



The Underinsured in Kansas

THE ISSUE

At the May 1946 meeting of the National Conference of Social Work in Buffalo, New York, then Social Security Board Chairman Arthur J. Altmeyer said that the “crucial test of a health insurance program is not its good intentions, but the population coverage it achieves and the scope of protection it furnishes.” By Altmeyer’s standards, health insurance coverage in the United States is still deficient.

According to Families USA, nearly 90 million Americans went without health coverage for all or part of 2006–2007, and millions more lack adequate health insurance coverage.

KHI’s annual report, *Health Insurance and the Uninsured*, provides legislators and other policymakers with updated information about the uninsured rate in Kansas, as well as with a wealth of information about the demographic characteristics of Kansans who lack health insurance.

Unfortunately, there is very little data about Kansans whose insurance is inadequate — **the underinsured**. Kansas is certainly not alone in this; only a handful of states have information about their underinsured populations. KHI is taking the first steps needed for a better understanding of the underinsured in Kansas, and for providing leadership to other states in uncovering this vital information for their own populations.

THE PROJECT

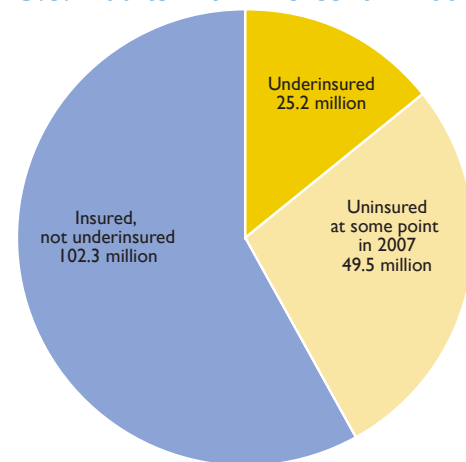
Funded by grants from the Health Care Foundation of Greater Kansas City, the Kansas Health Foundation, REACH Healthcare Foundation, Sunflower Foundation, the United Methodist Health Ministry Fund, and the Wyandotte Health Foundation, KHI’s *The Underinsured in Kansas* project has three general goals:

1. Gather information, using a survey and structured interviews, about how being underinsured affects the well-being of individuals and families;
2. Quantify, to the extent possible, the characteristics and prevalence of underinsurance in Kansas; and
3. Communicate findings in a manner that is useful to policymakers and other interested stakeholders.

The project has made good progress in accomplishing these goals. From its beginning in August 2008, through the end of January 2009, the following activities were completed:

- A review of academic literature discussing and analyzing underinsurance and the issues faced by underinsured people;
- A review of state- and national-level data sources to determine what information they contained about underinsurance in Kansas;
- The creation and dissemination of a four-page issue brief, *The Growing Health and Financial Costs of Inadequate Health Insurance*, that used published information to present a general picture of multiple dimensions of underinsurance and its relationship to medical debt.
- A day-long convening that brought together interested stakeholders, an expert panel, a consumer panel, and keynote speaker, Professor Lynn Blewett from the University of Minnesota, to discuss the nature and effects of underinsurance.

Figure 1. Uninsured and Underinsured U.S. Adults Hit 42 Percent in 2007



Source: Commonwealth Fund
Note: This pie chart was revised in Dec. 2009. The numbers shown did not change. However, the slices were rearranged to more accurately depict relative proportions.

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**KANSAS
HEALTH
INSTITUTE**

The Kansas Health Institute is an independent, nonprofit health policy and research organization based in Topeka, Kansas.

Established in 1995 with a multiyear grant from the Kansas Health Foundation, the Kansas Health Institute conducts research and policy analysis on issues that affect the health of Kansans.

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One result of these activities was confirmation that while there is increasing recognition that underinsurance is a serious and widespread problem, there is very little national data about it, and even less state-level data.

A second result was a better appreciation that underinsurance has multiple dimensions. For example, while many researchers focus on the financial dimension of underinsurance and agree that a family who spends more than 10 percent of their gross income on medical or health expenditures is underinsured, a health insurance plan offering only limited benefits may also leave a family underinsured. Imagine going to the hospital for surgery only to find out that while the cost of the room and medical supplies were covered, your health insurance did not pay for the cost of the surgeon. As Congress and the president work to reform the U.S. health care system, this is something that we must not lose sight of since, as reported by the New York Times, fears about the high cost of health reform “could prompt lawmakers to settle for less than comprehensive coverage for some Americans.” Limiting insurance benefits in this way could very quickly lead to medical debt.

CURRENT ACTIVITIES

In February 2009, after the convening, the focus of the project turned to the creation of a survey to provide detailed information about the people in Kansas who are underinsured, and the problems they face. The result was a 20–30 minute phone survey, with questions in part modeled on those found in well-known national surveys such as the Current Population Survey and the American Community Survey. After receiving Institutional Review Board (IRB) approval for data collection involving human subjects, in late June KHI selected the University of Kansas Survey Research Center (SRC) to conduct the

survey. Administration of the survey began July 8.

Workers at SRC will complete 100 surveys with families throughout the state, and return data to KHI for analysis by October 15. Concurrently, KHI will conduct 10 structured, in-depth interviews with Kansas families. Using information gathered from both the phone surveys and the structured interviews, KHI will create a more detailed picture of what forms of underinsurance are most prevalent in Kansas and how the lack of adequate coverage affects the lives of Kansans.

GOING FORWARD

In Mid-November, KHI will post to its Web site a preliminary analysis of the surveys and interviews. In early 2010, KHI will host a second convening to present the results of the survey and interview analyses, and explore the policy implications and opportunities supported by the analyses. Finally, KHI will issue a detailed, printed report of findings from the phone survey and structured interviews.

This project will not be the final word on the nature of underinsurance in Kansas and the problems that underinsured Kansans face. However, we are confident that it will provide policymakers with a better understanding of the issues associated with underinsurance, and will help guide them in crafting sound and equitable policies.

The vision of KHI is, through careful analysis and clear communication, to contribute to the creation of healthier Kansans through informed policy. That is also the goal of *The Underinsured in Kansas* project.

MORE INFORMATION

For further information, or to ask any questions related to the project and its topic, please contact:

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