Health Insurance
Rural Economic Development & Agriculture

Shoshanah Inwood
School of Environment and Natural Resources
- How does this research relate to you?

- Multi-disciplinary training and jargon

- Research
  - Findings
  - Extension
  - Communication
Do You Eat?
Do You Eat?
What Kind of Job Do You Want?
Economic Development
Workforce Vitality and Job Quality
National Research & Policy Trends

- Shrinking & Aging Farm Pop
- Small and medium farms
- Beginning and young farmers
- Local food systems
Economic Development in the Food and Farm Sector

Land
Capital
Labor
Skills
Markets
Government Systems

Economic Systems

Social Systems

Farm Families

(Gillespie and Johnson, 2010)
Household & Community Factors

Health Insurance

- Resilience
- Well-Being
- Human Capital
Prior Research

2007 USDA- NRI Project: Barriers to Farm Persistence & Growth

Top five *Serious Problems* for the Farm business (n=425)

<table>
<thead>
<tr>
<th>Commercial Farmer Issues</th>
<th>% Serious Threat</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Cost of health insurance</td>
<td>65%</td>
</tr>
<tr>
<td>2. Cost of farm inputs</td>
<td>61%</td>
</tr>
<tr>
<td>3. Cost of farmland</td>
<td>58%</td>
</tr>
<tr>
<td>4. Net income from farm</td>
<td>44%</td>
</tr>
<tr>
<td>5. Current prices for my farm products</td>
<td>44%</td>
</tr>
</tbody>
</table>

Inwood, 2015. *Journal of Extension*
Research and Extension Team

Project Directors

Shoshanah Inwood  
SENR  
The Ohio State University

Alana Knudson  
Walsh Center for Rural Health Analysis,  
NORC

Project Team

University of Vermont  
University of Maryland Extension  
Northeast Rural Development Center  
North Central Rural Development Center  
Southern Rural Development Center  
Western Rural Development Center

"The project was supported by the Agricultural and Food Research Initiative Competitive Program of the USDA National Institute of Food and Agriculture (NIFA), grant number 2015-2014-05623"
How Does Health Insurance Impact

• Economic development through food and agriculture

• Farm and Ranch
  • Development
  • Workforce Vitality
  • Risk Management
  • Quality of Life
  • Family Health
2014-2018 Research and Extension Activities

Extension and Technical Assistance Research

- National focus groups
  - Extension
  - Technical Assistance Providers
  - Tax Accountants

Development of Tools and Resources

Farmer Research

- Longitudinal Farm & Ranch Family Interviews
- Farm Household Survey 2016
- 10 Case Study States
  - VT, MA, PA, KY, MS, NE, MI, UT, WA, CA
Farmers Wear Two Hats

Individual & Family

Employer
Research Findings

Interviews with Farm Families in 10 States

Household Survey

Sample Size = 1,062

Average Age = 60.4 years old

<table>
<thead>
<tr>
<th>Multi-generation Farmer or Rancher</th>
<th>61.0%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Farmer or Rancher</td>
<td>13.2%</td>
</tr>
</tbody>
</table>

Sales

- <$10,000 54.7%
- $10,000 to 249,999 30.1%
- $250,000 to 499,999 4.1%
- $500,000+ 11.1%

Inwood et al. 2017. Health Insurance and National Farm Policy. CHOICES
As You Watch Reflect On:

- What did I hear or learn that was familiar?
- What did I hear or learn that surprised me?
- Did I understand the issue?
One in 10 respondents do not have health insurance.

High cost of premiums

Deductible

Alternatives and preventative methods:

- Food as medicine
- Chiropractic care
- Bartering for health care
- Being Cautious

Note: Specialization is determined by the one commodity or group of commodities that makes up at least 50 percent of the farm's total value of agricultural production.

Health Insurance & Risk Management

Health Insurance
Important Risk Management Strategy

73%
Farmer Health

Pre-Existing Health Condition

- Yes: 64%
- No: 36%

Health Condition Making It Hard to Farm

- Yes: 40%
- No: 60%
Coverage

- Prescription Drug Coverage: 78%
- Dental: 44%
- Vision: 36%
Health Insurance and Risk Management

Health Insurance **access** and **use** change along the life course
Multi-generation Farm Couple in their 50's

Off-farm employment with Benefits

Stage 4 Throat Cancer

Lose off-farm job

Individual Market

Production system change based on health

“We want the minimal care but we’re scared of catastrophic.”

“I’m ashamed I don’t understand the plans.”
Health Insurance Aging Along the Life-Course

-Delay health care till age 65 and eligible for Medicare.

“Once we hit 65 everything was taken care of”

-Kentucky Farmer
Farm Succession and Land Transfer

Able to pay costs of a major illness

- 48% Confident
- 52% Not Confident

Concerned will have to sell farm assets to address health related costs

- 55% Yes
- 45% No
Farmland Access Bottleneck for Next Generation

• Health Insurance
• Health Care Costs
• Land Costs
• Capital and Credit
• Succession Planning
• Retirement Planning
Growing the Next Generation of Farmers and Ranchers

Parental Coverage to Age 26

2 out of 5 Enrolled in Public Health Insurance

Young Families with Children

18-35 Years Old

Farm Viability

On-Farm vs. Full-Time Off-Farm Job with Benefits
“I’m a believer that my family would have been a little better off if I was just working part time. I wish that health insurance was offered for part time 30 hours a week work…you’d get more done so you’re not doing everything in the dark at 11 o’clock at night.”
Rural Development

Farm & Ranch Families

65 Years +

Medicare

18-64 Years

No Health Insurance

Health Insurance

• Public Option: Medicaid, CHIP, TRICARE
• State or Federal Marketplace
• Parents Health Insurance
• Health Sharing Plan
• Other Direct Policy Purchase

Employer Based Insurance (72%)

Public Sector 46%

Private Sector 36%

Non Profit Sector 20%
Health Insurance is Linked to:

- Farm Family Health & Quality of Life
- Risk Management & Farm Economics
- Off-farm Employment with Benefits
- Retirement & Long Term Planning
- Land Access for the Next Generation
- Rural Development
Current Outreach Approach

- Financial Advisors
- Health Care & Health Insurance Professionals
- Farm Technical Assistance Providers
- State & Federal Policy Makers

Farm
Coordinated Approach

- Health Care & Health Insurance Providers
- Financial Advisors
- State & Federal Policy Makers
- Farm TA Providers

Farmer
Tool 6
Understanding and Estimating Health Care Expenses
Find Tools You Can Use

https://HIREDnAg.net

Thank You