

Lone Star Sick: The U.S. Health Care System Is a Disaster. In Texas, It's Even Worse

Second-most populous state leads the nation in uninsured adults and children as well as pharmaceutical spending as Texans struggle to access to health care and pay for prescription drugs.

By Rick Claypool, Public Citizen Research Director¹

September 9, 2019 – Medicare for All has become a defining issue in the presidential primaries. Its popularity is surging, as are the falsehoods from Big Pharma, insurance companies, and other defenders of the broken status quo of our for-profit health care system. The state of Texas, the site of the third round of Democratic primary debates, is a prime example of why our health care system requires fundamental reforms. Our national health care system is a disaster. But in Texas, it's even worse.

Below are some ways the U.S. health care system's problems are particularly bad in Texas.

Texans Are Dying from the Lack of Health Insurance Coverage

- Texas has <u>4.8 million</u> uninsured people more than any other state. <u>One in five</u> Texans (20%) has no health insurance, the highest percentage of any state and double the national average (10%).
- Texas is home to <u>835,000 uninsured children</u> 10.7 percent of the state's children and more than any other state. One fifth of all uninsured children in the U.S. live in Texas.
- Bucking recent national trends, the number of uninsured Texans actually *increased* from 2016, when the percentage of uninsured was 16.6%.
- Texas is one of the 14 states that <u>refused</u> to expand Medicaid under the Affordable Care Act (ACA). As a result, 1.2 million Texans who would otherwise be eligible for subsidized health care cannot benefit from the program. An estimated 638,000 of these Texans fall into the state's current <u>coverage gap</u>, with incomes too high to reach the current benefit threshold for Medicaid, but too low to receive subsidies for ACA exchange plans. Three-quarters (74%) of these uninsured Texans are people of color.

¹ Data compiled by Indy Lea Sobol, a former Public Citizen intern.

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• A University of Michigan study finds that approximately <u>730 Texans die each year</u> as a consequence of the state's refusal to expand Medicaid.

Texans Are Struggling to Pay High Prescription Drug Prices

- One in five Texans (19.6%) lacked access to necessary medical care <u>because of cost</u> (compared to 13.5% nationally)
- More than one third (36.4%) of Texans reported <u>making changes to their prescriptions</u> such as skipping dosages, delaying prescription refills and requesting cheaper medicines, compared to 28% nationally.
- The pharmaceutical industry gets more money from retail drug sales <u>from Texans</u> than from any other state: a whopping \$33.2 billion in 2018 or about 9% of all retail U.S. prescription drug sales. That year, Texans paid \$971 million <u>out of pocket</u> to fill prescriptions.

Texans Lack Access to Essential Care

- One third of adult Texans (32.2%) lack a <u>personal care physician</u> ten percent more than the national average (22.5%).
- Texas has fewer primary care physicians per capita than almost any other state 105.9 per 100,000 residents, <u>placing the state 45th</u> in United Health Foundation's rankings.
- In terms of the availability of mental health providers, Texas <u>ranked even worse</u> 49 for having only 113.2 providers per 100,000 residents.
- Texas accounts for over 17% (20 out of 113) of all rural hospitals that closed since 2010. A
 recent study found that recent hospital closures were due to states refusing to expand Medicaid
 and a previous study found that hospitals were more likely to stay open in states that expanded
 Medicaid.

Health Care Gaps Harm Texas Immigrants and Health Care Providers

- Lawfully present immigrants face numerous barriers to accessing health care in Texas. Texas is one of six states that <u>excludes Medicaid-qualifying immigrant adults</u> from the program if they arrived in the U.S. after 1996. This creates a complicated and confusing coverage gap for many low-income legal immigrants.
- Undocumented immigrants are <u>excluded from</u> Medicaid, CHIP (Children's Health Insurance Program) and the Affordable Care Act Marketplace.

Texas Life Expectancy, Infant Mortality and Maternal Mortality Rates Are an International Disgrace

• The average life expectancy in Texas is 78.5 years, slightly lower than the national average (78.6), which has been in decline since peaking at 78.9 in 2014. But the U.S. has consistently ranked at or

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near the bottom of international <u>rankings of OECD countries</u> – well below large countries that have a single-payer health care system such as Japan (at number 1 with a life expectancy of 84.2), Canada (82) and the United Kingdom (81.3).

- The <u>infant mortality rate</u> in Texas is 5.9 per 1,000 live births, slightly higher than the national average (5.8). But the <u>U.S. is at the bottom</u> of international rankings of OECD countries (and has a higher infant mortality rate than non-OECD Russia). Finland, a country with a single-payer health care system, has the lowest infant mortality rate (2 per 1,000 live births).
- There are <u>large disparities</u> in infant mortality in Texas, with non-Hispanic white Texans having half the infant mortality rate of non-Hispanic black Texans (4.8 versus 10.1, respectively) and a slightly higher rate, 5.3, for Hispanic Texans.
- The <u>maternal mortality rate</u> in Texas is 14.6 per 100,000 live births, far worse than <u>countries with</u> <u>single-payer health care</u> systems such as Canada (7.3), Japan (6.4) and the United Kingdom (9.2).²
- For <u>black women</u>, the maternal mortality rate is nearly double 27.8 per 100,000 live births.

Conclusion

The cure for what ails Texas: Medicare for All.

Medicare for All would increase access to care and grow the economy. The system would save hundreds of billions annually by reducing administrative costs and enabling the government to negotiate for more affordable medicines. It would cover every person, enable full choice of doctor, and expand and improve coverage for every American – including those presently insured – by eliminating co-pays and deductibles and providing comprehensive coverage for long-term, dental and vision care.

For Public Citizen's in-depth analysis of what Medicare for All would mean for Texas and for the nation, see our in-depth report, <u>The Case for Medicare for All</u>.

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² Because of methodological inconsistencies with the ways different states record maternal mortality, many public health experts believe the most recently reported national rate of 26.4 per 100,000 is inflated. A separate, Texasspecific study was conducted to correct earlier errors. See Robin Fields and Joe Sexton, "How Many American Women Die From Causes Related to Pregnancy or Childbirth? No One Knows." ProPublica (Oct. 23, 2017)