

# Weld County Faces Significant Health Care Challenges

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Weld County is growing faster than any other metropolitan area in the nation. Weld County is the third leading agricultural area in the nation, attracting an estimated 6,000 migrant workers every season. Rapid growth means a great demand is placed on the county's health infrastructure.

Weld County hospitals and clinics already face significant challenges providing comprehensive and quality health care to its residents, as the population increases, so will the challenges. Charity care, low reimbursement rates and eroding funding for public health combine to put great financial pressure on area health centers.

Given Weld County is home to a large migrant and Hispanic population, doctors and nurses must be skilled at dealing with patients who primarily speak Spanish and might have a difficult time communicating vital information.

Amplifying the difficulties in the county is the growing number of small businesses that are being priced out of the health insurance market. Rising small market premiums are forcing small businesses to drop health insurance benefits or shift more cost to their employees. Many times low-income workers cannot afford the higher contribution and cannot afford to purchase private insurance, adding more to the ranks of the uninsured.

The rate of people without health insurance is growing in Colorado and in Weld County, as are the number of the publicly insured. As hospitals and clinics are forced to provide care for these populations, they must shift more costs onto the private sector.

Table 1: Characteristics of Weld County

Characteristics	Weld County	CO
Percent Uninsured (2000-2003 Average) <sup>1</sup>	20.4%	17%
Percent on Medicaid (2003-2004) <sup>2</sup>	8.6%	8%
Percent of Homes Where a Language other than English is Spoken (2000)	20.3%	15.1%
Percent Hispanic (2000) <sup>3</sup>	27%	17%

## The Public Health Department has been an early victim of budget cuts

Weld County needs a strong public health department to protect the health and well-being of everyone in the county. Valuable preventive services have already been cut and face further erosion due to the current budget shortfall.

In 2002, Colorado cut per capita funding for public health services across the state, totaling \$230,000 in Weld County alone. These funds were used to support Weld County's general public health



infrastructure. Per capita funding provided a base for childhood immunizations, prenatal care, early prenatal care outreach efforts, food safety inspections, training in food safety for restaurant staff, sexually transmitted infection diagnosis and treatment services, and tuberculosis investigation and control.

**Hospitals are facing increasing losses**

The state reimburses hospitals about 72 percent of what it costs to serve Medicaid clients. In 2003, hospitals across the state experienced a \$3 billion shortfall because of low reimbursements rates for treating the publicly insured. Caring for the uninsured cost hospitals in the state another \$906 million in bad debt write-offs and charity care. Statewide, costs of unpaid care rose 25 percent from 2001 to 2002. The gap was even greater for North Colorado Medical Center (NCMC) in Greeley, where uncompensated care grew 35 percent.

As NCMC and other hospitals face increased financial burdens by caring for those who cannot pay and accepting low reimbursement rates for Medicaid patients, it is left with few options but to shift uncompensated care costs onto those with private insurance, making insurance premiums higher for everyone.<sup>4/5</sup>

**Community health clinics are an important part of the state’s safety net**

In 2003, health clinics served about 8 percent of Colorado’s total population. Of those served at health clinics, 94 percent had incomes under 200 percent of poverty (\$24,240 annual income for a family of two in 2003). Forty-five percent of clients had no insurance and 30 percent were covered under Medicaid.

Table 2: Financial and Ethnic Characteristics of populations served at Colorado community health centers compared to overall State and U.S. population in 2003<sup>6</sup>

Characteristics	Health Center Population	State Population	US Population
Medicaid	30%	8%	14%
Uninsured	45%	17%	16%
100 % of Federal Poverty Level	67%	13%	17%
200 % of Federal Poverty Level	94%	30%	36%
Hispanic/Latino	54%	19%	14%
Black	8%	4%	12%
Asian	1%	3%	4%
American Indian	1%	1%	1%
White	37%	73%	68%

Community health clinics, like hospitals, treat people even if they have no insurance. When there are more uninsured people, clinics absorb more losses. Sunrise Community Health Center in Weld County has seen the number of uninsured patients increase by 28 percent between 2000 and 2004. Even with the increase, Sunrise is still only able to serve about 50 percent of the total uninsured population in Weld County.

Like many clinics assisted by state funding, Sunrise has had to make difficult decisions because of budget reductions. Reducing lab work and dental care are two examples of services cut due to reductions. The financial pressures at Sunrise force the clinic to focus on “maintaining a minimum



level of services for a consistent number of people”, instead of adding services or serving more patients.<sup>7</sup>

### **Small businesses face higher premiums**

Health insurance premiums for small businesses in Colorado increased by 84 percent between 1996 and 2002. Between 2000 and 2004, the number of Colorado workers employed at small businesses covered by workplace health insurance plans declined by more than 30 percent.<sup>8</sup>

Weld County is home to a large number of small businesses. In 2001, over 75 percent of all businesses in Weld County had nine or fewer employees.<sup>9</sup> The owners of these businesses are being priced out of the health insurance market.

As hospitals shift more of their uncompensated care costs onto the private market, small businesses will continue to face higher premiums, making it even more difficult to provide their employees with health care coverage.

In 2004, 42 percent of jobs in small to mid-size businesses in Weld County did not offer any health insurance to workers.<sup>10</sup>

### **Health Care is critical to the economy of Weld County**

In 2003, NCMC had a total payroll of \$114,048,882, adding greatly to the economic vitality of the region. Healthy people are productive workers, as uncompensated care costs rise, area hospitals and clinics will find it more difficult to provide comprehensive and quality health care to all the residents of the county. Already struggling medical centers have to make difficult choices about where to save and where to cut costs.

That poses a threat to the health and economy of Weld County.

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1 Colorado Health Institute (2004). Profile of the Uninsured in Colorado. Available online at: [http://www.coloradohealthinstitute.org/publications/Profile\\_of\\_the\\_Uninsured.pdf](http://www.coloradohealthinstitute.org/publications/Profile_of_the_Uninsured.pdf)

2 Colorado Department of Health Care Policy and Financing. (2005). FY 2005-06 Budget Request Document.

3 U.S. Census Bureau. (2003). County Quickfacts.

4 Hacker, T. (2004). Patients' red ink chokes hospital. Greeley Tribune. Available online at <http://greeleytribune.com/apps/pbcs.dll/article?AID=/20040402/NEWS/104020036>

5 Yondorf & Associates (2003). Colorado Health Care Spending on the Uninsured Medically Indigent. Available online at <http://ccmu.org/pdfs/CCMUCoIMIExpenditures.pdf>

6 Source: National Association of Community Health Centers (2005). Data is from Federally-Qualified health Centers. Data reported here may underreport the volume of health care delivered by health centers. Available online at: <http://www.nachc.com/research/files/co.pdf>

7 Personal correspondence: Mike Bloom, President and CEO of Sunrise Community Health Center Inc. (2005).

8 Colorado Health Initiative. (2005). The Small Group Health Insurance Market in Colorado, online at: [http://www.coloradohealthinstitute.org/publications/Sm\\_grp\\_mkt.pdf](http://www.coloradohealthinstitute.org/publications/Sm_grp_mkt.pdf)

9 U.S. Census Bureau. 2001 County Business Patterns.

10 Larimer/Weld Region Job Vacancy Survey, 2004. Small to mid-size private employers with 5 employees or more were sampled. Available online at <http://www.coworkforce.com/lmi/wra/LarWeldJVS9.pdf>