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New Research from EBRI:

**Employment-Based Health Insurance Coverage Declining:
Trends in Coverage and Access, 1995–2010**

WASHINGTON—Since 1995, the percentage of workers both with and without health insurance coverage has tracked closely with the unemployment rate, according to a new analysis of monthly data by the nonpartisan Employee Benefit Research Institute (EBRI).

While the link between employment and health coverage is well-documented, EBRI's new report tracks the data on a monthly basis to show the direct correlation. Currently, despite signs of economic recovery from the 2008–2009 recession, employment-based health insurance coverage remains well below the levels of the 1990s.

“Examining health insurance coverage and uninsured rates among workers on a monthly basis allows more accurate identification of changes in trends and can also more clearly indicate the effects of recessions and unemployment on changes in coverage,” said Paul Fronstin, the report's author.

“Although the link between health insurance coverage and employment has long been known, these data underscore the degree to which employment—or, more significantly, unemployment—rates directly affect the levels of the uninsured in the United States.”

Full details are published in the October *EBRI Notes*, available online at www.ebri.org

For instance, between December 1995 and December 2007, there was little change in the percentage of workers covered either in their own name or as a dependent. The percentage of workers with coverage in their own name increased slightly, from just below 60 percent in the second half of 1996 to slightly above 61 percent in 1998.

Between February 1998 and September 2002, the percentage of workers with coverage in their own name fluctuated between 60.5 percent and 61.8 percent. Then a gradual decline in coverage started in October 2002, and between January 2004 and December 2007 the percentage of workers with coverage in their own name remained mostly below 60 percent.

The recent economic recession started in December 2007, and between December 2007 and May 2008 the percentage of workers with coverage in their own name fell from 60.4 percent to 56.8 percent. There are no data in between to determine if this was a gradual trend or a one-time drop. The period between May 2008 and May 2009 shows a continuing decline in the percentage of workers with employment-based coverage in their own name.

((more))

By May 2009, 56.1 percent of workers had employment-based coverage. Between May 2009 and August 2009 there was a continued slight decline in coverage. The percentage of workers with employment-based coverage reached 55.9 percent in August 2009.

After August 2009, the percentage of workers with employment-based coverage began to tick up slightly. By December 2009 (the end of the recession), 56.6 percent of workers had employment-based coverage in their own name. However, it appears that this trend did not last. By April 2010, the percentage of workers with employment-based coverage was down to 56.2 percent.

Data for this study come from a series of panels from the Survey of Income and Program Participation (SIPP) conducted by the Census Bureau. SIPP is a nationally representative longitudinal survey of the civilian noninstitutionalized U.S. population. SIPP provides comprehensive information about the income of individuals and households in the United States. It also provides information on participation in public programs. Individuals selected into the SIPP sample are interviewed once every four months over the life of the panel. In addition to a core set of questions asked participants each four months, a rotating set of topical questions supplements the core questions.

The Employee Benefit Research Institute (EBRI) is a private, nonprofit research institute based in Washington, DC, that focuses on health, savings, retirement, and economic security issues. EBRI does not lobby and does not take policy positions.

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