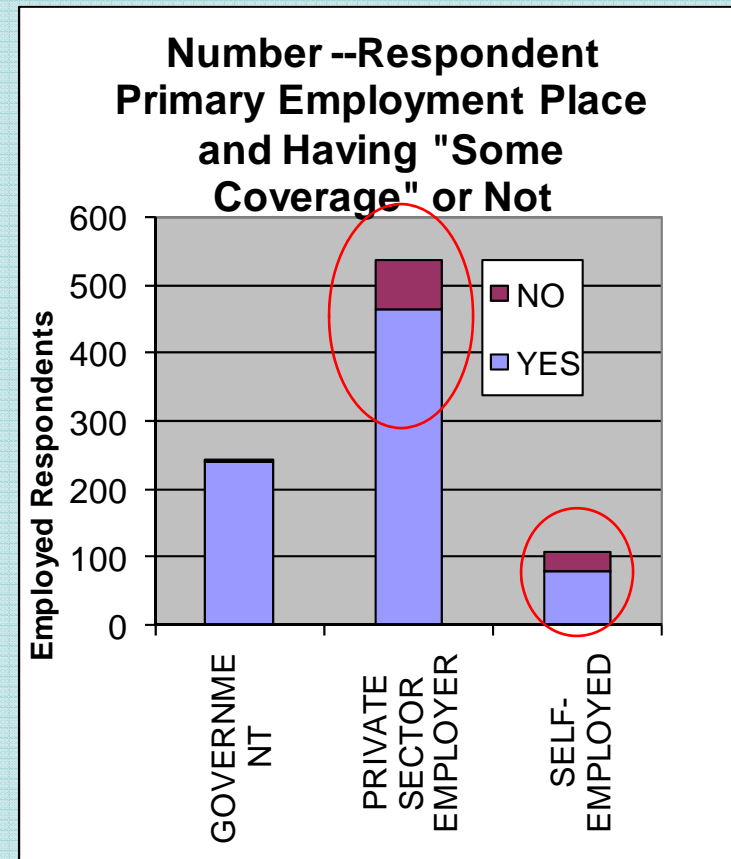
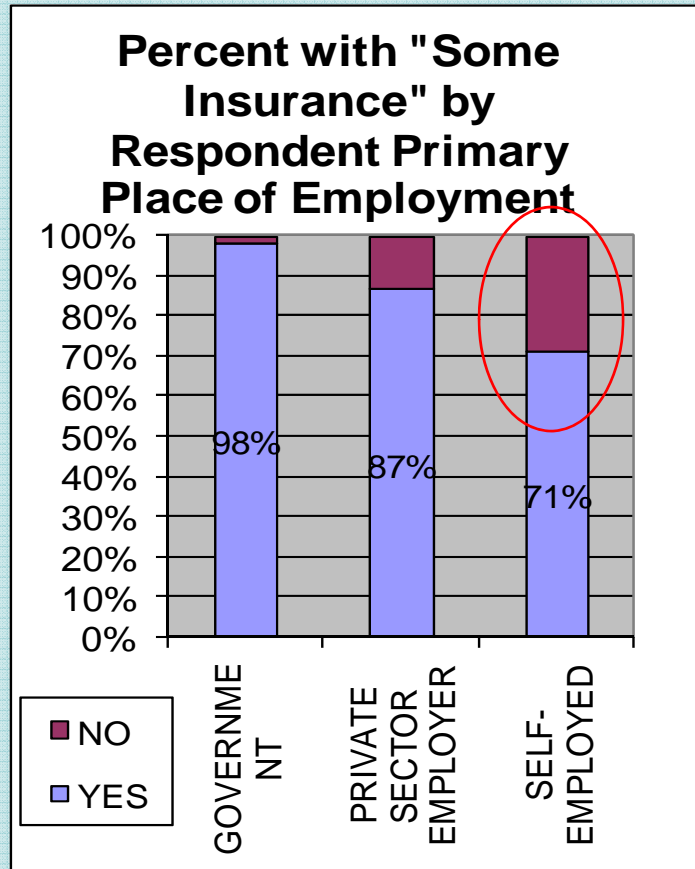
Employment and Related Insurance Offerings, Take-up Rates, and Other Data

Topics covered in the following slides include data from the “household survey,” “Alaska employer survey,” state and national administrative data sets on employment, and national surveys such as Medical Expenditure Panel Survey.

Primary place of employment reported by respondents to household survey 2006-2007



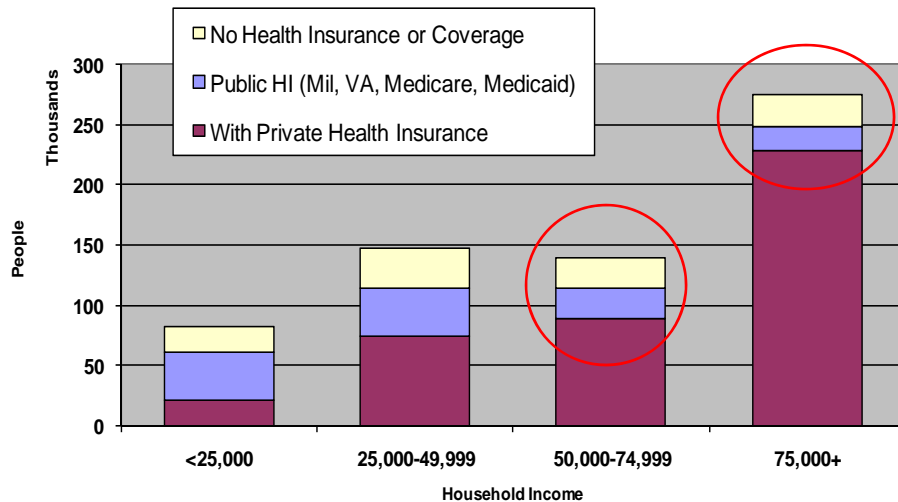
Self-employed (primary place of employment) were *less likely* to be "covered" than others employed - but still seven in ten did have some type of coverage - under someone else's employment, or public program



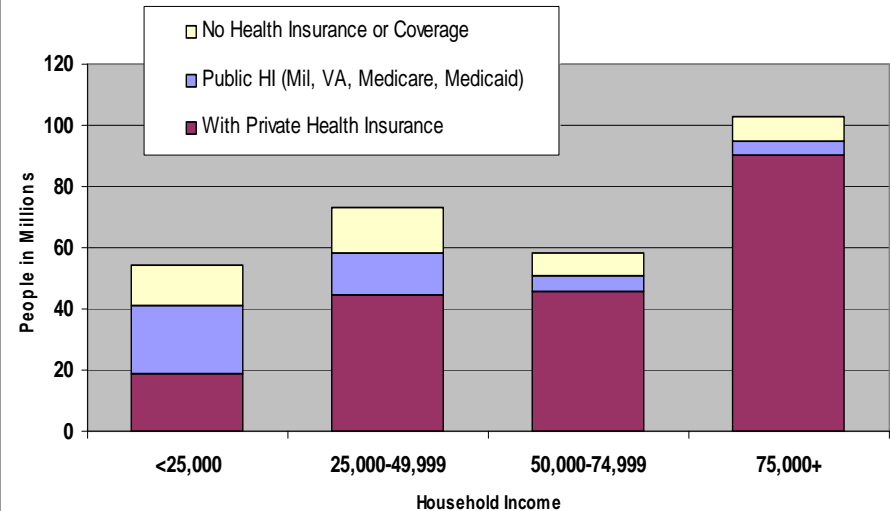
Higher income -> higher % insured and more likely coverage is thru PRIVATE insurance

Alaska vs. US Health Coverage by Type and Household Income Level Source: Current Population Survey 2004-2006

Health Coverage
(Alaska) by Household Income Level
(Source: Current Population Survey, 2004-2006)

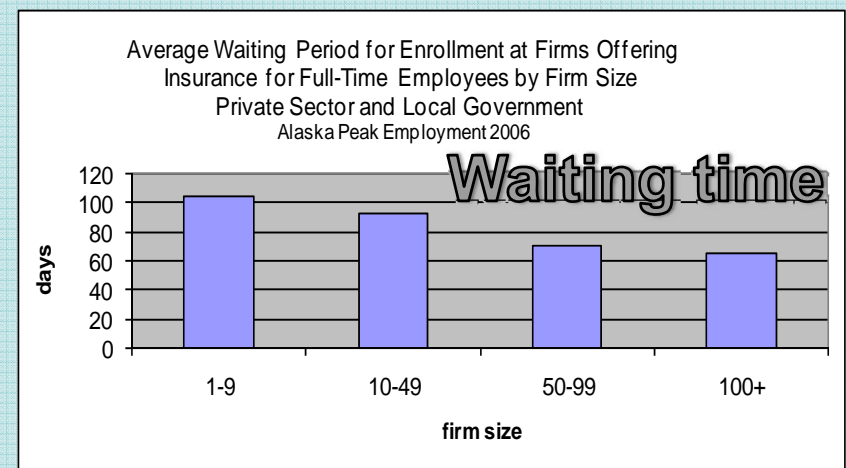
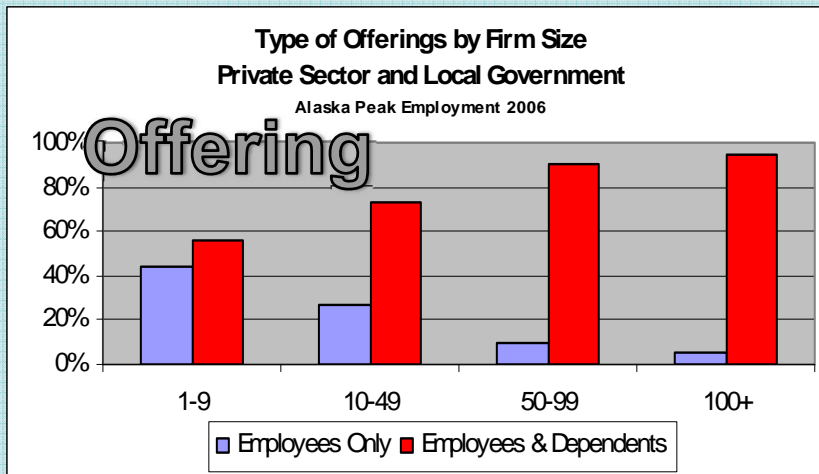
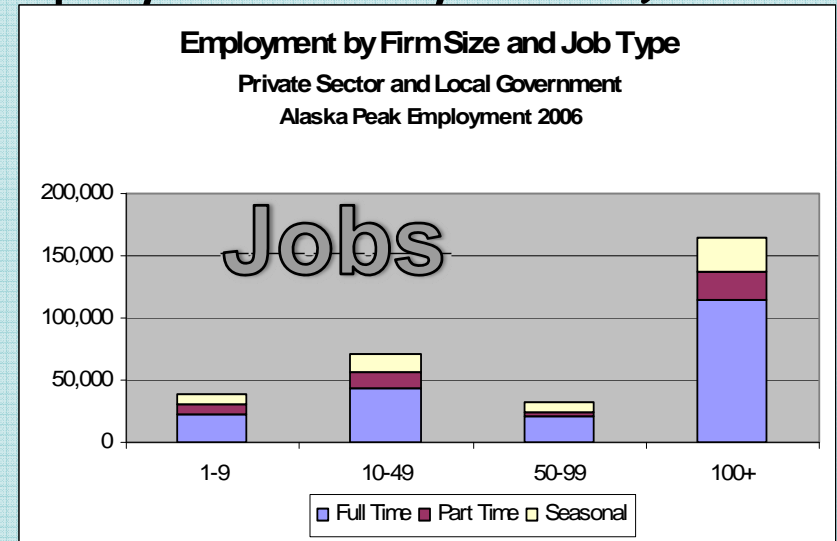
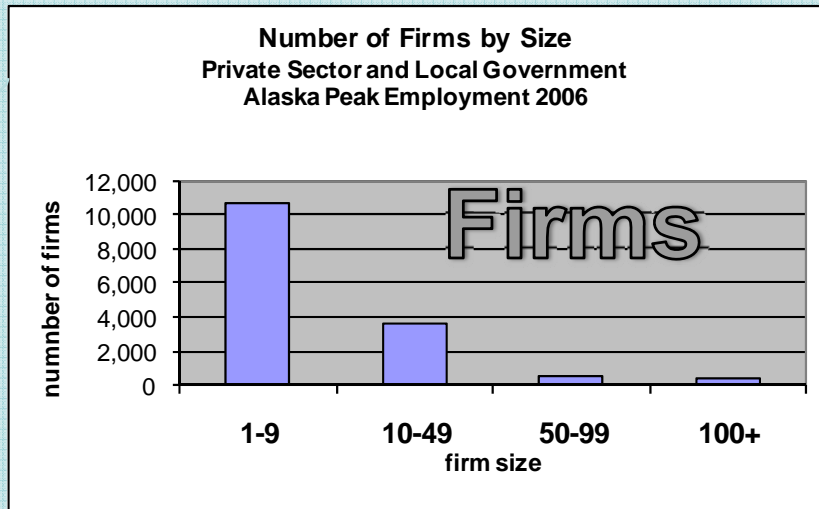


Health Coverage
(US) by Household Income Level
(Source: Current Population Survey, 2004-2006)



Alaska: Compared with the US, Alaskans with medium to high incomes are more likely to lack health insurance coverage or be covered under public program.

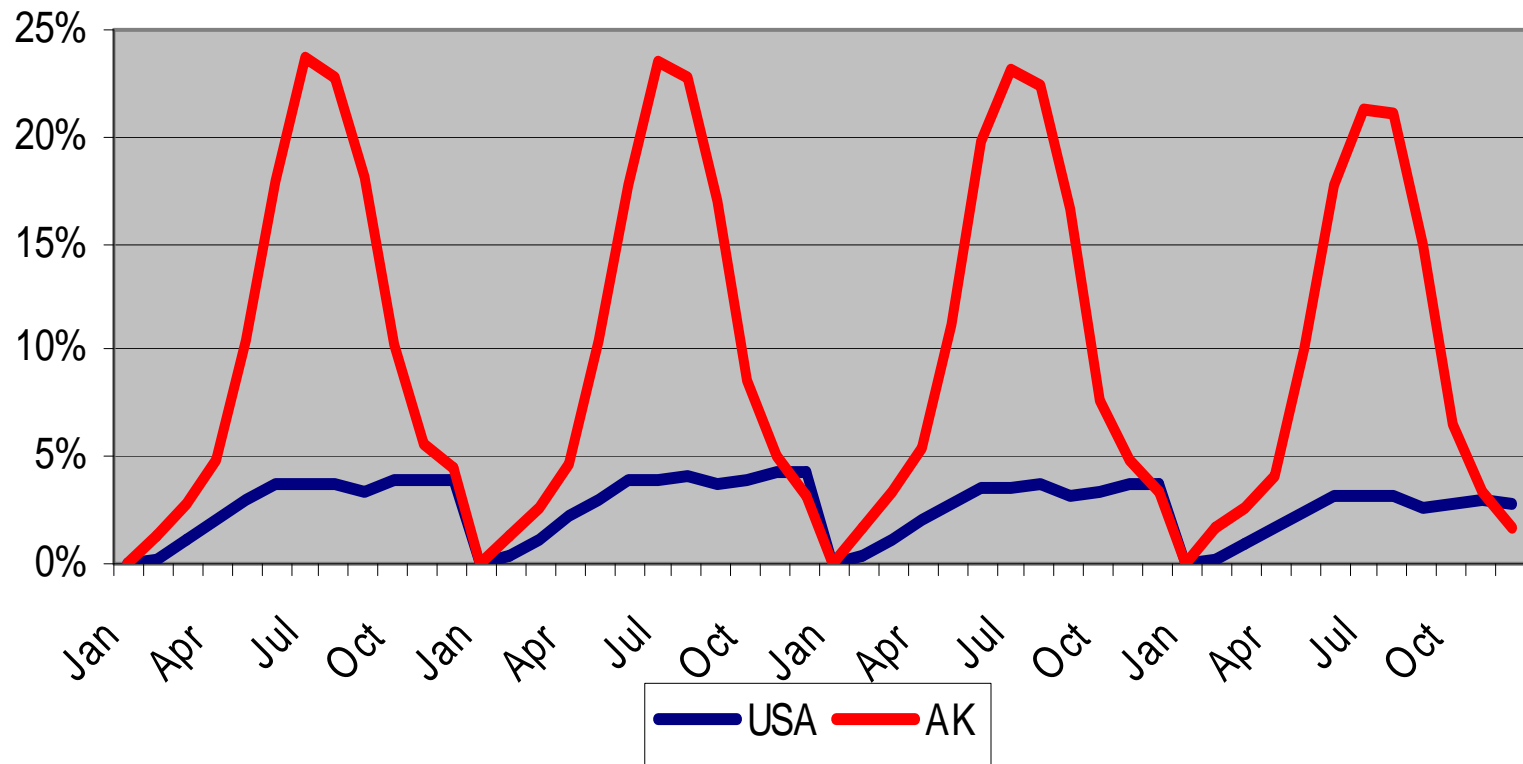
Number of Firms, Employees by Job Type, Employee/Dependent Offerings, and Waiting Periods, by Firm Size (Alaska Employer Survey 2007)



Alaska has the Most Seasonal Private Sector Economy in the Nation

Alaska & USA Private Sector Monthly Employment Variation 2004-2007

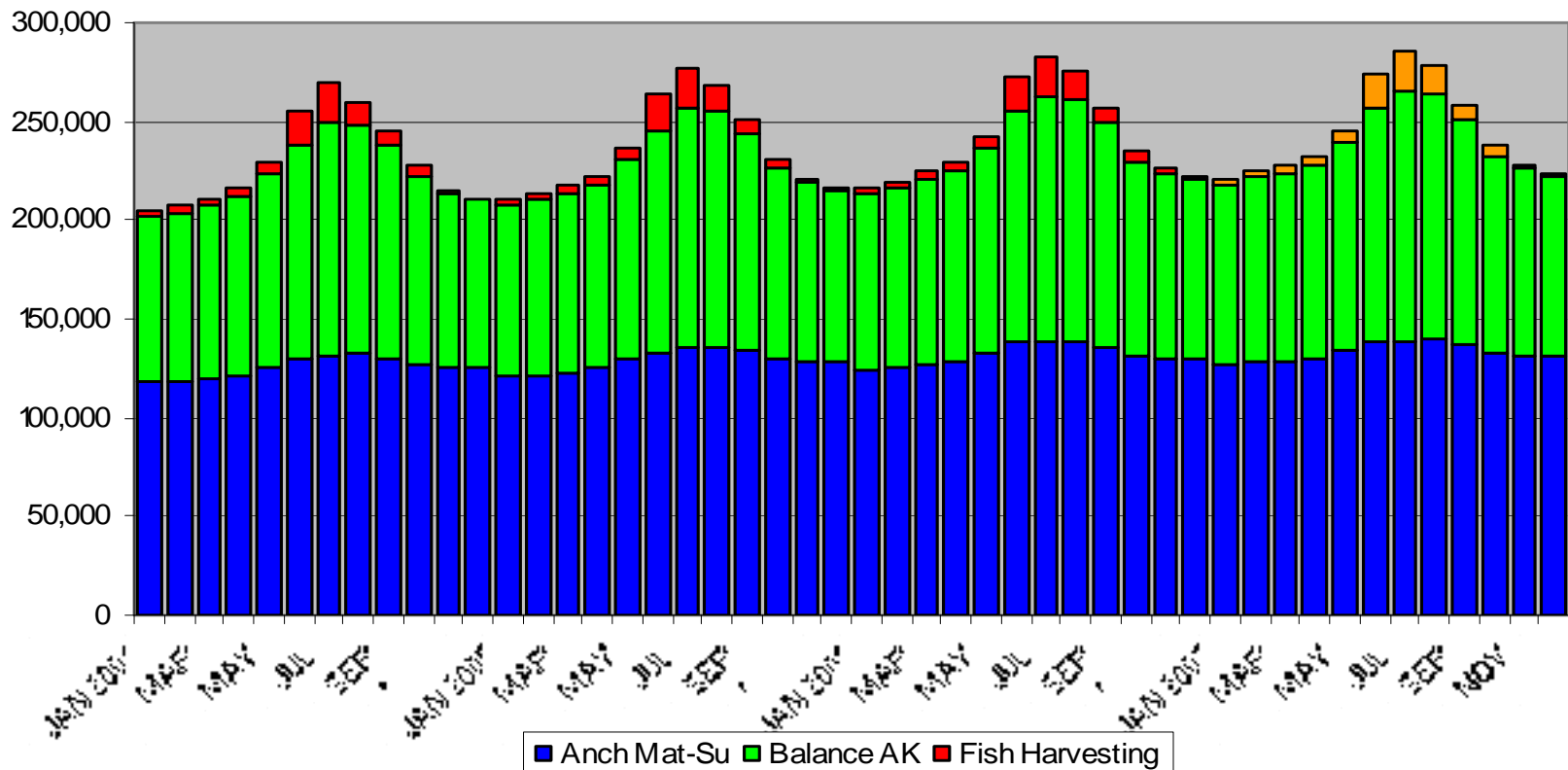
US Bureau of Labor Statistics: CES not Seasonally Adjusted



Construction, Seafood Processing and Tourism Related Employment Account for Much of the Variation, and have Greater Impacts on Small Rural Communities than They have on Anchorage. Also, The Annual Seasonal Variation in Employment is Predictable and Consistent.

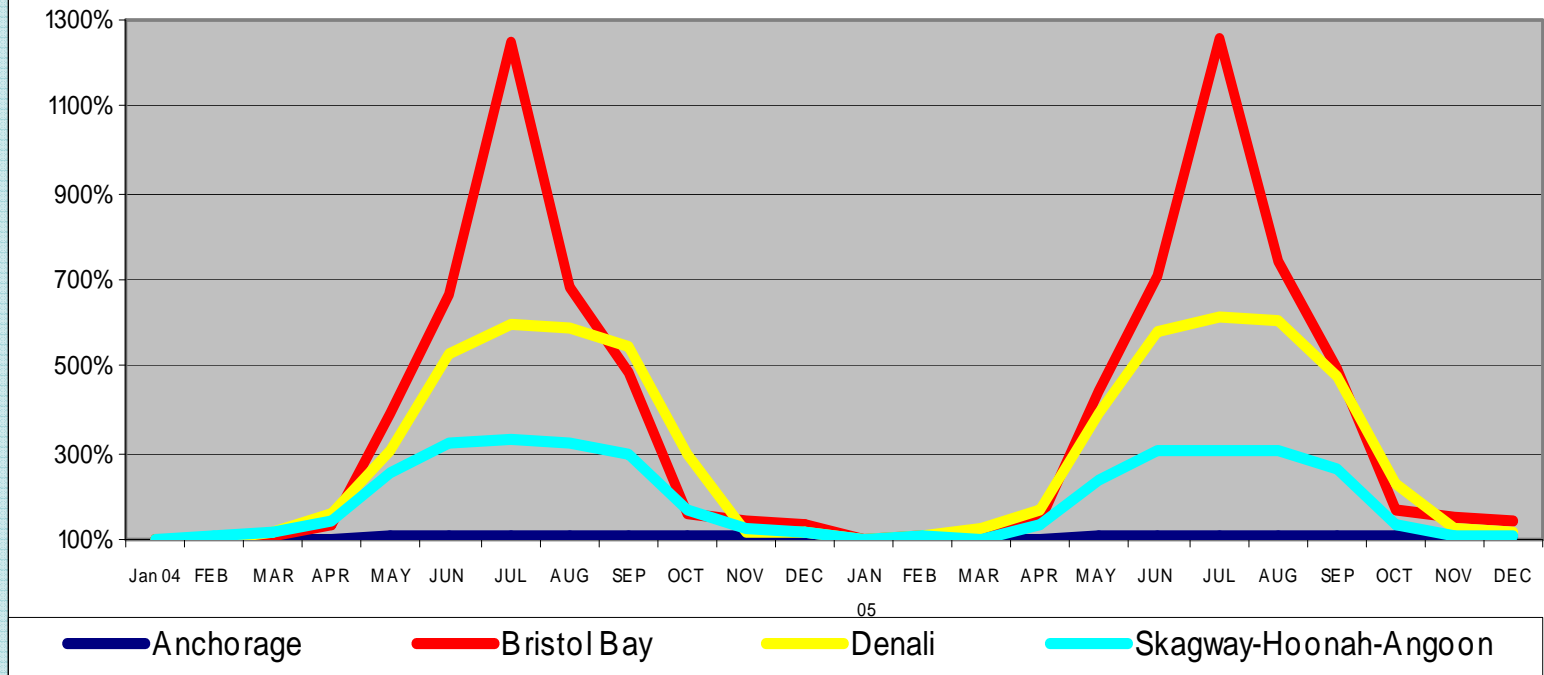
Alaska Private Sector & Fish Harvesting Employment

2004-2007 Source: Alaska Dpt. Labor



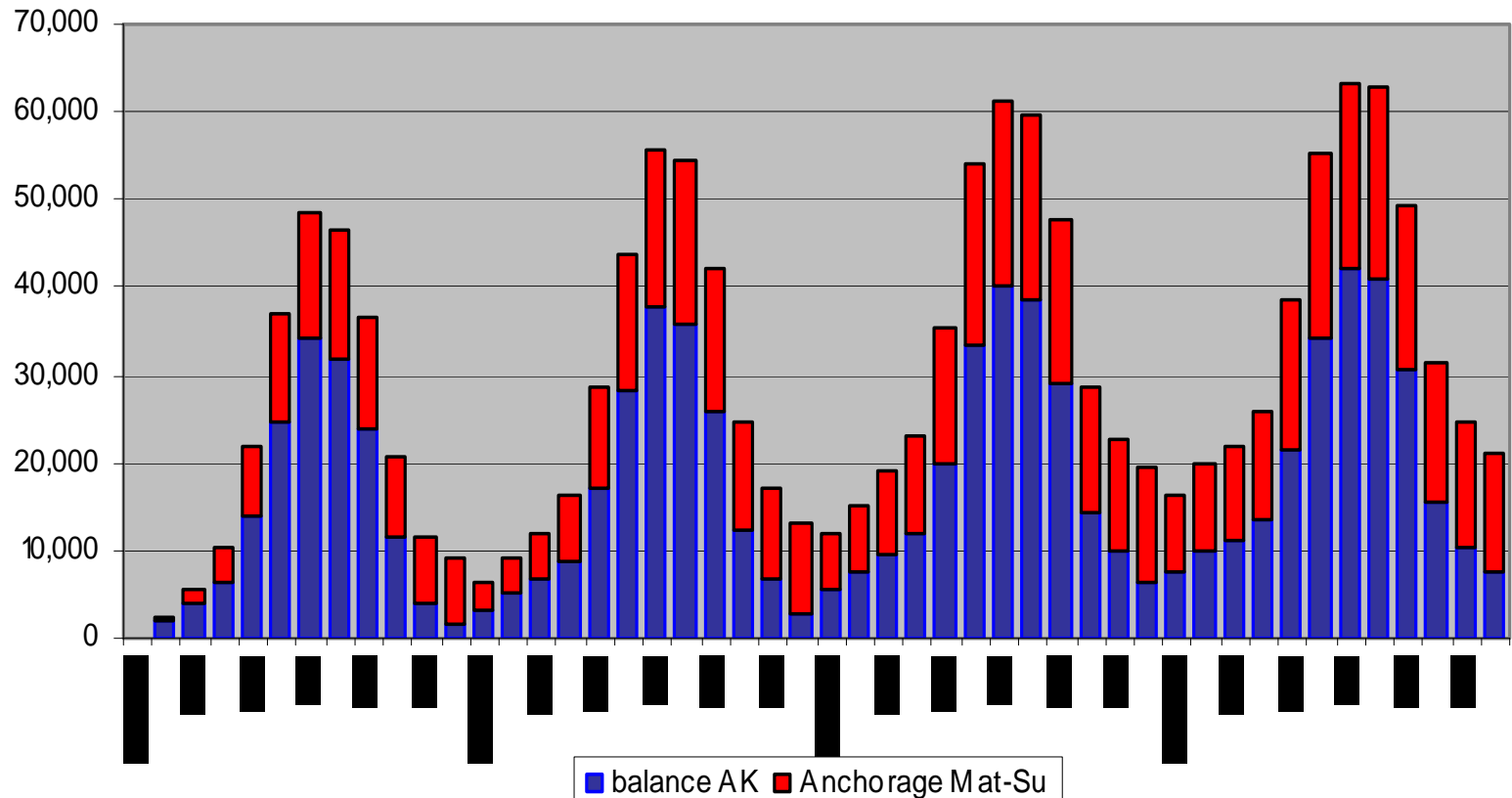
Seasonal Variations in Employment Can Put Strains on Local Health Care Providers and Facilities

Private Sector Monthly Employment Variation 2004-2005
Selected Alaska Communities: Source ADOL&WD



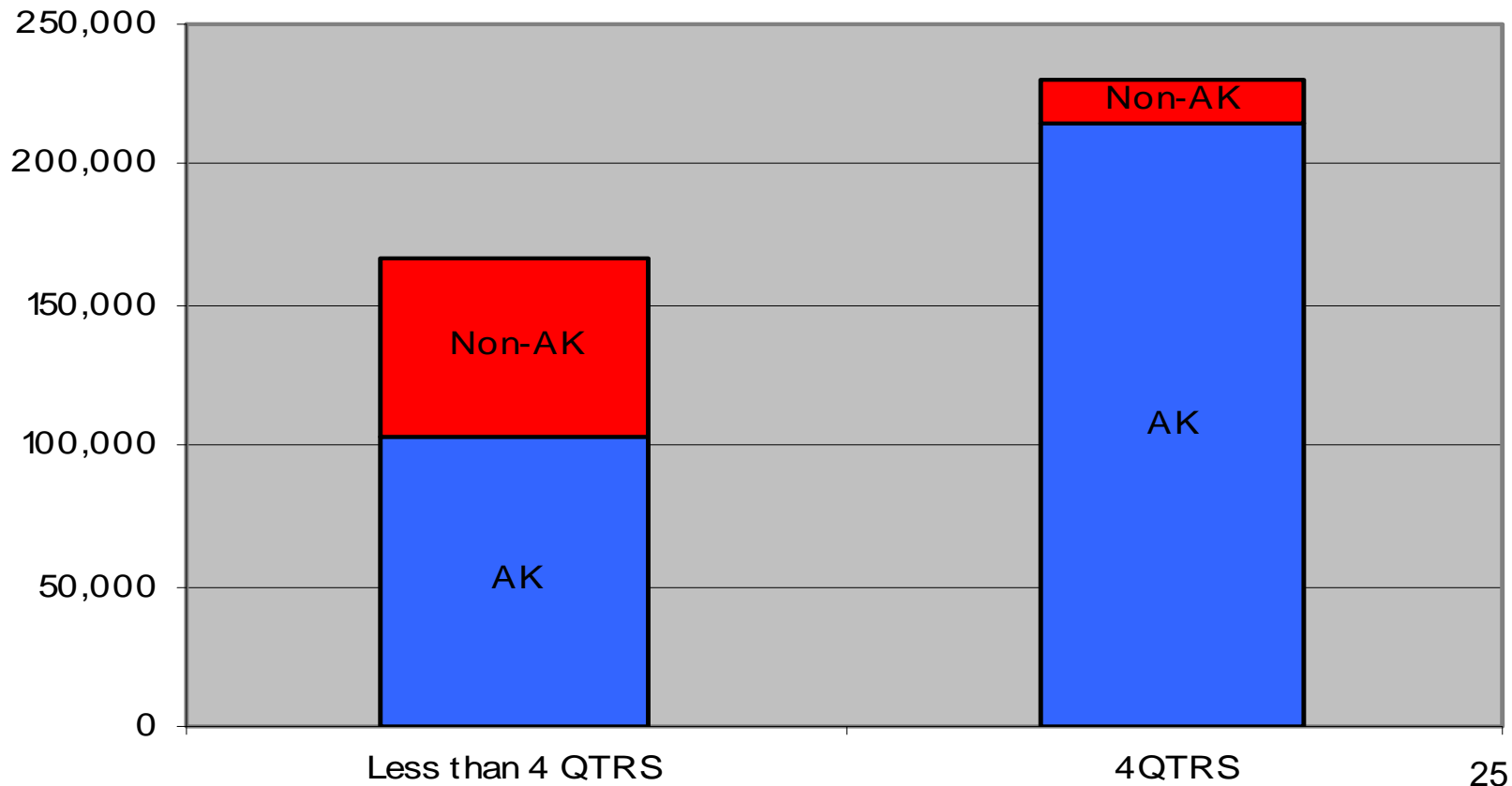
The Annual Seasonal Variation in Employment is Predictable and Consistent

**Monthly Private Sector Wage & Salary Employment Change:
2004-2007 Source: ADOL&WD**



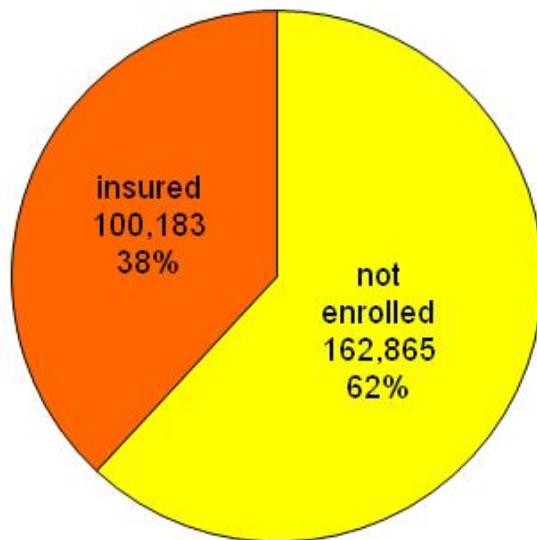
While Many Seasonal Workers are Nonresidents, Many More are Alaskans.

Unduplicated Individuals Working in Alaska 2006
Wage and Salary (Excludes Federal) Source: ADOL&WD

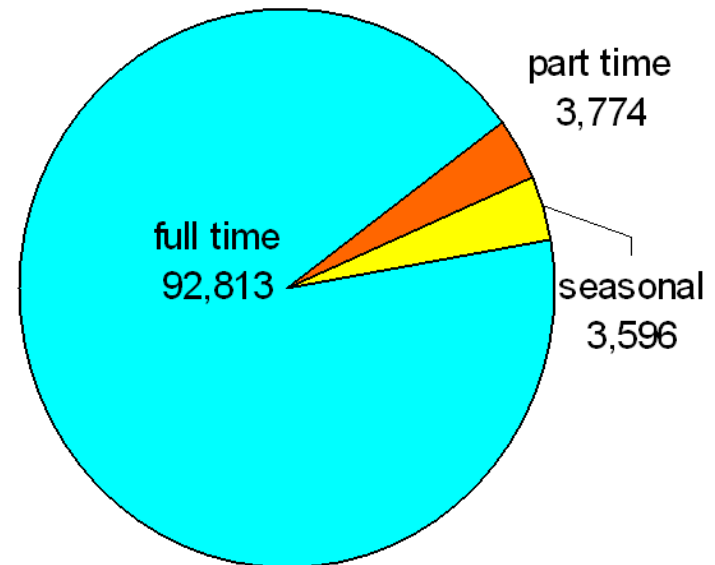


Seasonal Employment Creates Problems in Obtaining and Retaining Health Care Insurance; Most Insured Workers are Full Time Employees.

Private Sector Employees Insured and Not Enrolled: Alaska July 2006:
Source ADOL & HSS Survey 2006



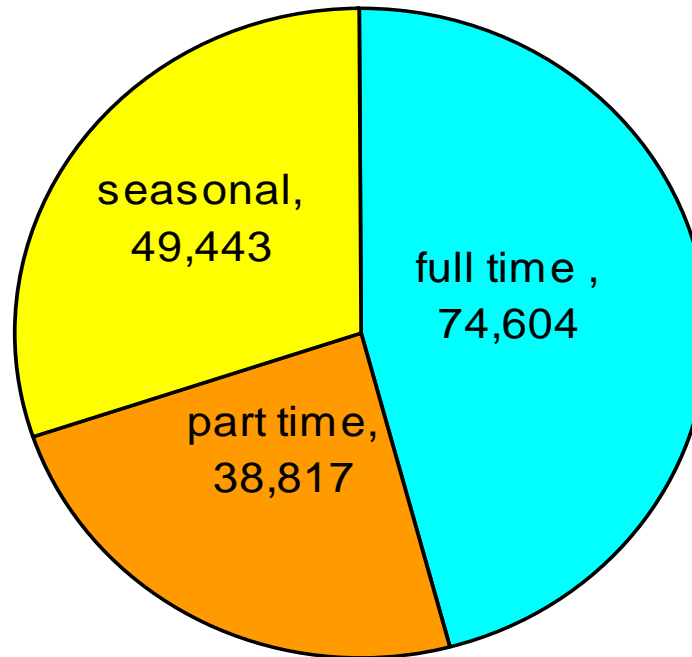
Private Sector Employees Insured by Job Type: Alaska July 2006:
Source: A DOL & DHSS Survey 2006



While Seasonal and Part Time Employees Account for the Majority of the Employees Not Enrolled in Employment Based Programs...

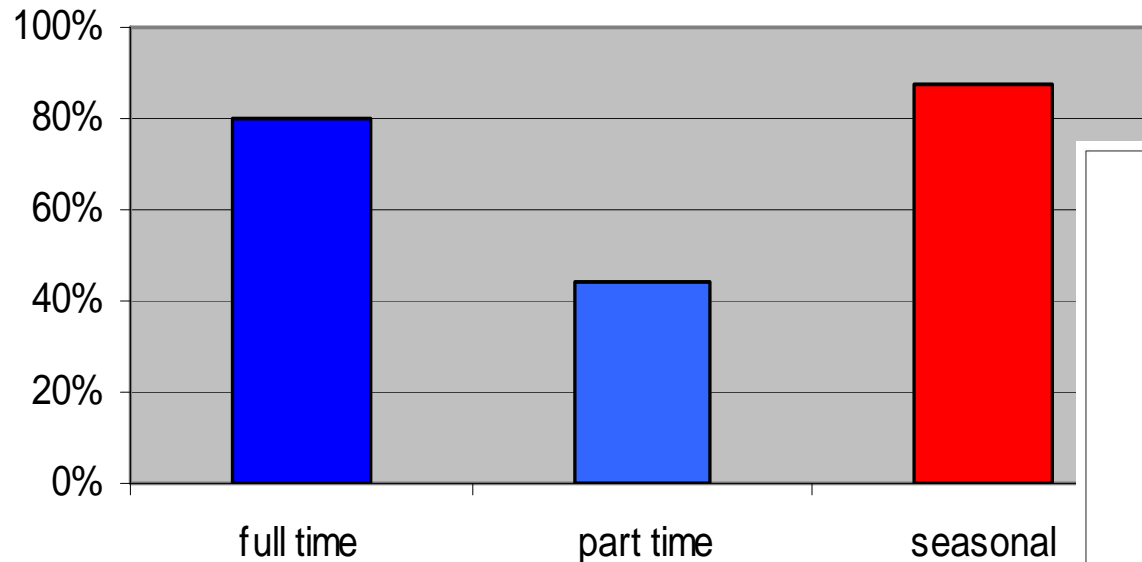
Private Sector Employees Not Enrolled Alaska July 2006

Source: ADOL & DHSS Survey 2006



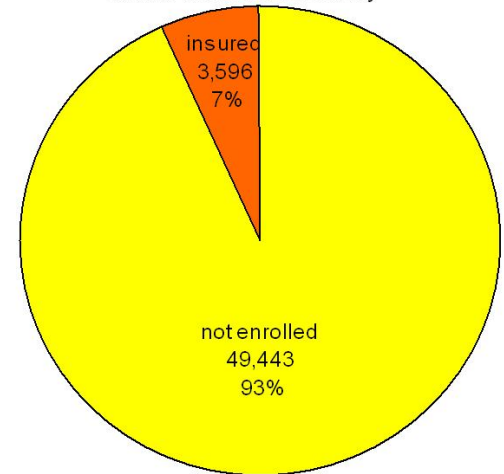
While a Higher Percentage of Eligible Seasonal Workers Enroll in Employer Based Insurance Programs...

**Percent Eligible Private Sector Employees Enrolled
by Job Type: Alaska July 2006:**
Source: ADOL & DHSS Survey

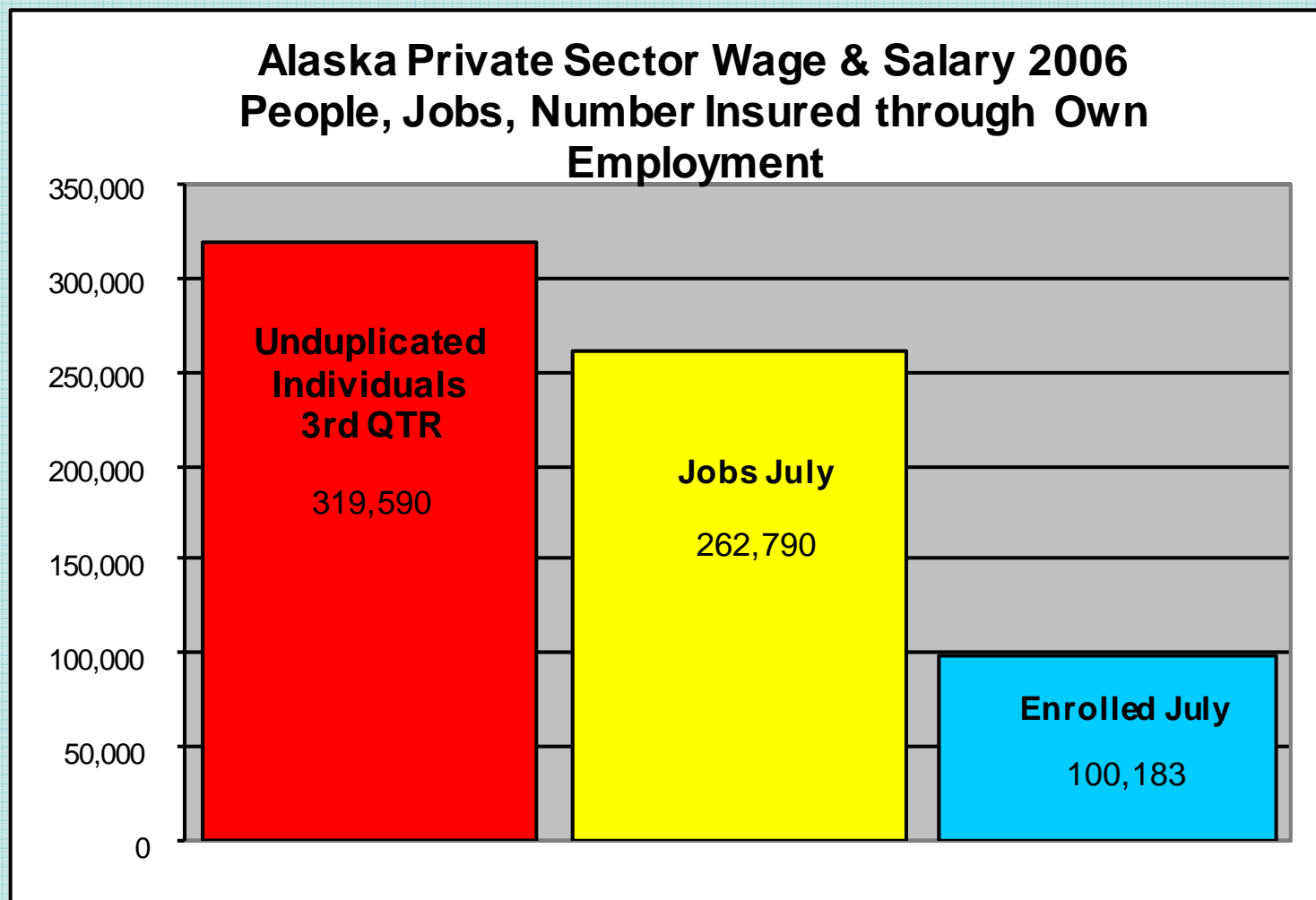


*... Very Few Have
Sufficient Tenure
to be Eligible to
Enroll*

**Private Sector Seasonal Employees
Insurance Status: Alaska July 2006**
Source: ADOL & DHSS Survey



July Employment Captures Peak Enrollment, but Many of Those Enrolled Will Lose Their Employer Based Insurance or Will Suffer Gaps In Coverage when Employment Declines Towards Seasonal Lows



Conclusions

- Alaska's strongly seasonal economy, mixed labor pool, 12% "self-employed," and predominantly small firms in the private sector means there are challenges with current employment-based "insurance" models.
- Is the goal affordable & accessible care, or insurance? Or a blend?
- Target populations – may be the current uninsured (children, or all):
 - Uninsured children -- fewer than 20,000 (all income levels)
 - Remember 84% of uninsured (about 97,000) are in working families and many are in higher income families, and are likely healthy
 - The underinsured -- postponing care or unable to find provider
- Current system rests on 200,000 jobs covering about 400,000 people; other (public) programs covering over 150,000 (up to 175,000 including IHS), 100,000 not-covered residents, and unknown number of uninsured non-residents relying on Alaska's health care system annually

