

Why Uninsured? Most Workers Cite Cost

While uninsured workers report multiple reasons for not having health insurance coverage, most cite cost as the reason, according to new research from the nonpartisan Employee Benefit Research Institute (EBRI).

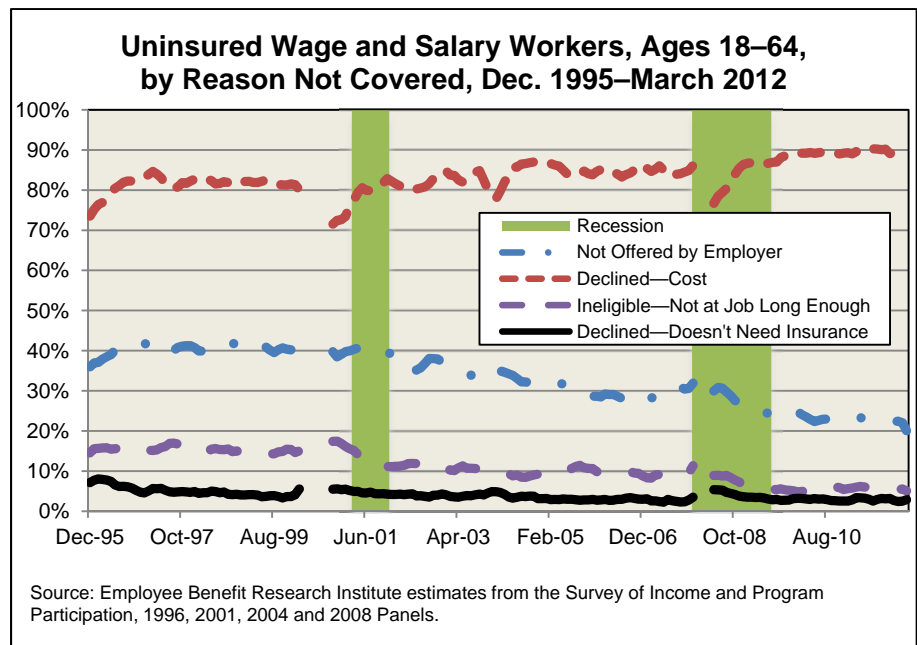
In fact, the percentage of uninsured workers reporting cost as a reason for not having coverage has been at or near 90 percent since late-2009. These workers may have been referring to the cost of employment-based coverage or coverage that they could purchase directly from an insurer.

Between December 1995 and early 1997, uninsured workers citing cost as a reason for that status increased from about 73 percent to 84 percent, and then settled in the low-80-percent range through 1999.

An economic expansion in 2000 resulted in an unemployment rate of 3.8 percent, while the percentage of workers reporting cost as a reason for not having coverage fell to 71.5 percent. However, the percentage of uninsured workers reporting cost as a reason for not having coverage started increasing in late 2000, and continued to do so during the 2001 recession.

Uninsured workers were asked a series of questions regarding why they were not covered. They were asked about access to employment-based coverage and whether they were ineligible for coverage offered to other workers or declined coverage when it was available.

There is a strong link between health benefits and employment, and employment-based health benefits remain the most common form of health insurance for nonpoor and nonelderly individuals in the United States. In 2011, 58.4 percent of nonelderly individuals (under age 65) were covered by an employment-based, health-benefits plan, including 68.3 percent of workers, 34.7 percent of nonworking adults, and 54.7 percent of children.



Additional information can be found in the July 2013 *EBRI Notes*, [“Tracking Health Insurance Coverage by Month: Trends in Employment-Based Coverage Among Workers, and Access to Coverage Among Uninsured Workers, 1995–2012.”](#)

The Employee Benefit Research Institute is a private, nonpartisan, 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. The work of EBRI is made possible by funding from its members and sponsors, which includes a broad range of public, private, for-profit and nonprofit organizations. For more information go to www.ebri.org or www.asec.org