The State of Healthcare in Connecticut

The women and men of SEIU Healthcare are integral partners in meeting our country’s future healthcare demands in a cost-effective way. Controlling healthcare spending should be tackled through improving the health of our communities, managing and preventing chronic illness, and promoting more efficient types of healthcare, not through blunt cuts to Medicare and Medicaid.

Quick Facts

- Medicaid covers 565,600 Connecticut residents.\(^1\)
- Medicare covers 562,355 Connecticut residents.\(^2\)
- Once the Affordable Care Act is fully implemented, more than 176,000 Connecticut residents will finally gain access to quality, affordable healthcare.\(^3\)
- More than 262,300 Connecticut residents work in the healthcare and social assistance sector.\(^4\)

Health Status: Chronic Diseases are Shortening Lives and Driving Costs

- Connecticut is ranked 6th in state health status.\(^5\)
- Like all states, Connecticut must contend with increasingly high rates of chronic illness that will require highly coordinated, preventive care to improve outcomes and lower costs:
  - Nearly 10 percent of adults in the state have diabetes;
  - 59.6 percent are either overweight or obese; and
  - 9.2 percent have had asthma.\(^6\)

Preparing the Healthcare Workforce for the Future

- The burden of chronic disease will only grow as the Connecticut population continues to age. With 14.2 percent of its residents over the age of 65—and 27.1 percent over the age of 55—Connecticut must be capable of meeting the increased healthcare needs of its residents.\(^7\)
- In addition, care provided in the home or community can offer improved health outcomes at a lower cost. Connecticut is testing and developing new models of care and new roles for healthcare workers.
- Many Connecticut residents may have difficulty accessing the healthcare services they need because of workforce shortages that providers, medical schools and universities and labor must work to address. According to the Health Resources and Services Administration (HRSA), there are currently:
  - 37 primary medical care health professional shortage areas (HPSAs);
  - 37 dental HPSAs;
  - 29 mental health HPSAs;
  - 17 medically underserved areas (MUAs); and
  - 10 medically underserved populations (MUPs).\(^8\)
Medicaid and Medicare are Efficient, Essential Sources of Care

**Medicaid**
Medicaid was created to provide healthcare to Americans who had no other means of affording it, including older Americans, people with disabilities, and low-income children. Today, it provides lifesaving care on which millions of Americans rely every day.

- Medicaid provides healthcare for 565,600 Connecticut residents.9
- Medicaid is cost-effective and administratively lean compared to private health insurance. After controlling for health status, Medicaid coverage costs 20 percent less than insurance plans on the private market.10

**Medicare**
For more than 45 years, Medicare has provided life-saving healthcare and financial security to millions of older Americans. Prior to Medicare, more than one in four seniors was estimated to go without healthcare due to financial concerns. Now, coverage is nearly universal.

- Medicare covers 562,355 Connecticut residents.11
- Medicare is more cost-effective than private insurance. Nationally, net outlays for Medicare grew by 3 percent (or $16 billion) in 2012—a slower rate of growth than any recorded since 200012 and favorably compared to private insurance spending per enrollee projected to grow at 5 percent.13

[Diagram: Connecticut Residents Covered by Medicaid]

[Annual Percent Change in National Expenditures]

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Impact of the Patient Protection and Affordable Care Act

- In 2011, 349,800 Connecticut residents were uninsured. Because of the healthcare law, 176,000 Connecticut residents are expected to gain health insurance coverage.
- The law closes the Medicare Part D doughnut hole over time. In 2012, Medicare beneficiaries in the doughnut hole received a 50 percent discount on covered brand name drugs and 14 percent discount on generic drugs. Because of this provision Connecticut Medicare beneficiaries saved a total of $41,932,782 in prescription drug costs. The savings per beneficiary was $880.
- The law requires health insurance plans to allow young adults up to age 26 to remain on their parents’ insurance plans. Because of this provision, 23,000 young adults in Connecticut gained coverage through December 2011.
- The law requires health insurance plans to submit data on the proportion of premium revenues spent on clinical services and quality improvement. If an insurance company spends less than 80 percent of premium revenues on clinical services and quality (or less than 85 percent in the large group market), it is required to provide a rebate to customers. In 2012, 137,452 Connecticut residents received a total of $12,949,130 in premium rebates for coverage provided in 2011. The average rebate per family was $168.
- In addition, the law contains provisions to slow the growth of healthcare spending by making our insurance markets fairer and more transparent, tying Medicare provider payments to quality, limiting the amount of premium dollars insurers can use for profit and administrative expenses, and launching a groundbreaking number of new experiments designed to discover, test and expand the most promising delivery system innovations.

Healthcare Employment

- To care for the people of Connecticut, the healthcare and social assistance sector employs 262,300 people. This includes jobs in ambulatory care facilities such as outpatient centers and physician offices; hospitals; home care, and nursing and residential care facilities, as well as those employed in social assistance roles such as child care workers and rehabilitation aides.
- Many of Connecticut’s largest employers are in the healthcare sector. These employers are not only hospitals; they are community-based providers, such as nursing homes and retirement communities.
  - Hartford Healthcare employs 16,951 people at 5 hospitals and several other facilities.
  - Yale New Haven Health System employs 15,000 people at 3 hospitals and several other facilities.
  - University of Connecticut Health Center employs 5,000 people.
  - Western Connecticut Health Network employs 5,000 people at 2 hospitals.
  - St. Francis Hospital and Medical Center, the largest Catholic provider in New England, employs 3,000 people.
SEIU Healthcare in Connecticut

- 6,000 members are home care workers who provide essential care and assistance with activities of daily life such as personal care, transportation, laundry, meal preparation, cleaning and other activities, allowing Connecticut seniors and people with disabilities to remain healthy and independent in the comfort of their own homes.
- 1,100 members are healthcare workers who work in hospitals and 8000 are state employee healthcare workers.
- 6,300 of our members are nursing home workers who provide quality care for seniors and people in need of long term care statewide.
- 4000 members are private-provider developmental disability and mental health direct care workers.

Our Vision: Together, We Can Build a Better Healthcare System

There is no greater challenge to SEIU Healthcare members, as providers of care or as working women and men, than the skyrocketing cost of healthcare. We believe quality is the key to seeing our patients, clients and consumers thrive, and to controlling costs.

- **In home care:** We are advancing the careers of home care workers while improving the health and quality of care for consumers. Home care workers are taking part in training to become part of coordinated care teams to provide vital preventive care and keep consumers healthy—at home.
- **In hospitals and health centers:** We are partnering with hospitals, community health centers and other healthcare providers to train nurses, doctors and community health workers to reduce emergency room usage and increase the health and well-being of Americans who suffer from high rates of chronic disease.
- **In nursing homes:** We are one of the strongest voices for quality care inside nursing homes across the country. Members have fought to pass new nursing home reform laws that will mean a safer environment for nursing home residents and better jobs for nursing home workers.
- **In our communities:** We are forging partnerships with healthcare providers to train home care and community health workers in prevention and disease management to serve communities that face the greatest healthcare disparities and obstacles to care.

For more information about the work of SEIU Healthcare members to strengthen and improve healthcare in America, contact: Ann.Rhodes@seiu.org.

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(Endnotes)

3. “State Progress Toward Health Reform Implementation: Slower Moving States Have Much to Gain” Urban Institute, January 2012.
15. “State Progress Toward Health Reform Implementation: Slower Moving States Have Much to Gain” Urban Institute, January 2012.