

Expanding Health Insurance to Adults in Santa Clara County

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Outline

- The Problem:
- Growing Number of Uninsured in Santa Clara County
- Santa Clara Valley Health and Hospital System
- Solution: Healthy Workers
- Employer and Employee Premiums
- Outreach and Enrollment

The Problem

- **More working adults are becoming uninsured**
 - Between 2001 and 2007 the number of uninsured adults rose from 138,000 to 151,000 in Santa Clara County
- **Low and middle income adults are the most at risk of losing health care coverage from their employer**
 - Between 2001 and 2007 employer-based health care coverage dropped from 40% to 32% for low and middle income adults in Santa Clara County.
- **Health care costs have risen**
 - The average worker contribution for employer-based health coverage rose from \$1,500/yr in 2000 to \$3,100 in 2007.
 - The average cost of health insurance in 2007 was \$374/month for an individual and \$1,025/ month for a family.

The Problem

- **The Santa Clara Valley Health and Hospital System (SCVHHS) is under increasing financial pressure**
 - The SCVHHS is one of the best public health care systems in the county. They treat roughly 90% of the uninsured in the county and has over 650,000 patients visits a year.

Nationally recognized: nursing programs, neonatal, burn center
 - In the upcoming fiscal year (FY2010) Santa Clara County is facing a \$220 million deficit, which will impact Valley Medical Center and the county/ community clinics.
 - Since FY2003, the county made budget reductions totaling \$1.2 billion.

Solution: Healthy Workers

- **Goal:**
 - Decrease the number of uninsured adults in Santa Clara County
 - Strengthen the Santa Clara Valley Health and Hospital System

Proposal: Healthy Workers

- **A voluntary employer-based health plan that employers and workers can buy into at an affordable premium**
 - Target population: low and middle income workers and small businesses (2-50)

Healthy Workers

- **Eligibility:**
 - Workers who earn less than 350% of FPL (approximately \$16/hr.) and are between 18-64 years of age and live and work in Santa Clara County.
 - Small businesses that employ between 2-50 workers and are located in Santa Clara County.
- **Benefits:** outpatient, hospitalization, prescription drugs, emergency, specialty care. Dental and vision will be excluded.
- **Provider network:** Valley Medical Center, county and community clinics and private providers that contract with the county
- **Administrator:** Santa Clara Family Health Plan

Health Workers: Premiums

- Healthy Workers assumes three parties are contributing to the cost of the program:
- Workers: monthly premiums will vary between roughly \$25-65/month
 - Co-pays will also be required for some services
- Employer: average monthly premium \$130/month
- SCVHHS:
 - SCVHHS will provide hospital services at a discounted rate

Healthy Workers

- Supporters of Healthy Workers
 - Board of Supervisors, approved program in 2007
 - State legislature- passed legislation in 2007
 - Small Business Community: 8 chambers of commerce have already endorsed the program
 - Labor
 - Faith and community leaders
- Key Challenges:
 - Fiscal constraints/ poor economy: impact on county, workers and small businesses

Healthy Workers: Outreach and Enrollment

- Initial enrollment: goal is to begin in late spring or summer 2009
- Outreach and enrollment will consist of two pieces:
 - Sales and marketing
 - Community Outreach
- Community Outreach:
 - Build a broad base of community support for Healthy Workers
 - Work with the small business community to outreach to eligible employers
 - Connect interested businesses with licensed brokers who will complete the enrollment process.