



EBRI News

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New Research From EBRI:

Union Membership a Key to Health Care Coverage

WASHINGTON—Union members are much more likely to have employment-based health insurance than nonunion workers, but the erosion of union membership is likely to coincide with an overall decline in the percentage of workers with health benefits, a new study by the nonpartisan Employee Benefit Research Institute (EBRI) says.

The study reported that 86 percent of union members were covered by health benefits through their job, compared with 60 percent of nonunion workers, as of September 2003 (the most recent data available). Union workers in several private-sector fields had very high levels of health insurance coverage, as did union workers in public-sector jobs, the study said. For example:

- 91 percent of union manufacturing workers had health benefits, compared with 74 percent for nonunion workers.
- 88 percent of union workers in agriculture, forestry, fishing, mining, and construction had coverage, compared with 40 percent for nonunion workers.
- 84 percent of union wholesale and retail trade workers had coverage, compared with 55 percent of nonunion workers.

The study, “Union Status and Employment-Based Health Benefits,” is published in the May *EBRI Notes* and is available at the Institute’s Web site, www.ebri.org.

Some 17.2 million workers were union members, accounting for 15 percent of all wage and salary workers ages 18—64, as of September 2003, the study said. Union workers were typically concentrated in jobs with high levels of employment-based health coverage. Union members accounted for 36 percent of public-sector workers, but 86 percent of union members had health benefits from their public-sector employers, compared with 68 percent for nonunion workers.

“Hence, unionization appears to increase the probability of having health benefits in the public sector by 26 percent,” said Dallas Salisbury, EBRI president.

Union membership also had a major impact on the probability of workers in small firms having health care benefits, the study said. Eighty-two percent of union members in firms with fewer than 25 employees had employment-based health benefits, compared with 36 percent of nonunion workers in firms of the same size.

Overall, only 2.5 percent of union workers were uninsured in September 2003, compared with 15 percent of nonunion workers, the study said. "Union workers across the board are more likely to have health benefits than nonunion workers," the study concluded. "All else being equal, if unionization in the United States continues to decline, the percentage of workers with health benefits will continue to decrease and the percentage of workers who are uninsured will continue to increase."

EBRI previously reported that 44.7 million U. S. residents, or 17.7 percent of the nonelderly population (under age 65), were uninsured in 2003. In 2004, 12.5 percent of wage and salary workers were union members. The union membership rate in the United States has declined steadily for the past two decades, according to the Department of Labor's Bureau of Labor Statistics.

Established in 1978, EBRI is an independent, nonprofit organization committed exclusively to data dissemination, policy research, and education on economic security and employee benefits. The Institute's mission is to advance the public's, the media's and policymakers' knowledge and understanding of employee benefits and their importance to the nation's economy.

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