

## **Plan aids uninsured, small businesses**

### **LOW-INCOME WORKERS WOULD GET COVERAGE**

#### **Mercury News Editorial**

The same coalition that brought you the successful Santa Clara County Children's Health Initiative is suggesting an experiment that could, over time, significantly reduce the number of uninsured working adults in the county.

In the process, it might even create additional revenue for the county's health system without additional costs.

Call it the no-brainer of all no-brainers.

The coalition -- the Santa Clara Valley Health and Hospital System, Santa Clara Healthy Families, PACT and Working Partnerships -- brought the proposal to the county Board of Supervisors on Wednesday. Initially, it would cover 5,000 people who work for small businesses and would be funded by those businesses, their employees and the county.

In a better world, the supervisors wouldn't be addressing this issue. The primary responsibility for providing health care coverage to the uninsured should rest with the federal government. But the Bush administration has made it clear that it does not intend to offer a solution any time soon.

Meanwhile, the skyrocketing cost of health care means that fewer and fewer small businesses are able to provide coverage for their workers.

That overall failure has placed an undue burden on Santa Clara County taxpayers, who spent \$184 million last year providing care to uninsured patients.

That expense should give the supervisors plenty of incentive to move forward with conducting the experiment to try to reduce the more than 59,000 working adults in Santa Clara County who do not have health insurance. Roughly 80 percent of those adults work full time.

Two basic assumptions -- both supported by surveys -- are behind the experiment. The first is that small-business owners would like to provide coverage for their employees if they could find an affordable, comprehensive plan. The second is that workers would be willing to spend a reasonable amount of their hard-earned dollars to purchase coverage if the premiums fit their budgets.

The plan would create a "three-share" model that would spread the costs for basic coverage among employers, employees and the county.

Supervisors must ensure that the program will be, at worst, cost-neutral. But an early analysis offers strong evidence that it would bring in extra money to the county.

Employees would contribute roughly \$50 a month; employers would kick in about \$125-\$150 a month per employee; and the county would pick up the rest of the tab. The county already assumes the costs of caring for uninsured adults with incomes at or below 300 percent of the federal poverty level, while receiving a minimal reimbursement from the state.

The new program would enable the county to continue to pick up that reimbursement, while also gaining the revenues generated by the contributions from employers and employees.

The county would hope to generate even more revenue by applying for additional funding through the state's new Adult Health Insurance Expansion program.

Initially, the plan calls for enrolling up to 5,000 uninsured adults in the first year. The county would then conduct a thorough review of the program's success before any further expansion.

Surveys show that 94 percent of Santa Clara County adults who are uninsured want health coverage. But 84 percent say they cannot afford it.

Every step the county can take to reduce those numbers will ultimately save taxpayers money and improve the overall health of its residents.

