

FIRSTHEALTH COMMUNITY VOICES FACT SHEET



Access to Health Coverage Shows Many Gaps



BACKGROUND

FirstHealth of the Carolinas (FirstHealth) is a not-for-profit health care system serving a largely rural 15-county area in the mid-Carolinas. For the last several years, FirstHealth has studied the problem of the uninsured in its service area. In 2001, it conducted a survey of small businesses and determined that nearly 50 percent of small business employees surveyed did not have health coverage, primarily due to high cost. In response, FirstHealth, through its managed care subsidiary, FirstCarolinaCare, Inc., developed FirstPlan, a small business coverage product designed to be more affordable for employers and employees. As the following statistics make clear, however, more must be done by both the private and public sectors to increase access to health care.

LOCAL FACTS

In 2003, FirstHealth commissioned a random survey of residents to determine their health status, behaviors and needs of those living in the region. Some key findings include:

- ♦ Of respondents aged 18 to 64, 17 percent reported having no health coverage.
- ♦ Respondents with the lowest income levels report the highest rate of uninsurance.
- ♦ One in four Native Americans surveyed reported that they had no health coverage.
- ♦ Almost 17 percent of African Americans and 19 percent of Native Americans reported needing routine health care but were unable to get it due to cost of coverage.
- ♦ One-fifth of area respondents were unable to obtain a needed prescription medication in the past year due to cost, most of whom said this is a “regular problem” for them.

STATE FACTS

- ♦ Since 2000, the rate of uninsured in North Carolina has grown faster than any state except Mississippi.
- ♦ The number of North Carolinians without health insurance is nearing 1.5 million.

POLICY RECOMMENDATIONS

- ♦ Address root causes of high insurance costs:
 - ▶ formulate better risk pooling mechanisms for small businesses,
 - ▶ provide financial incentives for practicing evidence-based medicine
 - ▶ emphasize chronic disease management, and
 - ▶ provide incentives for healthy behaviors and preventive health.
- ♦ Work toward universal coverage through expansion of existing public programs such as the state children’s insurance program, Health Choice, and Medicaid.
- ♦ Provide incentives for the development of community-based coverage initiatives, such as FirstHealth’s FirstPlan, a small business coverage product that offers premium subsidies for low wage employees and premium adjustments for small businesses.