

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

### How Are South Dakota 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.

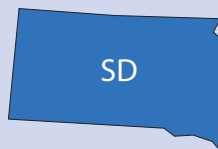
The 2007 Health Insurance Survey of Farm and Ranch Operators gathered information from non-corporate farmers and ranchers in seven Great Plains states about their health insurance status, the costs of health care, and the impact of health care costs on their access to care and financial situation. This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

#### AT A GLANCE

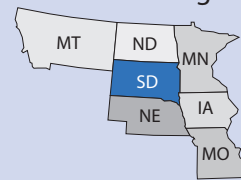
South Dakota family farmers and ranchers were more likely to say that farming or ranching was their principal occupation than respondents overall. Like all respondents, almost all South Dakota respondents had health insurance. However, they were more likely than the overall sample to purchase insurance in the non-group market, where premiums tend to be higher and coverage less comprehensive. In both South Dakota and the overall sample, the median amount spent on health care by those with non-group insurance was more than 50 percent more than the median for respondents overall. South Dakota respondents experienced similar levels of financial hardship because of health care costs as the sample overall. For example, about one in four South Dakota respondents had to draw down resources such as savings, retirement funds, or loans against their farm or ranch to cover health care costs.

#### CHARACTERISTICS OF SURVEY RESPONDENTS

South Dakota farmers and ranchers reported poorer health status than respondents overall. They were more likely to list their principal occupation as farming or ranching and derived a higher proportion of income from farm and ranch operations.



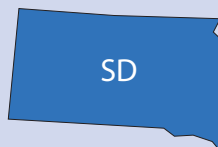
Overall Average



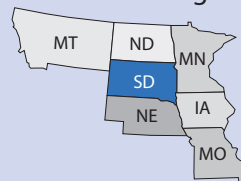
Over age 40	78%	79%
<b>Health status excellent or very good</b>	<b>58%</b>	<b>64%</b>
Income less than \$40,000	39%	49%
Income \$100,000 and above	17%	14%
<b>Principal occupation farming/ranching</b>	<b>65%</b>	<b>55%</b>
Average percent of income from farming/ranching	56%	48%

#### HEALTH INSURANCE STATUS

Similar to respondents overall, almost all South Dakota farmers and ranchers were insured. Like respondents overall, fewer than four in ten had dental insurance.



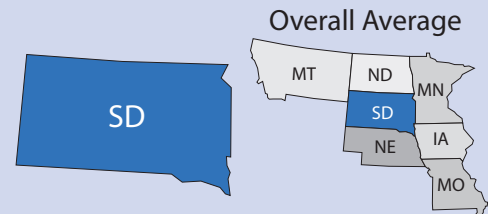
Overall Average



<b>All household members insured all year</b>	<b>90%</b>	<b>91%</b>
Have dental insurance	36%	38%

## SOURCE OF HEALTH INSURANCE AMONG INSURED

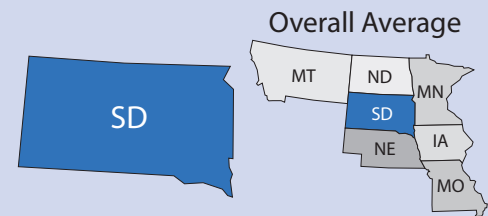
Respondents overall were much more likely than the U.S. population to purchase insurance in the non-group market, where premiums are generally higher and coverage less comprehensive than in the group market. Nationally, about eight percent of the population has non-group insurance. South Dakota farmers and ranchers purchased non-group insurance at higher rates than the sample overall.



<b>Insurance purchased in non-group market</b>	<b>44%</b>	<b>39%</b>
Insurance through off-farm or ranch employment	50%	54%

## HEALTH CARE COSTS

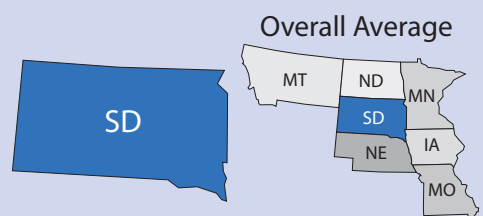
South Dakota respondents spent amounts similar to respondents overall on health care. The median amount spent on health care by those with non-group insurance was more than 50 percent more than the median for all respondents, both in South Dakota and in the overall sample. South Dakota respondents experienced similar levels of financial hardship because of health care costs as the sample overall. For example, about one in four South Dakota respondents had to draw down resources such as savings, retirement funds, or loans against their farms or ranches to cover health care costs.



Median amount spent per household on health care	\$7200	\$7,100
<b>Median amount spent per household when insurance from non-group market</b>	<b>\$11,639</b>	<b>\$11,500</b>
Median amount spent out-of-pocket for medical and dental care and prescription drugs	\$2,100	\$2,005
Spent more than 10 percent of income on health care	45%	44%
<b>Drew down resources to pay for health care</b>	<b>24%</b>	<b>26%</b>
Healthcare expenses contribute to financial problems	26%	24%
Have debt resulting from medical bills	18%	19%

## ACCESS TO CARE

South Dakota respondents delayed or went without needed care at rates similar to respondents overall.



Delayed or did not seek needed care	18%	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. Fifteen percent of respondents in the sample (307 people) were farm or ranch operators living in South Dakota.

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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