

Uninsured patients in Mass. still mainly the working poor, despite state's health reform

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Despite the implementation of the Massachusetts health care reform designed to bolster employer-based insurance and to provide no-cost or low-cost insurance to those unable to afford it, the uninsured in Massachusetts remain predominantly the working poor, according to a new study by researchers at Harvard Medical School just published online in the *Journal of General Internal Medicine*.

The 2006 comprehensive [health care reform](#) was designed to achieve "universal coverage" through new laws requiring that employers with more than 10 employees offer [insurance](#) and that all state residents obtain insurance or pay a fine. It also provided free or low-cost, subsidized insurance to state residents with low incomes.

Yet, most estimates put the number of uninsured in the state at well above a quarter million. For instance, last week the [Census Bureau](#) released its survey which found 370,000 people to be uninsured in Massachusetts -- 5.6 percent of the state's population.

To understand why people remained uninsured after the reform, the study authors surveyed 431 patients, ages 18-64, who were visiting the emergency room of Massachusetts' second largest safety-net hospital.

The researchers found that of the 189 patients without [health](#) insurance, two-thirds (65.9 percent) were employed, but only a quarter had access to employer-sponsored insurance. In addition, about one-third (35.2 percent) of [uninsured patients](#) reported having lost previous [insurance](#)

[coverage](#), with the majority of these (51.9 percent) having lost their coverage due to loss of a job or transition from one job to another.

"These findings illustrate that tying insurance to employment can be an unstable mechanism for providing coverage," said the study's lead author, Dr. Rachel Nardin, a neurologist at Cambridge Health Alliance. "We found that employer-based coverage failed the self-employed; those who worked for firms that did not offer insurance, especially small firms exempt from a requirement to offer insurance; and the poor who could not afford employer-sponsored insurance even when it was offered to them. The system of coverage also failed those who lost their job, which is particularly problematic with the current economic downturn."

More than 85 percent of the uninsured patients interviewed had incomes low enough to qualify them for free or low-cost, state-subsidized private insurance. Nonetheless, one-third reported being uninsured because they could not find affordable insurance.

In fact, although the majority of the uninsured were aware of the new legal requirement that they carry health insurance, nearly half reported that it motivated them to try to find insurance but that they had been unable to find insurance they could afford.

Senior author Dr. Danny McCormick, an internist at Cambridge Health Alliance, said: "It appears that for people with very low incomes, even state plans with subsidized insurance premiums may be too costly. Also, under the reform law workers who are offered employer sponsored insurance but decline it due to cost are not eligible for state subsidized insurance, no matter how poor they are."

McCormick added, "If we are serious about the goal of universal coverage, we will need to further reduce or eliminate the financial barriers to getting insurance that still clearly exist in Massachusetts."

The study also found that another common reason for losing previously held insurance was having had it cancelled without notice or because of lapsed paperwork. Only 5.6 percent of the interviewees were uninsured because they didn't think they needed insurance, suggesting there were few seeking a so-called free ride.

"Our study shows the many ways that patients can get left out of a complex system for providing health insurance," said McCormick.

"While the reform substantially reduced the number of uninsured in our state, it failed to fully reach the demographic groups it targeted. Our findings emphasize the fragility of a reform requiring voluntary uptake, periodic renewal, dependence on employment and cost-sharing."

The study authors also point out that the Massachusetts health care reform law served as the model for the national health reform law, the Affordable Care Act, and thus may suggest even larger difficulty ahead for national health reform.

Nardin commented: "In Massachusetts, we had about 10 percent uninsured before the reform. In many other states, the [uninsured](#) rate is in the 20-25 percent range. If our results are any indicator, the national reform may leave many working poor uncovered.

"Although arguments about political feasibility are a major challenge, our study suggests that a comprehensive reform guaranteeing coverage to all residents without eligibility restrictions — such as that provided by many single-payer systems — would be a more effective way to achieve universal coverage than the Massachusetts reform."

More information: "Reasons why patients remain uninsured after Massachusetts' health care reform: A survey of patients at a safety-net hospital," Rachel Nardin, M.D., Assaad Sayah, M.D., Hermione Lokko, B.Sc., Steffie Woolhandler, M.D., M.P.H., and Danny McCormick,

M.D., M.P.H. Journal of General Internal Medicine, Sept. 16, 2011.

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