

**Texas State Planning Grant
Focus Group Summary
Galveston, Texas – October 22, 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 Galveston 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 do not have health insurance. Why do you think so many Texans do not have health insurance?

- Insurance is too expensive for many workers. Unless their employer is able to pay the entire cost of the employees' premium, many employees cannot afford coverage even when it is available.
- People with pre-existing health problems cannot obtain insurance except through the Texas Insurance Risk Pool. The risk pool premiums are much too expensive for average people.
- Most employers do not offer insurance to part-time workers. Texas has a high number of part-time or temporary workers who are not eligible for coverage.
- Older people with pre-existing conditions find it particularly difficult to obtain/afford coverage.
- Insurers continue to increase premiums, even if the policy is never used. One couple explained that their premiums increased from \$125 to \$900 a month, even though they had never filed a claim.

- The average person finds it difficult to shop for insurance. Insurance terminology and policy language is extremely confusing, and it is almost impossible to compare different policies to determine which policy is the best one.
- Compared to other states, Texas has very few unions. Union members are much more likely to have health insurance than non-union workers.

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

- Consumers need an easy-to-understand shopping guide that provides information on what to look for in an insurance policy.
- The state should publish a rate guide to assist people in finding a policy they can afford.
- Individuals should be able to purchase a low-cost policy that just provides basic benefits that the average person typically uses. While catastrophic coverage is nice, it would be better to have a reduced benefit plan than nothing at all.
- TDI should provide information on its web-site that includes a list of carriers who offer individual health insurance and shopping information for determining which policy is best.
- TDI should provide “ratings” of health insurance carriers on their web-site.
- Everyone should be legally required to carry health insurance.
- The state should develop standard plans for individuals and should publish an easy to use purchasing guide that includes rate information.

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 specific benefits are offered?
- Does the policy cover pre-existing conditions?
- Will the policy pay for emergency care?
- Is the company financially stable?
- Does the company pay claims in a timely manner?
- Is the company licensed and is the policy approved by the state?
- How many complaints have been filed against the company?

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

- The Texas Dept. of Insurance should publish information that is easy for average consumers to understand, and the information should be available on the TDI web-site.
- Agents should be better trained to help consumers and should be easier to contact than they are now.
- Information should be available at places people commonly frequent, such as grocery stores, post offices, and other public buildings.

Small Employers' Responses

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

- Insurance is too expensive for many people. Small employers in particular have a difficult time affording the high rates that are commonly charged.
- Insurers pick and choose the people they want to insure, and they refuse to cover sick people or individuals with pre-existing conditions who need coverage the most.
- Employees often cannot afford the premium contribution for dependent coverage, even when the employer pays the entire premium cost for the employee.
- Many small employers pay minimum wages, and those employees simply cannot afford insurance.
- The underwriting criteria used by insurers are very restrictive and make it impossible for small employers to cover sick employees.

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

- The state should provide shopping information for small employers and individuals that are looking for insurance.
- Employers need a reliable, authoritative, unbiased source that they can contact for insurance information and assistance with comparing and purchasing insurance.
- Agents should be better trained to assist the unique needs of small employers.
- Companies/agents should be required to respond to requests for information when employers are interested in getting insurance rate quotes. Agents are hard to reach and fail to send the information they promised.
- The state should make available company rating information so employers can be confident the insurer they select is reliable and financially sound.
- Small employers should be able to provide catastrophic coverage instead of costly comprehensive coverage if they so desire.
- Insurers should not be allowed to deny coverage for individuals with pre-existing health conditions.
- Prices should be based on an individual's ability to pay, using some type of subsidy payment to cover costs the employee cannot afford.

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

- What benefits are included in the policy?
- How much choice do I have as to the doctors I can see?
- Is the insurer financially solvent? Will they be around to pay claims if someone gets sick?
- Are pre-existing conditions covered? What services are not covered by the plan?
- How convenient are the doctors and hospitals in the network?

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?

- The state should provide informational brochures that outline the questions employers should ask when shopping for health insurance.

- The state should require standard benefit plans and publish comparison information on the plans and the rates charged by different companies.
- Shopping information should be available on the internet to make it easier for small employers who do not have an insurance specialist.
- Agents should be trained and equipped to provide the information small employers need when comparing different insurance plan.
- The Texas Work Force Commission should provide information to employers in a mail-out since employers already receive mailings from TWFC.

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?

While some participants provided positive experiences with agents, most felt that the insurers and agents are primarily focused on their own self-interests and are not particularly interested in small employers' needs. Insurance agents often do not return calls or fail to follow-up with information they promised to provide. In general, most employers felt agents needed more training on small employer benefit plans to better serve their needs.