

**Texas State Planning Grant
Focus Group Summary
Dallas, Texas - September 21, 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 Dallas 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?

- There are many low-income workers in Texas who are unable to afford insurance, and Texas has few options for low-income workers.
- The higher rate of unemployment in Texas and the economy of the entire nation make insurance unaffordable.
- People do not understand the importance of health insurance.
- The nature of industries in Texas yields more high-risk jobs and work-related injuries, which increase health care costs.
- Texas has a higher than average number of senior citizens and children who cannot provide for their own insurance.
- The population is generally unconcerned with the uninsured, and thus no organization is focused on the issue of uninsurance.

- The large unemployed population and people employed by small businesses find themselves in the individual market, which is not consumer-friendly.
- The insurance industry in Texas is very influential, and many politicians favor the industry over consumers.
- The free care provided by public hospitals discourages people from purchasing insurance.

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

- Lower taxes so individuals have more money for health care expenses.
- Enact government regulation to lower doctor and hospital costs.
- Subsidize health insurance premiums.
- Establish a universal health care system like that in Canada and Great Britain.
- Consolidate the number of health insurance policies that are available.
- Insurance companies need to educate the public about health insurance.
- Mandate health insurance for all citizens.
- Expand CHIP to parents.
- Texas should apply for a federal grant to allocate financial assistance to small businesses so they can provide insurance.
- Information needs to be provided in languages other than English.

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?

- What are the cost factors – i.e. co-pays, deductibles, premium rates?
- Will the plan cover medical, dental, optical, and out-of-state expenses?
- Does the coverage include dependent/family coverage?
- Are *all* policy options being offered?
- Who will accept the insurance – doctors, hospitals, out-of-network providers?
- Does the plan allow for a personal choice of doctors and specialists?
- Are individuals with pre-existing conditions assured coverage?
- Is the coverage immediately effective, or is there a lapse of time before it begins?
- How effective is the company about providing information about changes in the policy?
- Can the policy be cancelled if a major illness occurs?

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

- Public information seminars should be presented in simplified terms that typical consumers could understand.
- A consumer guide should be available to help evaluate and compare companies and plan options.
- An agency like the “Welfare Agency” should be established where people could receive objective insurance counseling and get information.
- Consumers should have access to an *honest* and *educated* insurance agent.
- An Internet source should provide comparative literature about insurance companies and plans.
- Employers should sponsor information classes.
- Television and radio advertising (possibly with celebrity endorsements) should be used.

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?

A majority of the unemployed participants have never had any experience with health insurance. Most felt that insurance agents were not honest and were difficult to contact. Some expressed frustrations with the referral system within HMO's and PPO's and wanted to choose their own doctors and the hospitals where they could be treated. Many participants had pre-existing conditions (such as HIV and various cancers) that caused them difficulty in obtaining insurance coverage or maintaining the coverage. Those who had health insurance in the past agreed that they felt more secure when they had it, especially those with children.

Small Business Employers' Responses:

(Please note that there were several participants who were insurance agents attending this session.)

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?

- Consumers demand comprehensive coverage as opposed to catastrophic coverage. Thus, costs have risen to meet "coverage wants."
- Texas has a large percentage of workers employed by small businesses or the services industry, and a large number of part-time workers who are not offered affordable, employer-sponsored insurance.
- Lobbying efforts in Texas by the insurance industry result in large benefit mandates that increase costs.
- Small employer plans are not widely available in Texas.
- The costs are too high because too many entities have to make a profit – doctors, hospitals, insurance companies, etc.
- There is a lack of knowledge about the importance of health care at all ages.
- Many insurance companies have pulled out of the market in Texas.
- Medical facilities make up for costs related to the care of the large number of uninsured by increasing prices for those who are insured.

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

- Grant a tax credit to companies or individuals for costs incurred in purchasing insurance.
- Create a state pool that small businesses can access, thus creating a large purchasing pool.
- The state should intervene to reduce the number of lawsuits related to health insurance, which would reduce costs.
- Insurance companies should return to the "basics of health coverage" – i.e. catastrophic coverage.
- Educate society about healthy lifestyles and how to access health care.
- Establish a national health care system that provides coverage for everyone.
- Take the profit factor out of the health insurance industry.
- Mandate health insurance for all citizens.
- Open the Texas Health Insurance Risk Pool to employees in small groups who are driving up premium costs for the entire group.
- Provide incentives for people to be responsible with their health care, like MSA accounts.

- Further regulate insurance companies so that they cannot base premiums on age or pre-existing conditions.
- Provide state-sponsored catastrophic coverage to all Texans.
- Allow companies to exclude mandated benefits according to their employees' needs to decrease costs.

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

- Coverage options – including vision, dental, and prescription drugs.
- Will the policyholder have the freedom to choose their own physicians?
- Are pre-existing conditions covered under the plan?
- What are the maximum coverage limits?
- Are employees' dependents/family members included in the coverage?

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?

- Through a reliable agent who is trusted and educated.
- Provide health insurance information classes to the public.
- Create a web-based clearinghouse of information pertaining to health insurance.
- Simplify and standardize the language used in insurance policies.
- Make available insurance counselors who can give an unbiased third-party opinion about insurance coverage.
- Create a state-sponsored consumer guide that provides policy ratings and comparisons.

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?

Due to time constraints on the meeting during the employers' lunch hour, this question was not discussed. However, each participant submitted written answers to this question, which will be included in the data on the final Focus Group Report.