

# University of Texas System Taskforce Challenges of the Uninsured & Underinsured December 14, 2004

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## Texas Facts

- Population of 22.1 million
  - 85% urban
  - 15% rural
- 262,000 square miles

## Texas on the Fast Track: Population



Current US population =  
281 million  
Expected to increase 50%  
by 2050

Texas population =  
22 million  
Expected to increase to  
50 million by 2040 = 127%

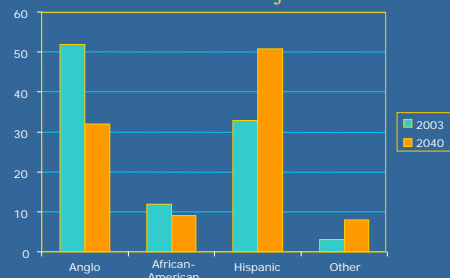
## Texas on the Fast Track: Population

1,000 children born each day  
in Texas

## Half of the 1,000 Babies Born Every Day in Texas are Hispanic



## Texas Population % 2003 and 2040 Projection



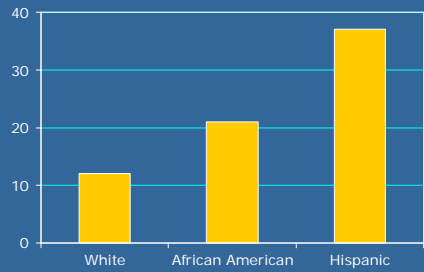
Source: Texas State Data Center, Texas A&M University.

## Texas on the *Fast Track*



5<sup>th</sup> highest number of elderly  
Presently, 1 in 10 over 65 . . .  
. . . by 2040, 1 in 6

## Uninsured in Texas



## Health Insurance

- Children under 18 years without health insurance: 22.7%

Source: US Census Bureau & TDH, BVS 2002; TX State Data Center, 2003.

## Uninsured Population

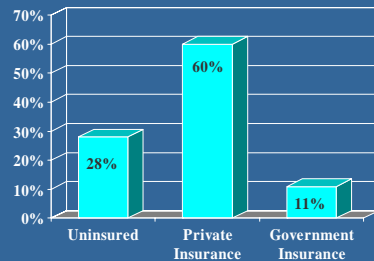
The uninsured population in Texas is typically the legal working population from ages 18 to 65 years of age.

- United States = 15.0%
- Texas population = 25.0%

## Who are the Uninsured in Texas?

- They are of all ages
- They are from all income groups
- They live all over Texas
- Most of them work
- Most of them are legal, US citizens
- Their population is growing

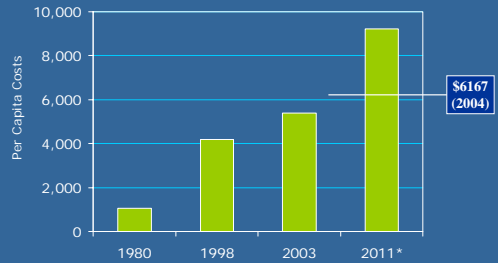
## Source of Insurance Coverage for Texans Under Age 65, 2002



### Medical Needs of the Uninsured & Underinsured (MCUU)

- Health education & health promotion
- Screening and early detection services
- Immunizations, management of other communicable diseases
- Reproductive care, including prenatal and family planning services
- Diagnosis and management of chronic health conditions (diabetes, hypertension, etc.)

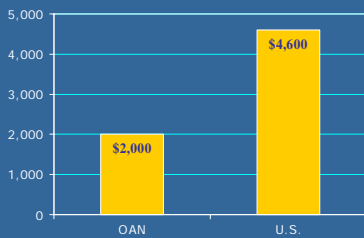
### Growth in National Health Expenditures 1980–2011\*



Source: Levi et al. Health Affairs 2002;21:172–181.  
\*Projection from Heffler et al. Health Affairs 2002;21:207–218.

### U.S. vs. 30 Other Advanced Nations (OAN)

Per Capita Health Care Spending 2000:



Source: Alliance for Health Reform, January 2003, Health Affairs, May 6, 2003.

### The Price is Not Right

The U.S. Ranks:

Health Care Spending 1st  
Life Expectancy 28<sup>th</sup>

U.S. \$1.79 Trillion

Source: The World Health Report 2003, Total Population at Birth.

### Estimated Medical Care Spending in Texas

\$100 billion is spent on health care annually  
(conservative estimate)

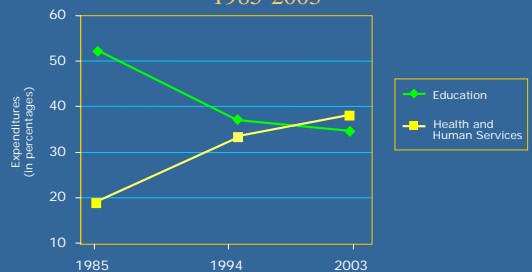
\$70 billion – physician and hospital care

\$15 billion – drugs and other professional health services

\$85 billion – direct patient care

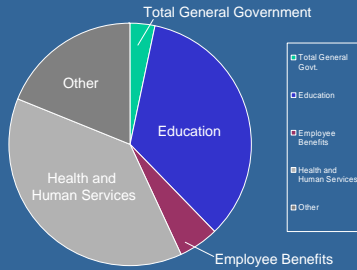
\$17 billion (20%) spent on Medical Care  
For Uninsured & Underinsured (MCUU)

### Texas Expenditure History by Function 1985–2003



Source: Texas Comptroller of Public Accounts.

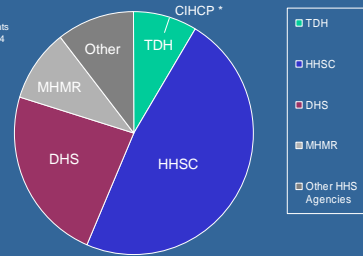
## FY 2003 Texas Expenditures by State Function



Total Net Expenditures = \$60.2 Billion

## FY 2004 Texas Health and Human Services Appropriations

\* CIHCP represents <.03% of the FY04 TDH budget.



Total = \$20.2 Billion

## County Indigent Health Care Program (CIHCP)

While Texas spends \$17 billion on MCUU each year

Combined CIHCP and county expenditures represent less than 1% of MCUU care spending

\$5.1 million = general revenue  
\$68.8 million = county contributions

## Information on MCUU in Texas

Available Contract and Performance Data:

- Title V
- Primary Health Care
- Federally Qualified Health Centers
- Title X and XX
- County Indigent Counties (110 out of 142)

Unreported or Incomplete Data on MCUU:

- Public Hospitals
- Hospital Districts
- Private Hospitals and Providers
- Prescription Drugs

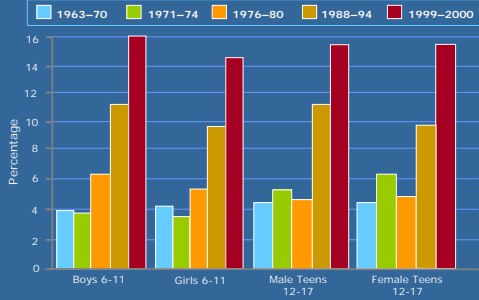
## Federally Qualified Health Centers (FQHC)

- Texas a high priority state for new and expanded FQHCs due to high rate of uninsured
- Yet, Texas has been awarded new FQHCs similar to states with a population 1/4 size of Texas
- Areas with less poverty and more insurance coverage are given equal consideration as those with high poverty and low insurance
- FQHC Incubation Grant Program is DSHS effort to increase # of FQHCs in Texas

## Review

- Growing Rapidly
- Expanding Elderly Population
- Changing Ethnic Mix
- High % of Uninsured
- Rising Health Care Costs
- MCUU Data Challenges
- And Now...Another Epidemic

## Percentage of Overweight Children and Teens



Source: Ogden CL, et al. Prevalence and trends in overweight among US children and adolescents, 1999-2000. JAMA 288:1728-32, 2002.

They used to say every *thing* is bigger in Texas...

## America's Fattest Cities – 2004

1. Detroit
2. Houston
3. Dallas
4. San Antonio
5. Chicago
6. Fort Worth
7. Philadelphia
8. Arlington, TX

Source: Men's Fitness Magazine

## Overweight and Obesity-Associated Diseases

- Coronary heart disease
- Stroke
- Congestive heart failure
- Type 2 diabetes mellitus
- High Blood Pressure
- High Cholesterol
- Gallbladder disease
- Osteoarthritis
- Sleep apnea
- Asthma
- Cancer – cervix, colon, endometrial, kidney, ovary, breast, prostate
- Complications of pregnancy
- Poor female reproductive health

Source: Overweight and Obesity Health Consequences. National Center for Chronic Disease Prevention and Health Promotion.

Too many calories in  
Too few calories burned

## Americans and Fast Food

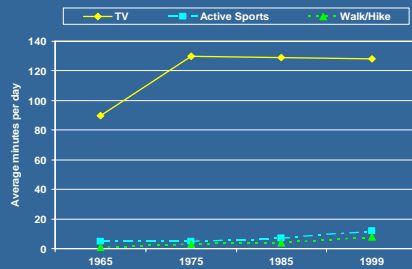


1970  
\$6 billion

2001  
\$110 billion

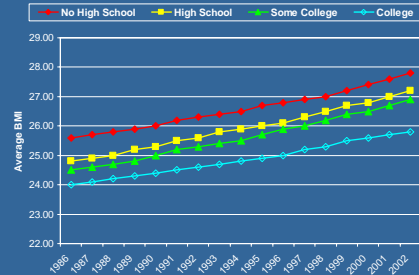
2010  
\$?

## Time in Leisure Activities



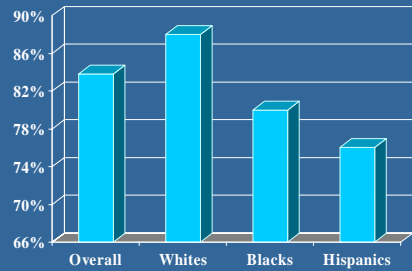
Source: American Journal of Preventative Medicine, 2004:27 (35)

## Prevalence of Obesity by Education



Source: American Journal of Preventative Medicine, 2004:27 (35)

## High School Graduation Rates, 2002



Source: Texas Education Association

## Education Pays

**\$72,000** – median income for people with professional degrees

**\$13,000** – median income for high school dropouts

## Education: The Greatest Predictor of Longevity

- The lower the education level, the greater the likelihood that individuals will engage in unhealthy behaviors.
- Smoking, drinking to excess, poor dietary habits and lack of exercise result in chronic diseases and higher mortality rates.
- The overall death rate for people 25- 64 with less than 12 years education is more than twice that for people with 13 or more years of education.

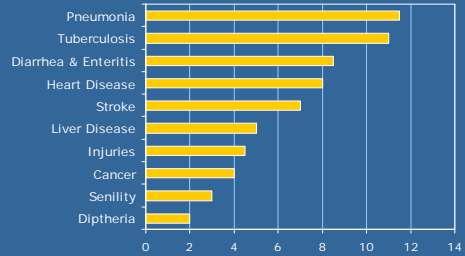
## Where are We Heading?

- An aging population with increasing medical care costs
- An epidemic of obesity
- An increasing Hispanic population with high rates of obesity
- An explosion of type 2 diabetes
- The highest % without health insurance

How do we avoid getting crushed by the coming waves of change?

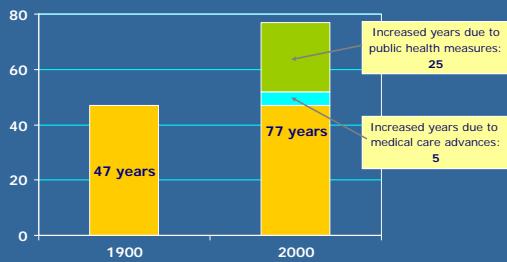


### Leading Causes of Death—1900



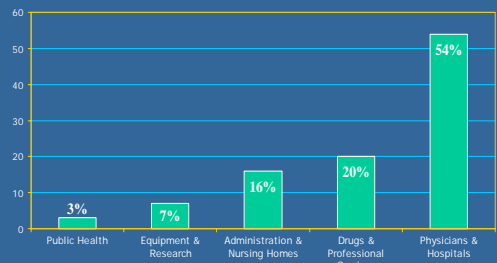
Source: Achievements in Public Health, 1900-1999: Control of Infectious Diseases. MMWR, July 30, 1999.

### Increased Life Expectancy

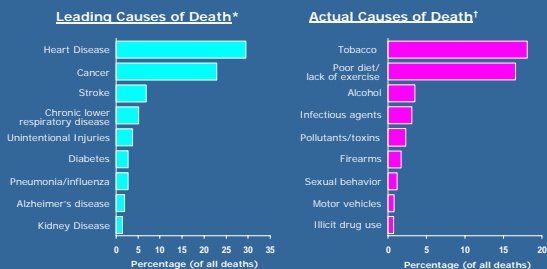


Source: Centers for Disease Control and Prevention (CDC).

### 2002 Health Care Spending



### Causes of Death in United States – 2000



Sources: \* National Center for Health Statistics. Mortality Report. Hyattsville, MD: US Department of Health and Human Services; 2002.

† Adapted from McGinnis Foegen, updated by Mokdad et. al.

### Access to Care?

A study of British civil servants—

- all with equal access to medical care and other social services
- all working in similar environments
- showed higher-status employees were healthier
- “Each civil service rank outlived the one immediately below.”

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### Health Optimization

Inequality may indeed be a killer...

...but is it inequality of access, or another kind of inequality?

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### Health Literacy

- More than 300 studies indicate that health materials cannot be understood by most of the people for whom they are intended.
- Institute of Medicine report says nearly half of all American adults – 90 million people – have difficulty understanding and using health information.
- Low health literacy adds \$30-70 billion to annual medical care bill.

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### Health Literacy

Most medical information on internet written at 12th grade level

Average American reads at 8th-9th grade level

Average Medicaid recipient reads at 5th grade level

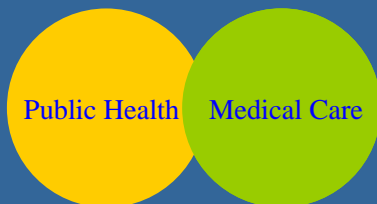
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### Health Literacy Matters More Today

- Last century's public health improvements didn't require individual decisions.
- Today's require patients/public to participate in prevention and treatment.
- "For better or worse, people are substantially their own primary health care providers."
- Increased access to medical care may fail to lower the health gap because less health literate consumers use their access inefficiently.

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Public Health + Medical Care =  
Health Care



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Education = Public Health

Education = Health Literacy

Education = Improved Health Status

Education = Improved Economic Status