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2003 Survey Says 30 % of Uninsured Rely on Safety Net As Most Common Source of Care

‘Safety Net’ Provides Some Care for the Uninsured; But It’s Not a Substitute for Health Insurance

More than 27,000 uninsured were treated in federally qualified community health care centers in 2002, a 67 percent increase from 1997 and a 20 percent increase from 2001, according to the Hawaii Primary Care Association, which advocates for quality primary care services. In a 2003 survey conducted by Ward Research for The Hawai‘i Uninsured Project, 32 percent of the uninsured cited community clinics, hospitals and emergency rooms as their primary source for medical care. Of these, 16 percent admitted that they never paid the bill.

Safety Net Woven from a Spectrum of Providers. While many consider Hawaii’s ‘safety net’ to include just community health centers, the network encompasses a variety of providers such as hospitals and even vans that bring health care to rural areas. While the settings are varied, there are some commonalities. By and large, Hawaii’s safety net serves a growing number of people who simply cannot afford to buy health insurance and have few or no prospects for acquiring government-sponsored coverage. This includes a spectrum of individuals: legal immigrants, most of whom are ineligible for federal welfare assistance for their first five years as U.S. residents; the homeless; and workers who do not have employer-sponsored coverage. In addition, all safety net providers agree that services to uninsured patients are limited and health insurance provides more comprehensive and continuous care.

Clinics Offer Limited Services. Community centers, by design, have certain limitations. For example, the facilities are intended to provide basic health services only and are not equipped to provide treatment for complicated illnesses. However, it is widely believed that these and other safety net providers save Hawaii money by allowing uninsured people to access primary care that includes preventive health services.

Safety Net Helps Enroll Eligible Uninsured in Government-Sponsored Programs. Safety net providers also connect those without health insurance who may be eligible for government-sponsored health coverage with the appropriate agency. The result is better health for an individual, substantial savings for the community and improved public health. For example, the spread of some communicable diseases such as tuberculosis and hepatitis can be controlled or reduced by access to health care.

So where do those without health insurance go when critical care is needed? Many rely on the nearest emergency room for treatment. Each year, more than 13,000 uninsured individuals use Hawaii's emergency room services, according to the Hawaii Health Information Corporation. Of these, there are more males than females with the largest group of uninsured in the ER between the ages of 25 to 34.

The ER is neither the most effective nor the most efficient setting for treating most health problems. The ER does not provide preventive services nor a continuum of care for uninsured patients once discharged. In addition, ER care is very expensive and should be reserved for emergencies.

On Kauai, Maui and the Big Island, safety net providers play an even larger role in community health. These islands have a higher percentage of residents without health insurance than Oahu. For these counties, rural hospitals are sometimes the only source for acute care, and air ambulance service in most areas is limited.

Who Pays for these Services? As Hawaii continues to struggle economically, there is growing community concern about stable funding for the safety net.

Community health centers charge patients based on a sliding-fee scale but take everyone regardless of their ability to pay. Centers receive about \$2 million annually from the State of Hawaii. Medicare, Medicaid and other government programs pay for only about 60 percent of expenses incurred by patients.

Hawaii's state (quasi-public) hospital system experiences an average annual loss between \$12 to \$14 million due to bad debt, charity care and compensation below the cost of care for patients enrolled in government-sponsored programs such as Medicaid and Medicare.

Coverage Means Confidence. In 2003, about 250 one-on-one interviews were conducted primarily at community clinics statewide with a sample that includes uninsured individuals, care providers, and health care leaders. According to this study by the University of Hawaii Social Science Research Institute, in general the uninsured believe that coverage means confidence to send children on field trips, to walk into a hospital or clinic with dignity, to know society will repay contributions when help is needed, to know homes, cars or savings won't be lost when disaster strikes, and to know everyone will receive equal care regardless of economic status.

The Hawai'i Uninsured Project has formed a committee of community representatives including labor, academia, government agencies, small and large business, healthcare experts, provider associations and advocacy organizations, as well as state agencies to examine Hawaii's safety net issues and future. The work group seeks to develop and better define the value of safety net to the community, as well as to identify strategies for making the safety net stronger.

The Hawai'i Uninsured Project's mission is to ensure access to health coverage in Hawaii. The project is spearheading solutions through community collaboration and fact-based research. Support for the project is provided by grants from The Robert Wood Johnson Foundation, the U.S. Department of Health and Human Services - Health Resources and Services Administration and local funders such as Hawaii State Department of Health and HMSA Foundation.



The Hawai'i Uninsured Project is a program of the Hawai'i Institute for Public Affairs (HIPA), an independent, nonpartisan and nonprofit organization dedicated to elevating Hawaii's public decision-making process through sound public policy analysis, research and community collaboration.

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