

MICROFILM DIVIDER

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SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1047

2007 HOUSE HUMAN SERVICES

HB 1047

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1047

House Human Services Committee

Check here for Conference Committee

Hearing Date: 01/10/2007

Recorder Job Number: 879

Committee Clerk Signature



Minutes:

Chairman Price: Opening HB 1047.

Representative Scot Kelsch, District 11 in Fargo: This is a simple bill, but a broad implication. It is to raise the threshold of eligibility for children's health insurance of 140% of the federal poverty level to 200%. I introduced this bill as a means to cast a broader net and include more children in the State Health Insurance Program. This is designed for families who can't afford health insurance. The fiscal note is not clear.

Senator Tim Mathern, District 11 in Fargo: See attached. I urge a do pass.

Susan Rae Helgeland, Executive Director of the Mental Health Association in ND: I am in favor of HB 1047

Carlotta McCleary, Executive Director of the ND Federation Families for Children's

Mental Health: I am here to support HB 1047. The US Department of Health and Human Services estimates that 1-5 children have a mental health disorder. 1-10 have a serious emotional disorder.

Jim Jacobson, Director of Protection and Advocacy Project: I will be giving testimony on behalf of Teresa Larsen, Executive Director for the Protection & Advocacy Project. See attached.

Kayla Pulvermacher, representing ND Farmers Union: See attached:

Karen Larson, Deputy Director of the Community Health care Association for the

Dakota's: A primary care association supporting federally qualified health centers in both North and South Dakota. We have 10 centers in ND. I speak in full support of HB 1047.

Cheryl Bengian, Executive Director of ND Human Rights Coalition: See attached. There are many parents working who are denied.

Kathy Grafts with ND Catholic Conferences: I also testify in favor of this bill. The reduced price eligibility 185% as gross in lunch program.

Ms Bengian: Insurance per student with BC/BS is \$79.30.

Chairman Price: Anyone else in favor or opposition of the bill?

Maggie Anderson, Director of Medical services for the Department of Human Services:

See attached testimony and chart in back.

Representative weisz: Could you tell me how short we are?

Ms Anderson: It is not the current biennium it is the 07-09 biennium, where we expect to fully expend it. Based on our estimates that we are preparing to fund, I will use current allotment that we have.

Representative Weisz: How much carry over and how are the Feds recording the allotment?

Ms Anderson: Based on our projected needs for this biennium for all CHIPS services which includes the expansion and the healthy steps premium. We are estimating to carry over 1.29 million dollars in federal allotment going into 07-09.

Chairman Price: Close the hearing on 1047

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1047

House Human Services Committee

Check here for Conference Committee

Hearing Date: January 31, 2007

Recorder Job Number: 2457

Committee Clerk Signature

Judy Dehock

Minutes:

Chairman Price: Take out HB 1047. We don't know if we will be getting more federal funds.

Representative Porter moves a do not pass on HB 1047, seconded by **Representative Pietsch**.

Representative Schneider, I think we will all agree we want to cover more children. I recommend we send this to appropriations.

The vote was 8 yeas 4 nays and 0 absent. **Representative Porter** will carry the bill to the floor.

FISCAL NOTE
 Requested by Legislative Council
 01/18/2007

REVISION

Bill/Resolution No.: HB 1047

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$7,806,035	\$0	\$14,164,875	\$0
Appropriations	\$0	\$0	\$7,806,035	\$0	\$14,164,875	\$0

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$198,442	\$0	\$0	\$193,059	\$0	\$0

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

The bill increases the income eligibility limit for the children's health insurance program from 140% to 200% of poverty.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The fiscal note is prepared based on the number of children who were denied Healthy Steps coverage for the period August 2005 - July 2006 whose family income was between 140% and 200% of poverty, which is 2,480 children. The number of children that would actually be eligible could be much greater. However, the Department is unable to determine the exact number of children that would apply and be eligible. Based on information from the 2000 Census, it is estimated there are 24,505 children in ND between 140-200% of poverty. The Department is unable to determine the number that currently have health care coverage and/or the number that would actually apply.

Based on current projections the federal SCHIP allotment funds will not be available to fund any of the fiscal impact of this bill because the Department is already projecting to use its entire allotment of federal funds.

The Department is unable to estimate what the projected increase in caseload may be at the county level and which counties would be impacted. So without knowing the staffing levels and caseload capacities at the counties the Department is estimating that an additional 2 FTEs would be needed at the county level.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

For the 2007-09 biennium a total of \$7,806,035 would be expended, \$102,395 for salary and related costs of an additional FTE and \$7,703,640 in medical assistance grants. These costs would be 100% general funds.

For the 2009-11 biennium a total of \$14,164,875 would be expended, \$99,704 for salary and related costs and

\$14,065,171 in medical assistance grants. These costs would be 100% general funds.

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The Department would need a general fund appropriation of \$7,806,035 for the 2007-09 biennium.

Name:	Debra A. McDermott	Agency:	Dept Human Services
Phone Number:	328-3695	Date Prepared:	01/22/2007

FISCAL NOTE
 Requested by Legislative Council
 12/26/2006

Bill/Resolution No.: HB 1047

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$10,031,507	\$0	\$18,985,599	\$0
Appropriations	\$0	\$0	\$10,031,507	\$0	\$18,985,599	\$0

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$198,442	\$0	\$0	\$193,059	\$0	\$0

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

The bill increases the income eligibility limit for the children's health insurance program from 140% to 200% of poverty.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The fiscal note is prepared based on the number of children who were denied Healthy Steps coverage for the period August 2005 - July 2006 whose family income was between 140% and 200% of poverty, which is 3,330 children. The number of children that would actually be eligible could be much greater. However, the Department is unable to determine the exact number of children that would apply and be eligible. Based on information from the 2000 Census, it is estimated there are 24,505 children in ND between 140-200% of poverty. The Department is unable to determine the number that currently have health care coverage and/or the number that would actually apply.

Based on current projections the federal SCHIP allotment funds will not be available to fund any of the fiscal impact of this bill because the Department is already projecting to use its entire allotment of federal funds.

The Department is unable to estimate what the projected increase in caseload may be at the county level and which counties would be impacted. So without knowing the staffing levels and caseload capacities at the counties the Department is estimating that an additional 2 FTEs would be needed at the county level.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

For the 2007-09 biennium a total of \$10,031,507 would be expended, \$102,395 for salary and related costs of an additional FTE and \$9,929,112 in medical assistance grants. These costs would be 100% general funds.

For the 2009-11 biennium a total of \$18,985,599 would be expended, \$99,704 for salary and related costs and \$18,885,895 in medical assistance grants. These costs would be 100% general funds.

C. Appropriations: Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.

The Department would need a general fund appropriation of \$10,031,507 for the 2007-09 biennium.

Name:	Debra A. McDermott	Agency:	Dept Human Services
Phone Number:	328-3695	Date Prepared:	01/04/2007

REPORT OF STANDING COMMITTEE

HB 1047: Human Services Committee (Rep. Price, Chairman) recommends DO NOT PASS (8 YEAS, 4 NAYS, 0 ABSENT AND NOT VOTING). HB 1047 was placed on the Eleventh order on the calendar.

2007 TESTIMONY

HB 1047



MENTAL HEALTH ASSOCIATION IN NORTH DAKOTA

Works for a world free from discrimination against mental illness

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health for all citizens of
North Dakota.*

Testimony Mental Health Association in North Dakota

House Bill 1047 Eligibility Requirements for Children's Health Insurance Program

House Human Services Committee

Representative Price, Chairman

January 10, 2007

Chairman Price and members of the House Human Services Committee, my name is Susan Rae Helgeland, the Executive Director of the Mental Health Association in North Dakota. I am here to testify in favor of HB 1047.

The Mental Health Association in North Dakota is a nonprofit organization whose mission is to promote mental health through education, advocacy, understanding and access to quality care for all individuals.

Our organization is in favor of this bill because it contributes to our goal of providing access to quality care for North Dakota's children under the Children's Health Insurance Program.

Thank you, Chairman Price, for this opportunity to testify in favor of HB 1047.

I would be glad to answer any questions that you might have.

House Bill 1047
Human Service Committee
January 10, 2007

Madam Chairman Price and Members of the House Human Service Committee,

My name is Tim Mathern. I am the Senator from District 11 in Fargo. I speak in support of extending health coverage covered in HB 1047. I serve on the Appropriations Committee and would like to make a few observations from that information.

For December 2006, the Healthy Steps enrollment was 3,748 children. For the 2007-2009 Budget in SB2012, we are estimating expenditures of \$19.7 million, of which \$5 million are general funds.

For HB 1047, I'm told the Department of Human Services is estimating to need an additional \$9.9 million for medical assistance grants. This cost is based on 3,330 additional children.

Yes this is a lot of money but let me tell you more.

We are projecting an expenditure of \$378, 400,000 which includes \$136,400,000 of general funds for nursing facilities. This is based on an occupancy rate of 3609 beds. This is much more money!

This bill suggests we increase our investment in our citizens at the beginning of their life. As we consider the long term benefit of proper health care for children it makes sense to support Healthy Steps at the 200% level. And as we compare this to the investment we make in nursing care, often at the other end of the life spectrum, I think this bill makes even more sense.

I urge a do pass recommendation for HB 1047. Thank you.

HOUSE HUMAN SERVICES
JANUARY 10, 2006
HOUSE BILL 1047
CHILDREN'S HEALTH INSURANCE PROGRAM

Good morning Chairman Price and members of the House Human Services Committee. I am Teresa Larsen, Executive Director for the Protection & Advocacy Project.

While the nation has made great strides in expanding children's health coverage since the creation of the Children's Health Insurance Program (CHIP) in 1997, over 10% remain uninsured, including many in our own State. The fiscal note associated with this bill indicates that between August 2005 and July 2006, 3,330 children were denied Healthy Steps coverage because their family income was over 140% (but under 200%) of poverty. Theoretically, these are the children that would be covered by this legislation.

As it currently stands, the income for a family of four is very limited in order for them to be eligible for CHIP. It is difficult to imagine that a family of four with earnings of \$30,000 or even \$35,000 could afford to pay for health insurance premiums. This would be a huge percentage of the family budget that must also be available for housing, food, clothing and other necessities of life.

While there are many pressures being put upon you for use of the "budget surplus", health insurance for children is one to prioritize. I ask that you give serious consideration to HB 1047.

Thank you for your time. I will be glad to address any questions you might have for me.

North Dakota Farmers Union

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HB 1047
Human Services

Chairman Price and Members of the Human Services committee,

My name is Kayla Pulvermacher; I am here representing over 35,000 members of North Dakota Farmers Union. I am here to testify in support House Bill 1047.

North Dakota Farmers Union believes that affordable, comprehensive health plans should be developed to enable all citizens' access to health insurance.

NDFU urges adequate state funding of CHIP and we urge the state to increase eligibility to 200% of poverty level. According to the fiscal note provided on this bill, 3,330 children between the 140%-200% poverty level were denied coverage. Nationally, 54 percent of the uninsured live below 200 percent of the poverty level (Robert Wood Foundation, 2006).

North Dakota Producers are not left out of these statistics. According to another Robert Wood Foundation survey, young North Dakota farmers and ranchers were more likely to go without health insurance. Comments that were given included "too expensive," "cannot afford it," and "they need to seek off-farm employment to secure health insurance coverage."

With passage of this bill as proposed, we will begin to close the gap of uninsured and cover more of North Dakota's children, which should be the ultimate goal.

We strongly urge a do on the House Bill 1047.

Thank you Chairman Price and members of the committee. I will answer any questions at this time.

North Dakota Human Rights Coalition

P.O. Box 1961, Fargo, ND 58107-1961 (701) 239-9323 Fax (701) 478-4452 www.ndhrc.org



Testimony
House Bill 1047
House Human Services Committee
January 10, 2007

Chairman Price and members of the Committee, thank you for the opportunity to present testimony in favor of House Bill 1047. I am Cheryl Bergian, Executive Director of the North Dakota Human Rights Coalition. The Coalition includes a broad-based, statewide membership of individuals and organizations interested in the furtherance of human rights in North Dakota; the Coalition's mission is to effect change so that all people in North Dakota enjoy full human rights.

We support the proposal to increase the children's health insurance program eligibility limits to cover children who are living in families under 200% of the poverty line. Increasing this limit would provide coverage to at least 3,330 children in North Dakota who were denied health insurance coverage under the Healthy Steps program. Access to adequate medical care is a basic human right, and as a state with financial resources to do so, it is imperative that we provide health insurance coverage to the children of our state.

We ask for a do pass recommendation on House Bill 1047. I appreciate this opportunity to testify on behalf of the North Dakota Human Rights Coalition.

Excerpt From:
Center for Rural Healthcare, UND School of Medicine
Center for Rural Healthcare fact sheet, retrieved
1/10/2007 www.med.und.edu

- Conventional (fee-for-service) plans are more expensive than managed care plans. In 2001, the average monthly premium cost for covered workers, conventional plan, was \$238, single; \$640, family. The average premium, preferred provider (a common form of managed care), was \$228, single; \$600, family. The least expensive plan arrangement was the HMO model where the average premium was \$200, single; \$545, family. (Kaiser Family Foundation, Employer Health Benefits, 2001 Annual Survey)
- The number of children ever enrolled in the State Children's Health Insurance Program (SCHIP) increased from 3.3 million in FY 2000 to 4.6 million in FY 2001, an increase of 1.3 million or 38%. The FY 2001 figure is twice as high as was recorded for FY 99 and more than four times as many as were enrolled in FY 98. (Centers for Medicare and Medicaid Web Site, February, 2002)
- About 20% of the rural population is uninsured (10.5 million people) while approximately 16% of the urban population is uninsured. (NRHA, 1999)
- Rural residents are more likely to be self-employed and without comprehensive coverage. (NRHA) Nationally, about 25% of the self-employed are found to be uninsured, compared to 15% of all wage earners.
- While 20% of the population is rural, over 23% of the Medicare beneficiaries reside in rural areas.

State:

- There are approximately 67,000 uninsured North Dakotans. (Robert Wood Johnson Foundation, State of the States, January, 2002)
- A 1998 Robert Wood Johnson survey of North Dakota found 8.3% of children to be uninsured (14,600). (North Dakota Community HealthCare Association, Healthy Kids A Healthy Future, A Study of North Dakota's Uninsured Children) Additional facts from the North Dakota study include:
 - ☞ In 1998, 51% of people 25-34 (young parents) were uninsured which contrasts with 23% nationally.
 - ☞ Three out of four uninsured are employed and one out of ten work at more than one job.
 - ☞ Sixty percent (60%) of the uninsured work at firms that offer insurance but only 50% were eligible to apply (mostly due to part time work status).
 - ☞ North Dakota's uninsured are more likely to be employed in construction, farming, retail, restaurants, and nursing homes.
 - ☞ Uninsured children, when compared to insured children are:
 - ✓ up to six times more likely to have gone without needed medical, dental, or other health care;
 - ✓ twice as likely not to have seen a physician during the previous year;
 - ✓ up to four times as likely to delay seeking care; and
 - ✓ up to ten times less likely to have a regular source of care.

- As part of the FLEX rural hospital program, the Center for Rural Health has conducted a series of community health assessments. The aggregate file contains data from 12 community assessments covering 123 rural zip codes throughout the state. The survey data contains information related to the discussion of insurance and financial access. This information is summarized below:
 - ☞ The study found 94% of respondents to have insurance.
 - ☞ The two employment groups with the highest rates of uninsured were retired and farm operators.
 - ☞ People in small firms (<50 employees) were more likely to be uninsured (15%) than those employed in larger firms with 50 or more people (3%).
 - ☞ When analyzed by income the following patterns emerged: 40% uninsured with incomes less than \$10,000 and 30% uninsured with incomes from \$10,000-\$20,000. This contrasts with upper income groups: only three percent with incomes at \$40,000 or greater were uninsured.
 - ☞ Seventeen percent (17%) of respondents answered yes to the following question: "Have you decided to not use medical services in the past 12 months because of high out-of-pocket (personal) costs?" When this statistic was cross tabulated with insurance coverage it was found that 93% of those who did not seek care due to personal costs had insurance.

✓ **HEALTH STATUS**

Overweight & Obesity

National:

- The United States median for the prevalence of overweight, 1994, 1996, and 1998 was 29.2%. Nationally 61% of American adults are overweight or obese. 29% of adults are completely sedentary (CDC, 2000).
- The costs attributable to obesity were \$117 billion in 2000, or 9% of the nation's total health care costs.
- Nearly 70% of cases of cardiovascular disease are related to obesity.
- Obesity accounts for \$22.2 billion -or 19% of the total cost of heart disease.
- Obesity is a known risk for heart disease; stroke; high blood pressure; diabetes; gallbladder disease; arthritis; breathing problems; and some forms of cancer, including endometrial, gallbladder, cervical, ovarian, breast, colorectal and prostate.
- Almost half of breast cancer cases are diagnosed among obese women; an estimated 42% of colon cancer cases are diagnosed among people who are obese. These cancer cases account for 2.5% of the total costs of cancer or \$1.9 billion annually.
- \$33 billion is spent annually on weight reduction products and services by the 40% to 44% of American women and the 29% of American men (aged 18 and older) who are trying to loose weight.

Testimony
House Bill 1047 – Department of Human Services
House Human Services Committee
Representative Clara Sue Price, Chairman
January 10, 2007

Chairman Price, members of the House Human Services Committee, I am Maggie Anderson, Director of Medical Services for the Department of Human Services. I appear before you to provide information regarding the fiscal note on this bill.

This bill would increase the income eligibility standard for the Healthy Steps Program from 140 percent of the federal poverty level (net income) to 200 percent of the federal poverty level (net income).

The Department's estimate is based on the number of children who were denied Healthy Steps Coverage for the period of August 2005 through July 2006. The number of children estimated is 3,330, which is the number whose family income was between 140 percent and 200 percent. What we are unable to estimate is the number of additional, potential applicants that may seek coverage.

Based on information from the 2000 Census, there are 24,505 children in North Dakota who reside in households whose income is between 140 percent and 200 percent of poverty. It is unknown; however, how many of these children already have coverage, or how many families would apply. For this reason, we cannot determine a fiscal impact for this group of children.

We estimate in the first two months of implementation about 400 children would enroll in Healthy Steps, if the income level was increased to 200 percent of poverty. We further estimate that an additional 115 children would enroll each of the remaining 22 months. By the end of the biennium, we estimate the additional enrollees to be approximately 3,330.

Based on an average monthly premium of \$207.31 per month, the additional cost to increase the Healthy Steps income level to 200 percent of the federal poverty level would be approximately \$9.9 million of which 100 percent would be general funds. States receive annual federal allotments for the operation of the State Children's Health Insurance Program. If an annual allotment is not fully used, it can be carried over to be used in subsequent years. During this current biennium, the Healthy Steps program in North Dakota has seen tremendous growth (Attachment A). In preparing the 2007-2009 Budget request, the Department prepared the Healthy Steps projection, based on an average of 3,958 children per month. We expect to essentially fully expend all carryover, and current year allotments to sustain the program at the current eligibility limit.

The fiscal note also includes the funding for an additional Full Time Equivalent (FTE) in the Medical Services Division and additional funding at the county level. Of the current Healthy Steps case load, approximately one-third of the cases are at the State office, the remainder at the county. Based on this same allocation, if this bill passed, an additional FTE would be needed to assist with the cases processed at the State Office. The estimated cost for this additional FTE for the 2007-2009 Biennium is \$102,395. This estimate includes salary, fringe, equipment and office space. Again, based on the current case load allocation, the

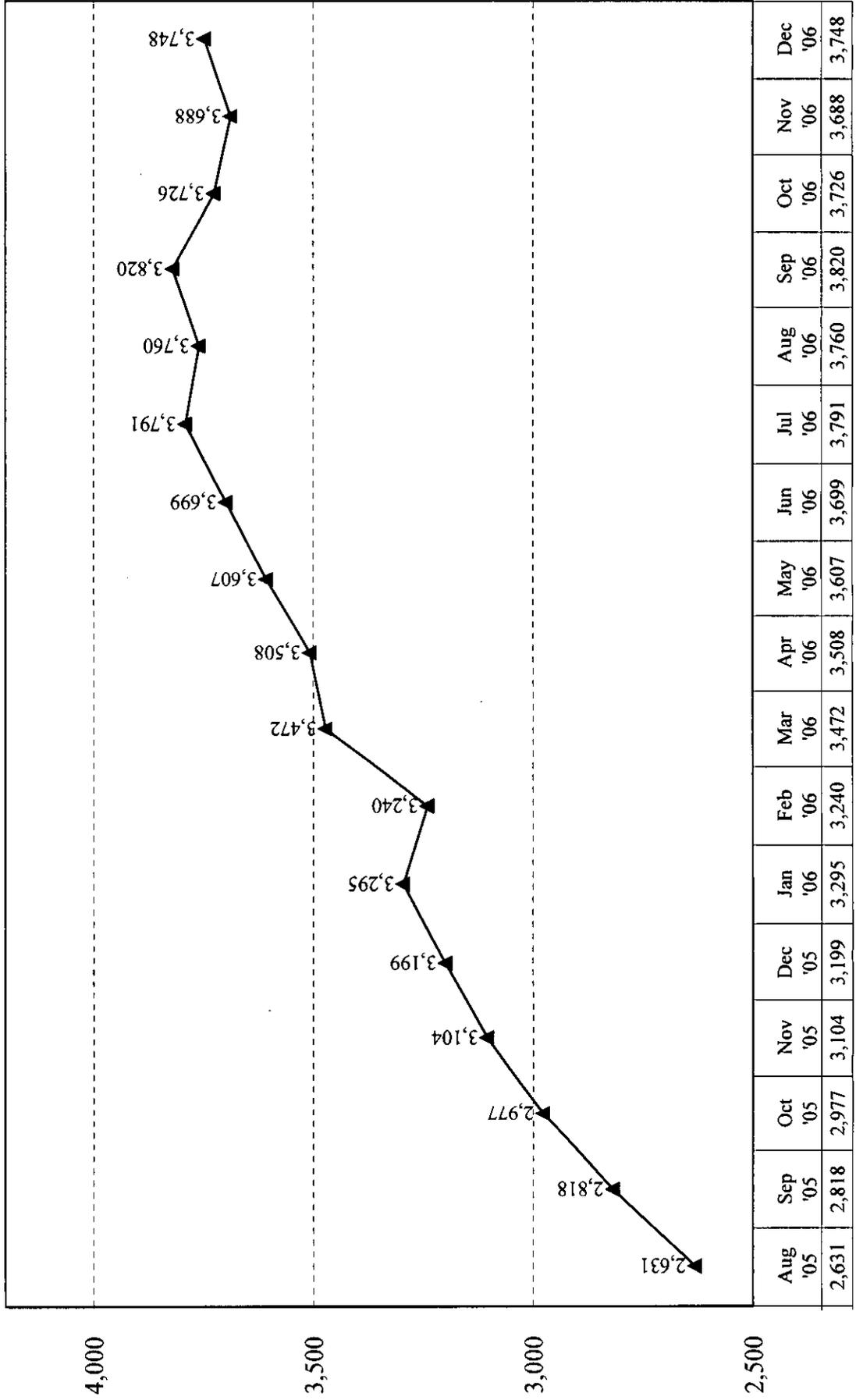
remaining two-thirds of the cases would be processed at the county-level. The estimate of additional funds needed for county-level expenses is \$198,442, which would support the cost of two additional FTE.

I would be happy to answer any questions you may have.

North Dakota Department of Human Services

Healthy Steps Enrollment by Month

August 2005 - December 2006



CoverTheUninsured

Cover the Uninsured Week 2007 April 23-29

Robert Wood Johnson Foundation | Covering Kids & Families

search terms...

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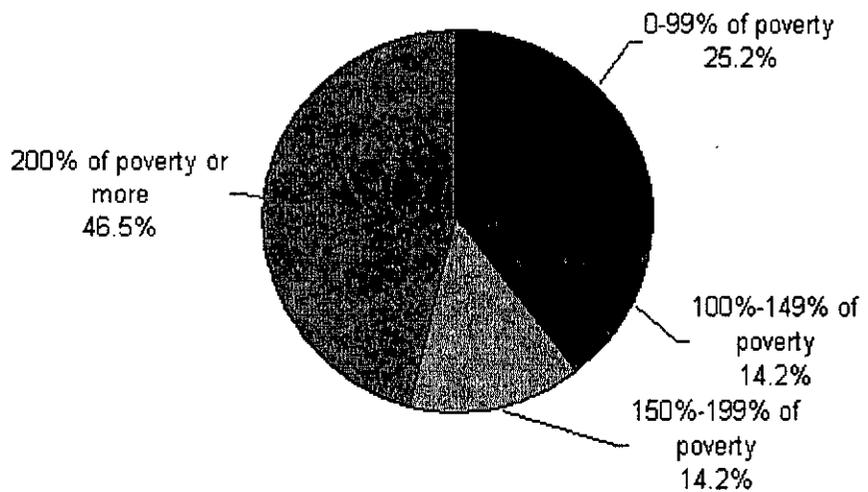
 [Download](#) the charts from this factsheet as a Powerpoint presentation

Income & Poverty Status

National surveys consistently show that the high cost of health insurance is the primary reason people are uninsured.¹

- Only 9 percent of people in families with income over \$50,000 per year are uninsured, compared to 40.8 percent of people with family income below \$5,000.²
- One-quarter of the uninsured live below the poverty level, which was \$9,827 for a single adult and \$19,484 for a four-person household in 2004, and over one-half (54 percent) live below 200 percent of the poverty level.³

Uninsured Nonelderly Population by Family Poverty Status, 2004



Source: Employee Benefit Research Institute estimates from the March Current Population Survey, 2005 Supplement.

- People with family income below 200 percent of the poverty level are

Personal Stories



Catherine Edwards
Carthage, Illinois
[Full story](#)
[More stories](#)

uninsured may have had some pre-existing condition that precluded them from being eligible," she said. Also, she notes, no matter where you live, a person's socio-economic status has a great impact on health. People on the lower end are often the most challenged with their health and have poorer health outcomes.

Excerpt From:

"North Dakota's Uninsured - who are they and where do they live?"

- Mary Schieve

Prairie Public Television

Focus on children

According to the 1998 Robert Wood Johnson survey, 14,663 of North Dakota's 175,822 children are uninsured. That number may improve with the latest federal effort to insure more of America's children.

An effort proposed by President Clinton and launched in 1997 to provide coverage to more uninsured children, the State Children's Health Insurance Program (SCHIP) is the largest single expansion of health insurance coverage for children in more than 30 years and is already having an effect, not only in North Dakota, but also across the country.

Just one month after North Dakota launched its version of the program, Healthy Steps, the governor announced that 620 previously uninsured children had health coverage through the plan. As was intended by federal legislation, the Healthy Steps plan is projected to meet the needs of working families who cannot afford health insurance coverage for their children, yet earn too much to qualify for Medicaid. The 1999 Legislature budgeted funds to cover an average of 2,000 children per month during the biennium, and Blue Cross Blue Shield of North Dakota (BCBSND) was chosen to administer the program. Healthy Steps is expected to reach its goal by the end of the year. As of September 30, 2000, there were already 2,022 children enrolled, according to Camille Eisenmann, Healthy Steps outreach coordinator.

Applicants who do not meet the income guidelines are referred to BCBSND's Caring Program for Children, an older program also designed to reach children who fall between the cracks and are uninsured.

Focus on farmers and ranchers

A downturn in the agricultural economy prompted a more recent survey on North Dakota's uninsured, this time with a focus on the state's farmers and ranchers. Concerned about anecdotal information that indicated farm and ranch families were having a difficult time maintaining their health insurance coverage due to low crop and cattle prices, legislators wanted to know more about the situation. The Health Department and Community HealthCare Association partnered with the North Dakota Agricultural Statistics Service to examine coverage of the group and released the findings of their work last June. Surprisingly, only six

percent of households surveyed reported having no health insurance—a relatively low number.

Knudson-Buresh cautioned, however, that rural health coverage problems have not lessened. "We found that the six percent reflects the number of uninsured, but it doesn't tell us the number of underinsured," she said. She suspects that many farmers and ranchers buy coverage at the catastrophic level, which is less expensive but carries a higher deductible. It is really more of a safety net for the operators who believe their ability to farm is dependent upon their health in an occupation that carries a high risk of injury. These farm families who can't afford more coverage may not be receiving regular or preventive care, she said.

Also, she noted, many farmers have received significant disaster payments over the last couple of years that may have helped them maintain their health insurance. "If we have another bad year and don't receive the level of disaster payments we've had in the past, that six percent could change dramatically," she added.

Clearly, she said, farm and ranch operators are concerned about health insurance based on the volume of the comments and the 90 percent response rate to the survey. Other survey findings include the following:

- Forty-two percent of the respondents were at least 55. Twenty percent lived in households where the head of the household was over 64 – a percentage consistent with other studies that estimate 21 percent of North Dakota's farm and ranch operators are over 64.
- Younger farmers and ranchers were more likely to go without health insurance. Of the farmers younger than 34, about 10 percent did not have coverage – a figure consistent with other state and national surveys that show younger workers are more likely to be uninsured than older workers.
- "Too expensive" or "cannot afford it" were listed by 86 percent as the primary reasons for not having health insurance. Nearly half who responded offered comments related to financial issues, such as the cost of premiums, high deductibles and the need to seek off-farm employment to secure health insurance coverage.

What difference does health insurance make?

Literature on the uninsured suggests that there are negative consequences to living without health insurance. The Kaiser Commission on Medicaid and the Uninsured, a program of the Henry J. Kaiser Family Foundation, reported that nationally: