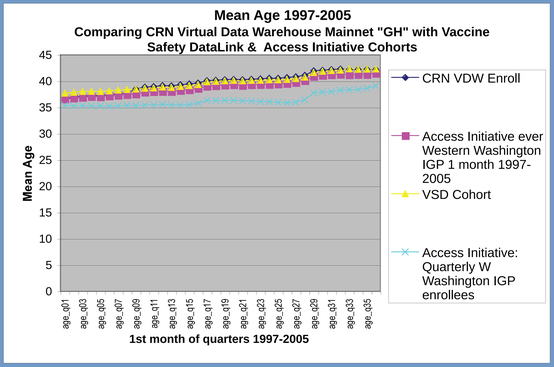
# THE AGING OF THE HMO 1997-2005

by Julia Hecht

GroupHealth

## MEAN AGE OF ENROLLEES

Mean enrollee age at Group Health Cooperative (GHC, GH) increased between 1997 and 2005. Three sources, the Cancer Research Network (CRN)Virtual Data Warehouse enrollment file, The Vaccine Safety Datalink(VSD) file (which include all enrollees) and the Access Initiative study cohort (including only enrollees in Western Washington GHC-owned "IGP" clinics), show congruent trends.




## COMMUNITY SETTING

The GHC population is older than the community. The median age of GHC Western Washington IGP enrollees ranged from 39-40 over the four quarters of 2000. King, Kitsap, Pierce and Snohomish county median age at the 2000 census was 35.2 years overall (Puget Sound Regional Council, www.psrc.org/datapubs/data/census/sf1/sexbyage_p12.xls).

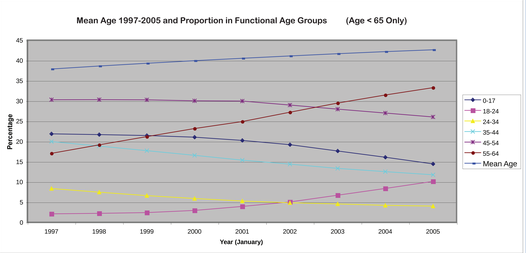
## What is the Access Initiative Study?

The Access Initiative Study, funded by the Robert Wood Johnson Foundation, is exploring the implementation and effects of the GHC Access Initiative, an innovation in healthcare designed to improve quality by increasing access to providers and health information through specific "patient-centered" changes in the delivery system:

- physician compensation with productivity and quality incentives,
- enrollee Internet access to their GHC electronic medical records,
- physician use of EpicCare,
- enrollee access to health promotion information on the GHC website.
- same-day appointments with primary and specialist physicians,
- primary care redesign,
- direct patient access to specialist physicians.

**The following charts look only at the Access Initiative Study quarterly Western Washington IGP enrollees cohort by age groups and they exclude the Medicare population.**

## RELATIVE PROPORTIONS OF AGE GROUPS




The mean age rises steadily over the time period and the relative proportions of:

- 55-64 year olds increase steadily.
- 18-24 year olds rise later in the period.
- 0-17 and 45-54 year olds decrease toward the end of the time period.
- 25-34 and 35-44 year olds decrease more steadily over the time period.

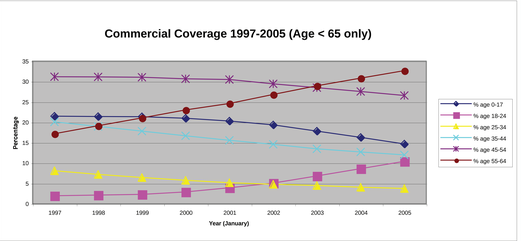
Factors that may be operating include:

- Young adults may not qualify for or seek coverage due to their employment or adversity to first-dollar coverage after leaving the family insurance umbrella.[1]
- Declining employer-sponsored health insurance may reduce coverage in working-age cohorts.[2] In Washington State, "the percentage of employers offering health benefits to full-time workers has dropped from 67.8 percent in 2004 to 66.4 percent in 2006." (The Olympian, February 21, 2007)
- There may be gaps in coverage for those approaching yet not Medicare-eligible.[3]
- Overall, "trends are leading to the 'graying' of the employment-based health insurance system, where older, higher-income people get private health insurance, and others increasingly have public coverage or go without."[4]

***These factors suggest examining types of insurance more closely in relation to age.***

## AGE GROUPS AND INSURANCE COVERAGE

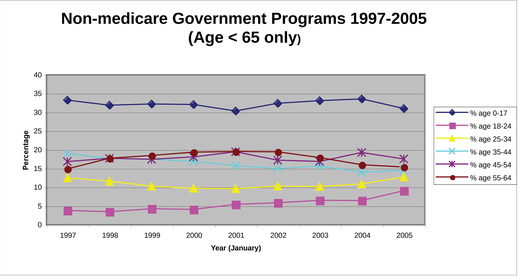
Commercial groups including Staff Model HMO and Point of Service Plans show similar patterns.




- Proportions of children 0-17 and adults 25-34, 35-44 and 45-54 show similar declines.
- The proportion of young adults age 18-24 rises gradually.
- The proportion of "young old" 55-64 year old cohort rises markedly.

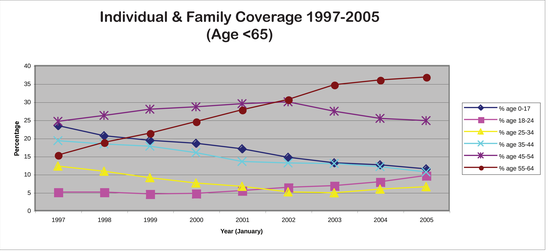
Commercial groups account for the vast majority of enrollees. Nevertheless, it is interesting to examine two small categories of coverage, Individual & Family Plans, and Non-Medicaid government programs, directed at those ineligible for group coverage as well as those in-need, each with under 3000 enrollees in 2005.

In Non-Medicare Government programs, Medicaid and the Washington State Basic Health Plan:




- Legislative changes in entitlements may explain fluctuation in these plans.
- The most consistent rise is in the 18-24 year old age group.
- The most consistent decline is in the 35-44 year old age group.
- Proportions in other age groups vary over time but are similar at the beginning and end of the period.

Within Individual & Family coverage:




- There is a marked rise in the proportion age 55-64 and a small rise in 18-24 year olds.
- Other age groups have either declined or maintained relatively the same proportions over the time period.

## DISCUSSION

While the graying of the population is evident, it is difficult to pinpoint specific factors that are operating. Increase in mean age is examined by considering the proportion in particular age groups and coverage options. Young adults 18-24 do not appear to be losing coverage overall. Most striking are decreases in the proportion of children and rising proportions of adults age 55-64. The proportion of children is likely linked to more subtle decreases in childbearing age groups. The increase in the proportion of 55-64 year olds is congruent with the observation that older people are most likely to be consistently covered.[4]

### REFERENCES

[1]http://www.ncbi.nlm.nih.gov/entrez/query.fcgi?itool=abstractplus&db=pubmed&cmd=Retrieve&dopt=abstractplus&list_uids=16830442

[2]http://www.ncbi.nlm.nih.gov/entrez/query.fcgi?db=pubmed&cmd=Retrieve&dopt=AbstractPlus&list_uids=11877880&itool=iconabstr&query_hl=3&itool=pubmed_DocSum

[3]http://www.ncbi.nlm.nih.gov/entrez/query.fcgi?db=pubmed&cmd=Retrieve&dopt=AbstractPlus&list_uids=16501400&query_hl=3&itool=pubmed_DocSum http://www.ncbi.nlm.nih.gov/entrez/query.fcgi?itool=abstractplus&db=pubmed&cmd=Retrieve&dopt=abstractplus&list_uids=1582429

[4]The 'Graying' of Group Health Insurance, Keenan, Cutler and Chernew, Health Affairs (25:6), 2006, pp. 1497-1506