

Adults to get health insurance Indianapolis Star

INDIANAPOLIS - Thousands of uninsured adults in Indiana will have access to health insurance Jan 1 through a new government-backed program hailed as the most significant expansion of health coverage in recent years.

Sheryl Mayes, 44, already has her application. Despite the fact that she struggles with asthma, the Eastside Indianapolis woman hasn't had health insurance for 11 years.

"There have been times when I've put off going to the doctor because I just really didn't have the money to go," said Mayes, whose husband and child receive Medicaid, a state health insurance program for pregnant or disabled adults and poor children.

The state's new Healthy Indiana Plan is health insurance for low-income adults like Mayes who don't have other insurance and don't qualify for Medicaid. Participants can choose between two major health insurance providers.

Applications are available online and at several community organizations.

The state starts processing applications Monday and has funding for about 130,000 people. But officials think more than 500,000 people are eligible for the first-come, first-served benefit.

The plan calls for small monthly contributions from enrollees and covers the majority of most hospital expenses.

"It would be a relief," said Mayes, who's downloaded an application from the Family and Social Services Administration Web site. "I'm just hoping that it's going to be affordable."

The state's involvement in the federally backed program has been lauded by family and health advocates.

"This is fabulous that maybe the hard-working moms and dads of Indiana who are scraping to get by can at least now have this one persistent worry in their lives taken care of," said Alison Cole, program director for the Indiana Institute for Working Families, which focuses on policy issues for low-wage workers.

Earlier this year, the institute completed a report that estimated Indiana has 114,000 parents who work full time, make 200 percent of the poverty level and don't have health insurance, Cole said. Many of them are eligible for the plan.

Advocates cautioned that the initiative will not eradicate the problem.

For example, individuals whose employers offer health insurance are not eligible.

Others may shy away from the requirement that they contribute to the plan if they are financially able. Participants will be expected to spend no more than 5 percent of their gross family income, but even that may be too much, advocates say.

"That could be a deterrent for some people who just are literally living paycheck to paycheck," said Patti O'Callaghan, president of the Indiana Coalition for Human Services. "It doesn't sound like a lot of money to some people, but there are so many other issues we have to address in this population."

In its first year, the program is expecting to enroll about 50,000 people, said Marcus Barlow, FSSA spokesman.

By the time the plan reaches capacity, he added, the state hopes to be in position to attract more dollars for it.

"It's going to take quite a few years to even get to the 130,000 mark, and we're hoping that by then we'll be able to take the next step," Barlow said.

Funding comes from the additional 44-cents-a-pack cigarette tax started in July, which is expected to raise about \$190 million a year, and \$1.1 billion in federal matching funds paid to the state over five years.

So far, the state has put in \$25.8 million of revenue from the cigarette tax. Next year, the state estimates its contribution will increase to \$46.8 million, and \$93.03 million the following fiscal year.

"This will be a milestone," David Roos, executive director of Covering Kids & Families of Indiana, said of the new program. "It's one step forward, and these days that's probably the only thing you can do. . . . Even though it's a massive step, there will still be much left to be done in the future."

Originally published December 13, 2007