

**Texas State Planning Grant  
Focus Group Summary  
Alpine, 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 Alpine 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?

- Although managed care was intended to lower the costs of health care, it has actually increased the prices and made health insurance unaffordable in many cases.
- Many Texans simply make a personal choice not to purchase health insurance.
- The education level concerning the importance of and ways to acquire health insurance is low in Texas. In addition, there is little educational emphasis on prevention and wellness techniques.
- The cost of living in Texas is high, and the wages are not as high as other states. As a result, many working families cannot afford health insurance.
- Texas has many border cities that have a poor economic status; many of these people cannot afford health insurance.

- Health insurance is closely tied to employment, and many employers in Texas do not offer health insurance to their employees. In addition, the self-employed often cannot afford the high rates in the individual market.
- The health insurance programs offered by the state are not being marketed well to citizens.
- The numerous part-time employees are not being offered health insurance from their employers, and full-time jobs are scarce in some areas – especially rural areas of the state.
- Probation and enrollment periods related to health insurance make it difficult to have continuous coverage.

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

- More education on the concept and importance of health insurance, as well as the insurance options that are available.
- The continuation of the indigent care system in Texas.
- The state needs to address the pharmaceutical costs issue.
- Insurance companies ought to provide financial incentives (i.e. premium reductions) for wellness education and healthy living.
- Require employers to automatically offer health insurance to all employees.
- Reduce insurance rates so that more employers can purchase it for their employees.
- Extend CHIP coverage to parents of eligible children, and lower the restrictions for adults in the Medicaid program. (“What good is a parent if they are sick and the child is well?”)
- The state needs to limit medical liability suits in order to decrease health care costs.
- Employers need to provide a reduced cost “basic” health insurance plan for new employees during their probation period until employer-sponsored coverage is effective.
- Offer both a socialized medicine concept and a private medicine option to all citizens.
- Base all health insurance premiums on a sliding scale according to income levels.
- The state needs to investigate hospital, medical, and pharmaceuticals costs more effectively and place a cap on certain medical charges.

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 dependents and family members also receive coverage? Through what age will children be covered?
- What is the deductible? Often the deductibles are too high to even utilize the coverage.
- Does the policyholder have physician choice?
- Are all aspects of maternity care covered?
- Benefit plan structure – comprehensive or catastrophic?
- What is the reputation of the insurance company?
- Are alternative approaches to medicine, such as acupuncture and chiropractic, included in the coverage?
- Is the payment plan a co-payment or deductible model?

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

- Distribution of a “fact sheet” covering health insurance essential facts from a *neutral* source, not an insurance entity.
- Seminars throughout the state sponsored by a neutral entity, such as the state.
- Advertisements in the media – newspapers, radio, television, etc.
- A consumer guide and a consumer hotline provided by the state to help those seeking health insurance.
- Incorporate health insurance education into high school curriculum.
- Provide information through internet sources – advertisements of insurance plans, etc.

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?

Several of the participants have had no experience with health insurance, attributed both to personal decisions and unaffordability. Several others complained about having difficulty getting both private insurance companies and state-sponsored programs to pay insurance claims fully or on time. One participant said that she had relatively good experiences in the past with insurance companies, but does not consider the services as good since the implementation of managed care. Two participants had policies cancelled upon the diagnosis of an illness, and have not been able to find affordable coverage due to their pre-existing conditions.

### **Small Business Employers’ 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?

- The rural areas in Texas do not offer many job opportunities with high wages or good benefits; therefore, individuals cannot afford the costs of health insurance. For example, in Alpine the majority of the individuals who have health insurance either work for the county, the state, Sull Ross University, or Big Bend Telephone Company (the only large employer in the town).
- Insurance companies continually raise premium costs and cancel policies due to the high amount of claims that are being submitted.
- Texas has a large number of small businesses, many of which cannot afford the high rates offered to these small groups.
- Insurance companies are not providing sufficient services for the high costs they charge; therefore, consumers are not happy with them.
- Health care in general is expensive – hospital, pharmaceutical and medical costs are escalating.
- Many who live in the border towns of Texas forgo health insurance because medical services are provided in Mexico at a much less expensive cost.

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

- Nationalize health care in the United States and take the profit factor out of health care.

- Cap medical liability limits so that medical and insurance costs are not increased.
- Regulate insurance companies so that they cannot cancel policies if the premiums are paid regularly.
- Provide tax-breaks to small businesses and individuals seeking health insurance.
- The state needs to deregulate the insurance companies to a certain degree so that more insurance companies will come back into Texas and create more competition and, thus, lower costs.
- Cap the amount of profit that medical providers and pharmaceutical companies can make.
- Create a non-profit small business purchasing alliance to aid small employers.
- Provide stronger regulation of insurance companies' policies on pre-existing conditions, so that more individuals can be covered.

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

- Is the insurance company a stable business? What is its reputation and financial situation?
- A full explanation of the plans available and benefits offered.
- Is it a managed care insurance system? What doctors are included in the network?
- Can the policyholder opt for a catastrophic coverage policy with a high deductible and low premium rate?
- What is the company's experience with customer service?
- What are the payment models available – co-payment or deductible model?

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?

- State-sponsored seminars about health insurance in general.
- Advertisements in the media – newspapers, televisions, radio.
- Provide information on the Internet or through direct mailings.
- Individual attention from an insurance agent.
- Succinct brochures placed in public places such as the post office, grocery store, and medical offices.

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?

Several participants expressed concern that insurance companies are not interested in insuring small businesses. One participant complained that her insurance company changed the reimbursement rate of her policy without her notification. Another complained that many of the pharmacies would not take his employee's health insurance although the policy supposedly covered prescription drugs. A participant who worked in a doctor's office stated that insurance companies were either not paying their claims, or were making it very difficult to be compensated. Therefore, several of the doctors in Alpine have gone bankrupt. However, one small employer who provides coverage for his employees has had good experiences with his insurance company, stated "perhaps this is because no one has gotten sick thus far."