

**Texas State Planning Grant**  
**Focus Group Summary**  
**San Antonio, Texas – October 26, 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 San Antonio 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 of uninsurance in the country. Why do you think people don't have health insurance in Texas?

- You cannot get health benefits if you work part-time or are a temporary worker.
- There is not enough information about insurance.
- People in the Rio Grande Valley do not have access to health insurance.
- Hispanics do not have enough knowledge of health insurance.
- Many of the working poor are day-laborers with no benefits; many people are without adequate education to get a job with benefits.
- People cannot afford health insurance.
- Lower educated workers make minimum wage and cannot afford insurance.
- People have difficulty using COBRA when they become unemployed.
- People have difficulty dealing with HMOs.
- Preexisting conditions make obtaining health insurance difficult.

- Carelink (San Antonio specific program) is available, but too far away for many to reach.
- Everyone blames the uninsured for not having insurance. Insurance companies are the real cause. Carriers use poor customer service and bias to push away low-income individuals.
- There is no infrastructure to provide information to consumers.
- Insurance companies are just out for money.
- Medicaid managed care cuts benefits.
- Small employers cannot offer coverage or coverage is too expensive.
- The working poor cannot afford high premiums for plans offered by employers, because benefits plans from employer sponsored insurance are too rich.
- There is no place for non-English speaking individuals to obtain information. Carriers do not make health insurance information available to non-English speakers.
- Texas politics is employer friendly, not employee friendly.
- There is no incentive for employers to provide coverage.

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

- The uninsured should be offered a subsidy/voucher, either by the government or with a 401K type plan through an employer.
- Expand Medicaid coverage to adults without dependents and allow individuals to obtain Medicaid with some cost sharing.
- Create health insurance benefits for those who are unemployed like unemployment insurance.
- Create a statewide insurance program for the uninsured based on a sliding scale premium plan (like CHIP).
- Government needs to monitor the insurance industry better, particularly as more people retire.
- Use something similar to Senator Bob Dole's proposal to provide an income tax credit for health care.
- Utilize a discount card program similar to one currently operating in Dallas. The program provides dental, vision, and other non-standard medical benefits for a \$20/month premium.
- Insurance companies need more competition.
- Make COBRA cheaper and extend it for the life of unemployment.
- Companies should just give money to employees to purchase health care (not health insurance) on their own.
- The government should pay for the health insurance of the unemployed.
- Incentives should be given to small employers.
- Control the price of medication. Current formularies are increasing costs for consumers.
- Require doctors to accept all health insurance.
- Carriers should offer more holistic medicine (i.e., chiropractic care).

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 benefits? What is the annual deductible? What are the co-pays?
- Which providers can you see? Can you choose your own doctor? How many doctors are available to choose from? Would have to get a referral?
- Are there any exemptions for pre-existing conditions? What is the time frame for pre-existing conditions?
- Will the carrier raise rates dramatically after a major medical claim?

- What will the carrier pay for? What control do participants have over services provided?
- What are the hours of operation and geographic location of the providers?
- What is the cost of COBRA?
- Do participants have premiums returned if coverage is not used?
- How constrained is the formulary for prescription drugs?
- When can you obtain care? Will the insurance company pay for emergency care?
- Why do carriers take so long to pay claims, when they drop you immediately when you pay late?
- Will the insurance carrier let the doctor decide treatment in emergency room?
- Who makes decisions about medical care?
- What type of coverage will you receive?
- Are there any hidden issues?
- How accessible are hospitals, labs, etc.?

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

- Run an ad campaign like TexCare (CHIP).
- Hold meetings about health insurance.
- Use a variety of outreach tools – CHIP fliers, advertising.
- Work with companies to provide information to employees.
- Provide a report card on the Internet that allows people to contribute their experiences with certain carriers.
- Create a document describing what all insurance carriers are offering, using standardized information and rates.
- Use newspaper advertising (similar to the ads run to request participation in the focus groups) – make sure everything is in plain English.
- Hold focus group forums where government should provide insurance information.
- Create an independent insurance information clearinghouse employing former TDI employees and insurance agents.
- Publish an easily understood pamphlet for people written in layman’s terms and easily translatable to other languages.
- Information should be made available on the Internet – customers should be able to E-mail questions and get a quick response.
- Pay attention to how insurance information is presented to the public.
- Provide information in multiple languages.
- Cafeteria plans are difficult to understand. Employers need to find-out what employees want and get it –instead of using the cafeteria plan.
- A mandatory rate guide should be created.
- Employers should have a benefits manager to explain things clearly.

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?

Focus group participants mainly described negative experiences with health insurance providers. Many of the concerns raised dealt with the constraints of managed care, including gatekeepers and utilization management. Participants also articulated a general sense that insurance companies were out for profit only and intentionally sought to make it difficult for individuals to obtain and access insurance coverage.

Finally, there was some concern over the public health mechanisms based in San Antonio, particularly with regard to the many administrative requirements and paperwork.

### **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?

- Health insurance is too expensive; employers cannot afford to provide coverage.
- People receive care in the emergency room – they see no need for health insurance.
- Texas isn't pro-union. Unions in other states are much stronger and better able to obtain employer-based coverage for their members.
- Current health insurance is very restrictive for employees, and people stay uninsured as a result. There is also too much paperwork involved (need to streamline).
- Texas has really low salaries, but insurance rates do not adjust to compensate for the disparity. Dependent coverage is particularly expensive.
- The rural nature of parts of Texas makes insurance coverage difficult.
- Texas has a large number of immigrants, and paperwork is confusing for many.
- People only use insurance for major medical expenses, and otherwise they would rather go to a clinic.
- Carriers stop providing small employer coverage and simply drop employers. Carriers who cut-and-run should be responsible for finding coverage for displaced customers.
- Medical treatment is very expensive.

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

- Group businesses together in purchasing pools to purchase health insurance.
- Increase consumer understanding that insurance use is better than emergency care.
- Hold insurance companies more accountable.
- We should create a workers' compensation fund for health insurance.
- Subsidies are not good, because they equal higher taxes.
- Provide incentives for small employers to provide health insurance.
- Provide information about health insurance, particularly about benefits changes.
- Regulate insurance companies, because they add too much in overhead and do not cover preventative care adequately.
- Address the issue of doctors overcharging for services.
- Initiate a campaign to increase level of understanding and awareness for small employers & employees.
- Provide information in plain English, not technical insurance terms.

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

- Does the carrier have providers that employees actually want to visit for out-of-network coverage?
- What is the range of coverage (benefits, provider network)?
- Does the carrier provide easy to understand information?
- How easy is the insurance to use and access?

- What type of plan is being offered – HMO, PPO, POS (need easy comparison)?
- Allow employers/employees to eliminate unneeded benefits (i.e., allow plan to drop coverage for pregnancy care if all employees are over 55 years old).
- How much are co-payments, prescription drugs, and emergency care?
- Does the carrier pay claims promptly?
- Which hospitals can be used?
- There should be dispute resolution mechanisms for disputed claims.
- Is information regarding pre-existing conditions available?

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?

- Texas Workforce Commission should put out information on health insurance (send information with C-3 - especially any legal changes).
- From an insurance agent.
- Internet – one stop shopping.
- Research
- TDI should educate the public.
- Insurance agents need to understand employers’ needs.

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?

Small employers raised a number of issues regarding their experience with carriers. Employers expressed frustration with carriers’ ability to increase rates, particularly as the company reduces the number of employees or employees age. Other employers focused on recurring problems with slow payment of claims, citing carriers’ multiple attempts to deny claims and require employees to pay. Finally, employers voiced problems dealing with managed care, including confusion over drug formularies and utilization management.

Small employers did express support for health insurance agents. In this regard, a consensus developed that having an active, well-educated insurance agent can greatly improve an employer’s relationship with an insurance carrier.