

# HEALTH INSURANCE, HEALTH CARE COSTS, AND ACCESS TO CARE

## How Are Nebraska Farmers and Ranchers Faring Compared to Farmers and Ranchers in Other Great Plains States?

The health care costs borne by farmers and ranchers can have important effects on farm and ranch families, their businesses, and the surrounding rural economies. High health care costs may not only jeopardize families' economic security, but the sustainability of their farm or ranch businesses. Family farms and ranches are key components of local economies and threats to their stability have the potential to affect the overall health of rural economies. As self-employed small business people, the experiences of family farmers and ranchers may also shed light on the challenges faced by other self-employed and small business people in rural areas.

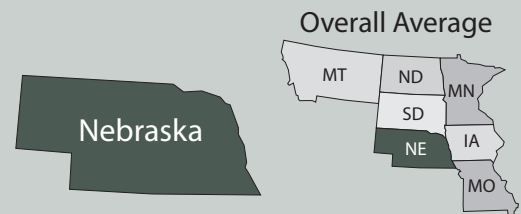
The 2007 Health Insurance Survey of Farm and Ranch Operators gathered information from non-elderly, non-corporate farmers and ranchers in seven Great Plains states about their health insurance status, the costs of health care, and the impact of health care costs on their access to care and financial situation. This fact sheet provides information about how farmers and ranchers in Nebraska are faring compared to farmers and ranchers in the surveyed states as a whole.

### AT A GLANCE

Nebraska family farmers and ranchers had lower incomes than respondents overall. Compared to all respondents, they were more likely to report that farming or ranching was their principal occupation. Respondents in Nebraska were more likely to purchase insurance in the non-group market, where premiums tend to be higher and coverage less comprehensive, than in the sample overall. They also spent more on health care and were more likely to have to draw down resources, such as savings or retirement funds, to cover health care costs. Almost half of Nebraska respondents spent more than ten percent of their income on health care.

### CHARACTERISTICS OF SURVEY RESPONDENTS

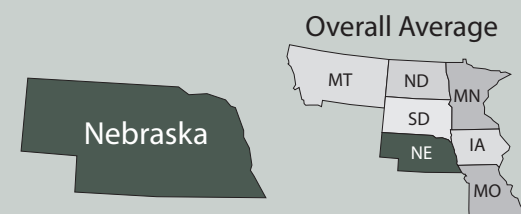
Respondents in Nebraska were poorer than respondents overall; Nebraska was among the states with the highest percentage of farmers and ranchers with incomes under \$40,000. Nebraska respondents were more likely than respondents overall to say that farming or ranching was their principal occupation and they derived a higher percentage of their income from farming or ranching than the overall sample.



Married	90%	87%
Over age 40	77%	79%
Health status excellent or very good	67%	64%
<b>Income below \$40,000</b>	<b>43%</b>	<b>37%</b>
Principal occupation farming/ranching	64%	55%
<b>Average percent of income from farming/ranching</b>	<b>55%</b>	<b>48%</b>

### HEALTH INSURANCE STATUS

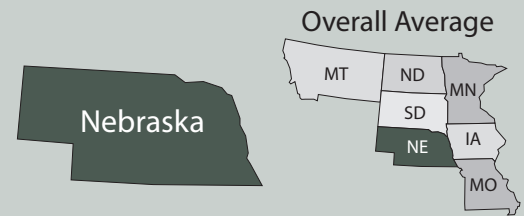
Similar to respondents overall, almost all Nebraska farmers and ranchers and their family members were insured. They were slightly more likely than respondents overall to have dental insurance.



<b>All household members insured all year</b>	<b>92%</b>	<b>91%</b>
Have dental insurance	40%	38%

## SOURCE OF HEALTH INSURANCE AMONG INSURED

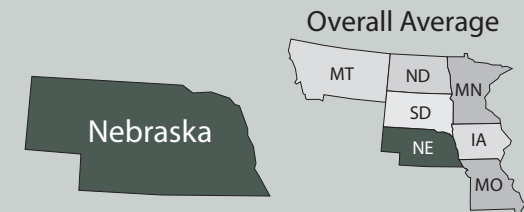
Nebraska farmers and ranchers were more likely to purchase insurance in the non-group market and less likely to obtain insurance through off-farm or ranch employment than the overall sample; Nebraska was among the states with the highest percentage of respondents with non-group insurance. Respondents in both Nebraska and the overall sample were much more likely than the U.S. population to purchase insurance in the non-group market, where premiums are generally higher and coverage less comprehensive than in the group market. Nationally, about eight percent of people purchase insurance in the non-group market.



<b>Insurance through direct purchase on non-group market</b>	<b>46%</b>	<b>39%</b>
Insurance through off-farm or ranch employment	48%	54%

## HEALTH CARE COSTS

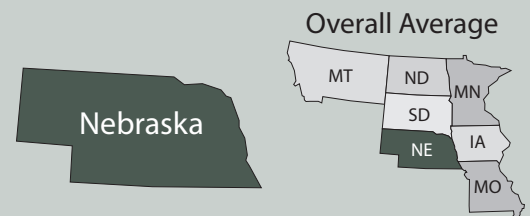
Nebraska farmers and ranchers spent more on health care than respondents overall. Nebraska respondents purchasing non-group insurance spent 45 percent more on health care than those who obtained insurance through their employment. Nearly half of Nebraska farmers and ranchers spent more than ten percent of their income on health care, a greater percentage than in the sample overall. Nebraska respondents were also more likely to have to draw down resources to pay for health care, such as using up savings or retirement funds or borrowing against their farm or ranch.



<b>Median amount spent per household on health care</b>	<b>\$8,300</b>	<b>\$7,100</b>
Median amount spent per household when insurance from non-group market	\$12,000	\$11,500
Spent more than 10 percent of income on health care	49%	44%
<b>Drew down resources to pay for health care</b>	<b>30%</b>	<b>26%</b>
Healthcare expenses contribute to financial problems	28%	24%
Have debt resulting from medical bills	20%	18%

## ACCESS TO CARE

Nebraska respondents delayed or went without needed care at a rate similar to respondents overall.



Delayed or did not seek needed care	17%	17%
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Note on the Survey: The 2007 Health Insurance Survey of Farm and Ranch Operators was conducted by the U.S. Department of Agriculture under a contract with The Access Project, Brandeis University and the University of North Dakota Center for Rural Health. The telephone survey of 2,017 non-elderly, non-corporate farm and ranch operators was conducted in Iowa, Minnesota, Missouri, Montana, Nebraska, North Dakota, and South Dakota. Fourteen percent of respondents in the sample (285 people) were farm or ranch operators living in Nebraska.

The Access Project has published several briefs analyzing the data from the survey. You can read these briefs on their website at <http://www.accessproject.org/new/pages/ruralHealth.php#greatPlains>.

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Photo by Lynn Betts, USDA Natural Resources Conservation Service.

