

Without Health Insurance
by Joshua Brustein
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A woman from Pastor Ebenezer Martinez's church was recently bit by a dog, and ended up spending a week in the hospital. Neither the woman nor her husband had health insurance, and they were worried about the thousands of dollars of medical bills. Martinez is not sure how to help her, or the many others among his South Bronx congregation he knows don't have insurance. But he does know what they're going through: He is not covered, either.

Martinez, 54, gave up what he refers to as his "secular job" as a counselor at the Upper Manhattan Mental Health Center two years ago, when he left to become the pastor at the First Pentecostal Church of Jerome Avenue as its only full-time employee. Knowing that the church was not in great financial shape, he hid his medical condition — he has high blood pressure — from the board of trustees, so it wouldn't strain to pay for health insurance. Martinez gave up his prescription drugs, instead taking aspirin when he felt pain in his chest or arms.

"Using aspirin is not the same, but you know, aspirin helps a little," he said. The prescription "was very expensive."

Aspirin was not helping enough, however, and Martinez ended up in the emergency room for nosebleeds he couldn't control. The trip cost him \$700, and he still left without a prescription.

Stories like Martinez's are common in New York, where almost a quarter of the population lacks health insurance. True, the percentage of New Yorkers without insurance has been dropping in recent years, largely due to a unique statewide program that allows community groups to sign New York residents up for Medicaid. But health care advocates fear that within a few months this program will end, and the gains that have been made will be reversed.

Public officials are aware of the growing anxiety among New Yorkers. Mayor Michael Bloomberg made a campaign promise that within the next four years virtually every child in the city would have health coverage. The mayor and the city council are also pushing separate efforts to encourage — or force — private employers to give their workers health insurance.

But as it stands today, huge problems remain. People of color are much more likely to be uninsured than whites, aggravating racial disparities in health care. And experts and officials worry that having a large uninsured population is [undermining the financial stability](#) of the health care system as a whole.

"From a health care system's point of view, the uninsured are the single largest structural flaw in the system," said James Tallon of the United Hospital Fund.

On an individual level, the lack of having health insurance is often devastating financially. Other times it is far worse. Manny Lanza learned that he had a serious brain condition, AVM, after he had a seizure in 2004, and was referred to St Luke's-Roosevelt Hospital for treatment. But for months, the Manhattan hospital [reportedly refused to provide care](#) for him until he had insurance. His family labored to get him enrolled in Medicaid, but the delay, they charge, was deadly: Lanza died in his bedroom earlier this year. He was 24 years old. After his death, according to the Post, debt collectors for St. Luke's-Roosevelt called the family demanding payment of \$42,000.

THE COSTS OF BEING UNINSURED

About half of New York City residents get health insurance through their work, either receiving it as a benefit free of charge or splitting the cost with their employer. Another quarter of the population receives health insurance through a public health plan like Medicaid or Medicare. Funded by various levels of government, these programs are available to the elderly, the poor, and other disadvantaged populations.

But 1.7 million New Yorkers [have no insurance at all](#). Most, like Martinez, are adults working for small employers, the majority at secular jobs like restaurants or hardware stores. Eighty percent of city residents without insurance are either employed or are the dependents of someone who works.

"There are programs for the very poor," said Martinez. "But people like me are in between."

People without insurance are less likely to get preventive care. They often wait until their health problems are too serious to tolerate or ignore, and then arrive at hospital emergency rooms. By this time, health problems that could have been easily addressed earlier have become difficult or impossible to treat.

While it is less effective, the health care received by the uninsured is actually more expensive, both for the patient receiving it and the health care system providing it. Because uninsured patients do not have access to the group discounts that insurance companies negotiate for their clients, they pay higher rates, a burden that has become ever less bearable as health care costs skyrocket. Unpaid medical bills are now the country's [most common cause of personal bankruptcy](#).

Treating uninsured patients also takes its toll on the hospitals that do so. Dealing with a problem once it has progressed to the point that it warrants an emergency room visit is much more expensive than preventive care; and if a patient cannot pay for this visit the hospital is left to pick up the bill. This burden falls particularly hard on the city's public hospitals, and is regularly cited as a reason for their financial difficulties.

No one has calculated how much it costs to service the uninsured in New York in particular, but a [recent nationwide study](#) showed that the country's health care system would save between \$65 billion and \$135 billion if all of the patients it served were insured.

TWO SEPARATE SYSTEMS OF CARE

During the course of their education, students at Albert Einstein College of Medicine spend at least two Saturdays at the [ECHO Free Clinic](#) in the South Bronx. The clinic, which provides free health care once a week for those without health insurance, stays busy to the point of being overwhelmed, even though it shuns publicity.

"Word of mouth travels fast, especially when you're talking about free health care," said Rus Korets, one of the students who runs the clinic.

Students at Albert Einstein often work at private hospitals during the week, and many are struck by how frequently the medical strategies they have learned in school do not apply.

"I remember the first time I recommended giving an expensive drug, because ... in medical school we learn the latest thing," said Sharmilee Bansal, the clinic's other student coordinator. "The [supervising physician] just looked at me and said, 'Do you know how much that costs?' You learn there are other options."

The existence of two sets of options based on insurance status amounts to "[medical apartheid](#)," according to a recent report (in .pdf format) by advocacy group Bronx Health REACH. In some hospitals, more than 95 percent of patients have private insurance; in others, 90 percent of patients are either uninsured or part of a public insurance plan.

Of the ten hospitals that see the largest proportion of publicly insured or uninsured patients, nine are city-run. In privately-run hospitals, those with private insurance have access to clinics that those without it do not have, according to the report.

Since 30 percent of African Americans and Latinos in the city don't have health insurance, as compared to 17 percent of whites, the issue of health coverage cannot be separated from the issue of race, claims Neil Calman, one of the authors of the report. Lack of insurance, he says, is the number one reason that people of color are more likely to lose limbs due to diabetes, less likely to be tested for cancer following abnormal mammograms, and more commonly don't live long enough to collect social security.

"While there are no longer signs that say 'Coloreds' and 'Whites' hanging over the doors of our institutions, nearly the same thing occurs when we discriminate based on insurance," the report states.

While a systematic shift is the only way to change this, said Calman, there are immediate steps that could be taken at the state level. One is to change the way clinics are reimbursed by Medicaid from the current system, which pays clinics relatively little to treat patients with public insurance; the other is to make sure that hospitals receiving public funding to treat poor patients prove that this money is going directly to those who cannot pay for their own care.

PUBLIC HEALTH PLANS

Between 2000 and 2004, New York State reduced the proportion of its population without health insurance by about two percent, at a time when the percentage of Americans as a whole without health insurance rose about 1.5 percent (although, as recently reported in the New York Times, the percentage of children without health insurance is [dropping across the country](#).) In doing so, New York State dropped below the national average of uninsured residents for the first time in over a decade.

These gains were secured entirely by expanding public health programs. Today, New Yorkers are more likely to be enrolled in public health plans than people elsewhere in the country. About 2.2 million city residents are covered by public plans, one million of whom, the city claims, were enrolled in the last year. This is about 80 percent of those who are eligible. (Of course, while officials cite this as a sign of success, it means that 20 percent of those eligible, or over 500,000 city residents, are not enrolled.)

New York State

Over the past several years, New York State increased the number of people who were eligible for programs like Family Health Plus, and Child Health Plus. It also tapped into private groups like community organizations and Health Maintenance Organizations to enroll people in public health insurance.

The federal government prohibits private groups from enrolling people in public health insurance, seeing a possible conflict of interest. But it has waived this restriction for New York State, making it the only place in the country where so-called facilitated enrollment exists. Health advocates estimate that half of all New York City residents who enroll in public plans do so through private groups.

"We love that people can go into the clinic where they're getting care and sign up for Medicaid," said Denise Soffel of the Community Service Society.

Funding public health insurance is expensive for all levels of government. The federal government, New York State, and New York City have all [shown reluctance](#) at times to support programs that increase the Medicaid rolls. New York's legal ability to run its facilitated enrollment [expires this spring](#), and late last month the state applied for an extension. But many worry that the federal government will not be inclined to grant it, and that Governor George Pataki isn't willing to push for it.

New York City

The systematic planning for public health plans takes place in Albany and Washington. But Mayor Michael Bloomberg recently laid out a plan to encourage enrollment. His main goal over the next four years is to enroll all 214,000 children who are eligible for public insurance but not currently covered. He plans to do this by simplifying the application process. Eventually, he hopes, children's coverage will be automatically renewed.

It is too early, say health advocates, to assess Bloomberg's plan; its potential success depends on execution. But several expressed some concern that the mayor did not mention a plan to increase enrollment among adults as well, who make up about 80 percent of the city's uninsured.

In New York, the relationship of local government to public health insurance is different than elsewhere. Unlike most other states, local governments here have to pay a quarter of their own Medicaid costs. This pulls local governments both ways – wanting to provide health care on the one hand, and to cut costs on the other.

The answer, says Bloomberg, is to get more private employers to provide health insurance, which he believes will “offer working New Yorker more choices and save taxpayers money.”

NEW YORK CITY AND EMPLOYER SPONSORED HEALTH INSURANCE

New Yorkers are less likely than people elsewhere in the country to get insurance through work, and the percentage of New York State residents with private insurance actually dropped between 2000 and 2004 (though not as much as it did elsewhere in the country).

Even for large employers who have enough employees to negotiate favorable terms, providing health care is a financial burden. General Motors says it pays \$1,500 for health care costs per car it manufactures – more than it pays for steel. It cites these costs as a [major reason for recent layoffs](#).



Manny Lanza died after unsuccessfully seeking care at the St.Luke's-Roosevelt Hospital.

Small employers have less money to spend and less room to bargain. As a result, a third of New Yorkers who work for businesses with less than 25 employees do not have health insurance.

First Pentecostal is on better footing financially than it was two years ago, and it has begun paying for Ebenezer Martinez's prescription and for trips to the doctor. The board of trustees has also offered to split the cost of health insurance with him, and has asked him to find an appropriate plan.

“In this case I'm blessed,” said Martinez. “But looking for the right plan is not easy. They are very expensive, especially in my case because I'm an individual.” The health coverage he looked at so far ranged from \$350 to \$500 a month.

Bloomberg hopes to ease the burden on businesses by expanding on existing programs that allow small businesses to band together to secure better rates on coverage. But many say that such programs cannot provide full coverage at affordable rates unless the city subsidizes them heavily.

Not all businesses that fail to provide health insurance can plead poverty, however. When St. Luke's-Roosevelt Hospital turned Manny Lanza away he was working 50 hours a week at a “part time” job at Wendy's fast food restaurant.

In an attempt to address the problem, the City Council passed the [Health Care Security Act](#), a bill that requires food retailers with more than 25 employees to spend a minimum amount of money on health care for its employees. This bill would not have helped Lanza, however, because it does not cover Wendy's. Critics say that the bill is a bid to keep WalMart out of the city, rather than a real solution, and complain that it is unfair to a single industry. Supporters respond by saying that the bill is a test balloon, and want to expand it beyond just food retailers. In any case, the mayor vetoed the council's bill, the council overrode the veto, and it now seems destined to be challenged in the courts.

Health care advocates view the city's plans to expand employer-based insurance as well intentioned but doubt they will have wide effects. Real systematic change, they agree, is out of the city's hands.

"All of [these programs] are going to do little teeny things that are going to help certain, limited numbers of people. And they're important," said Calman. "But there has to be a total, national solution to the issue. All the rest of this stuff is going to be constantly working around the edges."

FOR MORE INFORMATION

[Health Insurance Coverage in New York](#) (United Hospital Fund)

[NYC Uninsured by Community District](#) (Mayor's Office of Health Insurance Access)

[Medical Costs the Number of Cause of Personal Bankruptcy](#) (Health Affairs)

[Separate and Unequal: Medical Apartheid in New York City](#) (Bronx Health REACH)