

The Cervantes and Zamora Families, Corpus Christi, Texas



***“I constantly worry:
What if something happens?”***

When Rose Ann Cervantes and her husband separated in October 1999, it seemed to make sense for her and her three children to move in with her parents, Christina and Porfirio Zamora. Sharing their house would help stretch both her paycheck and her father’s. Her parents could help her with her children, whom they dote on, and she could help her mother, who is disabled, with the housework.

For awhile, Rose Ann managed to continue the \$45-a-week payroll deductions for family health insurance. But last February, when the premium went up to \$70 a week, she couldn’t afford to continue the coverage any longer and still meet her family’s other needs. “It’s not easy juggling everything and trying to do

it right," says Rose Ann, a 34-year-old customer service and sales representative for a printing company. "I constantly worry: What if something happens?"

Christina and Porfirio Zamora willingly opened their three-bedroom frame home in this Gulf of Mexico community to their youngest daughter and her children. Christina had to stop working two years ago because of medical problems, which had cut the family income dramatically, so she and her husband were struggling with financial problems of their own. Rose Ann agreed to take over some of their bills. "We were having trouble making the house payments, the utility bills," says Christina. "My car was broken for three months."

With their daughter now helping with household expenses, the Zamoras are feeling less stressed. "Things are a little bit easier with Rose Ann's help," Christina says.

But with a total annual income of \$19,840, their finances are still stretched thin. In June, the Zamoras had to drop health insurance for Christina when the cost went from \$72 to \$85 a week—an increase they felt unable to afford on Porfirio's take-home pay of \$256 a week. Although Christina began receiving \$544 a month in disability income from Social Security in May, it's a fraction of what she used to make as a private-duty licensed practical nurse. And she won't qualify for Medicare until May 2002 (there's a two-year waiting period after being certified disabled.)

Porfirio, 60, a Fiberglas™ technician, still has coverage, because his employer pays all but \$6 a week, which he can afford. "I'm lucky," says Porfirio, a former professional boxer who boxed under the name Blackie Zamora. "I'm healthy. But I worry about my wife."

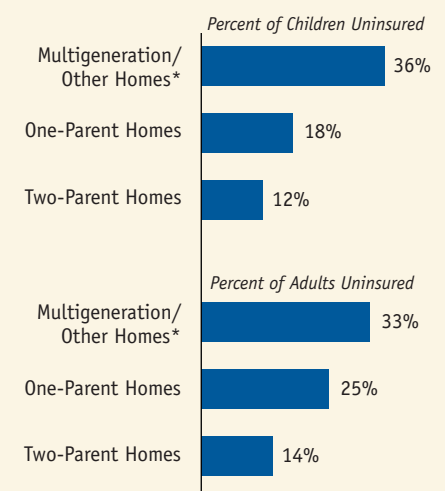
Hypertension medicine or hormones?

Of the two, Christina, 62, is the one who can least afford to give up health coverage. In September 1998, she had bladder surgery. Only a few months later, in 1999, she had the first of two operations on the rotator cuff of her right shoulder. Since then, she has only 50% movement in her right shoulder.

Even though the couple had health insurance when Christina had her bladder and shoulder operations, they left the Zamoras with medical bills they cannot pay. "Let's see, I owe \$728.69 for therapy, and I still owe the doctor \$400," Christina says, after combing through several piles of bills on the dining room table, including a 19-page-long therapy bill that just arrived. "I'm still not sure what else I owe."

Christina says she realizes that she and her husband are rolling the dice by giving up her health insurance coverage, and that the odds are not good, given her medical history. In addition to the shoulder problems, she suffers from high blood pressure and chronic migraines. "I find myself in a very bad situation,

Risk of Being Uninsured Runs High Among Both Adults and Children in Multigenerational Homes



*Multigeneration and other homes with children include families with at least 3 generations or families where adults are caring for children other than their own, e.g. a niece.

Source: Urban Institute estimates from the Current Population Survey, March 1999.

and it's scary," she admits. "I can't afford several of my medications. I take two types of hormones, and they cost \$48. And my high blood pressure medicine costs \$8 a bottle. So, I have to make a choice. I just don't take the hormones."

Since she can no longer afford prescription medication for her migraines, she takes a cheaper, though less effective, over-the-counter painkiller instead. "There are also a lot of things I don't do," she says. "I don't exercise the way I should because I don't want to take a chance."

Because of an experience she had years ago, Christina worries more than most people might about an unanticipated catastrophe that could necessitate a hospital stay and throw the family into further debt. In 1983, she suffered third-degree burns when a pressure cooker exploded in her kitchen, spewing boiling water over her. "I was in the hospital for 27 days," she says. "All the bills were taken care of. We didn't pay a thing. That's the way I think insurance should work." Now, without insurance, the cost of such a calamity would fall on her and her husband.

No room in the budget for insurance

Rose Ann is equally nervous about going without insurance for three active children. But recently divorced, and with most of the financial burden of child-rearing falling on her alone, she says she simply can't afford to pay the premiums her employer's insurer charges. Her former husband, an over-the-road truck driver, has been required by the court to pay only \$3,600 a year in child support for their daughter, and she gets no child support for her two oldest children, born to her and her first husband. "We barely have enough room to get by now," she says.

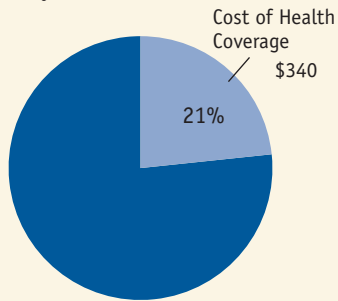
Rose Ann's oldest child, Mark Rosas, 17, a senior in high school, is looking for a part-time job at one of the local factories. But that kind of job would pay just enough to provide him with pocket money and wouldn't come with benefits. Mark wants to join the military after high school, a goal his mother approves of. "Then he'll have medical care, and maybe he can see a dentist, too," she says. He aspires to follow in his grandfather's footsteps and become a professional boxer. "I know, I know, he could easily get injured," Rose Ann says. "Still, I don't want my children to be held back because I am worrying about what might happen. So I don't stop them from doing things."

Rose Ann's middle child, Celess Rosas, 10, takes gymnastics lessons, another source of worry because of the possibility of injury. Her youngest, Alyssa Cervantes, is 2. She recently began full-day preschool, lightening some of the burden of child care that Rose Ann's mother had assumed while Rose Ann works.

Rose Ann's income in 1999 was \$18,200, including child support. Because she's now become eligible for commissions at work, her income is projected to

Health Coverage for Both Zamoras Would Have Cost a Fifth of Their Monthly Income

\$1,653 Monthly Income



grow this year to almost \$35,000. Rose Ann would like to be able to dedicate some of her increased earnings to resuming family health insurance, but feels she must use the money to start paying off her many outstanding bills instead.

She has about \$500 in old medical bills that a collection agency is pressing her to pay. "Those were for various emergency room visits over the years," she says. "The children have had to be off and on the insurance, depending on what we could afford."

But the larger concern is the more than \$10,000 in medical bills that she owes in connection with an injury her son suffered two years ago. Mark, then 15, got into an argument, and during the ensuing fight, his hand went through a plate glass window. "He was all cut up, and when we went to the hospital, they had to call in a specialist and a surgeon to sew up the tendons and muscles," she recalls. "While he was waiting for surgery, a blood clot developed. It was very complicated." Mark's hand is fine now, but he required three months of costly therapy to regain dexterity and strength.

At the time of Mark's injury, the family was covered by Rose Ann's health insurance policy, and the insurer initially paid many of the bills. But now the company is asking for reimbursement, arguing that Mark's injury wasn't covered under Rose Ann's plan. "One of their people told me over the phone that the accident was Mark's fault, and they won't cover that," Rose Ann explains.

So Rose Ann is now receiving calls from the therapists, the doctors, and the hospital demanding payment for the bills the insurer has refused to pay. One doctor has already referred a \$711 bill to a collection agency. Rose Ann has agreed to pay that agency \$40 a month, but has fallen behind and doesn't know how she will be able to spare that amount each month.

Recently, the insurer began trying to recover the money it had already spent on Mark's care, and a court judgment against Rose Ann seems unavoidable. Only last week she received a letter from the insurer's attorney, threatening a lawsuit if she doesn't pay. "I am fighting this, but I feel bad because everyone provided the services to us, and I want to pay," she says. "I just don't have the money. But I'm also mad because even if it was Mark's fault, isn't that what insurance is supposed to do, cover us when we need help? Isn't that what I was paying for all along?"



"I don't want my children to be held back because I am worrying about what might happen," Rose Ann Cervantes says.

Without health insurance, Rose Ann takes advantage of whatever programs she can to get her children health care. The children received free immunizations through a special Nueces County program. They also receive free hearing and vision tests in school. If one of the children is sick and needs to see a doctor, Rose Ann takes the child to the emergency room or to the pediatrician she has known for 14 years. "He charges me just \$50 a visit, and he knows them, knows their history," she says. "I feel good with him." One thing she hasn't been able to figure out is how to pay for the braces both older children clearly need.

Dealing with the government bureaucracy

Rose Ann has also been trying to get all three children medical and dental coverage through the TexCare Partnership, a new state initiative that enrolls children from families with low to moderate incomes in a variety of publicly financed health insurance programs, including Medicaid and the Children's Health Insurance Program (CHIP.) So far, she has not been able to overcome what she views as formidable bureaucratic roadblocks. "My sister read about it in the newspaper, and I sent in an application," she says. "But then, in May, I got a letter that said we didn't qualify for CHIP, but we might qualify for Medicaid."

The letter from the TexCare Partnership had promised that someone from the state Department of Human Services would evaluate the family's application and contact Rose Ann to discuss it, but no one ever did. After

two months passed, Rose Ann called to ask about the status of her application. Although the program's promotional literature claims that families can be screened for eligibility over the phone, Rose Ann couldn't get a straight answer about whether she qualified, or even the maximum income permitted for either Medicaid or CHIP for a family of four. She was told she'd have to make an appointment to come in to talk about it. Busy at work, she hasn't done that yet.

One reason she hasn't made the time is her sense that it probably wouldn't be worth the effort, since her projected income this year is well above 100% of the federal poverty level, the maximum income permitted for Medicaid, and just above 200% of the federal poverty line, the cutoff for eligibility for CHIP. "I don't think it will work once they find out we're doing better," she says. (The 2000 poverty threshold for a family of four is \$17,050.)



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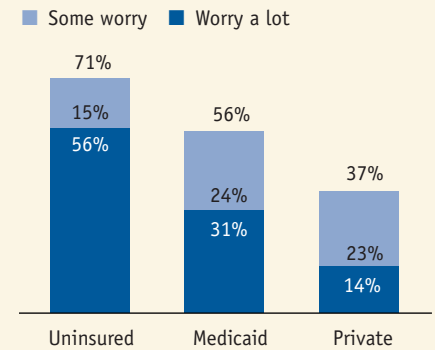
Another reason for the delay is her ambivalence about enrolling her children in any state-subsidized health insurance program, based on her experience with Medicaid during her first pregnancy. “They treat you differently,” she says. “It’s just not pleasant.”

Although Rose Ann has a lot of concerns about the future, she is grateful that she has had the support of her family during her transition to single motherhood, and that she can assist them, too. “We are very lucky,” she says. “Living with my parents helps us make ends meet and really helps them too. I don’t know if they could make it without us.”

But all the while she is thinking about how to meet her family’s current needs, she’s also worrying about how to make sure that she and the children can achieve their long-term goals. “I want to get a full college degree,” she says. “And I want my children to go to college and to be able to afford health insurance when they grow up. I know how important it is, and I don’t want them to worry all the time, the way I do.”

Worry About Getting Medical Care in the Future is Common Among Uninsured Families

Percent of families worried



Source: Kaiser Survey of Family Health Experiences, Round 3, 1997–1998.