

**Texas State Planning Grant
Focus Group Summary
Laredo, Texas – October 9, 2001**

As part of the federally-funded Texas State Planning Grant study, the Texas Department of Insurance contracted with the Texas A&M University Public Policy Research Institute (PPRI) to conduct a series of focus group meetings with small employers and uninsured individuals throughout Texas. These sessions were held to explore the views of consumers and employers about the value of health insurance as well as their personal experiences and expectations regarding the health insurance system in general.

The guidelines used for conducting focus groups are uniquely designed to obtain unbiased responses that are reflective of the participants' personal feelings and perceptions. Facilitators are trained to assure that all participants participate and that each individual's opinions are recorded and reflected in the summary report. Under a time-controlled format, each participant is asked to respond to specific questions or statements. Time is provided at the end of each question for participants to provide additional written comments.

This summary is an abbreviated report of the focus group sessions held in Laredo and is provided by Texas Department of Insurance staff who attended the focus group meetings. The responses to questions listed below reflect the personal statements and opinions of the focus group participants. A comprehensive analysis of all focus group sessions is being prepared by PPRI and will be available in January 2002.

Please note that you may find statements made by participants that are factually incorrect or suggest that the participant may not fully understand or has misconceptions about certain laws or state program requirements. However, this information is important in that it likely reflects the attitudes and perceptions that are held by other consumers across the state. The focus group facilitators did not attempt to correct inaccuracies to avoid influencing the participants' responses. However, where appropriate, TDI staff did provide additional comments or information at the conclusion of the session to assist the participants.

Uninsured Individuals' Responses:

Texas has the highest rate in the country of people who don't have health insurance. Why do you think so many Texans don't have health insurance?

- Many of the employers in Texas do not offer health insurance as an employee benefit, and it is unaffordable in the individual market.
- The cost of living in Texas is high, and the cost of health insurance does not fit into the budget for many. There are other more important necessities that take priority.
- The job wages in many areas are low, especially in the border towns. Therefore, insurance is unaffordable for those with low-incomes.
- Employees are required to pay too much of the premiums through employer-sponsored insurance.
- Many find that it is less expensive to pay doctor's bills rather than contribute to an insurance policy monthly.

- The large percentage of unemployed in Texas can't afford health insurance.
- There are many illegal immigrants residing in Texas who don't have health insurance, especially along the border towns.
- When employers give employees the option to have health insurance or higher wages, the employee opts for higher wages to sustain the necessities of life.
- Local employers take advantage of the indigent health care system, and encourage their employees to get treatment there rather than provide health insurance.
- Medical treatment across the border is much less expensive. Therefore, many in this area have less incentive to acquire health insurance.

What kind of assistance, or support, do you think would help more Texans to obtain health insurance?

- Waive some of the restrictions for the state-sponsored insurance programs so that more individuals will qualify. For example, do not require that a parent must have custody of their child/children to qualify for the CHIP program. Many divorced parents are unable to obtain health insurance for themselves, although their children are eligible for CHIP.
- Provide state subsidies, so that the individual pays half, and the state pays half of the premium to make it affordable.
- Expand the CHIP program to adults with low incomes who cannot afford health insurance.
- Limit the amounts medical providers can charge to those who are unemployed or poor.
- Increase wages for employees in Texas.
- Provide state-sponsored health insurance to all children through graduation from college.
- Expand the CHIP program to children through graduation from college.
- Create a tax that would fund an insurance program for all Texans to utilize.
- Base the costs of health insurance premiums on income levels.

If you decided to purchase health insurance, or if your employer decided to contribute to your health insurance, what questions or concerns (other than financial concerns) would you have?

- Can the policyholder choose the physician?
- Is dental insurance included?
- The plan should be very comprehensive and cover all necessary costs.
- Are there hidden costs?
- Are hospital stays a benefit of the policy? Is there a limit on the amount of time a patient can stay in the hospital?
- What are the cost-sharing requirements? Is it a co-payment or deductible model? What percentage of the costs does the insurance company cover?
- Are terminal illnesses and pre-existing conditions covered?
- If the policyholder dies, can the coverage be continued for family members?

What would be the best way for you to learn more about health insurance and the options that are available to you?

- A media campaign, using television, radio, newspapers, billboards, etc.
- The state should provide a 1-800 hotline for consumers to call with questions.

- Distribute flyers at state agencies and public places, like grocery stores, the post office, health clinics, etc.
- Personal phone calls from insurance companies and state-sponsored programs to see if the individual needs insurance or qualifies for state aid.
- Hold health fairs throughout the state educating the people on the importance of health insurance.
- Establish a public health insurance information center, perhaps by the government.
- Place ads in free publications, such as free newspapers.
- Require high school curriculum to include lessons on the importance of health insurance and basic information consumers should know.

What kind of contact have you had with health insurance providers? What has your experience been when dealing with the insurance agents and insurance companies?

The majority of the participants in Laredo have never had any experience with health insurance due to high costs and limited incomes, except for the few cases where CHIP or Medicaid covers their children. Those who have been involved in CHIP expressed positive experiences with the program, although two participants did complain of discrimination based on their limited English proficiency, both by state agencies and medical providers. One uninsured couple lost their entire life savings due to a long illness. The several participants who have had private insurance coverage recounted stories of insurance agents and insurance policies that they felt were misleading. They claim that when they actually had to utilize their insurance coverage, they found out that many of the services they thought were covered were actually not included in their plan. And one participant who highlighted the importance of health insurance stated the following: *“I feel that the strength of the country is that the citizens are healthy and if they are not, then the country is not strong. That is why it is imperative that we have insurance for the citizens to be healthy.”*

Small Business Employer’s Responses:

Texas has the highest rate in the country of people who don’t have health insurance. Why do you think so many Texans don’t have health insurance?

- Texas is a “right-to-work” state, and has few unions to bargain for employee benefits.
- There are many illegal immigrants in Texas who do not consider health insurance a financial priority, especially since they can receive medical care across the border.
- The young people in Texas (recent high school and college graduates and those in good health) are not concerned about having health insurance.
- Insurance is very expensive and closely linked with employment. Small businesses simply cannot afford to provide health insurance to their employees.
- Medical costs are continually increasing, which results in increased health insurance costs.
- Both private and state-sponsored insurance programs are not sufficiently reimbursing medical providers, and this forces other patients to subsidize unpaid health care costs.

What kind of assistance, or support, do you think would help more Texans to obtain health insurance?

- There needs to be more affordable options for individual coverage.

- Employers need to be able to contribute to individual coverage, not just group plans.
- The state needs to create a pool for small businesses to be able to join together to purchase health insurance at a more affordable cost.
- Increased state-sponsored assistance will *not* assist the uninsured, because many doctors are no longer accepting these patients because of excessive paperwork demands and low reimbursement rates.
- The state needs to set standards for all insurance companies concerning what each policy must cover.
- Increased state regulation regarding reimbursement schedules.

If (or when) you provide or contribute to employee health insurance, what questions or concerns (other than financial concerns) would you have?

- What is the reputation of the insurance company?
- What are the specifics of the coverage provided?
- Is the policy part of a managed care network? Would prefer to choose own medical providers.
- Is international coverage included?
- Which insurance policies do medical providers like to accept?

What would be the best way for you to learn about health insurance as an employee benefit and the options that are available to your employees?

- A comprehensive consumer guide published by the state that includes providers, state standards, a clear summary of what each insurance policy covers, reimbursement rates and reimbursement time periods.
- Information on the Internet – preferably on the TDI web-site – providing detailed information about insurance companies and the options available.

What kind of contact have you had with health insurance providers? What has your experience been when dealing with the insurance agents and insurance companies?

One of the participants was a doctor and small business owner, who recounted from a medical perspective the difficulties that providers have with insurance companies. He expressed that many patients are not well informed by their insurance company as to what services their policy actually provides. Paperwork requirements and difficulties in filing claims frustrate many providers; most would prefer not to accept any health insurance under the current system, but obviously that is not a choice. Another participant tried the option of low-cost health insurance, but had to revert back to high-cost insurance in order to have sufficient coverage and be accepted by the majority of medical providers. All participants complained that policies are too complex and difficult to understand. Small employers do not have a benefits coordinator who can focus on insurance issues; thus they want a less complicated insurance system in which to participate.