

**FOR IMMEDIATE RELEASE:** May 22, 2012

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## **New Research from EBRI:**

# **Employment-based Health Coverage Rate Continues to Shrink**

WASHINGTON—A new report by the nonpartisan Employee Benefit Research Institute (EBRI) shows that the percentage of workers with employment-based health coverage continues to shrink.

The EBRI analysis, which looks at month-by-month health coverage rates before, during, and after the recession, finds that the brief uptick in employment-based coverage immediately after the recession has not endured.

Employment-based health benefits are the most common form of health insurance for nonpoor and nonelderly individuals in the United States, covering 69 percent of workers, 35 percent of nonworking adults, and 55 percent of children.

Between December 2007, when the most recent economic recession officially started, and June 2009, when the recession technically ended, the percentage of workers with coverage in their own name fell from 60.4 percent to 56.0 percent. While that ticked up almost 1 percentage point by the end of 2009, by April 2011, the coverage rate was down to 55.8 percent.

“While the link between health insurance coverage and employment has long been known, these data underscore the degree to which unemployment rates directly affect the levels of the uninsured in the United States,” said Paul Fronstin, director of EBRI’s Health Research and Education Program and author of the report.

While the percentage of workers with coverage has ebbed and flowed with the economy and health care costs, trends in the percentage of workers offered coverage and the percentage of workers taking coverage when offered have remained steady. The EBRI report notes that most uninsured workers reported that they did not have coverage because of cost: anywhere from 70 percent to 90 percent over the December 1995–July 2011 period.

The analysis examines employment-based health benefit coverage rates on a monthly basis from December 1995 to July 2011, to allow for more accurate identification of changes in trends, and to more clearly show the effects of recessions and unemployment on coverage.

The full report is published in the May 2012 *EBRI Notes*, “Trends in Employment-Based Coverage Among Workers, and Access to Coverage Among Uninsured Workers, 1995–2011,” available online at [www.ebri.org](http://www.ebri.org)

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