

Healthcare Options: The Ones News Articles Never Mention

All Californians are Eligible for Some Kind of Health Plan!

by Philip Leberz

When was the last time you read an article about healthcare reform that didn't include one or two "tragic" stories about a particular person's inability to get healthcare? Probably never. Even the CEOs of some of the state's largest health insurance companies have been known to tell a few healthcare sob stories. But why is it that the writers of these articles never mention any of the person's potential healthcare options?

The fact is that there are options for everyone. Be it public or private, free or top-dollar, whether you live here legally or not, everyone in California has access to health coverage. To illustrate this, here are some of my favorite stories, some of which you may even recognize. Only, in this article the person's healthcare options aren't being conveniently omitted.

CASE 1:

Sarah, the 28 year-old advertising sales rep from San Jose

Sarah chose to decline employer coverage but subsequently broke her leg in a snowboarding accident. She incurred a \$50,000 hospital bill forcing her to liquidate her "modest" 401k. Was her out-of-pocket worth the years she went uninsured? Will her injury prevent her from future coverage?

Options: Had she opted for the employer coverage her out of pocket would have been nominal. An individual plan could have cost her as little as \$80 (about the same cost as a day of skiing). If her injury is a permanent condition, possibly requiring on-going physical therapy or surgery, she has the option of MRMIP, which could range from \$150 to \$200 per month. What other questions can



be asked? Could her parents have helped? Could she have filed for bankruptcy? Is she a Veteran? Does her company have open enrollment?

CASE 2:

Joe, a printing press operator and father of a 5-year old son with Asthma

Joe's employer cut back his hours causing Joe and his family to lose their health benefits. Unable to afford COBRA, Joe's son goes to the emergency room when things get bad.

Options: If Joe's household income is less than 133% of the Federal Poverty Level (which is \$1,691 for a family of three) his son could qualify for Medi-Cal, and so could Joe and his wife if the family is under 100% of the FPL. If the household income is closer to 250% of the FPL (\$3,179 for a family of three), Joe's son could qualify for the state's

Healthy Families program, costing approximately \$4 per month with \$5 co-pays. Assuming Joe and his wife are healthy, they can get basic family planning and reproductive healthcare through Family PACT (Planning, Access, Care & Treatment). What other questions can be asked of Joe and his family? Are they part of a special population that may have access to special benefits? A certain minority group?

CASE 3:

Isabel, the apartment complex manager and married mother of two in Ventura

With an income of \$1,600 per month (including her husband's freelance computer work and a free a two-bedroom apartment), her family's income is supposedly too high for Medi-Cal. But income doesn't disqualify someone from Medi-Cal; assets of more than \$3,000 in savings or more than one house or car might. The parents are in their early 30's and healthy. Their 19-month-old daughter and 5-year-old son are healthy, but Isabel is willing to pay \$750 for a well-baby appointment using a payment plan just to be sure. They say they can't afford insurance

Options: Monthly premiums for a family of four in Ventura could cost from \$127 to \$458 depending on the plan. If the common practice of "spending down" their resources/assets still doesn't qualify the children for Medi-Cal or Healthy Families, Kaiser provides a special program for children around 300% of the FPL (which is \$4,600 for a family of four). Premiums for the Kaiser Cares for Kids program can cost \$5 to \$35 per month per child with \$5-\$15 co-pays. Coverage for just the two parents could cost as little as \$79 under an individ-



ual plan. What if the husband turned his freelance computer work into a business with one employee? Both employees and their families would have guarantee-issue for a group health plan.

CASE 4:

Ana, the uninsured high-rise office cleaner in Los Angeles, recently diagnosed with cancer

Ana was eligible for Medi-cal but “couldn’t navigate the system.” She neglected pap smears and ended up with advanced cervical cancer.

Options: Ana does have Medi-Cal. When she received her diagnosis at a hospital or clinic without any insurance coverage, Medi-Cal was the program that covered her and will continue to do so due to her serious health condition. If she had taken advantage of the free check-ups offered by Planned Parenthood and other such clinics she might have caught her disease sooner. If her income is too high, she has MRMIP. We also have to ask about her nationality. Could she qualify for financial benefits or other special programs available for certain immigrants or refugees?

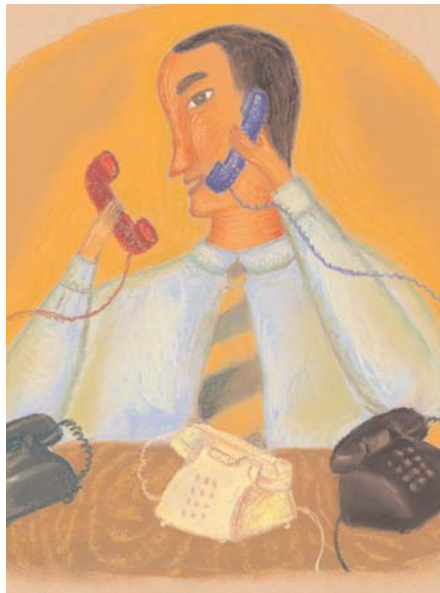
CASE 5:

Keewan, a 38-year-old waitress in San Francisco who recently lost her job and her coverage

A recent trip to the hospital for sciatica (leg pain) cost her \$700. “The doctor just moved my leg up and down and up and down, that was it,” she said. Without insurance, Keewan worries about other health

conditions that might be in her future, such as pregnancy.

Options: Keewan can get her employer-based coverage back if it’s been less than 60 days. She has access to COBRA or CalCOBRA. If her employer’s health plan no longer exists, she may also have the option of HIPAA, which guarantees her coverage under an individual plan for as long as she pays the premium without fraud. Both plans range in cost from 102% to 150% of the original employer-based rate. Her potential health condition may also qualify her for MRMIP and cost approximately \$200 to \$300. If Keewan were to become pregnant, Medi-Cal or Aid for Infants and Mothers (AIM) would entitle her to receive comprehensive care, not just maternity.



CASE 6:

Rob, a single, 33-year-old aspiring screenplay writer in Marin

Rob works 70 hours per week but has so much debt (\$28,000) he says he can’t afford even the smallest premium using savings and credit card loans to make ends meet. Healthy, except for a bad knee, Rob gets by with a store-bought knee brace and ice.

Options: Income will not make Rob ineligible for CMSP (County Medical Services Plan), a state program for adults age 21-64 without dependents and available in 54 mostly-rural counties, including Marin. If Rob truly lacks financial resources, he can get full coverage and pay for services on a sliding scale. If Rob moves from Marin County to San Francisco or Alameda he’ll find similar plans under the MIA (Medically Indigent

Adults) program. What other questions should be asked of Rob? Could he qualify for benefits from the Screen Actors Guild or Actors Fund? Is he a Veteran?

Calling All Brokers

These stories appeared in major newspapers. But the articles ended before any of the right questions could be asked or answered. I could write an entire article about all of the questions to ask. All I’ve done here is covered the basics.

The list of questions is extensive because there are so many programs and benefits available. People just don’t realize that they qualify or they don’t know where to look. The lack of communication is the root of the problem with our healthcare system. The misperception is that people are not eligible. They are and this can only be communicated with better education and better marketing. Once we do that, we can discuss affordability and personal financing issues.

Look for The Matrix

CAHU is working with LISI and other general agencies to promote the communication of these benefits with a special tool called the “Healthcare Options Matrix.” It’s the only hand-held guide available that outlines all of California’s public and private healthcare options for individuals and groups. The Matrix features a complete overview of the options available for almost every demographic profile, as well as a quick-reference list of phone numbers and web sites.

After you’ve printed yourself a copy of The Matrix, try using the interactive Healthcare Eligibility Tool. It’s a more customized and detailed version of The Matrix. (www.lisibroker.com/pdf/health_insurance_eligibility_matrix.pdf)

After answering eight simple questions about you or your client’s household, you will instantly receive a user-friendly profile of all the public and private health plans for which family members in the household may qualify. The profile also includes a quick reference list of phone numbers and websites for all plans and a special resource section on how to locate financial benefits and free or low-cost health benefits.

We need to do our part. As integral members of this industry, we provide service at a crucial point of contact. We can close the gap. If we don’t, legislators will continue to make bad policy and the threat of a very flawed universal program will become real. The fact is everyone has access to healthcare and this needs to be communicated. Now, more than ever, it is incumbent upon the brokerage community to get the message out. □