

**Statement of Senator Sherrod Brown (D-OH)**  
**HELP Committee Hearing**  
**“Addressing Underinsurance in National Health Reform”**  
**February 24, 2009 – 10:00 a.m.**

Last week, the United States Department of Labor reported that there are currently 11.6 million unemployed Americans and that the unemployment rate has risen to 7.6 percent. Over the past year, the number of unemployed persons has increased by 4.1 million and the unemployment rate has risen by 2.7 percentage points. In a country that provides health coverage predominantly through employment, an economic decline not only causes jobs to disappear, it causes health coverage to disappear.

Much needed and deserved attention has been devoted to the problem of uninsured Americans. In fact, the Institute of Medicine (IOM) will be releasing a report today, entitled, “America’s Uninsured Crisis: Consequences for Health and Health Care.” As Congress, policymakers, and experts continue to discuss and consider potential solutions to the crisis of underinsurance, it is imperative that we also examine the crisis of underinsurance – the ways that inadequate health insurance affects American families and contributes to the deterioration of our health care system.

Approximately 46 million Americans are uninsured. An additional 25 million Americans are underinsured – living with health insurance that does not adequately protect them from catastrophic health care expenses. Underinsured individuals are generally defined as adults between 19 and 64, whose out-of-pocket health care expenses, excluding premiums, are ten percent or more of family income. It is estimated that 42 percent of U.S. adults were uninsured or underinsured in 2007.

It is important to note that this definition, while extremely useful, is actually incomplete. Other populations, including children in underinsured families and seniors who lack coverage to

supplement Medicare, also face significant challenges in our health care system. I believe that Chairman Bingaman has rightly chosen to focus on one population at a time; however, we would do well to remember that underinsurance is common to every age group in all but the wealthiest segment of our society.

It is not a niche issue; it is a national issue.

Inadequate health coverage leaves Americans exposed to significant financial risk. Underinsurance can quickly undercut the financial stability of middle class families and turn financial stability into financial ruin.

Consumers Union found that 30 percent of the underinsured had out-of-pocket costs of \$3,000 or more for a single year and a Health Affairs study found that one quarter of underinsured people have deductibles of \$1,000 or more. Other Americans have coverage with lifetime caps on coverage that cut off support to individuals with cancer and other catastrophic conditions. A Commonwealth Fund survey found that 46 percent of the underinsured report being contacted by collection agencies for medical bills.

Those are the financial implications. The health care implications are even more alarming. According to a Health Affairs study, 53 percent of the underinsured forgo needed medical care – they may not fill their prescriptions, they may delay care or forgo a screening test. They may avoid health care until the lack of it catches up to them, whether that means the need for more expensive treatments or a diagnosis that at one time was neutral and is now life threatening.

Underinsurance has not just hurt individuals financially; it has harmed them physically – sometimes irreversibly.

I would like to tell you the story of Denny and Debbie Byers from Columbus, Ohio. Denny worked construction for 34 years before he and his wife Debbie, a bank teller, retired and tried to purchase health insurance through the private market. While Denny was able to secure private health insurance, Debbie was unable to find coverage due to pre-existing allergies and asthma.

However, Denny quickly found out that his newly purchased health insurance did not cover his usual doctor's visits, nor did his insurance cover his two high blood pressure medications or his migraine medication. Denny has since chosen to pay out-of-pocket for generic versions of the blood pressure medications, but cannot afford the \$30 per pill price-tag associated with the migraine drug, for which there is no generic.

Denny has insurance that doesn't cover the care he needs. That's not coverage; it's a crock.

It's not enough to fight for affordable coverage, we must fight for real coverage.

Coverage that provides financial protection for what people need, regardless of their current health status, regardless of their past health care needs, regardless of their income, regardless of their age.

Health insurance shouldn't be a vehicle for punishing the sick and rewarding the healthy.

It shouldn't be a hammer that beats health care costs down by arbitrarily denying care to those who need it.

Health insurance shouldn't be used to bring down costs; logic and knowledge and research and health system accountability and information technology and reasonable expectations should be used to bring down health care costs.

We need a health care system that provides the right care, at the right time, at the right level, and we need health insurance that covers it.

We don't need health insurers who cherry pick or health insurance that shortchanges its enrollees.

Underinsurance is a promise half-fulfilled, and when it comes to the health of our children, our parents, and ourselves – when it comes to the health of Denny and Debbie Byers of Columbus, Ohio – half-way is not good enough.

Thank you for holding this hearing, Mr. Chairman. I look forward to hearing from our witnesses.