

The Star-Ledger

Number of N.J. uninsured lower than national average, loss in work-sponsored coverage rising

By Amy E. Nutt

September 22, 2009

Truck driver Ralph Prestol is 51 and is in constant pain from arthritis, a herniated disk in his neck and 31 years of hard driving, hauling cargo to and from Jersey City's piers.

A former driver for Linden Bulk, Prestol has had no health care since 2003 when he was terminated by the company after missing two months of work due to an operation. Ask him how difficult it was to lose his employer-sponsored health insurance, and he'll tell you flat out:

"It's been desperate. Sometimes I don't even want to get out of bed. I've asked myself if it would be better to take my own life or to continue suffering the way I am."



Jerry McCrea/The Star-Ledger

A 2007 photo of the emergency room entrance at Union Hospital in Union. A new report by the federal Census Bureau shows that while New Jersey's 1.1 million uninsured is below the national average, the number of people losing their company insurance is steadily climbing.

Nationally, 45 million people (15.1 percent of the population), lack health insurance, according to statistics released today by the U.S. Census's 2008 American Community Survey. While New Jersey's 1.1 million uninsured (12.4 percent of the state's population) is below the national average, the number of people losing their company insurance is steadily climbing in the Garden State.

"With healthcare, New Jersey has done well compared to the national average in terms of the uninsured," said Samonne Montgomery, a researcher with the Garden State Alliance for a New Economy, a northern New Jersey coalition formed by several unions and community organizations in 2003. "But it is quickly reversing the trend."

The American Community Survey is based on an annual questionnaire prepared by the U.S. Census Bureau and sent to a 3 million randomly selected, geographically diverse group of U.S. residents. The estimated statistics are used to determine how \$400 billion of federal money are allocated to local communities around the nation.

This year, for the first time, the survey included questions about health insurance coverage, as well as marital history and service-connected disabilities.

Among the survey's findings: one-in-four people lacked health insurance in Texas, the largest in the country, whereas fewer than one-in-20 lacked health insurance in Massachusetts, the lowest.

New Jersey was in a statistical tie with Maryland for the No. 1 spot in median income with an average of \$70,378, and was only one of five states that saw an increase in real median household income between 2007 and 2008. (The other states were: Kansas, Louisiana, New York and Texas.)

Montgomery, however, was particularly alarmed after looking at the numbers for employer-sponsored health insurance. Nationally, there was a decline of 1.8 percent in work-sponsored health insurance since 2000, but New Jersey's rate of decline was 6.9 percent, more than three times the U.S. average.

"That's huge," said Montgomery, who examined the yearly figures from 2000 to 2008 and found that half of New Jersey's 9-year decline occurred between 2006 and 2007.

"It's absolutely accelerating. Nationally, the decline from '06 to '07 was less than one percent, but in New Jersey it was 3.4," she said. "New Jersey is increasing its uninsured population to a point where it will soon no longer be below the national average."

Montgomery, who is also a doctoral student at E. J. Bloustein School of Planning & Public Policy at Rutgers, has seen a particularly steep decline in Hudson County's uninsured. With nearly 600,000 lacking insurance, the

County's rate of 19.5 percent is substantially higher than the national average.

"A lot of it is because the truckers who used to work for companies at the ports have been forced to become independent contractors," said Montgomery, "so they're responsible not just for their own fuel, but their health insurance. That's a transition we're seeing in a number of industries. People losing full-time jobs and so they are no longer eligible for health insurance. This is a national trend, as employers are trying to figure out ways to cut their expenses."

Prestol, who for 25 of his 31 years in the trucking business, was able to raise six of his eight children with the help of employer-sponsored health insurance, is now separated from his wife. His two youngest kids are supported by his wife's insurance, but he goes without, despite neck and lower back pain, arthritis in his knee and high blood pressure.

"I can barely walk," he said.

Last week he used the free machine at a pharmacy to test his pressure: It was 167/104.

"I don't have the money to go see a doctor. For the last four or five months I've only been working 1 to 2 days a week. I'm behind on my rent and my bills."

Prestol remembers that things were very different on the piers just 10 years ago:

"Seventy percent of us were company drivers, now 70 percent of us are driving on our own. The companies don't want to pay the (health) insurance."

Today, Vice-president Joe Biden, speaking to a group of state insurance commissioners, highlighted a White House report documenting skyrocketing family premiums for employer-sponsored health insurance, which have risen 5.5 percent during the recent recession. In New Jersey, those premiums went up 95 percent, according to the analysis by the White House.

"The status quo of rising premiums is simply unsustainable," said the vice president, "for families, for businesses, for state budgets and for our national economy."

"With six kids I was able to pay for everything -- doctors visits, eye doctors, dental care," said Prestol. "For me, it's all gone."