Community Concerns from …
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Poverty is a Major Health Risk

Between 2009 and 2010, the number of Americans below the federal poverty level rose from 43.6 million to 46.2 million. Locally, in the Coulee Region, almost 27,000 people, including more than 8,000 children, live below the federal poverty level. Poverty has a huge impact on the health and well-being of people. Because of poverty, the average low-income person loses 8.2 years of perfect health. Tobacco control has long been one of the most important public health policies, and rightly so; the average smoker loses 6.6 years of perfect health to their habit. Unfortunately the nation's poverty rate is typically not seen as a health problem.

Poverty's Impact on Health

According to a study done by researchers at Columbia University's Mailman School of Public Health, poverty showed the greatest impact on health; smoking was second, followed by being a high school dropout, non-Hispanic Black, obese, a binge drinker, and uninsured. "While public health policy needs to continue its focus on risky health behaviors and obesity, it should redouble its efforts on non-medical factors, such as poverty reduction programs," according to Peter Muennig, MD, assistant professor of health policy and management at the Mailman School of Public Health and principal investigator of the study.

Low-income populations are particularly at risk for poor health and a number of studies have linked poverty to higher levels of cancer, cardiovascular disease, diabetes, and other diseases and conditions. People living below 200% of the federal poverty level are much more likely to report having fair or poor health and more likely to have had an emergency room visit than people who live above 200% of the federal poverty level. Poor adults are about half as likely to have a usual source of care, and children living in poverty are around three times less likely to have a usual source of care.

Poor children are much more likely to have lower birth weight and face higher rates of food insecurity, which impairs healthy development. As adults, lower-income individuals experience higher rates of illness, disease, and disabilities than those who have higher incomes. They have higher rates of chronic disease such as hypertension, high blood pressure, and elevated cholesterol. These conditions are exacerbated by the frequent lack of health insurance and access to medical care among lower-income individuals. Consequently, the life expectancies for poor individuals are much shorter than those with high incomes.

Barriers to Health Care

Between 2009 and 2010, the number of Americans without health insurance rose from 49 million to 49.9 million. Locally, in the Coulee Region, approximately 6% of people do not have health insurance. The majority of these people have incomes below 200% of the federal poverty level. The poor are more likely to forgo or delay medical care due to cost, and much more likely to be uninsured, citing cost as the principal barrier to accessing health insurance. The lack of health insurance creates a cascade of health consequences. The uninsured receive fewer preventive services, are less likely to receive regular care for chronic diseases, are less likely to fill a prescription, and are more likely to be hospitalized for a health problem that could have been prevented.

A study done by Harvard Medical School found that the lack of health insurance coverage can be tied to about 45,000 deaths a year in the United States – a toll that is greater than the number of people who die each year from kidney disease. The Harvard study found that people without health insurance had a 40% higher risk of death than those with private health insurance – as a result of being unable to obtain necessary medical care. The risk appears to have increased since 1993, when a similar study found the risk of death was 25% greater for the uninsured. The increase in risk, according to the study, is likely to be a result of at least two factors. One is the greater difficulty the uninsured have today in finding care. The other is improvement in medical care for insured people with treatable chronic conditions like high blood pressure.

Cost is just one barrier to care. Other barriers include lack of enabling services such as transportation, case management, and translation that facilitate health care use and are especially important for certain populations, including non-English speakers, the homeless, farmworkers, and rural residents. Another substantial barrier to care is the current physician shortage. Approximately 36 million people, or one in eight Americans, do not have a regular health care provider due directly to the lack of available primary care doctors in communities. Private, office-based physicians do not tend to locate in low-income areas where health care services are scarce. Physician shortage also occurs when private, office-based physicians do not open their doors to low-income patients. In fact, only about half of physicians are willing to accept all new Medicaid patients, and approximately one-fifth are not accepting any. Many providers that do accept Medicaid patients do so on a limited basis, thereby further narrowing affordable access for patients. Compounding the current lack of available physicians for low-income communities is the fact that the number of primary care physicians per capita has been steadily shrinking.

Devastating Changes to BadgerCare Plus

BadgerCare Plus is a program in Wisconsin that assists low-income individuals and families with health care. In April 2012, the federal Department of Health and Human Services (DHHS) approved a portion of the cost-cutting changes that the Walker administration has been seeking to make to BadgerCare Plus. The changes to BadgerCare Plus will affect adults, but not children or pregnant women. Changes that will be implemented include:

- Lowering the income level where adults have to pay premiums to 133% of the federal poverty level (FPL) instead of 150%.
- Increasing premiums for adults over 150% of FPL, based on sliding-scale premiums for adults over 133% of FPL.
- Dropping adults for a year, rather than six months, if they fail to make a premium payment.
- Ending BadgerCare Plus coverage of parents and caretaker relatives if they have access to employer-sponsored insurance and their portion of the premium for employee-only coverage would cost not more than 9.5% of family income, regardless of how high the deductibles and co-pays are for that coverage.
- Ending eligibility of the spouse of an employee who has an offer of employer coverage that meets the condition noted above (if that plan could also cover the spouse), even if inclusion of the spouse would raise the premium above the 9.5% standard.
- Ending retroactive eligibility for parents and caretaker relatives in families with income above 133% of FPL.

All of these changes will take effect on July 1, 2012, except the new restriction on eligibility for people who have an offer of employee coverage (or have a spouse with such an offer) won't apply to current BadgerCare Plus participants until they come up for renewal or take a new job. Because of these changes, the Wisconsin Department of Health Services (DHS) estimates that 48,000 people will have higher BadgerCare Plus premiums, and it also appears that at least 17,000 adults will lose their BadgerCare Plus coverage. Here are just a few examples of how families will be affected by these changes:

- A single mom, with two children, earning $27,000 a year is about 140% of FPL. She previously had no premium for her BadgerCare Plus coverage. Beginning in July, she will have premiums of $935 per year, which is 3.5% of her monthly gross income.
- A single father, with one child, making just less than $10 per hour, has to pay a monthly $50 BadgerCare Plus premium. If he has a particularly difficult month of expenses that makes it impossible for him to pay this, he will be uninsured and will have to get any necessary care in emergency rooms for the next 12 months (instead of six months under the previous suspension policy).

These changes to BadgerCare Plus will drive up the number of uninsured Wisconsinites, causing many more people to rely on emergency rooms as their primary source of health care, and increasing the cost of uncompensated care that gets transferred to people with insurance. These changes are also likely to put a very heavy strain on caseworkers who administer public benefits, and that can make it even more difficult for applicants and enrollees to get through to caseworkers to address issues relating to their eligibility, enrollment status, and premiums.

In 2010, Medical Assistance benefits in La Crosse County totaled $125,661,772. This service covered 11,260 cases and 23,299 eligible individuals, including low-income families, people with disabilities, and the elderly. Members of the Family Policy Board in La Crosse County and other state advocates have many concerns about the cuts to BadgerCare Plus and the impact on families. Some of the concerns expressed by Family Policy Board members include:

- They are concerned that there will be a large number of people who will be without health insurance because of the proposed changes and that we will return to a system of care that discourages people from using the less expensive preventive health care services. This creates a situation where people with no ability to pay for their medical care will access the emergency room typically when they are experiencing serious health issues which will likely be very costly.
- Unfortunately some of the current proposals push too many individuals and families off the affordable health care programs like BadgerCare Plus and onto more expensive health care coverage plans that families living paycheck to paycheck simply can't afford. It also in some cases reduces the health care coverage benefits families currently receive. Most of the gaps in insurance coverage are among those working in lower paying jobs, but also in the middle class. We need to keep people employed, and still protect their families.
- The loss of access to health care services for many will result in some unnecessary deaths.
- In La Crosse, 20% of the local economy is in health care: jobs and revenue from actual care. The impact of painful cuts in health care for the state have an even worse impact on our local economy with La Crosse County serving as the regional medical hub.
- Scenic Bluffs Community Health Centers in Cashton and Norwalk indicates that their sliding fee scale, to make health care affordable, will be severely impacted by the number of additional people who will need services. More patients will move from insured to uninsured. Health Center resources will be stretched to the maximum. Still, it is less expensive to treat health problems in primary care than wait until illness requires hospital care – the disease has done more damage, and the person is generally sicker and requires more than they would have needed if care had been available sooner. The access to primary care afforded by access to insurance is significant and in the long-term, saves millions.
- Reducing the quality of coverage, if not outright eliminating coverage, in many situations will only make worse existing health problems that will require more attention later. Already people are taking less medication and waiting longer to seek treatment so that the eventual expense of their care outweighs the benefits of proper and timely care.

In Conclusion

Poverty is usually looked at as a socioeconomic problem, rather than as a health problem, but it is as big a health problem as smoking or obesity. Low-income individuals and families are particularly at risk for poor health and yet have little or no access to a regular source of health care. Low-income households are much more likely to be uninsured, and the lack of health insurance can be devastating on their health and well-being. Everyone in this country should have access to affordable health care. Now more than ever, low-income people need programs like BadgerCare Plus to help them access affordable health care.

Couleecap, Inc. is a private non-profit 501(c)3 charitable organization created in 1966. Our mission is to fight poverty and promote self-sufficiency for people in the Coulee Region. We identify needs, mobilize resources, and provide quality services to people and communities in four counties of western Wisconsin: Crawford, La Crosse, Monroe, and Vernon. We currently implement more than 50 contracts in the areas of housing, emergency assistance, child and family development, business development, employment, transportation, and health. Each year, Couleecap helps more than 37,000 people work towards self-sufficiency.

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