

CHERI ANDES

The Boston Globe

Real people behind real-life pressures

By Cheri Andes | September 1, 2006

FIFTEEN YEARS AGO, my husband and I belonged to that unglamorous group known as the working poor. He was a teller manager for Fleet Bank, making \$14,000 a year. I did part-time clerical work at a private school for \$8 an hour. After subtracting child care for my 2-year-old son and bus fare, our combined annual income came to \$19,200.

I managed a budget that allowed us \$50 per week on food. We could not afford a car, so we walked the mile to the store. I will never forget pushing my son through the supermarket in his stroller, adding up the price of every item with a calculator and then deciding if there was money left over to buy one or two cans of frozen orange juice.

We struggled to pay off our huge student loans of more than \$50,000. Debt wasn't our only problem. We paid \$20 a month for our share of the bank's employer-sponsored health insurance -- a bare-bones plan with an annual \$1,000 per-person deductible before any benefits kicked in. Thankfully, my husband and I were both healthy. Our first-born son was not.

For the first three years of George's life, he struggled with multiple bronchial infections, frequent pneumonia, and persistent asthma. During these years, we maxed out his deductible each year and accumulated more than \$2,500 in medical debt.

My story is not unique. In Massachusetts there are an estimated 200,000 uninsured, lower-income people (those with a household income less than \$39,000 for a couple). There is no official estimate of those in my category: the underinsured.

This summer, many of these families attended one of 50 "affordability workshops" convened by the Greater Boston Interfaith Organization. In these sessions, we asked people to complete a family budget worksheet examining their monthly household income and nondiscretionary expenses. At the end of this exercise, people subtract their expenses from their income to reveal their monthly cash balance. We then ask people, based on their real budgets, how much they can afford for health insurance. Next, we listen as the stories pour forth.

Roxbury resident Debbie Varrs became uninsured in April when she was laid off. Now she struggles to survive on \$1,600 a month from unemployment and uses savings to pay monthly bills. A cancer survivor, she takes three prescriptions and needs regular doctor visits. She has two weeks left of a critical prescription. Once it runs out, she doesn't know how she will purchase more.

South Shore residents Lynn and Paul Metivier have three children. They both work and together earn \$60,000 a year. Last winter they paid \$500 a month in gas bills, \$400 a month for car insurance, and \$750 a month for their mortgage. After paying for food, clothing, and college tuition, they have no money left. The \$500-a-month health insurance plan offered by Paul's employer is unaffordable, and the family is uninsured.

Through these workshops, we observed these trends:

People want health insurance desperately. Many poor families sacrifice tremendously to afford premiums and cost sharing for their employer-sponsored coverage.

As people complete the worksheet and perform that final subtraction revealing their monthly cash balance, there is often a collective gasp. Many people, especially in the lower-income ranges, see a negative number. When asked how they get by, the credit-card confessions begin. People own up to paying for food and drug copays on credit to survive. In almost every session, the fear of drowning in debt emerges.

Yet to officials who don't understand the real pressures so many people face, these families' estimates of what they can afford to pay for health insurance look suspiciously low.

The board of the state's new Insurance Connector is scheduled to vote today on a premium schedule for the new subsidized health insurance plans that will soon be available to low- and moderate-income families. This schedule will affect thousands of our Commonwealth's most vulnerable residents. Their lives, finances, and day-to-day reality must

remain at the center of the board's deliberation.

Before the nation, Massachusetts made a promise to achieve near-universal health insurance coverage. The means to achieving this goal is a combination of subsidized coverage and, next year, a requirement that individuals purchase insurance. To deliver on this promise, premiums and all cost-sharing must allow healthy people in real life to see the value offered by these products, and agree that premiums are within financial reach.

Success in health reform requires keeping the real circumstances of these people in front.

Cheri Andes is lead organizer of the Greater Boston Interfaith Organization. ■