

Women and Health Reform: An Introduction to the Issues

Health care reform is an important and personal issue for women. Each and every day, millions of women provide care in hospitals and physician offices, visit their own health care providers, or make decisions about the health care that their family members receive. Just as women's health care needs are unique, so is their relationship with the health system. Yet, our current system for financing and delivering health care does not adequately meet the needs of women. Too many women struggle to get necessary health care or go without that care altogether, and the consequences of this failure of the system can greatly damage women's health, work, and financial well-being.

As a growing number of national and state leaders make efforts to address the failing health care system, there have never been so many opportunities to ensure that women have access to the health care they need. Women's advocates can play an integral role in making sure that health reform plans address the specific health needs that women have and the unique challenges that they face in getting high-quality, comprehensive, and affordable health care.

Why Does Health Care Reform Matter for Women?

There are a number of reasons that health reform is a women's issue:

- **Women have distinct health care needs.** Women are more likely than men to require health care throughout their lives, including regular visits to reproductive health care providers. They are more likely to have chronic conditions that require continuous health care treatment.¹ They also use more prescription drugs on average, and certain mental health problems affect twice as many women as men.^{2, 3}
- **Health insurance is a critical factor in making health care accessible, but women face unique barriers to obtaining coverage that is affordable.** The relationship between health insurance coverage status and access to health care is well-documented.⁴ Yet, 18 percent of all women in the United States are uninsured.⁵ Even women who have insurance are more likely than men to be underinsured, with insufficient coverage that leaves them vulnerable to financial risk and unmet health needs.⁶ Women are less likely to have access to health insurance through their own jobs and are more likely to depend on their spouse's employer-provider coverage or purchase individual market coverage directly from insurers. Coverage available through the individual market is costly and often excludes services that are essential to women's health.
- **Regardless of whether they have health insurance or not, women are more likely than men to report problems getting health care due to cost.** On average, women have lower incomes than men, and a greater share of their income is consumed by out-of-pocket health care costs.⁷ Both insured and uninsured women are more likely to delay or avoid getting the care they need because they cannot afford it, and they are also more likely to struggle with medical debt or bills.⁸ Health plans that do not provide comprehensive benefits or that shift more costs to women and their families will only make this situation worse.

- **Women have a major stake in decisions about health care for their entire families, and they often play a significant role in the health care that their children, spouses, or parents receive.** According to the Department of Labor, women make approximately 80 percent of all family health care decisions.⁹ Six in ten women report that they assume primary responsibility for decisions about health insurance plans for their families.¹⁰ An even greater proportion, nearly 80 percent, chooses their child’s doctor.¹¹ More women than men care for a family member—most often a parent—who is chronically ill, disabled, or elderly; in this role, they typically provide assistance with medical finances such as bills or insurance paperwork in addition to making decisions about medical care.¹²

To address the unique health care challenges that women face, plans for health reform must create opportunities for women to obtain health insurance that meets their needs. Reforms that provide the most comprehensive benefits at the most affordable cost will go the farthest to improve women’s health and financial security. Some proposals to reform the health care system, however, could actually result in higher out-of-pocket expenses, more limited benefits, and other outcomes that would be particularly harmful to women’s health.

What Are Comprehensive Benefits?

To be comprehensive, health insurance must cover the services that women need to stay healthy and to treat physical and mental illnesses at all stages of life. Health reform plans should set a standard for health benefits that requires coverage for all necessary care, including preventive care and a full range of needed reproductive health services. This standard must incorporate maternity care as a basic health benefit rather than a separate set of services available for an additional price (sometimes called a *maternity rider*), and similarly not segregate other women’s health needs for second-class treatment.

If health plans do not cover a comprehensive set of services, women may have to delay or even forgo necessary health care not reimbursed by their health plans. Some may even go into medical debt or sacrifice other basic necessities to pay for the cost of uncovered health services.

What Is Health Care Reform?

The phrase ‘health care reform’ is used broadly to describe any proposal that will change the way medical care is paid for and delivered to a population. While there is a growing consensus that change is necessary in our health care system, there is not agreement among stakeholders—including policymakers, insurance companies, employers, health care providers, and consumers—on exactly what that change should be or how it should happen. These stakeholders may, for example, have very different ideas about the best way to cover the uninsured or about the appropriate role for government in the health care system.

How Does Health Care Reform Happen?

Federal vs. State Health Care Reform Health care reform may be pursued at either the federal or the state level. Policymakers in Washington, DC and in state capitals around the country are currently exploring options for delivering better health care to all. Federal and state health care reform proposals might contain many common elements—such as an expansion of Medicaid, the joint federal-state public insurance program for low-income people—but they obviously differ in scope (i.e. state reforms will affect a much smaller

Three Approaches to National Health Reform

Many different approaches to health reform have been introduced at the state and national levels. Over the past several years, leaders in Congress and the White House, advocacy groups, and presidential candidates have put forward various plans to change the health care system. Some would build on the current system, which involves a combination of employer-sponsored and publicly-sponsored health insurance programs. Others would drastically change the existing health system, such as through the creation of a single government-administered health insurance program. The following summaries provide three broad examples of national health reform plans that have been promoted by policymakers.

The Single-Payer Approach replaces existing public and private health insurance plans with a single public health plan, in which residents would automatically be enrolled. Under this approach, health care is paid for by a single entity—the government—that collects and distributes health care funds. Proponents of this approach predict much lower administrative costs than the current health care financing and delivery system. The public plan would typically be financed through an employer/employee payroll tax increase and income tax surcharge or some other revenue-generating mechanism.

Because taxes are collected from individuals and employers, the collective source of funding in the single-payer approach would be considered public. Single-payer does not necessarily denote a system of universal coverage for which everyone is eligible. While many single-payer proposals do aim for universality, by definition the single-payer approach refers only to the way care is financed and organized.

The Hybrid Public and Private Coverage Approach, as its name implies, incorporates a mix of public and private health insurance coverage options. It might expand public coverage programs for low-income people, maintain the role of private employer-sponsored coverage (as the majority of Americans are currently insured this way), and create a new health insurance marketplace where individuals and small businesses can choose between several different private and public health plan options.

To maintain the primary role of job-based coverage, the approach may require employers who do not provide employee health insurance to contribute to the cost of coverage (usually as a percent of payroll or per employee) through a new public insurance plan. It may also include government subsidies—typically income-related—to help low- and moderate-income families purchase coverage.

This approach could involve insurance market reforms to increase access to private coverage, including regulations that prohibit insurers from denying coverage or excluding treatment for pre-existing conditions, and rules that prevent insurers from charging people more based on factors such as age, gender, or health status.

The Free Market Approach involves a system in which individual consumers purchase health coverage in a free market with little government regulation, under the premise that de-regulation will increase competition among private insurance companies and therefore decrease health care costs.

This approach may include plans to reform the federal tax code by eliminating the current tax break for employer-sponsored health insurance (i.e. so that worker health benefits are reported as taxable income) and by establishing new individually-targeted tax subsidies to offset the costs of insurance, either through a standard health insurance deduction or health insurance tax credit. These tax reforms would likely bring about a shift from employer-sponsored group coverage to individual market insurance coverage.

The free market approach typically includes the privatization of public insurance programs (e.g. Medicare, Medicaid, and SCHIP) and the use of tax subsidies to encourage low-income uninsured people to purchase private coverage instead of expanding coverage through existing public programs. So-called “consumer-directed health care”—which is a combination of health plans with high deductibles and tax-sheltered health savings accounts—is also a variant of this approach.

population). There are other major differences between state and federal efforts to change the health care system:

- One difference concerns a federal law that limits how much states can regulate employer health plans, known as the Employee Retirement Income Security Act of 1974 (ERISA). ERISA was enacted to make it easier for multi-state employers to administer employee benefits like health insurance uniformly across states.

Court challenges continue to define ERISA's limits for states that seek to reform health care by regulating employer-sponsored health insurance. For example, states may face challenges if they require employers to contribute to the cost of health care for their workers. In 2006, the Fourth Circuit Court of Appeals struck down a Maryland reform law that would have required certain large employers to either contribute to employee health benefits or pay a fee to the state, ruling that the law violated ERISA.¹³ In September 2008, however, a three-judge panel of the Ninth Circuit Court of Appeals upheld a San Francisco law that requires employers to make minimum expenditures for employee health care, either by providing benefits directly to employees or by making payments to the city's own health care program.¹⁴ If employers pay the city, their employees have a choice of enrolling in the city's program, and employers do not need to provide their own benefits or alter existing employee plans.¹⁵

While the Ninth Circuit distinguished its decision from the Fourth Circuit's decision, given the likelihood of an appeal, the United States Supreme Court may ultimately decide the question of what state or local governments can and cannot do with regard to requiring employers to contribute to their workers' health care.

- A state's capacity to implement health reform is also limited by its state budget situation. Nearly every state must, by law, balance its budget each fiscal year. When states experience decreasing revenues, they typically respond by containing costs in program areas such as transportation, education, law enforcement, and health. As most health reforms require ongoing funding—and perhaps a substantial initial investment—a weak economy and a lean budget could seriously hamper reform efforts at the state level.

In the state of California, for example, a bipartisan plan for comprehensive health reform failed to gain approval of the legislature. Among the reasons for this failure were the release of a legislative analysis which projected that the plan would be more expensive than policymakers originally thought, combined with a weakening state economy and a forecasted \$14.5 billion state budget deficit.¹⁶

Incremental vs. Comprehensive Health Care Reform. Some health care reform proposals are *incremental*, and address just one piece of the health care landscape—for example, in 1997 Congress passed legislation to establish the State Children's Health Insurance Program, which provided affordable access to health care for millions of uninsured poor or near-poor children. Since then many states have moved to expand public health coverage for children. Though these efforts did not focus on problems in the individual insurance market or address the quality of health care, they are important steps in the struggle for comprehensive and affordable health care for all Americans.

Other reform proposals are *comprehensive*, and address several different parts of the health care system at once. Building on incremental reforms enacted throughout the 1980's and

1990's, the state of Massachusetts succeeded in passing a comprehensive plan for health reform in 2006. The Massachusetts reform plan, for instance, expanded eligibility for public insurance programs, created a health insurance exchange (called the Connector) to help individuals and small businesses enroll in private coverage, and established a statewide Racial and Ethnic Health Disparities Council to monitor disparate health outcomes among minority populations.



Health Care Reform Matters for Women: What Can Women's Advocates Do?

Women's advocates can make a strong case for health reform by using available data on the status of women's health in their state and at the national level.

The 2007 edition of *Making the Grade on Women's Health: A National and State-by-State Report Card* (available online at <http://hrc.nwlc.org>) is the fourth in a series of reports on the current state of women's health status and various policies that affect women's health.

Making the Grade—which contains health status and policy indicators for women at both the national and state levels—demonstrates that the nation as a whole and many individual states are falling further behind in their quest to reach national goals for women's health. National and state-by-state report cards indicate the need for improvements in women's access to health insurance and access to health care providers and services, including critical reproductive health services.

Making the Grade is a useful tool for advocates who wish to highlight the need for change in the health care system. These examples of 2007 report indicators reveal some areas where progress can be made:

- The entire nation received a failing grade for the number of women without health insurance;
- The country exhibits stark ethnic and racial disparities related to health insurance coverage—for example, the proportion of uninsured Hispanic women is nearly double that of U.S. women overall;
- Most states have low Medicaid eligibility levels for working parents, with a majority covering only those at or below 74 percent of the federal poverty level (or less than \$16,000 annually for a family of four);
- Over a third of all states have weak or nonexistent policies mandating that private insurers offer all or some contraceptive coverage as a benefit in employer-sponsored insurance plans;
- Over three-quarters of states had weak or harmful policies related to whether mental health conditions would be covered under insurance plans to the same extent as physical health conditions.

These and other *Report Card* indicators point to the need for comprehensive health care reform at both the federal and state levels.

Fitting Principles for Health Reform into a Broader Agenda to Improve Women's Lives

The National Women's Law Center's (NWLC) broad *A Platform for Progress* (August 2008) incorporates a set of basic principles for health reform, recognizing that good health is essential to a woman's well-being. Other women's advocates should consider how health reform fits into their organization's mission and vision, and adopt a set of principles that promote comprehensive health reform to improve the lives of women and their families.

The NWLC Platform to Guarantee Accessible, Comprehensive Health Coverage

To meet the health care needs of women and their families, health reform should ensure that our nation's health care system meets basic standards and fulfills certain principles: the system should be simple to use and understand, be sufficiently and fairly financed, and leave no one out. The system should guarantee patients a choice of doctors and health care providers, as well as the option of a publicly run health plan. There must be adequate provider reimbursement and steps taken to address provider shortages in rural and urban areas alike. In addition, health reform proposals must:

Ensure Equity in Health Care Coverage. Health reform must ensure there are no gaps in access to care, and work to root out disparities in health care access that currently exist. An unacceptable 18 percent of all women are uninsured, and nearly 23 percent of Black Non-Hispanic women, 35 percent of American-Indian/Native Alaskan women and 38 percent of Hispanic women are without coverage. Reform plans must ensure that care is available for patients who have diverse cultural and linguistic needs. Regardless of age, race, gender, disability, geographic location, or employment status, there must be equity in health care access, treatment, research, and resources.

Ensure That Health Care Is Affordable for All. Health reform should ensure that individuals, as well as businesses, have affordable and predictable health costs. Currently, more than one in four women report being unable to pay their medical bills. Health insurance premiums should not be based on factors such as gender or health status. Rather, premiums—as well as out-of-pocket health costs like copayments and deductibles—should be based on a family's ability to pay for health care.

Ensure Comprehensive Benefits. Health reform should ensure comprehensive coverage of health care services that people need both to stay healthy and to be treated when they are ill—regardless of the individual's stage of life. This includes coverage of preventative services; a full range of reproductive health services including abortion; treatment needed for serious and chronic diseases and conditions; and appropriate end-of-life-care.

Build Accountability Into Any Health Care System. Any plan for health reform should include a watchdog role for government to ensure that risk is spread fairly among all health care payers, and that health insurance companies do not improperly delay or deny coverage for health care, turn people away, establish or raise rates, or drop coverage based on a person's health history, age, or gender.

Effectively Control Health Care Costs. The current rate of growth in health costs is unsustainable. Between 2000 and 2006, health insurance premiums increased by 87 percent—more than four times as much as wages during that time. To address the rising cost of health care, health reform plans must adopt effective cost controls that promote quality, lower administrative costs, and provide long-term financial sustainability. Provisions should include use of standard claims forms, secure electronic medical records that adequately protect patient privacy, the use of the public's purchasing power to instill greater reliance on evidence-based protocols and lower drug and device prices, and better management and treatment of chronic diseases.

Women’s advocates can partner with other health advocacy groups in their state to work on health reform.

Health advocacy groups exist in every state, from groups that focus on the needs of health consumers in general to those that work on health issues specific to certain populations like children or people with disabilities. Women’s advocates can find out which health advocacy groups in their community are working on issues related to health reform, and partner with groups that share the goal of high-quality, comprehensive, and affordable health care for all. By coordinating their efforts, advocacy groups can reach a broader audience, use resources more effectively, and build a stronger base of support for progressive health reform.

Women’s advocates can analyze current reform efforts to determine whether they would benefit women through increased access to comprehensive, affordable, and high-quality health care.

Armed with the knowledge of women’s unique relationships with the health care system, advocates can use the *Reform Matters Toolkit* to analyze current reform proposals in their states and to make informed assessments about how these reforms would affect women.

Women’s advocates can communicate what they know about the potential impacts of various health reforms to state and national policymakers, as well as the communities they serve.

The “Talking about Health Reform” toolkit section provides resources for helping women’s advocates to spread the word about how national or state-level health reform proposals could change health care for women and their families.

References

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