Issue Brief **May 2015**

Health Care Expansion Requirements Could Limit Enrollment of Uninsured Floridians and Strain Low-Income Budgets

When the legislature convenes in special session June 1, it will consider various proposals to provide health-care coverage to Floridians in households earning less than 138 percent of the federal poverty level who are not eligible for Medicaid.[1]

Legislative analysts estimate that 800,000 uninsured Floridians could gain health-care coverage under such proposals.[2]

But policymakers, in designing their new plan, should consider two facts: (1) work requirements will be difficult or impossible to meet for many intended enrollees; and (2) for workers at or below the poverty level, even modest premium payments and co-pays would further strain already tight household budgets.

Some proposals discussed contain requirements of applicants for health-care coverage that could limit the number of Floridians who would be insured. For example, evidence of employment, job training or additional education would be difficult to meet for many of the currently uninsured.

These requirements are problematic for the following reasons:

1. The number of job openings in the state is not sufficient to provide jobs for the number of unemployed.
2. Unemployed Floridians often do not have qualifications necessary to be hired in jobs that are available.
3. While job placement programs are offered by the state through regional workforce/CareerSource boards, it would be difficult for those covered under a health care expansion to participate in them for 20 or 30 hours weekly.
4. Many applicants for the program would face difficulties in fulfilling any of the requirements because of the costs of transportation, child care, or education. Although there is a subsidized child care program to make child care more affordable, more than 53,000 parents and caregivers are on a waiting list to benefit from the program.[3]

Job Availability

Too few job openings exist in Florida to employ all the state's jobless workers – 542,000 in April.[4] The Conference Board, which conducts monthly searches of jobs posted online throughout the nation, reported that 284,000 jobs were advertised online in Florida in April. The latest figures show that the state's supply/demand rate was 1.89, meaning that there were almost two unemployed Floridians for every one job advertised online. That rate was higher than the nation's 1.57 and the South region's 1.74.[5]

One proposal requires participants to engage in on-the-job training or job placement activities that are validated through registration with CareerSource Florida. But the state's "most comprehensive database of job openings,"[6] the Employ Florida database maintained by CareerSource Florida,[7] contains an insufficient number of positions available to employ all jobless Floridians, particularly low-income workers who are the target of healthcare expansion.

The jobs listed on the CareerSource database include a relatively small number of openings advertised by "preferred employers" that have formal relationships with one of the 24 regional workforce boards in the state and that use the database (www.employflorida.com) to advertise their job openings. The remainder of the jobs listed are picked up by "spider" or "crawler" computer programs that search the Internet for job postings from a variety of job boards, including businesses, governmental and educational institutions, and public online job boards such as Monster or CareerBuilder.[8] Although efforts are made to eliminate duplications, a considerable number are contained in the Employ Florida database, workforce boards report.

A look at the offerings in three representative counties reveals the limitations of the Employ Florida databank.

Pasco County

A total of 11,866 Pasco County residents were jobless in April, according to the latest state unemployment report.[9] But a search of Pasco[10] job openings listed on the Employ Florida database shows 473 jobs available and 584 positions, including job descriptions with more than one opening. In the last 30 days only 54 Pasco County jobs, representing 157 positions, were listed by preferred employers of CareerSource Pasco/Hernando. The database included another 75 job openings picked up from education institutions' job boards, 157 from hospital job boards, 303 from corporate job boards, 16 from governmental agencies, and more than 500 picked up by "spiders" from public job boards.

In fact, the number of employed Pasco County residents exceeds all the jobs in the county. Pasco is a commuter county, with many workers driving to jobs in other counties.

Brevard County

The number of unemployed residents of Brevard in April totaled 14,478.[11] As of May 18, CareerSource Brevard reported that the database contained 915 jobs from preferred employers – those who use Employ Florida to advertise their openings. The database contains a number of openings from other job boards, but the total is not known because the Employ Florida database can display only 500 at a time.

Escambia County

Escambia County contains 7,338 unemployed residents.[12] A search of Escambia openings in the Employ Florida database yielded 449 jobs and a total of 1,771 positions.[13] Of the 449 jobs listed, about 350 came from preferred employers who work with the local workforce board, CareerSource Escarosa, to advertise their openings.

Few Low-Wage Job Openings Posted; Experience and Credential Requirements Limit Opportunities for Many Unemployed Targeted for Healthcare Coverage

Although pay is not included in many of the job postings, the availability of low-wage jobs is limited. Of the 449 total openings listed in Escambia, for example, fewer than 100 offered pay below $15 per hour. That amount or less is likely to be the wage that could be obtained by the unemployed who would be eligible for the FHIX program.

In addition, many of the jobs posted require prior experience or a college degree or other credential. For example, see these requirements and job characteristics for selected jobs listed in Escambia County:

- Certified medical technician, $9 per hour, 6 months experience, 32 hours per week
- Equipment operator, $12.30, 12 months experience
- Payroll clerk, $11-12 per hour, 12 months experience, part-time
- Office furniture commercial account sales representative, $25,000-$32,000 annually, 24 months experience
- Barista, $8.50, six months experience
- Call center sales associate, $11-$11.65, high school diploma. Both full-time and part-time positions open.
- Driver, $8.50
- Criminal justice specialist, $12.49-$14.35, associate's degree, 12 months experience
- Building maintenance technician, $12.49-$14.35. 24 months experience
- Student assistant, $8.05-$9.25
- Customer service representative, $10-$12, three months experience
- Dry cleaner presser, $8.05, one month experience
- Door person, $8.50, one month experience

- Door man, $8.05
- Groundskeeper, $12.02
- Retail management keyholder, $8.00-$9.50, nine months experience

As seen above, many of the jobs advertised are not full-time. The table below shows annual earnings at various hourly wage rates and annual earnings for 20-hours-per-week jobs, 30-hours-per-week jobs, and full-time positions.

Annual Earnings of Low-Wage Earners

	$8.05 per hr.	$9 per hr.	$10 per hr.	$12 per hr.	$15 per hr.
20 hours weekly	$8,372	$9,360	$10,400	$12,480	$15,600
30 hours weekly	$12,558	$14,040	$15,600	$18,720	$23,400
40 hours weekly	$16,744	$18,720	$20,800	$24,960	$31,200

With Low-Wage Jobs, Many Floridians Earn Less Than the Federal Poverty Level And Are Without Health Insurance

Even if an unemployed Floridian obtains a low-wage job, the earnings for many are not sufficient to escape poverty and to support a decent quality of life for a family. The problem is especially severe for those with part-time jobs and single parents.

Comparing the earnings in the table above with the federal poverty guidelines below illustrate how low-wage jobs leaves many households in poverty:

- A single minimum-wage worker could work at least 30 hours a week and earn more than the federal poverty level (FPL), which would make them ineligible for Medicaid, but at 20 hours a week, he or she would be more than $3,000 below the FPL. Even if pay were $10 an hour, the worker would remain below the FPL if working only 20 hours a week.

- The poverty level for a single parent with one child is $15,930. The parent could earn $15 for 20 hours a week and remain below that level. A 40-hour minimum wage job brings the parent just above the FPL. But a 30-hour a week job at $10 per hour would still leave the worker below the FPL.

- A three-person household needs to have earnings of $20,090 to reach the FPL. To reach that level with one parent working, he or she would remain well below poverty in a minimum wage

job, or even one paying $9 an hour. The parent would need to work full-time at $10 per hour to exceed the FPL.

- For a four-person household – a single parent with three children, for example – the FPL is $24,250. The parent would need to work full-time at a job paying at least $12 an hour to reach that level. No part-time job at $15 or less per hour would lift that household above the poverty level.

- The $28,410 FPL for a five-person household would require a person to work full-time at a job paying slightly more than $13.50 to reach the FPL. Two individuals in the household would need to both work at least 30 hours a week in a $9-per-hour job to almost reach the poverty level.

2015 POVERTY GUIDELINES FOR THE 48 CONTIGUOUS STATES AND THE DISTRICT OF COLUMBIA[14]	
Persons in family/household	**Poverty guideline**
For families/households with more than 8 persons, add $4,160 for each additional person.	
1	$11,770
2	15,930
3	20,090
4	24,250
5	28,410
6	32,570
7	36,730
8	40,890

The following table provides income levels at which some proposals suggest premium payments begin, up to 100 percent of the Federal Poverty Level. Currently, if you have dependent children you can't make more than 35 percent of FPL to qualify; if you are single you can't qualify no matter how destitute.

Income Levels for Newly Eligible Uninsured Under Expansion

	100% FPL	75% FPL	50% FPL	35% FPL	22% FPL
1-person household	**$11,770**	**$8,828**	**$5,885**	**$4,120**	**$2,589**
3-person household	**$20,090**	**$15,068**	**$10,045**	**$7,032**	**$4,420**
4-person household	**$24,250**	**$18,188**	**$12,125**	**$8,488**	**$5,335**

Affordable Child Care Is an Obstacle for Many Job-Seekers

The cost of child care is a serious obstacle for many unemployed qualified for a low-wage job. The average cost of full-time child care for one child is more than $5,000 a year.[15] A family of two young children earning $19,781 would spend about half of that income without a subsidy, according to the Office of Early Learning of the Department of Education.[16]

But obtaining the subsidy is difficult. The state's subsidized child care program, funded primarily from the federal government through the Child Care and Development Block Grant, had a waiting list of 53,596 as of April 30.[17] Only three counties – Glades, Liberty and Monroe – had no waiting list for the subsidized child care program.

The waiting list exceeded 1,000 in 11 counties, led by Palm Beach with 6,730, Hillsborough with 6,515, Duval with 6,2989, Orange with 5,394 and Broward with 4,677.[18] See the Appendix for county-by-county subsidized child care waitlists.

Education Costs to Meet Job Requirements Are a Problem for Many Job-Seekers

If a jobseeker requires more education and training to qualify for a position, the costs can be significant for a low-income Floridians. Tuition and fees for 30 credit hours, a full-time load for two semesters, cost about $3,100 at state colleges. The costs for books and supplies can exceed $1,000.[19]

Other jobs require certification but not a degree, but still come with a cost. Earning a Certified Nursing Assistant credential, for example, generally costs $500 to $1,000,[20,21] including the cost of the training course, the CNA exam and the cost of certification.

In addition, many lower-income Floridians may have difficulty traveling to work, job interviews or school because of the cost of vehicles and the lack of mass transit.

Conclusion

In devising a health care expansion plan, the legislature should consider the facts that not enough jobs are available in Florida to meet a work requirement. Even the job training and education options would be difficult to meet for 20 or 30 hours a week. The cost of child care and education to qualify for jobs present serious problems for many jobseekers.

Even nominal monthly premium payments for individuals and families living below the poverty level place unwarranted strain on already struggling Floridians.

Appendix

Subsidized Child Care Waitlist, Office of Early Learning, Florida Department of Education

Waitlist - April 2015

County	Child Count
Alachua	626
Baker	14
Bay	622
Bradford	86
Brevard	1,237
Broward	4,677
Calhoun	30
Charlotte	370
Citrus	45
Clay	691
Collier	660
Columbia	153
Miami-Dade	997
DeSoto	92
Dixie	3
Duval	6,298
Escambia	916
Flagler	103
Franklin	12
Gadsden	23
Gilchrist	8
Glades	0
Gulf	35
Hamilton	19
Hardee	72
Hendry	29
Hernando	138
Highlands	223
Hillsborough	6,515
Holmes	38
Indian River	617
Jackson	155
Jefferson	2

Lafayette	2
Lake	723
Lee	1,231
Leon	611
Levy	30
Liberty	0
Madison	5
Manatee	1,165
Marion	1,350
Martin	429
Monroe	0
Nassau	56
Okaloosa	236
Okeechobee	200
Orange	5,394
Osceola	837
Palm Beach	6,730
Pasco	434
Pinellas	2,221
Polk	2,204
Putnam	415
St. Johns	417
St. Lucie	689
Santa Rosa	255
Sarasota	388
Seminole	834
Sumter	13
Suwannee	69
Taylor	7
Union	15
Volusia	684
Wakulla	5
Walton	36
Washington	62
RCMA	343
Grand Total	53,596

Data as of April 30, 2015

Endnotes

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