

Press Release

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New Report Shows How Much New Jersey Families Can Afford to Spend on Health Care

Data on Household Budgets of Real New Jersey Families Show Need for Strong Affordability Provisions in National Health Care Reform

*****View and Download Report at: www.njforhealthcare.org*****

Trenton, NJ – Tuesday, December 1, 2009 – A new report analyzing real budgets of New Jersey families statewide demonstrates how much Garden State families can afford to spend on health care. The report was released by the NJ For Health Care Coalition today during a Press Conference at the Trenton Statehouse.

The report – ***Making Health Care Affordable for New Jersey: Real Families, Real Stories*** – shows that rising health care costs are exerting enormous financial pressure on families and illustrates the need for an affordability scale created through national health care reform. Key findings in the report include:

- **A majority of families cannot make ends meet and are operating in the red.** 52.9% of respondents reported monthly expenses outpacing monthly income resulting in a negative cash flow by month's end.
- **Families are delaying needed health care because of high costs.** 46.4% of respondents report forgoing needed medical care due to cost or lack of insurance in the past year.
- **Health care costs cause financial hardship for families.** 13% of families reported having medical debt, the result of unpaid health care bills.
- **Uninsured families report delaying care at high rates.** 77.0% of families without health insurance report delaying needed care due to cost or lack of insurance in the last year.
- **Many with health insurance also cannot afford needed care.** 32.1% of insured respondents report delaying needed care due to cost in the past year.
- **Those with chronic health conditions are more likely to delay care.** 54.0% of those with chronic health conditions report delaying needed care due to cost or lack of insurance compared with 46.4% of total respondents.

“Everyday more and more families and businesses in New Jersey are finding it harder to afford health care coverage,” said Eve Weissman, Health Care Campaign Coordinator for New Jersey Citizen Action Education Fund. “As Congress addresses the issue of cost in health care reform legislation, it is imperative they consider what ‘affordable’ really means for families in New Jersey and across the country. After everything is said and done, if millions of Americans still cannot afford coverage, this effort will have been pointless.”

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The report calls for the development and implementation of a sliding scale affordability measure based on income to ensure that New Jersey families are not required to pay more for health care than they can afford. In order to ensure that health reform is successful in expanding access to quality, affordable health care, the report recommends:

1. A subsidy that covers the entire cost of coverage for families making less than 200% of the federal poverty level (FPL), or about \$40,000 a year for a family of four and
2. Sliding scale subsidies for families making between 200% and 400% FPL, or approximately \$40,000 - \$80,000 a year for a family of four.

“What the report shows is that this is not a localized problem: we found that families all across New Jersey are feeling economic and health pressures caused by unaffordable health insurance,” said Joe Fleming, Director of PICO New Jersey.

“I don’t want to have to bury any more parishioners who died before their time only because they could not afford to pay for health insurance,” said Reverend Heyward Wiggins III, Pastor of Camden Bible Tabernacle and member of Camden Churches Organized for People. “It’s time we really made health care accessible for everyone.”

The report was produced by the NJ Consumer Voices for Coverage (NJCVC) Leadership Team. Between September 2008 and April 2009 NJCVC collected family budget worksheets and health care stories from 648 New Jersey residents. NJCVC worked with Ramapo College School of Social Work Faculty and their colleagues to analyze the survey data. For more information of the survey findings, visit

“Developing a realistic affordability scale is the key to the success or failure of health care reform. Effective reform must guarantee that we all have access to quality health care we can afford. As this new report demonstrates, many families living in New Jersey today do not have such access,” said Daniel Santo Pietro, Executive Director of the Hispanic Director’s Association of NJ.

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Consumer Voices for Coverage is a joint initiative of *Community Catalyst* and the *Robert Wood Johnson Foundation* (RWJF) focused on ensuring consumer concerns are represented in both state and national health care reform.

The NJ Consumer Voices for Coverage Leadership Team is represented by the following organizations: AARP New Jersey, Camden Churches Organized for People, Communication Workers of America, Health Professionals and Allied Employees, Hispanic Directors Association of NJ, NJ Appleseed Public Interest Law Center, NJ Catholic Conference, NJ Citizen Action Education Fund, NJ Health Care Quality Institute, NJ Public Interest Research Group, NJ Policy Perspective, NJ State Conference of the National Association for the Advancement of Colored People, PICO New Jersey, and the Women’s Fund of NJ.