

Why Illinois Needs “All Kids”

Uninsured children suffer every day because they receive inadequate health care:



- 39% did not visit a doctor in the past year¹
- 59% made no well child visit in the past year²
- 38% have no regular facility to visit for medical care³
- Uninsured children are six times as likely to go without medical treatment for serious health issues⁴
- Because uninsured children do not see the doctor on a regular basis or even when symptoms develop, they are at higher risk for hospitalization and for missed diagnoses of serious and even life-threatening conditions.

Keeping kids out of the hospital saves everyone money.

- Since uninsured children are significantly less likely to visit a doctor, they are nine times more likely to be hospitalized for a preventable problem⁵.
- When uninsured children are hospitalized, their parents can only afford to pay an average of only 35% of the medical bills⁶.
- But over 40% of the hospital costs for the uninsured are passed on as higher premiums to people with health insurance⁷.
- By insuring Illinois' children, they can get preventative care and we can all save money.

Kids with health care tend to do better in school:

- A Florida study showed that children who don't have health insurance are 25% more likely to miss school.⁸
- A California study showed that children enrolled in health care saw their performance in school improve by 68%.⁹
- A Vermont study showed that uninsured children saw their reading scores more than double once they got healthcare.¹⁰

¹ National Health Interview Survey, 2000-2001

² Ibid.

³ Ibid.

⁴ Ibid.

⁵ Shi, L. et. al. (1999). "Patient characteristics associated with hospitalizations..." Southern Medical Journal 92(10) 989-98

⁶ Families USA, "Paying a Premium: The Increased Cost of Care for the Uninsured." June 8, 2005

⁷ Ibid.

⁸ Healthy Kids Annual Report. (1997). Florida Healthy Kids Corporation.

⁹ Health Status Assessment Project—First Year Results, Data Insights Report No. 10 (2002). Children's Health Assessment.

¹⁰ Building Bridges to Healthy Kids and Better Students. (2002) Council of Chief State School Officers



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Paying a Premium: The Increased Cost of Care for the Uninsured

This study quantifies, for the first time, the dollar impact on private health insurance premiums when doctors and hospitals provide health care to uninsured people. In 2005, premium costs for family health insurance coverage provided by private employers will include an extra \$922 in premiums due to the cost of care for the uninsured; premiums for individual coverage will cost an extra \$341.

In Illinois, individual premiums are \$400 higher and Family premiums are \$1,059 higher due to the cost of care for the uninsured.

Nearly 48 million Americans will be uninsured for the entire year in 2005. What happens when some of these 48 million Americans get sick? Research has shown that the uninsured often put off getting care for health problems—or forgo care altogether. When the symptoms can no longer be ignored, the uninsured do see doctors and go to hospitals. Without insurance to pay the tab, the uninsured struggle to pay as much as they can: More than one-third (35 percent) of the total cost of health care services provided to people without health insurance is paid out-of-pocket by the uninsured themselves.

To find out who pays the remainder of this bill—the portion that the uninsured themselves simply cannot manage to pay—Families USA contracted with Dr. Kenneth Thorpe, Robert W. Woodruff Professor and Chair of the Department of Health Policy and Management, Rollins School of Public Health, Emory University, to analyze data from the U.S. Census Bureau, the federal Agency for Healthcare Research and Quality, and the National Center for Health Statistics, and other data. Through this study, we found that the remaining \$43 billion is primarily paid by two sources: Roughly one-third is reimbursed by a number of government programs, and two-thirds is paid through higher premiums for people with health insurance.

In 2005, it cost over \$1.8 billion to care for uninsured families in addition to what those families could pay out of pocket. Those costs are passed on to the State and on to the premiums for the insured.

As the costs of care for the uninsured are added to health insurance premiums that are already rising steeply, more employers can be expected to drop coverage, leaving even more people without insurance. And as more people lose coverage and the cost of their care is added to premiums for the insured, still more employers will drop coverage. It's a vicious circle that will not end until we as a nation take steps to solve the underlying problems.