

HEALTH CARE REFORM: WHAT'S AT STAKE FOR WOMEN?

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INTRODUCTION

Health care reform, a serious issue for all Americans, has different consequences for women and men because they have different health care needs and experiences over the course of their lives. Women live longer, have reproductive health needs and use more health services than men. Women are more likely to suffer depression; men are more likely to be substance abusers. Women are more likely than men to be low-income and to work part-time.

Large numbers of women depend on Medicare and Medicaid for health care coverage. Those who are not eligible are caught in a fragmented system that leaves millions uninsured or underinsured. Others are vulnerable to loss of coverage as a result of divorce or the death or job loss of a spouse. Most disadvantaged within our current system are poor working women, women between childbearing and retirement age, and poor unemployed women who do not meet Medicaid's strict eligibility standards. Many women work at jobs that do not provide insurance. Many are single parents. These women have difficulty obtaining care they need and incur high out of pocket costs for the care they do obtain.

The Commonwealth Fund Commission on Women's Health was established to draw attention to the neglected issues of women's health and to find ways to address them. The Commission has prepared this issue brief to provide a factual basis for understanding what women need from health care reform and how their interests can be affected by different approaches to reform. It summarizes the facts about insurance coverage for women, the health care services women need and use, their out of pocket spending for health care, and the barriers they face in obtaining needed services.

In addition to other sources this Brief makes use of findings from the first nationwide household survey of women's health, sponsored by The Commonwealth Fund and carried out by Louis Harris and Associates. This survey interviewed 2,500 women and 1,000 men in February and March of 1993 about their health, health care, health insurance, and health behaviors.

PRINCIPLES IMPORTANT TO WOMEN IN HEALTH CARE REFORM

The Commission on Women's Health suggests that health care reform will be regarded as successful for women to the extent that it includes:

- * Universal coverage that gives every woman health care security regardless of her income, employment or health status. Guaranteed access to insurance even if coupled with insurance market reforms raises questions as to whether poor and near poor working women will be able to afford and obtain coverage.
- * A standard benefit package that includes coverage for those services that are known to benefit women's health. These services include preventive care, reproductive health care, mental health services, long term care services, and prescription drugs. Proposals that leave the specification of benefits to individual plans or to later definition by a national body may not provide the protection women need.
- * Premiums and cost sharing subsidies that allow poor and poor working women and their families to obtain coverage and needed services. Any changes in the arrangements governing women who are currently dependent on Medicaid should not leave these women with reduced benefits, higher cost sharing.
- * Financing provisions that do not discourage providers from serving Medicaid and Medicare beneficiaries who are disproportionately women. The effort to generate savings by severely reducing or eliminating payments to Medicare and Medicaid providers before universal coverage is achieved could jeopardize the ability of poor and older women to obtain care.

- * Financial support to make services more accessible to poor women in underserved communities. The security of affordable coverage is a necessary but not sufficient condition for successful health care reform. More generalist providers and services are needed in the inner cities, and poor women frequently need assistance with child care and transportation to see a provider. Translators are frequently needed to assist women who do not speak English.
- * Cost control provisions that include appropriate protections for quality. The major tension in the system will be between the achievement of universal coverage and the control of costs. While cost controls are necessary and desirable, quality and cost concerns have to be balanced. Restrictions on fees and premiums should not be so severe that quality suffers under either managed care or fee for service arrangements. Mechanisms should be in place to assure that pressures to control costs do not result in the inappropriate reduction of access to needed specialty care by women.
- * Provisions that require health plans and providers to keep information related to performance, quality, responsiveness to patients and cost and to provide this information to patients, subscribers and the general public. This information is very important to women, who frequently make health care decisions for their families as well as for themselves.

CURRENT PATTERNS OF HEALTH INSURANCE COVERAGE AND UTILIZATION

Issues basic to improving women's health must be integrated into any reform of the health care system. The current gaps in the health care system leave many women without any care, and do not adequately address some of the principal needs of women, which include preventive care, mental health care, and long term care. While all women are affected by the structure of the current system, low-income women are at particular risk of relying on current public coverage, not receiving needed and preventive care, and facing high out-of-pocket expenses.

An examination of women's current patterns of health care needs, use, and health insurance coverage demonstrates why women are concerned that health care reform include universal coverage, a standard benefit package, and financing provisions that make insurance affordable for poor women. Universal coverage would close the current gaps in insurance coverage that impair access to care for many women. A standard benefit package would assure all women that their insurance would cover services that improve their health. The benefit package should include the services that women, because of their unique health needs, require. Financing provisions that assure the affordability of out-of-pocket costs for poor women would reduce the financial barriers to access faced by these women. Once assured access to insurance with standard benefits, readily available cost and quality information would help women to choose among insurance plans and providers that will provide high quality care. Finally, health care reform should take into account women's concerns about managed care delivery systems.

Insurance coverage

Women and men obtain health insurance in different ways. While women are less likely, especially during their reproductive years, than men to be uninsured, they are more likely to rely on coverage through Medicaid. Poor, Hispanic, and African-American women are more likely than other women to rely on Medicaid or to be uninsured. While similar proportions of men and women are covered by employer-based insurance, a woman's employment-based coverage is more likely to be through her spouse's employer. Most elderly women and men are covered by Medicare, but since women live longer Medicare serves more women than men.

- In 1992, 16 percent of males and 13 percent of females were uninsured¹. However, women between the ages of 45-64, are more likely than men to experience periods without insurance². 20% of women with incomes of \$7500 or less are uninsured, compared with 5% of women with incomes over \$50,000. 22% of Hispanic women and 16% of African American women report being uninsured, compared to 13% of white women³.

- In 1992, 13% of females and 9% of males had Medicaid coverage⁴. Women are more likely to be eligible for Medicaid because of lower incomes (27% of women and 19% of men have household incomes of \$15,000 or less), and because they are more likely to be the head of a single parent family⁵.

- Medicare serves more women than men since women make up the majority of people aged over 65. Among adults age 18 and over in 1992, 20% of women and 16% of men were Medicare beneficiaries⁶.

- Similar percentages of women and men are covered by employer-paid health insurance⁷. However, only 52% of working women have coverage through their own employer, while 66% of working men do⁸. Women are less likely to have employer-paid insurance because they are more likely to work part-time and to work for small businesses that may not provide insurance. One half of working women are employed part-time compared to one third of working men⁹. 41% of employees in firms over 500 employees are women, compared with 46% in smaller firms¹⁰.

Health Insurance and Access to Care

The link between insurance and access to care is critical, especially for women. Uninsured women and women with Medicaid frequently do not have a regular source of care. Women without insurance are less likely to get preventive services and timely reproductive services. Even women with employer based insurance may not have coverage for some services - which may impede their access to care.

- 35% of uninsured women and 25% of Medicaid beneficiaries have no regular source of care, compared to 18% of those covered by Medicare or employer paid insurance¹¹.

- Lack of insurance increases the probability that a woman will not receive preventive services such as mammograms and pap smears. Uninsured women over the age of 50 are less likely than women with insurance to receive a mammogram; uninsured women are also less likely than insured women to get annual Pap tests¹².

- 64% of uninsured women cite cost as the reason for not getting preventive services, as do 25% of those covered by Medicaid, 22% of employer insured, and 19% of Medicare¹³.

- Uninsured women are at higher risk of receiving inadequate prenatal care than women with insurance¹⁴.

- Even among those with employer-based insurance, coverage for preventive services varies. 40% of those with commercial insurance and 33% of those with Blue Cross/Blue Shield are not covered for preventive services¹⁵.

The Use of Health Care Services

Women and men have different health care needs and, therefore, use health care services differently. Women use more health services than men, largely because of their need for reproductive, mental health, and long term care services. Women are more likely than men to see a physician, to have a regular source of care, to use mental health services, and, in their reproductive years, to be hospitalized. Among the elderly, women are more likely than men to require long term care, but less likely to be hospitalized.

- 84% of women and 73% of men report seeing a physician in the last year¹⁶. Eighty-six percent of women report a usual source of care, compared with 74% of men¹⁷.

- Overall hospitalization rates are higher for women, with 14.4 discharges/1,000, compared with 10.3 discharges/1,000 for men. Between the ages of 15-44, hospitalization rates are 2.5 times greater among women than men; after age 65, hospitalization rates are higher among men¹⁸.

-Women use more preventive services than men do. In 1993, 52.3% of women used preventive services compared to 26.8% of men¹⁹.

- Women are at greater risk of many psychological problems, including depression²⁰. In 1987, 9.3% of women used mental health services, compared to 5.8% of men²¹. Women account for more than half (59.1%) of visits to office-based psychiatrists²².

- Women's longer life expectancy increases their need for long term care. At age 65, women can expect to live 19 more years, compared to 15 years for men. 48% of women who reach age 65 use nursing home care at least once before death, as compared to 28% of men²³.

Spending on Health Care

Per capita spending for women's health care services exceeds that of men. However, much of this spending is due to women's reproductive health needs. Outside of the childbearing years, per capita spending for women's health is less than for men. Women do incur more out-of-pocket expenses, due to the need for care and treatments, such as preventive care, not fully covered in many typical benefit packages. Out-of-pocket expenses are of particular concern for women because they are more likely to have lower incomes than men.

- Total health care expenditures per capita were \$1,091 for women and \$890 for men in 1987. Per capita expenditures are up to twice as much for women than for men during the ages 18-44²⁴.

- Women comprise 51 percent of the population, yet they pay 63 percent of all out of pocket expenses. The burden of out-of-pocket expenses falls disproportionately on poor women. In 1987, 26.3% of women at or below the poverty line and 21.1% of near poor women (100-124% of poverty) spent more than 10 percent of their income on health care services compared to 4.7% of high income women²⁵.

Managed Care and Women's Health Needs

Managed care, encouraged by both public policy and by the market, is becoming increasingly important to women. Fewer women than men are HMO members and more women than men express concern about being required to join one. HMOs serve a younger, healthier, and higher income population. Women in HMOs experience increased access to care; in particular they are more likely to have a regular source of care.²⁶

- Among those with insurance coverage, 21% of men and 17% of women are HMO members²⁷.
- Women in HMOs receive preventive services at a rate comparable to those in other employer-based plans, and at higher rates than those with Medicaid or the uninsured²⁸.
- HMOs serve a younger, healthier, and higher income population. 5% of women with Medicaid are in HMO plans, compared with 25% of those in employer paid plans, and 11% in Medicare²⁹.
- 55% of women and 48% of men feel that it would be a problem to be required to join an HMO³⁰.

CONCLUSION

Because women have different health care needs than men and, under the current health care system, have different patterns of insurance coverage than men, health care reform will affect women differently than men. Women need more preventive, reproductive, mental health, and long term care services than men and are often prevented from obtaining such services because of the lack of or the limitations of their insurance coverage. Women also spend more out-of-pocket for care than men.

In order to address the current deficiencies in the health care system, health care reform should: assure universal insurance coverage; include a standard benefit package that includes services important to women's maintenance of health; include premiums and cost-sharing subsidies that allow poor women to obtain insurance coverage; avoid financing provisions that would be detrimental to the Medicare and Medicaid beneficiaries; include provisions to make services more accessible to poor women in underserved communities; and require providers to keep and disseminate information related to performance, quality, and cost. In addition, health care reform should encourage continuing research on the prevention, diagnosis, and treatment of disease in women.

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