



## Missouri farmers face tough choices getting health insurance

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— By Wally Kennedy

[wkennedy@joplinglobe.com](mailto:wkennedy@joplinglobe.com)

LIBERAL, Mo. — Kerry Rose knows firsthand the risks farmers face when they gamble on working in one of the nation's most dangerous occupations without health insurance.

The Liberal grain farmer was a young man without insurance when he was injured in a fiery explosion in 1990 that left him in a burn unit for six weeks. Medical bills came in at just less than six figures, he said.

“It took me years to catch up,” said Rose, who is now 45 years old.

Trying to pay off medical bills for a similar injury today without insurance would be “laughable,” he said. But even with insurance, health-care costs are no laughing matter.

The family plan he now has for himself, his wife and three children costs \$700 a month with a \$5,000 deductible, which means, like many Americans, he's paying for insurance he won't use unless there is a serious illness or injury.

He said he has been listening to the health-care debate and reading the arguments in favor of this health-care reform plan or that health-care reform plan, and said what he hears is lot of “noise” but few real solutions.

“I don't see how the government can provide health care,” he said.

At the same time, the private sector has failed to control costs.

“A year ago I was paying \$550 (a month). Two years ago I was paying \$510. It's gone up 200 bucks in two years,” said Rose.

Prices for his soybeans, wheat and corn aren't even close to keeping up.

“I don't like the whole thing anymore than anybody else, but I don't have a solution,” Rose added.

### *The elephant*

A recent report by the Boston-based Access Project analyzed the availability of health insurance for farmers in several Midwest states. It found that Missouri farmers, when compared to other

Midwest farmers, were more likely to seek off-farm jobs in order to get access to health-care insurance.

Alex Hoffman, with the health-care advocacy organization, said the study, released last month, surveyed 2,000 non-corporate farms in the Midwest, including Missouri.

“We found that 10 percent were uninsured, and underinsured farmers were more likely to spend more than 10 percent of their income on out-of-pocket costs for health care,” he said. “We found that the cost of their health care contributed to financial problems and that they were more likely to incur medical debt.”

Hoffman said individual insurance coverage is “a lot more expensive for farmers. They can’t afford to get comprehensive insurance, but they don’t want to lose their assets—the farm—if a catastrophic accident happens.”

Kent Arnaud, a Monett cattleman, knows the dangers, too.

“I know a fellow who had a rough-ground ranch in the hill country. It had been there for a long time. Everything was paid for. They had raised their kids and his wife gets cancer. They had no insurance. They had to sell the farm because of a catastrophic illness.

“Something like that could wipe you out.

“The frustrating thing is I have been relatively healthy and my checks to the insurance company have doubled in a relatively few years. I pay by the year. It’s \$5,200 for just me.”

Arnaud said his wife has an off-farm job and she gets her medical insurance through her employer.

“It probably would have been cheaper if I had gone through her company years ago,” he said. “I attend these cattlemen meetings and we ought to have health care as a topic. It’s the big elephant in the room that everyone is concerned about, but nobody is talking about.”

### *Doing more*

The national health-care plan under construction in Washington, D.C., could take into account the rocky row farmers must hoe, but farmers could be doing more to let congressional leaders know the extent of the problem and what should be done to help them.

So says Rhonda Perry, a Howard County farmer and director of the Missouri Rural Crisis Center.

“It’s important for farmers to write to U.S. Sen. Claire McCaskill and U.S. Sen. Kit Bond now,” Perry said. “We have talked with them recently and they have told us that farmers have not talked to them about this issue. They said they need to hear from rural Missouri.

“They don’t know the extent to which farmers are facing a tough situation. While they are having this debate, now is the time for farmers to tell them their stories. All of our elected representatives need to hear from farmers about this issue,” she said.

Perry and other farm representatives were invited by the Obama administration to Washington, D.C., in early May to share their stories.

“They (the Obama people) were ahead of the game. They knew what the challenges were. We were there to back that up with real-life stories and proposed remedies to help meet those needs,” she said. “The White House understood that this appears to be more of an urban issue than a rural issue. We explained to them the unique challenges faced by farmers when compared to their urban counterparts.”

Perry said her organization became aware of the issue when members noticed “a major exodus from the farm to off-farm jobs. This was not necessarily because the farm could not make it on its own. It was the lack of access to affordable health insurance. Farmers and their spouses had to go to work off the farm to get coverage.

“That has had a major impact on rural communities and the social fabric of those rural communities,” she said.

Ben Fizette, who farms near Golden City, said for a lot of farmers, off-farm work is an alternative because it supplies not only health insurance, but other benefits such as retirement, as well as a steady cash flow.

He also said health insurance is becoming an issue for younger farmers, particularly those who want to have families.

“It’s not necessarily just farmers,” he added. “It’s anyone who is self-employed.”

*‘One hiccup’*

Mark Elliott, with Farm Bureau of Webb City, said some farmers can fit the small-business mold and qualify for small-group coverage, which is less expensive than individual market coverage.

“They can qualify for a two-person, small-group policy. That’s guaranteed. They can’t decline it,” said Elliott, a former state legislator. “But with an individual policy it’s different. If you have a pre-existing condition or any form of diabetes, individual plans won’t touch it.

“It’s getting tougher and tougher as far as affordability. One health hiccup and they are in trouble.”

The biggest trend Elliott is seeing is the one identified by Perry.

“One member of the family works off the farm. He or she gets the coverage through the employer. That’s especially true for families,” he said. “A lot of people are just rolling the dice. They try to insure their children and do the least amount they can do.

“This is a serious economic problem for a lot of people — not just farmers. The self-employed face the same problem.”

Perry said some farmers in Missouri are spending 20 percent of their income on health insurance.

“Missouri was not unique, but we had more of an exodus to take off-farm jobs because Missouri farmers are more reliant on the individual insurance market,” she said. “The study (by Access Project) found that 30 percent of Missouri farmers were getting health-insurance coverage in the private market compared to 8 percent of the population as a whole.”

“It’s farm insurance really. These are catastrophic policies with \$5,000 to \$10,000 deductibles. They don’t want their farms lost in the midst of a medical crisis,” she said.

She also said farmers cannot get access to low-deductible policies or low-premium policies. In addition, farmers can face discrimination over pre-existing medical conditions, age, gender, geography and the fact that they are in a high-risk occupation when they seek individual health insurance.”

“Farmers need to have access to insurance pools at a minimum or be able to buy into existing pools or the creation of a new system, such as nonprofit co-ops,” Perry said. “The individual market for health coverage has been a complete failure for farmers.”

At the meeting in Washington, D.C., Perry highlighted the fact that farmers are significantly more dependent on the private, individual health-insurance market than the broader population, who have more access to employer-sponsored plans.

“Unfortunately, the individual marketplace clearly does not work for America’s farmers because it forces farm families to obtain the most expensive policies that result in the highest overall health-care costs,” said Perry.

What is it?

The Access Project was founded in 1998 as a resource for local communities working to improve access to health care. It is a not-for-profit organization funded by various groups, including Blue Cross Blue Shield of Massachusetts Foundation, the Annie E. Casey Foundation, Kaiser Permanente, the Iowa Department of Public Health and Pioneer Hi-Bred, among others.

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#### Photos



Globe/Roger Nomer Kerry Rose, a Liberal-area grain producer, is among the farmers who struggle with maintaining medical insurance, but has reservations about proposals for a national health-care plan.