



# Barriers to Obtaining Health Insurance Among Native Americans in New Mexico

## *In Brief*

February 2006

### **INTRODUCTION AND PURPOSE**

The Human Services Department (HSD) and the **Insure New Mexico! Council** are pleased to announce the major findings of the focus group study, *Barriers To Obtaining Health Insurance Among Native Americans in New Mexico*. HSD commissioned the study with funding provided by the federal Health Resources and Services Administration (HRSA) State Planning Grant.

In 2004, HSD conducted a quantitative survey, funded through the HRSA State Planning Grant, to identify: the characteristics of New Mexico's uninsured populations, barriers to enrolling in a health insurance plan, and types of coverage that would meet the needs of the uninsured. One of the results of the 2004 survey determined that Native Americans in the state are less likely than any other racial and ethnic group to have health insurance.

In the fall of 2005, HSD commissioned an in-depth, qualitative analysis to:

- Explore Native Americans' health care needs;
- Identify reasons Native Americans do not purchase health insurance;
- Identify obstacles to obtaining health insurance;
- Assess understandings of health insurance and Medicaid; and
- Explore the role of traditional medicine in the health care delivery system of Native Americans in the state.

### **DATA COLLECTION METHOD**

A total of eight focus groups were conducted statewide. To see the locations on the map, refer to the study on page 10.

### **HIGHLIGHTS OF FINDINGS**

#### **Value of health insurance**

The focus groups consider health insurance to be important for several reasons:

- Providing access to high quality health care;
- Peace of mind;
- Security and protection;
- Coverage for services not available through the Indian Health Service (IHS) or on an emergency basis; and
- Access to specialized plans such as dental or vision.

#### **Important Health Plan Benefits and Services**

Health plan benefits and services most important to the groups are: prescription drug coverage, primary care treatment, access to specialists, emergency medicine, dental coverage, and vision coverage.

#### **Barriers to Obtaining Health Insurance**

While Native Americans value health insurance, the focus group study found there are many financial, logistical, or cultural reasons why enrollment rates are not higher among this population. The focus group process identified the following barriers to obtaining health insurance:

**1. Cost.** Low wages among Native Americans compounded by out-of-pocket monthly premiums and/or deductibles and co-pays make health insurance unobtainable for many.

**2. IHS Connection/Federal Trust Responsibility.** High quality health care through IHS is an entitlement as promised by the federal government. This leads to the perception that health insurance lacks value because medical care is provided by IHS at no cost to the patient.

**3. Cultural Barriers.** The concept of insurance engenders a form of thinking that may have a causal impact on the future, i.e., by purchasing health insurance, one is creating a negative energy that will cause an accident or illness to occur.

**4. Trust.** This element is two-pronged: fear of trusting that the insurance company genuinely cares about the patient and fear of being mistreated by a non-IHS facility.

**5. Age.** Healthy young people do not see the need to spend money on health insurance they feel they are highly unlikely to need.

**6. Bureaucracy.** It is perceived that accessing care is too cumbersome, i.e. making appointments and choosing a doctor from a directory.

**7. Understanding Insurance.** There is a lack of awareness and understanding of how health insurance works, in addition to the perception that health insurance has too much fine print and paperwork.

**8. Lack of Education and Outreach by Insurance Companies.** Direct mail and large formal forums were perceived as ineffective for a population that prefers direct face-to-face education. Focus group participants recommended one-on-one education and providing information in Native languages.

## **NEXT STEPS**

HSD will use the information learned from this study to strengthen its work and outreach with Native Americans to address low health insurance enrollment rates. The following initiatives are underway:

**Aggressive Medicaid outreach to families with children ages 0 – 5.** Governor Bill Richardson has proclaimed 2006 “The Year of the Child” and wants to assure that all New Mexico children, especially those ages 0-5, have an opportunity to obtain health insurance coverage. HSD plans to initiate an aggressive outreach campaign to target children and their families.

**Change Medicaid Recertification from six months to 12 months.** Beginning July 1, 2006, certification for income-related Medicaid eligibility for children and families will be 12-month certification periods ensuring more eligible people remain covered by Medicaid.

**Enhance Medicaid outreach in the Northwest area of the state.** The Governor’s State Fiscal Year 2007 budget includes a recommendation for a Native American Outreach Project, which would place eight eligibility workers at IHS facilities to enroll eligible Native Americans in Medicaid, food stamps and other HSD programs.

**Support Federal Trust Responsibility.** In letters to the New Mexico Congressional delegation, Governor Richardson has urged Congress to reauthorize the Indian Health Care Improvement Act. In addition, he has encouraged Congress, as federal trustee, to sufficiently fund the IHS Albuquerque Service Unit at a higher level so that urban Indians and Native Americans living in surrounding pueblos

or tribal communities may seek health care within a system they trust and are familiar with.

**Continue to address high rates of insurance cost.** Through the SCI program and other *Insure New Mexico!* solutions, HSD is working with several public and private entities to reduce insurance costs for New Mexicans. This includes outreach to Native American individuals and employers.

**Increase Medicaid enrollment.** In State Fiscal Year 2006, \$1 million was appropriated to assist with enrolling eligible individuals into Medicaid, targeting Native American and Hispanic children. HSD aired English, Navajo and Spanish public service announcement across the State. In addition, HSD has been working in partnership with IHS and the Tribes on a video clip that will encourage Native Americans to apply for Medicaid.

**Proposed Legislation for State Fiscal Year 2007.** In addition to these existing programs and projects, Governor Richardson is recommending the 2006 New Mexico Legislature to approve the following three *Insure New Mexico!* Bills:

**1. SCI/Health Insurance Alliance (HIA) Co-Existence.** House Bill (HB) 24 proposes a technical amendment, which allows an employer to take up health insurance coverage for their employees through both the Health Insurance Alliance and a state or federal agency offering health insurance coverage based on the employees’ income.

**2. Medical and premium assistance for non-Medicaid eligible children ages 0 to 5.** HB 118 or Senate Bill (SB) 267 authorizes HSD rule making authority to provide medical and premium assistance for those families with children 0-5 years of age who are not Medicaid eligible, who have not had insurance in the past 12 months and whose parents have no employer-sponsored insurance available to them. The Governor’s budget contains \$5.6 million for the medical and premium assistance proposed in this bill.

**3. Health Coverage for All New Mexicans.** SB 280 would create a committee of advocates, insurance company representatives, state agencies, representatives of business and legislators appointed by the Governor and the Legislature to analyze the cost, technical and legal issues associated with different models for insuring all New Mexicans.

## **WEBSITES**

To access the study, visit the website: <http://www.insurenwemexico.state.nm.us>. You may access other HSD programs and reports through <http://www.state.nm.us/hsd/>. 