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Sources of Health Insurance and Characteristics of the Uninsured: Analysis of the March 2009 Current Population Survey

By Paul Fronstin, EBRI

EXECUTIVE SUMMARY

This *Issue Brief* provides historical data through 2008 on the number and percentage of nonelderly individuals with and without health insurance. Based on EBRI estimates from the U.S. Census Bureau's March 2009 Current Population Survey (CPS), it reflects 2008 data. It also discusses trends in coverage for the 1994–2008 period and highlights characteristics that typically indicate whether an individual is insured.

HEALTH COVERAGE RATE CONTINUES TO DECREASE: The percentage of the nonelderly population (under age 65) with health insurance coverage decreased to 82.6 percent in 2008. Increases in health insurance coverage have been recorded in only four years since 1994, when 36.5 million nonelderly individuals were uninsured; in 2008, the uninsured population was 45.7 million.

EMPLOYMENT-BASED COVERAGE REMAINS DOMINANT SOURCE OF HEALTH COVERAGE, BUT CONTINUES TO SLOWLY ERODE: Employment-based health benefits remain the most common form of health coverage in the United States. In 2008, 61.1 percent of the nonelderly population had employment-based health benefits, down from 68.4 percent in 2000. Between 1994 and 2000, the percentage of the nonelderly population with employment-based coverage expanded.

PUBLIC PROGRAM COVERAGE IS GROWING: Public program health coverage expanded as a percentage of the population in 2008, accounting for 19.4 percent of the nonelderly population. Enrollment in Medicaid and the State Children's Health Insurance Program increased, reaching a combined 39.2 million in 2008, and covering 14.9 percent of the nonelderly population, significantly above the 10.5 percent level of 1999.

INDIVIDUAL COVERAGE STABLE: Individually purchased health coverage was unchanged in 2008 and has basically hovered in the 6–7 percent range since 1994.

MOST/LEAST LIKELY TO HAVE HEALTH INSURANCE: Full-time, full-year workers, public-sector workers, workers employed in manufacturing, managerial and professional workers, and individuals living in high-income families are most likely to have employment-based health benefits. Poor families are most likely to be covered by public coverage programs such as Medicaid or S-CHIP.

RETHINKING THE VALUE OF OFFERING HEALTH INSURANCE: Research illustrates the advantages to consumers of having health insurance and the benefits to employers of offering it. In general, the availability of health insurance allows consumers to avoid unnecessary pain and suffering and improves the quality of life, and employers report that offering benefits has a positive impact on worker recruitment, retention, health status, and productivity. Employers may believe in the business case for providing health benefits today, but in the future they may rethink the value that offering coverage provides, especially if health costs continue to escalate sharply or if health reform changes the value proposition.

Paul Fronstin is director of the Health Research and Education Program at the Employee Benefit Research Institute (EBRI). This *Issue Brief* was written with assistance from the Institute's research and editorial staffs. Any views expressed in this report are those of the author and should not be ascribed to the officers, trustees, or other sponsors of EBRI, EBRI-ERF, or their staffs. Neither EBRI nor EBRI-ERF lobbies or takes positions on specific policy proposals. EBRI invites comment on this research

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Sources of Health Insurance and Characteristics of the Uninsured: Analysis of the March 2009 Current Population Survey

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Introduction

Continuing a long-term trend that has occurred during most years since 1994, the percentage of nonelderly individuals in the United States with health insurance *decreased* between 2007 and 2008: 82.6 percent of individuals were covered in 2008, down from 82.8 percent in 2007 (calculated from Figure 1). More than 217 million nonelderly individuals had insurance coverage in 2008, while 45.7 million were uninsured. The number of uninsured increased from 45 million in 2007, but is still lower than the record 46.5 million reached in 2006. The percentage of nonelderly individuals without health insurance coverage was 17.4 percent in 2008, up from 17.2 percent in 2007, but again, lower than the 2006 estimate of 17.9 percent (Figure 1).

The *number* of uninsured individuals in the United States increased in 2008 because fewer people were covered by employment-based health plans and the size of the population increased. Enrollment in public programs increased and offset much of the decline in employment-based health plans. As a result, the increase in the *percentage* of the population without health insurance was statistically unchanged. Employment-based health benefits are still the dominant source of health coverage in the United States, providing coverage for more than 161 million people under age 65.

While the majority of individuals insured in 2008 received coverage through an employment-based health plan, 51 million, or 19.4 percent of the nonelderly population, were covered by public programs, and an additional 16.7 million, or 6.3 percent, were covered by policies purchased directly from an insurer. More than 39 million nonelderly individuals participated in the Medicaid or State Children's Health Insurance Program (S-CHIP),[1] and 7.8 million received their health insurance through the Tricare and CHAMPVA[2] programs and other government programs for retired military and their families.

While the population age 65 and older are not the focus of this report, when considering the *entire U.S. population,* about 59 percent are covered through employment-based programs, 29 percent are covered through government programs, and 15.4 percent are uninsured (DeNavas-Walt, Proctor, and Smith, 2009).[3]

This *Issue Brief* examines the status of health insurance coverage in the United States. The data are based primarily on the March 2009 Current Population Survey (CPS), with some analysis based on other Census surveys.[4] The report focuses on the nonelderly population (under age 65) because this group can receive health insurance coverage from a number of different sources, and because Medicare covers nearly all individuals age 65 and older. The estimates presented in this report therefore differ from those published by the Census Bureau. As a result of this difference between EBRI and Census Bureau estimates, this report shows a higher percentage of uninsured in the United States.[5]

The next section of the report discusses recent trends in health insurance coverage and some of their causes. The following section discusses the determinants of having employment-based health coverage as well as other types of coverage. The section after that analyzes the uninsured population and the factors associated with being uninsured, and is followed by a section examining policy implications. The final section presents conclusions. Data sources are discussed in more detail in the appendix.

Trends

While the overall percentage of individuals in the United States without health insurance coverage has increased in most years since 1994, the periods before and after 2000 should be examined separately. Before 2000, the United

Figure 1

Nonelderly Population with Selected Sources of Health Insurance Coverage, 1994–2008

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
	(millions)														
Total	229.9	231.9	234.1	236.2	238.6	242.6	244.8	247.5	250.8	252.7	255.1	257.4	260.0	261.4	262.8
Employment-based coverage	148.1	149.7	151.7	156.9	160.4	164.7	167.5	166.1	164.9	162.9	161.0	161.3	161.7	162.5	160.6
Own name	76.3	76.9	78.0	78.5	80.2	82.2	84.6	84.1	82.5	81.5	81.6	82.3	82.9	83.9	82.5
Dependent coverage	71.9	72.8	73.7	78.4	80.2	82.4	82.9	82.0	82.4	81.5	79.4	79.0	78.8	78.5	78.1
Individually Purchased	17.3	16.8	16.8	17.1	16.5	16.4	16.0	16.0	16.6	16.7	17.5	17.3	17.1	17.1	16.7
Public	39.4	38.8	37.8	35.3	34.6	34.8	35.8	37.9	40.0	42.5	45.1	45.5	45.5	47.7	51.0
Medicare	3.7	4.1	4.6	4.7	4.8	4.9	5.4	5.6	5.8	6.2	6.3	6.4	6.5	7.1	7.7
Medicaid	29.1	29.4	28.6	26.4	25.2	25.5	26.2	28.3	29.9	32.4	34.6	34.7	34.9	36.3	39.2
Tricare/CHAMPVA*	8.7	7.5	6.9	6.6	6.9	6.6	6.8	6.6	6.9	6.9	7.4	7.7	7.1	7.5	7.8
No Health Insurance	36.5	37.3	38.3	38.9	39.4	38.5	38.2	39.5	41.8	43.1	43.0	44.4	46.5	45.0	45.7
	(percentage)														
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Employment-based coverage	64.4	64.6	64.8	66.4	67.2	67.9	68.4	67.1	65.7	64.5	63.1	62.7	62.2	62.2	61.1
Own name	33.2	33.2	33.3	33.2	33.6	33.9	34.6	34.0	32.9	32.2	32.0	32.0	31.9	32.1	31.4
Dependent coverage	31.3	31.4	31.5	33.2	33.6	34.0	33.8	33.1	32.8	32.2	31.1	30.7	30.3	30.0	29.7
Individually Purchased	7.5	7.2	7.2	7.2	6.9	6.8	6.5	6.5	6.6	6.6	6.9	6.7	6.6	6.5	6.3
Public	17.1	16.7	16.2	15.0	14.5	14.3	14.6	15.3	15.9	16.8	17.7	17.7	17.5	18.2	19.4
Medicare	1.6	1.8	2.0	2.0	2.0	2.0	2.2	2.3	2.3	2.5	2.5	2.5	2.5	2.7	2.9
Medicaid	12.7	12.7	12.2	11.2	10.6	10.5	10.7	11.4	11.9	12.8	13.6	13.5	13.4	13.9	14.9
Tricare/CHAMPVA*	3.8	3.2	2.9	2.8	2.9	2.7	2.8	2.7	2.8	2.7	2.9	3.0	2.7	2.9	3.0
No Health Insurance	15.9	16.1	16.4	16.5	16.5	15.9	15.6	16.0	16.6	17.1	16.9	17.2	17.9	17.2	17.4

Source: Employee Benefit Research Institute estimates of the Current Population Survey, March 1995-2009 Supplements.

Note: Details may not add to totals because individuals may receive coverage from more than one source.

* TRICARE (formerly known as CHAMPUS) is a program administered by the Department of Defense for military retirees as well as families of active duty, retired, and deceased service members. CHAMPVA, the Civilian Health and Medical Program for the Department of Veterans Affairs, is a health care benefits program for disabled dependents of veterans and certain survivors of veterans.

States experienced an erosion of public coverage. The percentage of the nonelderly population covered by Medicaid declined from 12.7 percent in 1994 to 10.5 percent in 1999, and then started to rebound in 2000. The decline in Medicaid coverage was in large part the result of former welfare recipients entering the work force during the then-thriving economy.[6] Similarly, the percentage of nonelderly individuals covered by Tricare or CHAMPVA declined from 3.8 percent to 2.8 percent between 1994 and 2000 in large part due to downsizing in the military. During this same time period, the percentage of nonelderly individuals covered by employment-based health benefits increased. In 1994, 64.4 percent of the nonelderly population had employment-based health benefits. By 2000, 68.4 percent were covered. Overall, the decline in public coverage was greater than the expansion in employment-based health benefits during 1994–1998. As a result, the percentage of individuals without health insurance coverage increased.

During 1997–2000, however, the expansion in employment-based health benefits was large enough to offset the continued decline in public coverage. As a result, between 1997 and 1998 the percentage of individuals without health insurance coverage was unchanged, and between 1998 and 2000 it declined.

These trends, however, mask other important differences among various groups in the U.S. population. For example, the increase in employment-based health benefits was limited to children between 1994 and 1997; during that period, the percentage of children covered by an employment-based health plan increased from 58.9 percent to 63.7 percent (Figure 2), while for adults it increased slightly from 66.9 percent to 67.6 percent (Figure 3). However, between 1997 and 2000, the increase in the percentage of adults with employment-based health benefits accelerated, growing from 67.6 percent to 69.3 percent (Figure 3).

Fronstin (1999b) has shown why the likelihood of a child being covered by employment-based health benefits increased. The study found that the percentage of children with a working parent increased, the percentage of children in families with incomes below the poverty level decreased, and more children had a working parent employed in a large firm. The increase in employment-based coverage among children during this period can in part be attributed to an increase in the number of adult women working. Figure 4 shows how the percentage of women ages 18–45 in families receiving public assistance or welfare income declined, while employment increased.

Between 1994 and 1997, the percentage of working adults with employment-based health benefits held steady at roughly 73.5 percent (Figure 5), and the percentage of workers with coverage from their own employer held steady at between 56 percent and 57 percent (Figure 6). During this period, the cost of providing health benefits to employees was in large part unchanged.

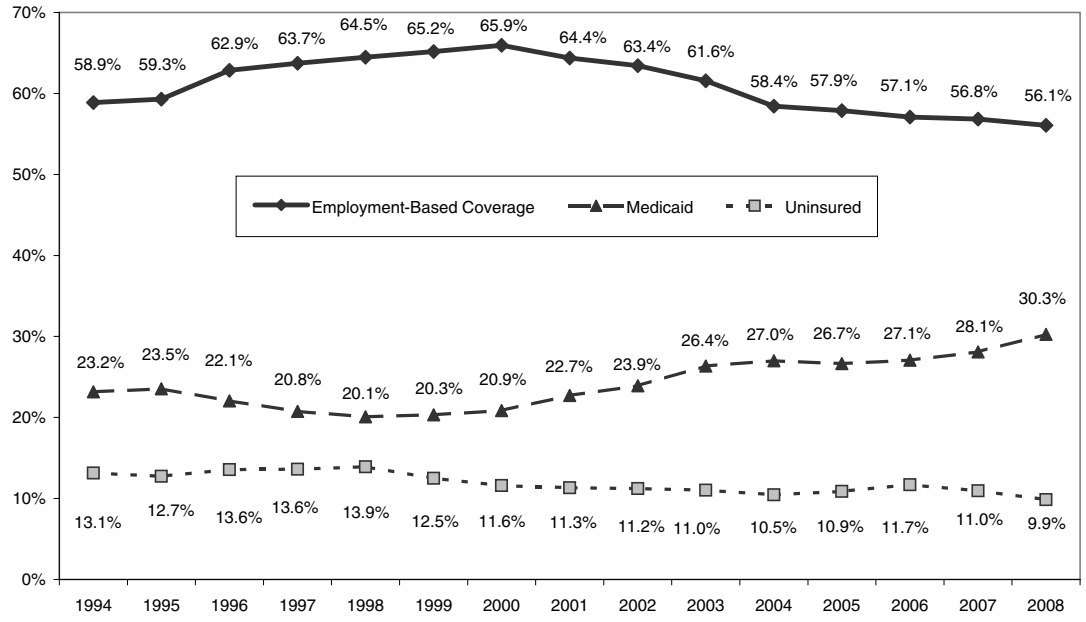
Between 1997 and 2000, the percentage of working adults with employment-based health insurance increased from 73.6 percent to 74.9 percent. This occurred in part because the percentage of small firms offering health benefits increased (Gabel et al., 2001), despite the rising cost of health benefits, especially among small firms during this period (Figure 7). It is also likely that the changing composition of the labor force accounted for some of the increase in the percentage of workers covered by employment-based health benefits. For example, the percentage of workers who were self-employed declined between 1997 and 2000, as did the percentage of workers employed on a part-time basis (Figure 8).

The increase in the percentage of individuals with employment-based health benefits between 1997 and 2000 has several explanations. A strong economy and low unemployment rates caused more employers to provide health benefits in order to attract and retain workers, and also may have resulted in more workers being able to afford health insurance. The expansion in employment-based coverage occurred despite the fact that the cost of providing health benefits to workers was increasing faster than inflation, a trend that accelerated in 1999 and 2000.

The post-2000 period has seen a weaker economy. The unemployment rate increased from 4 percent in 2000 to 6 percent in 2003, fell to 4.4 percent in late 2006 and early 2007, but then started to increase, reaching 7.2 percent by the end of 2008. In addition, increases in the cost of providing health benefits continued to outpace increases in worker earnings, in some years by a factor of four or five. As a result, in contrast to the pre-2000 period, the post-

Figure 2

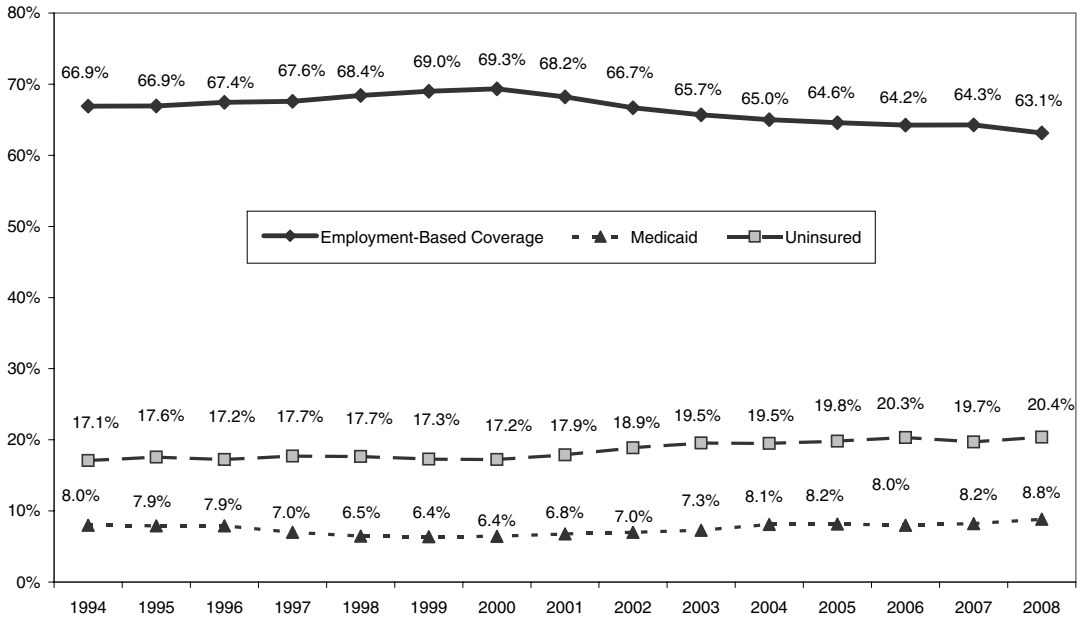
Percentage of Children Under Age 18 With Employment-Based Health Benefits, Medicaid, and Without Health Insurance, 1994–2008



Source: Employee Benefit Research Institute estimates from the Current Population Survey, March 1995–2009 Supplements.

Figure 3

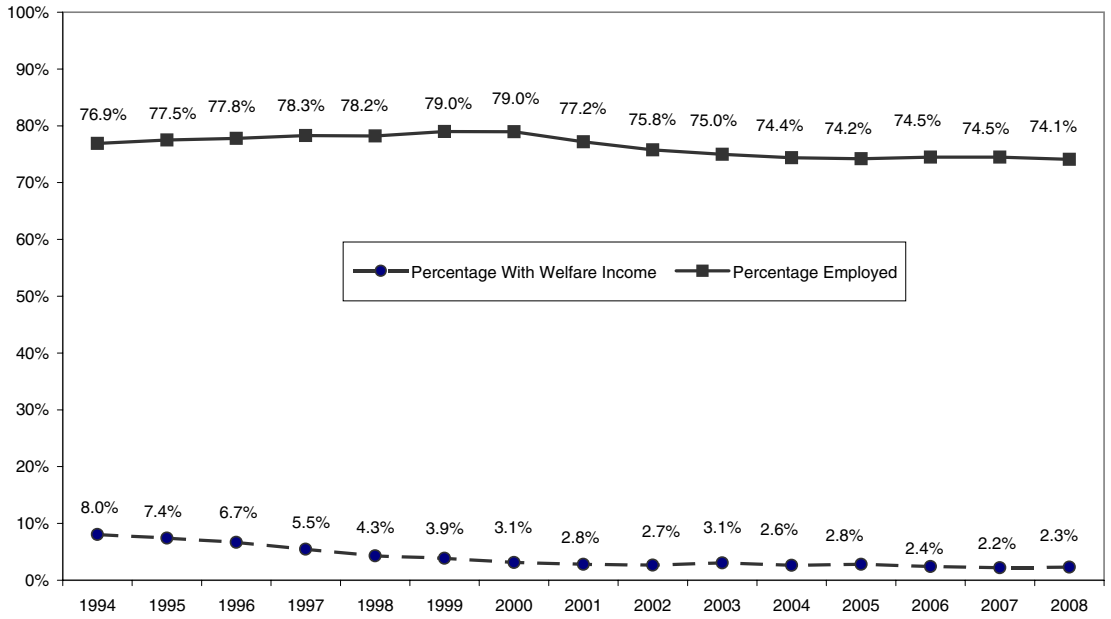
Percentage of Adults, Ages 18–64, With Employment-Based Health Benefits, Medicaid, and Without Health Insurance, 1994–2008



Source: Employee Benefit Research Institute estimates from the Current Population Survey, March 1995–2009 Supplements.

Figure 4

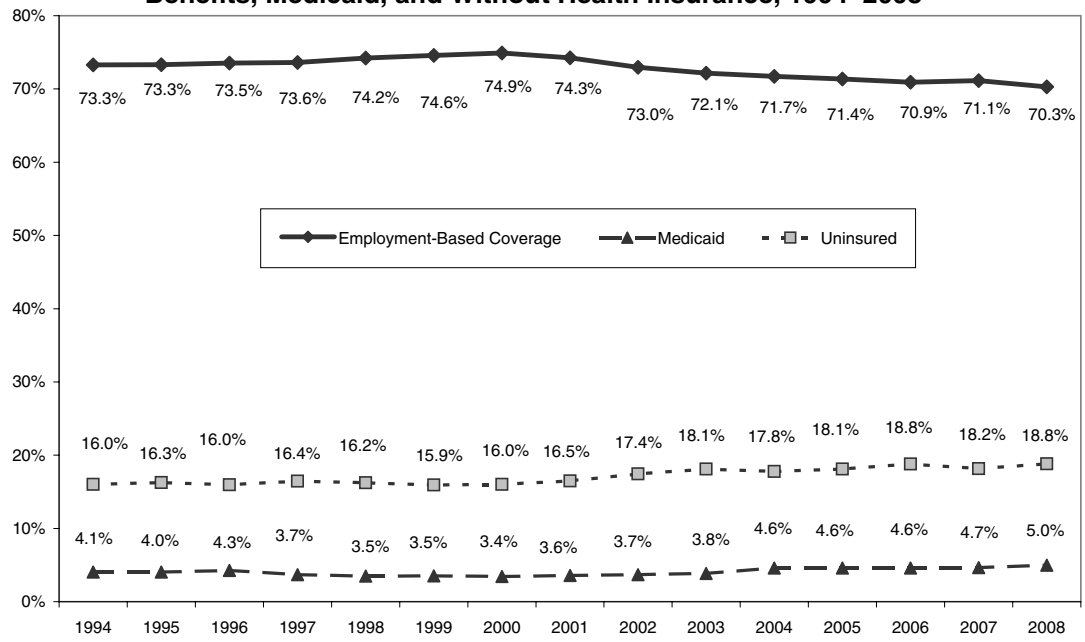
Percentage of Women Ages 18–45 Who Were in Families With Welfare Income or Who Were Employed, 1994–2008



Source: Employee Benefit Research Institute estimates from the Current Population Survey, March 1995–2009 Supplements.

Figure 5

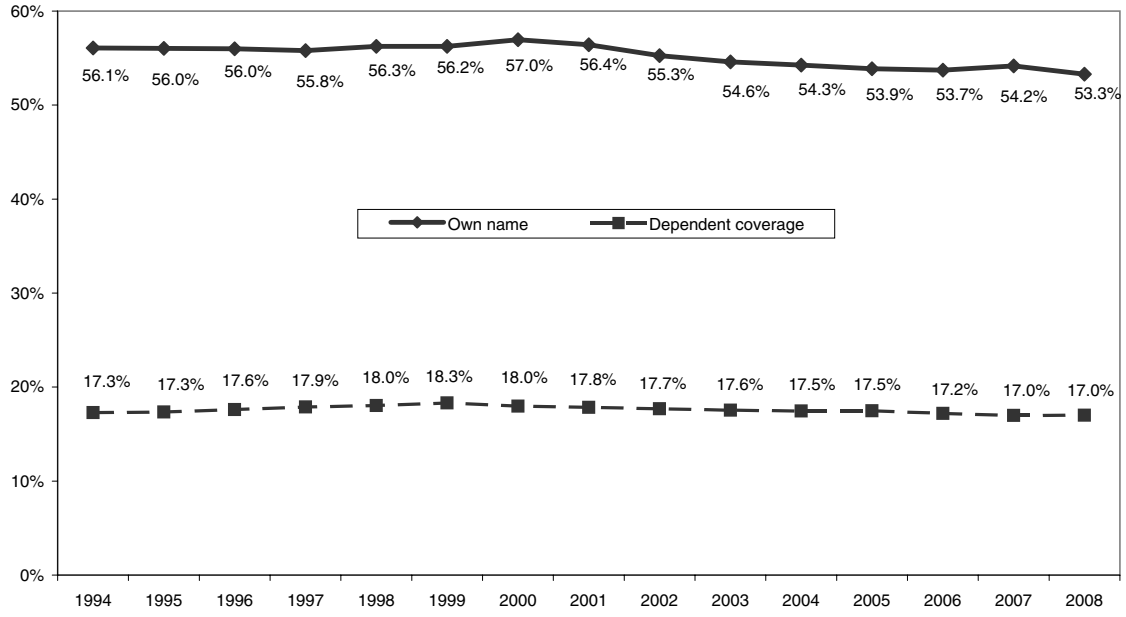
Percentage of Workers, Ages 18–64, With Employment-Based Health Benefits, Medicaid, and Without Health Insurance, 1994–2008



Source: Employee Benefit Research Institute estimates from the Current Population Survey, March 1995–2009 Supplements.

Figure 6

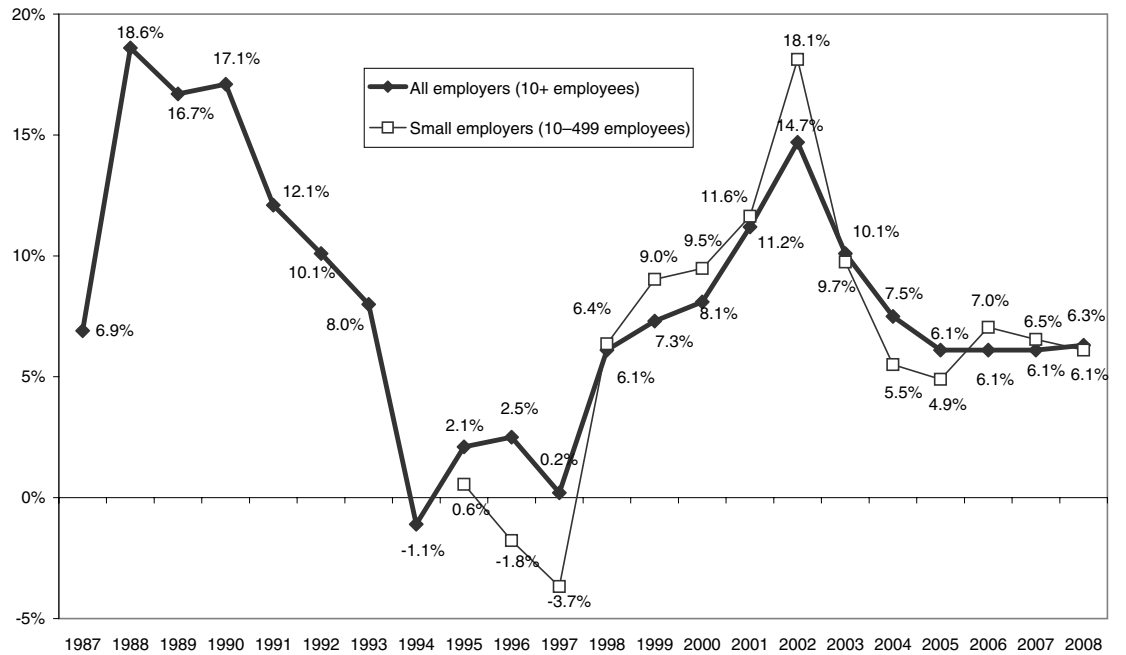
Percentage of Workers, Ages 18–64, With Employment-Based Health Benefits in Their Own Name and as a Dependent, 1994–2008



Source: Employee Benefit Research Institute estimates from the Current Population Survey, March 1995–2009 Supplements.

Figure 7

Premium Increases, by Firm Size, 1987–2008



Source: Mercer National Survey of Employer-Sponsored Health Plans.

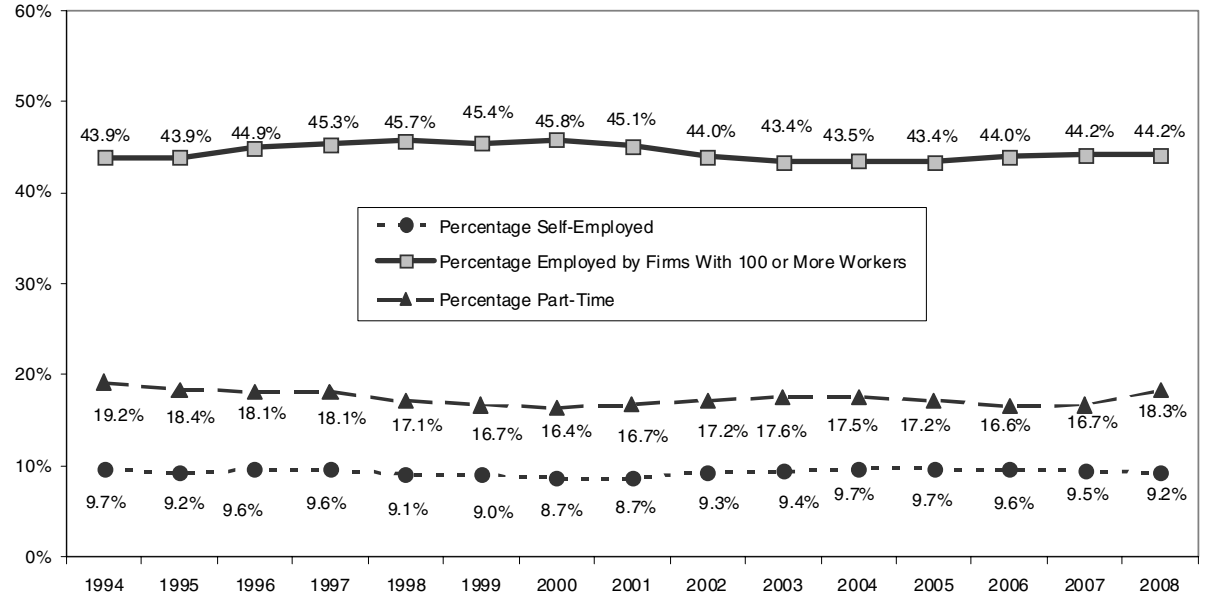
2000 period has experienced an erosion of employment-based health benefits. The percentage of individuals with employment-based health benefits decreased from 68.4 percent in 2000 to 61.1 percent in 2008.

Expansions in the percentage of the population covered by public programs, particularly Medicaid and the S-CHIP program, to some degree offset the erosion in employment-based health benefits until 2004. Between 1999 and 2004, the percentage of nonelderly individuals with some form of public coverage increased from 14.3 percent to 17.7 percent. However, the expansion in public coverage was not large enough to fully offset the decline in employment-based health benefits. As a result, the percentage of nonelderly individuals without health insurance coverage increased from 15.6 percent in 2000 to 16.9 percent in 2004. Furthermore, between 2004 and 2006, while there was some erosion in employment-based coverage, public coverage did not expand, suggesting the beginning of a new trend where the uninsured population is increasing faster than it otherwise would have had public programs been offsetting the erosion in employment-based coverage.

The lack of change in the percentage of uninsured among the nonelderly population between 2006 and 2007 and the decrease in the uninsured should come as no surprise. First, the percentage of employers offering health benefits was essentially unchanged between 2006 and 2007. In 2006, 61 percent of employers offered coverage while in 2007 60 percent offered it.[7] Second, premiums increased 6.1 percent while worker earnings increased 3.7 percent, the gap being a record low since the mid-1990s. Third, unemployment averaged 4.6 percent in 2007, down from 6 percent in 2003. When employers increasingly compete for workers and more individuals are at work, the percentage of individuals with employment-based health benefits tends to expand.

As was reported last year, the decrease in the uninsured rate that occurred between 2006 and 2007 was not expected to continue into 2008. Unemployment was higher in 2008, than it was in 2007, increasing from below 5 percent in January to 7.2 percent by December. With fewer individuals working, fewer will have access to health benefits in the work place. Furthermore, even among workers, an increasing number of workers likely[8] declined coverage when it was available because of affordability issues. As a result, the percentage of individuals under age 65 with employment-based health benefits fell from 62.2 percent in 2007 to 61.1 percent in 2008, and the percentage of workers with

Figure 8
Percentage of Workers Who Were Self-Employed, Employed in Large Firms, or Employed Part-Time, 1994–2008



Source: Employee Benefit Research Institute estimates from the Current Population Survey, March 1995–2009 Supplements.

coverage through their own employer fell from 54.2 percent to 53.3 percent, its lowest level during the 1994–2008 period.

Determinants of Coverage

Full-time, full-year workers, public-sector workers, workers employed in manufacturing, managerial and professional workers, and individuals living in high-income families are most likely to have employment-based health benefits. Poor families are most likely to be covered by public coverage programs such as Medicaid or S-CHIP.

Employment status is the most important determinant of health insurance coverage. Slightly more than 61 percent of the nonelderly population has employment-based health benefits. This coverage can be obtained either directly through one's employer, union, or previous employer, or indirectly through an employed person in one's family.[9]

Large employers that provide access to group health coverage often are able to provide health benefits at lower cost than small employers, because they are subject to less adverse selection and their administrative costs and marketing costs are lower. But the larger firms often provide broader coverage and thus ultimately pay more per worker covered.

Furthermore, the nature of employment, the industry, and firm size often determine the cost and extent of coverage. Workers in large firms are more likely to be covered than those in small firms.

Workers were much more likely to have employment-based health benefits than nonworkers, who typically receive such coverage through spouses or parents (Figure 9). Slightly more than 70 percent of workers had employment-based health benefits, compared with 37.1 percent of nonworkers. In addition, 73 percent of individuals in families headed by full-year, full-time workers had employment-based health benefits, compared with 34.7 percent among those in families headed by part-time, part-year workers, and 19 percent of individuals in families headed by a nonworker (Figure 10).

Workers employed in the public sector and in manufacturing were more likely than other workers to have employment-based health benefits in their own name (Figure 11). About 22 percent of self-employed workers and 26.4 percent of private-sector workers in firms with fewer than 10 employees had employment-based health benefits in their own name in 2008, compared with 64.2 percent of private-sector workers in firms with 1,000 or more employees (Figure 12). The gap by firm size shrinks when considering the fact that many workers get health coverage from someone else in their family. Overall, about one-half of self-employed workers and private-sector workers in firms with fewer than 10 employees had some form of employment-based health benefits, compared with 78.5 percent of private-sector workers in firms with 1,000 or more employees.

Occupation also has an impact. More than 66 percent of workers in managerial and professional occupations had employment-based health benefits in their own name, compared with 33.9 percent among workers in service occupations (Figure 13). In addition, hours worked and weeks worked have a strong impact on the likelihood that a worker has employment-based health benefits. More than 66 percent of workers employed full time and full year had employment-based health benefits from their own employer, compared with 21.9 percent among part-time, full-year employees; 37.9 percent among full-time, part-year employees; and 13.1 percent among part-time, part-year employees (Figure 14).

In general, individuals with high levels of income are more likely to be covered by employment-based health benefits. In 2008, 5.1 percent of individuals in families with annual income below $10,000 had employment-based health benefits in their own name, compared with 39.1 percent of those in families with annual income of $75,000 or more (Figure 15).

Whether an individual has employment-based coverage also varies by race and ethnicity. Whites are more likely to have employment-based coverage than other individuals. Slightly less than 70 percent of whites had employment-based coverage in 2008 (Figure 16). In contrast, 49.1 percent of blacks had coverage and 40.7 percent of Hispanics had it. Even after controlling for poverty status, whites were nearly across the board more likely to have employment-

Figure 9

Nonelderly Population With Selected Sources of Health Insurance, by Own Work Status, 2008

Own Work Status	Total	Employment-Based Coverage			Individually Purchased	Public		Uninsured
		Total	Own name	Dependent		Total	Medicaid	
				(millions)				
Total	262.8	160.6	82.5	78.1	16.7	51.0	39.2	45.7
Child	74.5	41.8	0.2	41.5	3.8	24.8	22.6	7.3
Family head worker	94.8	65.6	59.2	6.4	6.5	7.8	5.3	18.2
Other worker	52.8	38.2	19.5	18.7	3.5	3.7	2.0	9.5
Nonworker	40.6	15.1	3.6	11.4	2.9	14.7	9.3	10.6
				(percentage within coverage category)				
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Child	28.4	26.0	0.3	53.2	22.9	48.5	57.6	16.1
Family head worker	36.1	40.8	71.7	8.2	38.8	15.4	13.6	39.9
Other worker	20.1	23.8	23.6	24.0	20.8	7.3	5.2	20.9
Nonworker	15.5	9.4	4.4	14.6	17.5	28.9	23.7	23.1
				(percentage within work status categories)				
Total	100.0%	61.1%	31.4%	29.7%	6.3%	19.4%	14.9%	17.4%
Child	100.0	56.1	0.3	55.8	5.1	33.2	30.3	9.9
Family head worker	100.0	69.2	62.5	6.7	6.8	8.3	5.6	19.2
Other worker	100.0	72.3	36.8	35.5	6.5	7.0	3.8	18.1
Nonworker	100.0	37.1	9.0	28.1	7.2	36.3	22.8	26.0

Source: Employee Benefit Research Institute estimates of the Current Population Survey, March 2009 Supplement.
Note: Details may not add to totals because individuals may receive coverage from more than one source.

Figure 10

Nonelderly Population With Selected Sources of Health Insurance, by Work Status of Family Head, 2008

Work Status of Family Head	Total	Employment-Based Coverage			Individually Purchased	Public		Uninsured
		Total	Own name	Dependent		Total	Medicaid	
				(millions)				
Total	262.8	160.6	82.5	78.1	16.7	51.0	39.2	45.7
Full-year, full-time worker	190.4	139.1	69.8	69.3	11.7	23.1	16.8	25.8
Part-time, full-year worker	14.6	5.4	3.0	2.4	1.5	4.2	3.5	3.8
Full-time, part-year worker	19.1	7.5	4.2	3.3	1.0	5.6	4.9	5.8
Part-time, part-year worker	8.4	2.9	1.8	1.2	0.6	2.9	2.5	2.0
Nonworker	30.2	5.7	3.8	2.0	1.8	15.2	11.5	8.2
				(percentage within coverage category)				
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Full-year, full-time worker	72.5	86.6	84.5	88.8	70.2	45.3	42.8	56.5
Part-time, full-year worker	5.6	3.4	3.7	3.0	9.2	8.2	8.9	8.2
Full-time, part-year worker	7.3	4.7	5.1	4.2	6.3	10.9	12.6	12.7
Part-time, part-year worker	3.2	1.8	2.1	1.5	3.4	5.8	6.5	4.5
Nonworker	11.5	3.6	4.5	2.5	11.0	29.8	29.3	18.0
				(percentage within work status categories)				
Total	100.0%	61.1%	31.4%	29.7%	6.3%	19.4%	14.9%	17.4%
Full-year, full-time worker	100.0	73.0	36.6	36.4	6.1	12.1	8.8	13.6
Part-time, full-year worker	100.0	36.8	20.6	16.2	10.5	28.5	23.7	25.7
Full-time, part-year worker	100.0	39.2	22.2	17.0	5.5	29.2	25.9	30.4
Part-time, part-year worker	100.0	34.7	21.0	13.7	6.7	35.0	30.1	24.3
Nonworker	100.0	19.0	12.4	6.6	6.1	50.5	38.1	27.3

Source: Employee Benefit Research Institute estimates from the Current Population Survey, March 2009 Supplement.
Note: Details may not add to totals because individuals may receive coverage from more than one source.

Figure 11

Workers Ages 18–64 With Selected Sources of Health Insurance, by Industry, 2008

Industry	Total	Employment-Based Coverage			Individually Purchased	Public		Uninsured
		Total	Own name	Dependent		Total	Medicaid	
				(millions)				
Total	147.6	103.8	78.7	25.1	9.9	11.5	7.4	27.8
Agriculture, forestry, fishing, mining and construction	14.0	7.3	5.4	1.9	1.2	1.0	0.8	4.8
Manufacturing	25.5	20.0	17.0	2.9	1.2	1.5	1.0	3.9
Wholesale and retail trade	46.2	32.2	23.6	8.6	3.6	3.5	2.2	8.6
Personal services	40.7	25.7	17.0	8.7	3.0	3.9	2.8	9.2
Public sector	21.2	18.5	15.6	3.0	0.9	1.7	0.6	1.3
				(percentage within coverage category)				
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Agriculture, forestry, fishing, mining and construction	9.5	7.1	6.9	7.6	11.9	8.8	10.3	17.4
Manufacturing	17.3	19.3	21.7	11.7	12.2	12.9	13.2	14.0
Wholesale and retail trade	31.3	31.0	30.0	34.2	36.3	30.3	29.8	30.9
Personal services	27.6	24.8	21.6	34.7	30.4	33.6	38.1	33.0
Public sector	14.4	17.9	19.8	11.8	9.1	14.4	8.5	4.8
				(percentage within industry category)				
Total	100.0%	70.3%	53.3%	17.0%	6.7%	7.8%	5.0%	18.8%
Agriculture, forestry, fishing, mining and construction	100.0	52.6	38.9	13.7	8.5	7.3	5.4	34.5
Manufacturing	100.0	78.4	66.8	11.6	4.7	5.8	3.8	15.2
Wholesale and retail trade	100.0	69.7	51.1	18.6	7.8	7.6	4.8	18.6
Personal services	100.0	63.1	41.7	21.4	7.4	9.5	6.9	22.5
Public sector	100.0	87.4	73.4	14.0	4.3	7.8	3.0	6.3

Source: Employee Benefit Research Institute estimates of the Current Population Survey, March 2009 Supplement.
Note: Details may not add to totals because individuals may receive coverage from more than one source.

Figure 12

Workers Ages 18–64 With Selected Sources of Health Insurance, by Firm Size, 2008

Firm Size	Total	Employment-Based Coverage			Individually Purchased	Public		Uninsured
		Total	Own name	Dependent		Total	Medicaid	
				(millions)				
Total	147.6	103.8	78.7	25.1	9.9	11.5	7.4	27.8
Self-Employed	13.6	6.6	3.0	3.6	2.9	1.0	0.6	3.7
Wage and Salary Workers	134.0	97.2	75.6	21.6	7.1	10.5	6.8	24.1
Public sector	21.2	18.5	15.6	3.0	0.9	1.7	0.6	1.3
Private sector	112.8	78.7	60.1	18.6	6.2	8.9	6.2	22.7
Less than 10	17.0	8.1	4.5	3.6	1.6	1.6	1.2	6.0
10–24	13.5	7.7	5.0	2.6	0.9	1.2	0.8	4.0
25–99	17.1	11.9	8.9	3.0	0.9	1.3	1.0	3.5
100–499	16.5	12.7	10.3	2.4	0.7	1.2	0.8	2.6
500–999	6.7	5.3	4.4	0.9	0.3	0.5	0.3	0.9
1,000 or more	42.0	33.0	27.0	6.0	1.8	3.1	2.0	5.7
				(percentage within coverage category)				
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Self-Employed	9.2	6.3	3.9	14.1	28.9	8.7	7.9	13.4
Wage and Salary Workers	90.8	93.7	96.1	85.9	71.1	91.3	92.1	86.6
Public sector	14.4	17.9	19.8	11.8	9.1	14.4	8.5	4.8
Private sector	76.4	75.8	76.4	74.1	62.0	76.9	83.6	81.8
Less than 10	11.5	7.8	5.7	14.4	16.2	13.6	16.4	21.8
10–24	9.1	7.4	6.4	10.4	9.0	10.2	11.5	14.5
25–99	11.6	11.5	11.3	11.8	8.8	11.6	13.0	12.8
100–499	11.2	12.2	13.0	9.7	7.3	10.8	11.5	9.2
500–999	4.5	5.1	5.6	3.8	3.1	3.9	4.1	3.2
1,000 or more	28.4	31.8	34.3	23.9	17.6	26.8	27.2	20.4
				(percentage within firm size categories)				
Total	100.0%	70.3%	53.3%	17.0%	6.7%	7.8%	5.0%	18.8%
Self-Employed	100.0	48.4	22.3	26.1	21.1	7.4	4.3	27.3
Wage and Salary Workers	100.0	72.5	56.4	16.1	5.3	7.9	5.1	18.0
Public sector	100.0	87.4	73.4	14.0	4.3	7.8	3.0	6.3
Private sector	100.0	69.7	53.2	16.5	5.5	7.9	5.5	20.1
Less than 10	100.0	47.8	26.4	21.3	9.5	9.3	7.1	35.7
10–24	100.0	56.9	37.4	19.5	6.7	8.7	6.3	29.9
25–99	100.0	69.4	52.1	17.3	5.1	7.8	5.6	20.7
100–499	100.0	76.8	62.1	14.7	4.4	7.5	5.1	15.5
500–999	100.0	79.3	65.2	14.1	4.6	6.7	4.5	13.3
1,000 or more	100.0	78.5	64.2	14.3	4.2	7.4	4.8	13.5

Source: Employee Benefit Research Institute estimates of the Current Population Survey, March 2009 Supplement.
Note: Details may not add to totals because individuals may receive coverage from more than one source.

Figure 13

Workers Ages 18–64 With Selected Sources of Health Insurance, by Occupation, 2008

Occupation	Total	Employment-Based Coverage			Individually Purchased	Public		Uninsured
		Total	Own name	Dependent		Total	Medicaid	
	(millions)							
Total	147.6	103.8	78.7	25.1	9.9	11.5	7.4	27.8
Managerial and professional specialty	52.2	43.7	34.5	9.1	4.0	2.6	1.1	4.3
Service occupations	25.6	13.5	8.7	4.9	1.7	3.3	2.4	7.8
Sales and office occupations	35.6	25.2	18.0	7.3	2.5	3.0	2.0	6.0
Farming, fishing, and forestry	1.1	0.4	0.3	0.1	0.1	0.2	0.1	0.5
Construction, extraction, and maintenance	14.6	8.6	7.0	1.6	0.8	1.0	0.6	4.6
Production, transportation, and material moving	18.5	12.3	10.2	2.2	0.8	1.6	1.1	4.6
	(percentage within coverage category)							
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Managerial and professional specialty	35.4	42.1	43.9	36.4	40.5	22.1	15.6	15.6
Service occupations	17.3	13.0	11.0	19.3	16.7	28.2	32.0	27.9
Sales and office occupations	24.1	24.3	22.8	28.9	25.6	26.2	26.6	21.5
Farming, fishing, and forestry	0.7	0.4	0.3	0.5	0.6	1.4	2.0	1.9
Construction, extraction, and maintenance	9.9	8.3	9.0	6.2	8.4	8.5	8.8	16.5
Production, transportation, and material moving	12.6	11.9	13.0	8.6	8.2	13.6	14.9	16.5
	(percentage within occupation category)							
Total	100.0%	70.3%	53.3%	17.0%	6.7%	7.8%	5.0%	18.8%
Managerial and professional specialty	100.0	83.6	66.1	17.5	7.7	4.9	2.2	8.3
Service occupations	100.0	52.9	33.9	19.0	6.5	12.7	9.2	30.4
Sales and office occupations	100.0	70.9	50.5	20.4	7.1	8.5	5.5	16.8
Farming, fishing, and forestry	100.0	34.9	22.9	12.0	5.1	14.8	13.4	48.9
Construction, extraction, and maintenance	100.0	59.0	48.3	10.7	5.7	6.7	4.4	31.5
Production, transportation, and material moving	100.0	66.6	55.0	11.6	4.4	8.5	5.9	24.8

Source: Employee Benefit Research Institute estimates of the Current Population Survey, March 2009 Supplement.

Note: Details may not add to totals because individuals may receive coverage from more than one source.

Figure 14

Workers Ages 18–64 With Selected Sources of Health Insurance, by Hours and Weeks Worked, 2008

Hours and Weeks Worked	Total	Employment-Based Coverage			Individually Purchased	Public		Uninsured
		Total	Own name	Dependent		Total	Medicaid	
	(millions)							
Total	147.6	103.8	78.7	25.1	9.9	11.5	7.4	27.8
Full-time, full-year	99.9	78.3	66.0	12.3	5.9	5.1	2.8	14.7
Part-time, full-year	14.3	7.8	3.1	4.7	1.5	1.8	1.2	3.6
Full-time, part-year	20.8	11.5	7.9	3.6	1.4	2.5	1.8	6.2
Part-time, part-year	12.6	6.1	1.6	4.5	1.1	2.2	1.6	3.3
	(percentage within coverage category)							
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Full-time, full-year	67.7	75.5	83.9	49.1	59.8	43.9	37.4	53.0
Part-time, full-year	9.7	7.5	4.0	18.6	14.9	15.3	16.5	12.9
Full-time, part-year	14.1	11.1	10.0	14.5	14.2	21.9	24.6	22.3
Part-time, part-year	8.6	5.9	2.1	17.8	11.0	19.0	21.6	11.9
	(percentage within hours and weeks category)							
Total	100.0%	70.3%	53.3%	17.0%	6.7%	7.8%	5.0%	18.8%
Full-time, full-year	100.0	78.4	66.1	12.3	6.0	5.1	2.8	14.7
Part-time, full-year	100.0	54.5	21.9	32.6	10.3	12.3	8.5	24.9
Full-time, part-year	100.0	55.4	37.9	17.5	6.8	12.1	8.7	29.8
Part-time, part-year	100.0	48.5	13.1	35.4	8.7	17.4	12.6	26.1

Source: Employee Benefit Research Institute estimates of the Current Population Survey, March 2009 Supplement.

Note: Details may not add to totals because individuals may receive coverage from more than one source.

based coverage than other races/ethnicities. For example, 84.5 percent of whites in families with income of at least 300 percent of poverty had employment-based coverage, compared with 76.9 percent among blacks and 72.2 percent among Hispanics (Figure 17).

Although public programs cover many individuals in poor families, many poor families were not covered. In 2008, 50.5 percent of the nonelderly with family incomes below the poverty line were covered by a public plan—46.4 percent by Medicaid (Figure 18)—although many more low-income individuals may be eligible for Medicaid coverage.[10] Other sources of public health insurance include S-CHIP, Medicare (which covers many disabled as well as the elderly), Tricare, CHAMPVA, and Veterans Administration (VA) health insurance.

Access to Coverage

Data for 2005 from the February 2005 supplement to the Current Population Survey indicate that only 32 percent of all workers not covered by their own employer's health plan were eligible for health benefits from their own employer, while 20.9 percent of uninsured workers were eligible (Figure 19).[11] Nearly 18 percent of all workers without coverage from their own employer and 16 percent of uninsured workers were employed by a firm that offered health benefits to some workers, but the worker was not eligible. The remainder were employed by firms that did not offer health benefits or did not know about their employers' health plan.

Among all workers eligible for health benefits in 2005, nearly two-thirds of those who declined coverage reported they did so because they were covered by other insurance (Figure 20). Nearly three-quarters of uninsured workers reported that they declined coverage because it was too costly. Less than 4 percent of uninsured workers reported that they declined it because they did not think they needed coverage. Among uninsured workers not eligible for health benefits, most either did not work enough hours or weeks (43.8 percent) or had not yet completed the waiting period for benefits (30.7 percent) (Figure 21). Only 8.5 percent reported that they were not eligible for health benefits because they were employed either on a contract or temporary basis.

The Uninsured

Many factors influence whether an individual has any insurance coverage. This section presents data on the characteristics of the uninsured population.

Location

The proportion of the nonelderly population with and without health insurance varies by location.[12] In nine states, the uninsured accounted for 20 percent or more of the population during 2006–2008 (Figure 22). These states are generally in the south central United States. In many of these states, a smaller proportion of the population was eligible for employment-based health benefits and/or a larger proportion was eligible for publicly funded programs than the national average. Both lower average income and higher unemployment rates may contribute to this difference. In addition, many of these states have a higher concentration of racial and ethnic groups that are less likely to be covered by health insurance.[13]

States with a relatively low percentage of uninsured individuals include Massachusetts, Hawaii, Minnesota, Wisconsin, and Connecticut. Those with the highest percentage of uninsured include Texas, New Mexico, Florida, Louisiana, and Arizona.

Employment

Eighty-two percent of the uninsured lived in families headed by workers in 2008 (Figure 10). Most people (88.5 percent) live in families headed by workers, including one-person families.

Industry

Workers employed in agriculture, forestry, fishing, mining, and construction were disproportionately more likely to be uninsured, with 34.5 percent being uninsured. This compares with 15.2 percent uninsured among workers in the manufacturing sector, 18.6 percent in wholesale and retail trade, and 22.5 percent in the service sector. Uninsured workers were most likely to be employed in the wholesale and retail trade or service industry, which collectively account for 58.9 percent of employment (Figure 11).

Firm Size

Nearly 63 percent of all uninsured workers were either self-employed or working in private-sector firms with fewer than 100 employees in 2008 (Figure 12). More than 27 percent of self-employed workers were uninsured, compared with 18.8 percent of all workers. Nearly 36 percent of workers in private-sector firms with fewer than 10 employees were uninsured, compared with 13.5 percent of workers in private-sector firms with 1,000 or more employees.

Occupation

The uninsured are concentrated disproportionately in service-sector occupations or blue-collar jobs. In 2008, about 23 percent of workers were employed in blue-collar-type jobs, i.e., jobs in farming, fishing, forestry, construction, extraction, maintenance, production, transportation, and material moving, yet 35 percent of uninsured workers were in these types of jobs (Figure 13).

Hours of Work

Part-time and part-year, usually seasonal, workers are less likely to have employment-based health benefits than full-time and full-year workers. Part-time or part-year workers accounted for 32.3 percent of the employed population, but 47 percent of uninsured workers (Figure 14). Nearly 30 percent of full-time, part-year workers were uninsured. More than 26 percent of part-time, part-year workers were uninsured, and 24.9 percent of part-time, full-year workers were uninsured. Less than 15 percent of full-time, full-year workers were uninsured. Full-time workers employed for only part of the year were more likely to be uninsured than part-time, part-year workers because the latter were more likely to be covered by Medicaid, and more likely to have some form of individually purchased insurance.

Income

The uninsured tend to be members of low-income families. In 2008, one-third of the uninsured were in families with annual incomes of less than $20,000 (Figure 15). Nearly 35 percent of individuals in families with incomes less than $10,000 were uninsured, compared with 6.8 percent of those in families with annual incomes of $75,000 or more. Generally, as income increases, the percentage of the population without health insurance decreases as the percentage covered by employment-based benefits increases more than the percentage covered by publicly financed health insurance programs decreases.

Workers with low earnings are much more likely to be uninsured than those with high earnings. More than one-third (33.8 percent) of workers with earnings of less than $20,000 were uninsured, compared with 4.6 percent of workers with earnings of $70,000 or more (Figure 23). Low-income workers are employed generally in industries that are less likely to offer health benefits, and may have a weaker (or temporary) attachment to the work force and less disposable income to allocate to the purchase of health benefits.

Race and Ethnic Origin

While 63.3 percent of the nonelderly population is white, whites comprised 46.1 percent of the uninsured. Individuals of Hispanic origin were more likely to be uninsured than other groups (32.2 percent) (Figure 16). This may be due in part to the fact that 52.3 percent of the Hispanic population reported income of less than 200 percent of the federal poverty level. Also, a higher proportion of Hispanics are immigrants and may work for small firms or be employed on a part-

Figure 15

Nonelderly Population With Selected Sources of Health Insurance, by Family Income, 2008

Family Income	Total	Employment-Based Coverage			Individually Purchased	Public		Uninsured
		Total	Own name	Dependent		Total	Medicaid	
				(millions)				
Total	262.8	160.6	82.5	78.1	16.7	51.0	39.2	45.7
Under $10,000	21.6	2.4	1.1	1.3	1.0	10.5	9.6	7.5
$10,000–$19,999	22.5	4.2	2.9	1.3	1.1	9.9	8.6	7.3
$20,000–$29,999	25.3	9.1	6.2	3.0	1.5	7.9	6.5	7.6
$30,000–$39,999	24.9	12.4	7.8	4.6	1.4	5.8	4.6	6.1
$40,000–$49,999	21.8	13.4	7.7	5.6	1.4	4.1	3.0	4.2
$50,000–$74,000	47.8	35.2	18.1	17.1	3.4	5.7	3.6	6.2
$75,000 and over	98.9	83.9	38.7	45.2	6.8	7.1	3.2	6.7
				(percentage within coverage category)				
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Under $10,000	8.2	1.5	1.3	1.6	5.9	20.6	24.5	16.5
$10,000–$19,999	8.6	2.6	3.5	1.7	6.7	19.4	21.9	16.0
$20,000–$29,999	9.6	5.7	7.5	3.8	9.1	15.5	16.7	16.6
$30,000–$39,999	9.5	7.7	9.5	5.9	8.6	11.4	11.6	13.4
$40,000–$49,999	8.3	8.3	9.4	7.2	8.3	8.0	7.8	9.2
$50,000–$74,000	18.2	21.9	21.9	21.9	20.6	11.2	9.3	13.6
$75,000 and over	37.6	52.2	46.9	57.9	40.8	13.9	8.2	14.6
				(percentage within family income category)				
Total	100.0%	61.1%	31.4%	29.7%	6.3%	19.4%	14.9%	17.4%
Under $10,000	100.0	11.0	5.1	5.9	4.5	48.6	44.5	34.9
$10,000–$19,999	100.0	18.7	12.8	5.9	5.0	44.1	38.1	32.5
$20,000–$29,999	100.0	36.2	24.4	11.7	6.0	31.3	25.9	30.0
$30,000–$39,999	100.0	49.9	31.5	18.4	5.8	23.4	18.3	24.7
$40,000–$49,999	100.0	61.2	35.5	25.7	6.3	18.8	13.9	19.3
$50,000–$74,000	100.0	73.7	37.8	35.8	7.2	12.0	7.6	13.0
$75,000 and over	100.0	84.9	39.1	45.7	6.9	7.2	3.3	6.8

Source: Employee Benefit Research Institute estimates of the Current Population Survey, March 2009 Supplement.

Note: Details may not add to totals because individuals may receive coverage from more than one source.

Figure 16

Nonelderly Population With Selected Sources of Health Insurance, by Race, 2008

Race	Total	Employment-Based Coverage			Individually Purchased	Public		Uninsured
		Total	Own name	Dependent		Total	Medicaid	
				(millions)				
Total	262.8	160.6	82.5	78.1	16.7	51.0	39.2	45.7
White	166.4	115.0	59.3	55.7	12.6	25.0	16.8	21.1
Black	33.3	16.4	9.2	7.1	1.2	10.6	8.7	6.9
Hispanic	44.7	18.2	8.8	9.4	1.5	12.0	10.9	14.4
Other	18.4	11.1	5.2	5.8	1.3	3.5	2.8	3.4
				(percentage within coverage category)				
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
White	63.3	71.6	71.9	71.3	75.7	48.9	42.8	46.1
Black	12.7	10.2	11.2	9.2	7.5	20.7	22.2	15.0
Hispanic	17.0	11.3	10.6	12.1	9.2	23.5	27.9	31.5
Other	7.0	6.9	6.4	7.4	7.6	6.9	7.1	7.4
				(percentage within race category)				
Total	100.0%	61.1%	31.4%	29.7%	6.3%	19.4%	14.9%	17.4%
White	100.0	69.1	35.7	33.5	7.6	15.0	10.1	12.7
Black	100.0	49.1	27.6	21.5	3.7	31.8	26.1	20.6
Hispanic	100.0	40.7	19.6	21.1	3.4	26.8	24.5	32.2
Other	100.0	60.0	28.5	31.6	6.9	19.2	15.2	18.5

Source: Employee Benefit Research Institute estimates from the Current Population Survey, March 2009 Supplement.

Note: Details may not add to totals because individuals may receive coverage from more than one source.

Figure 17

Nonelderly Population With Selected Sources of Health Insurance, by Race and Family Poverty Status, 2008

Race and Family Poverty Status	Total	Employment-Based Coverage			Individually Purchased	Public		Uninsured
		Total	Own name	Dependent		Total	Medicaid	
				(millions)				
White	166.4	115.0	59.3	55.7	12.6	25.0	16.8	21.1
0–99% of poverty	14.9	2.3	1.1	1.2	1.0	6.7	5.9	4.7
100%–149% of poverty	10.8	3.3	1.7	1.6	0.9	4.0	3.2	2.9
150%–199% of poverty	11.8	5.6	2.8	2.8	1.0	3.0	2.2	2.7
200%–299% of poverty	27.0	17.8	8.5	9.3	2.1	4.0	2.5	4.5
300% of poverty or more	101.8	86.0	45.2	40.8	7.7	7.3	3.0	6.4
Black	33.3	16.4	9.2	7.1	1.2	10.6	8.7	6.9
0–99% of poverty	8.4	1.0	0.5	0.5	0.2	5.1	4.8	2.3
100%–149% of poverty	4.3	1.3	0.7	0.7	0.1	1.8	1.6	1.2
150%–199% of poverty	3.4	1.5	0.8	0.7	0.1	0.9	0.7	0.8
200%–299% of poverty	5.9	3.7	2.0	1.7	0.2	1.1	0.8	1.1
300% of poverty or more	11.4	8.7	5.3	3.5	0.5	1.5	0.8	1.4
Hispanic	44.7	18.2	8.8	9.4	1.5	12.0	10.9	14.4
0–99% of poverty	10.5	0.9	0.4	0.5	0.2	5.3	5.1	4.3
100%–149% of poverty	6.6	1.5	0.6	0.9	0.2	2.4	2.3	2.7
150%–199% of poverty	6.2	2.2	1.0	1.3	0.2	1.7	1.5	2.4
200%–299% of poverty	8.4	4.3	2.0	2.3	0.3	1.4	1.2	2.7
300% of poverty or more	12.9	9.3	4.8	4.5	0.7	1.1	0.8	2.4
Other	18.4	11.1	5.2	5.8	1.3	3.5	2.8	3.4
0–99% of poverty	2.6	0.4	0.1	0.2	0.2	1.3	1.2	0.8
100%–149% of poverty	1.4	0.4	0.2	0.2	0.1	0.5	0.5	0.4
150%–199% of poverty	1.6	0.6	0.3	0.3	0.1	0.4	0.4	0.5
200%–299% of poverty	3.1	1.8	0.8	1.0	0.2	0.5	0.4	0.7
300% of poverty or more	9.7	7.9	3.9	4.0	0.7	0.8	0.4	1.0
				(percentage within race and poverty category)				
White	100.0%	69.1%	35.7%	33.5%	7.6%	15.0%	10.1%	12.7%
0–99% of poverty	100.0	15.2	7.4	7.7	6.6	44.7	39.4	31.2
100%–149% of poverty	100.0	30.5	15.5	15.0	8.1	36.9	29.4	26.5
150%–199% of poverty	100.0	47.9	24.1	23.8	8.6	25.8	19.0	22.6
200%–299% of poverty	100.0	65.9	31.5	34.3	7.7	14.8	9.2	16.6
300% of poverty or more	100.0	84.5	44.4	40.1	7.5	7.1	2.9	6.3
Black	100.0	49.1	27.6	21.5	3.7	31.8	26.1	20.6
0–99% of poverty	100.0	11.9	5.6	6.3	2.5	60.7	56.4	26.8
100%–149% of poverty	100.0	31.4	15.3	16.0	2.9	43.2	37.4	27.5
150%–199% of poverty	100.0	45.4	24.0	21.4	4.4	28.0	21.4	24.9
200%–299% of poverty	100.0	63.8	34.1	29.7	4.1	19.2	13.5	19.4
300% of poverty or more	100.0	76.9	46.3	30.6	4.5	13.6	7.2	12.6
Hispanic	100.0	40.7	19.6	21.1	3.4	26.8	24.5	32.2
0–99% of poverty	100.0	8.5	3.4	5.1	1.8	50.7	48.5	40.4
100%–149% of poverty	100.0	22.1	9.2	13.0	2.8	37.0	35.0	40.3
150%–199% of poverty	100.0	36.0	15.7	20.3	2.8	26.6	24.6	38.7
200%–299% of poverty	100.0	50.8	23.9	26.9	3.8	16.7	14.2	32.2
300% of poverty or more	100.0	72.2	37.2	35.0	5.1	8.7	6.1	18.2
Other	100.0	60.0	28.5	31.6	6.9	19.2	15.2	18.5
0–99% of poverty	100.0	13.3	5.5	7.9	7.4	49.9	46.1	30.8
100%–149% of poverty	100.0	29.7	11.8	17.9	5.0	38.5	34.0	29.9
150%–199% of poverty	100.0	39.1	18.0	21.1	6.6	25.9	23.2	29.6
200%–299% of poverty	100.0	58.5	25.6	32.8	6.6	16.6	11.9	23.1
300% of poverty or more	100.0	80.9	39.7	41.2	7.2	7.8	3.9	10.2

Source: Employee Benefit Research Institute estimates of the Current Population Survey, March 2009 Supplement.
Note: Details may not add to totals because individuals may receive coverage from more than one source.

Figure 18
Nonelderly Population With Selected Sources of Health Insurance, by Family Income as a Percentage of Poverty, 2008

		Employment-Based Coverage				Public		
Family Poverty Status	Total	Total	Own name	Dependent	Individually Purchased	Total	Medicaid	Uninsured
				(millions)				
Total	262.8	160.6	82.5	78.1	16.7	51.0	39.2	45.7
0–99% of poverty	36.5	4.5	2.1	2.4	1.6	18.4	17.0	12.0
100%–149% of poverty	23.1	6.5	3.1	3.4	1.3	8.8	7.6	7.1
150%–199% of poverty	22.9	10.0	4.9	5.1	1.4	6.0	4.9	6.4
200%–299% of poverty	44.4	27.6	13.3	14.3	2.8	7.0	4.8	9.0
300% of poverty or more	135.8	111.9	59.1	52.8	9.5	10.7	5.0	11.2
				(percentage within poverty category)				
Total	100.0%	61.1%	31.4%	29.7%	6.3%	19.4%	14.9%	17.4%
0–99% of poverty	100.0	12.4	5.7	6.6	4.3	50.5	46.4	32.8
100%–149% of poverty	100.0	28.2	13.4	14.8	5.5	38.2	32.7	30.8
150%–199% of poverty	100.0	43.7	21.4	22.3	6.3	26.3	21.2	27.8
200%–299% of poverty	100.0	62.2	30.0	32.2	6.4	15.9	10.9	20.4
300% of poverty or more	100.0	82.4	43.5	38.9	7.0	7.9	3.7	8.2

Source: Employee Benefit Research Institute estimates of the Current Population Survey, March 2009 Supplement.

Note: Details may not add to totals because individuals may receive coverage from more than one source.

time or part-year basis. However, even at high income levels, Hispanics generally were more likely to be uninsured than other racial groups and were less likely to have employment-based health benefits.

Gender and Age

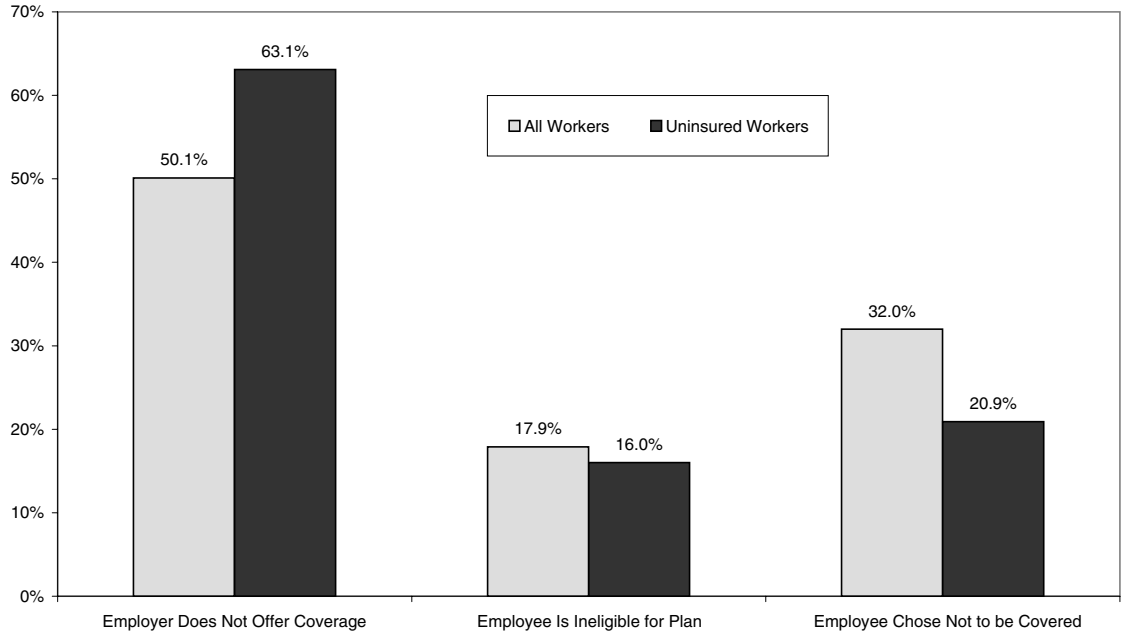
Men are generally more likely than women to be uninsured. Nearly 22.8 percent of men were uninsured in 2008, compared with 18 percent of women (Figure 24). This difference between men and women is observed in all age groups, especially in those below age 25.

Younger adults are more likely than older adults to be uninsured. More than 38 percent of men ages 21–24 and 27.8 percent of women ages 21–24 were uninsured in 2008. This compares with 17 percent of men ages 45–54 and 14.9 percent of women ages 45–54 uninsured. Young adults are often more likely to be uninsured because they are no longer covered by a family policy and may not have established themselves as permanent members of the work force. Some young adults may also have lost access to Medicaid, which covered them through age 18. Many in this age group may think that they do not need health insurance because the likelihood of encountering a high-cost medical event is very low.[14] In addition, young workers may be ineligible for employment-based health benefits because of waiting periods imposed prior to eligibility.

Children

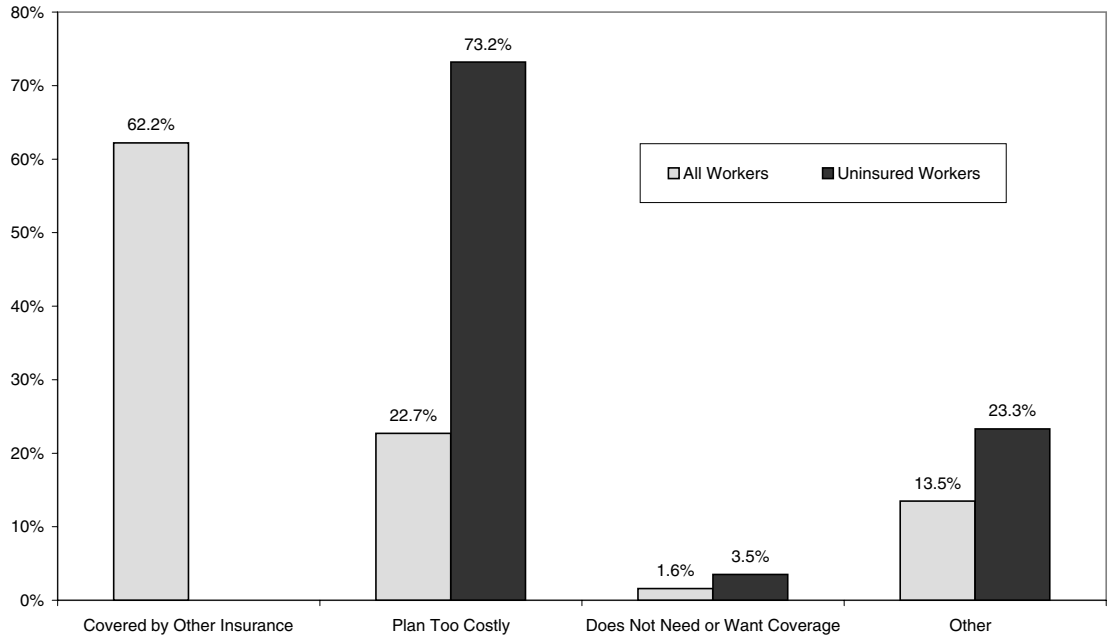
About 1 in 10 (9.9 percent) children—or 7.3 million children—were uninsured in 2008 (Figure 25). More than 63 percent of all uninsured children were in families with income below 200 percent of the federal poverty level. More than 16 percent of children whose family head did not work were uninsured (Figure 26), though most uninsured children were in families whose head was employed full-time and full-year (61.1 percent) (Figure 27). In families where the head worked part time or experienced some unemployment, the probability of being uninsured was higher than average (Figure 26).

Figure 19
Reasons Workers Are Not Covered by Own Employer's Health Plan, Wage and Salary Workers Ages 18–64, 2005



Source: Employee Benefit Research Institute estimates based on data from the February 2005 Current Population Survey.

Figure 20
Reasons Workers Chose Not to Participate in Own Employer's Health Plan, Wage and Salary Workers Ages 18–64, 2005



Source: Employee Benefit Research Institute estimates based on data from the February 2005 Current Population Survey.

Policy Implications

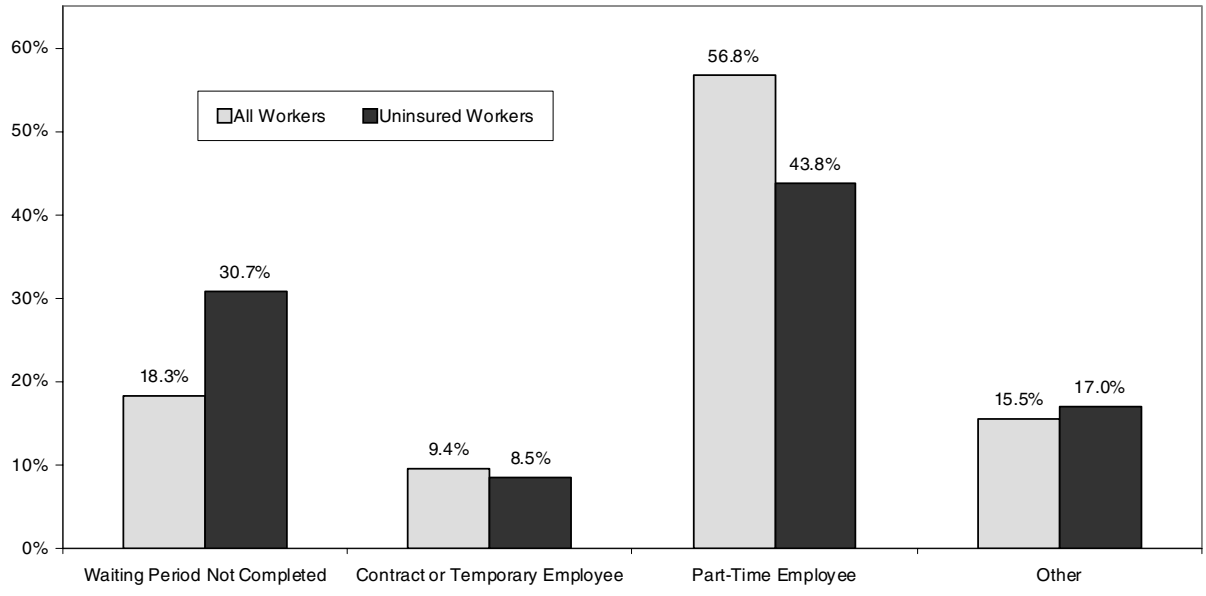
Uninsured individuals are a public policy concern for a number of reasons. First, individuals without health insurance are less likely to receive basic health care services. The uninsured report having fewer ambulatory visits than individuals with health insurance, and, as a result, are more likely to seek care in a more costly emergency room setting.[15] This population's overall health status may be lower, and individuals' overall productivity may be lower (Fronstin and Holtmann, 2000). Historically, providers of health care, especially hospitals but also physicians, have not been paid for care provided to uninsured individuals, and have tried to shift the cost of that care to other payers.[16]

An Institute of Medicine report provides detailed information on the cost of the uninsured to society (Institute of Medicine, 2003). According to the report, society is affected in a number of ways:

There is lost work-place productivity and lost health and longevity. There is financial risk, uncertainty, and anxiety. And there are financial stresses and instability for health care providers and institutions in communities with relatively high uninsured rates. The mortality rate is 25 percent higher among the uninsured than it is among the insured. In addition, uninsured children are at greater risk of suffering delays in development that may affect their educational achievements and prospects later in life. Overall, the report suggests that the aggregate, annualized cost of diminished health and shorter life spans of the uninsured is between $65 billion and $135 billion.

The combination of a growing economy in the 1990s and the lowest unemployment rates in more than 25 years resulted in an increase in the percentage of individuals in the United States with employment-based health benefits and a decrease in the uninsured in 1999 and 2000. However, the fact that the average annual unemployment rate declined from 6 percent in 2003 to only 5.1 percent in 2005 may mean that the labor market was not strong enough to offset the impact of the rising cost of providing health benefits on the percentage of individuals with coverage. In 2008, the unemployment rate averaged 5.8 percent and reached 7.2 percent by the end of the year. The last year that unemployment averaged more than 7.2 percent was 1992. Unemployment in 2009 averaged 8.9 percent between January and August and reached a high of 9.7 percent in August. As a result, the nation is likely to see continued erosion of employment-based health benefits when the data for 2009 are released in 2010. Fewer individuals will be

Figure 21
Reasons Workers Are Ineligible for Own Employer's Health Plan
Wage and Salary Workers Ages 18–64, 2005



Source: Employee Benefit Research Institute estimates based on data from the February 2005 Current Population Survey.

Figure 22

Nonelderly Population With Selected Sources of Health Insurance, by Region and State, Three-Year Average 2006–2008

Region and State	Total	Employment-Based Coverage			Individually Purchased	Public		Uninsured
		Total	Own name	Dependent		Total	Medicaid	
	(millions)							
Total	261.4	161.6	83.1	78.5	17.0	48.1	36.8	45.7
New England	12.2	8.5	4.2	4.4	0.6	2.3	1.9	1.2
Maine	1.1	0.7	0.4	0.3	0.1	0.3	0.2	0.1
New Hampshire	1.1	0.8	0.4	0.4	0.1	0.1	0.1	0.1
Vermont	0.5	0.4	0.2	0.2	0.0	0.1	0.1	0.1
Massachusetts	5.5	3.9	1.9	2.0	0.3	1.1	1.0	0.4
Rhode Island	0.9	0.6	0.3	0.3	0.1	0.2	0.2	0.1
Connecticut	3.0	2.1	1.0	1.1	0.2	0.5	0.4	0.3
Middle Atlantic	34.5	22.7	11.6	11.1	1.9	6.2	5.4	5.0
New York	16.6	10.3	5.4	4.9	0.8	3.6	3.3	2.6
New Jersey	7.5	5.2	2.5	2.6	0.4	0.9	0.7	1.3
Pennsylvania	10.4	7.2	3.7	3.5	0.7	1.7	1.4	1.2
East North Central	40.1	27.1	13.3	13.8	2.3	6.9	5.5	5.2
Ohio	9.9	6.7	3.3	3.3	0.6	1.8	1.4	1.2
Indiana	5.5	3.8	1.9	1.9	0.3	0.9	0.7	0.7
Illinois	11.3	7.5	3.7	3.8	0.7	1.8	1.5	1.7
Michigan	8.6	5.8	2.8	3.0	0.4	1.6	1.3	1.1
Wisconsin	4.8	3.4	1.6	1.7	0.3	0.8	0.7	0.5
West North Central	17.3	11.5	5.9	5.6	1.4	2.9	2.2	2.2
Minnesota	4.5	3.2	1.6	1.5	0.4	0.7	0.6	0.4
Iowa	2.6	1.8	0.9	0.9	0.2	0.4	0.3	0.3
Missouri	5.0	3.2	1.7	1.5	0.4	0.9	0.7	0.7
North Dakota	0.5	0.4	0.2	0.2	0.1	0.1	0.0	0.1
South Dakota	0.7	0.4	0.2	0.2	0.1	0.1	0.1	0.1
Nebraska	1.6	1.0	0.5	0.5	0.1	0.2	0.2	0.2
Kansas	2.4	1.5	0.8	0.8	0.2	0.4	0.3	0.3
South Atlantic	49.7	30.4	16.2	14.2	3.1	9.1	5.9	9.6
Delaware	0.7	0.5	0.3	0.2	0.0	0.1	0.1	0.1
Maryland	4.9	3.4	1.7	1.7	0.3	0.7	0.5	0.7
District of Columbia	0.5	0.3	0.2	0.1	0.0	0.1	0.1	0.1
Virginia	6.7	4.5	2.3	2.2	0.4	1.3	0.6	1.0
West Virginia	1.5	0.9	0.5	0.5	0.1	0.4	0.3	0.3
North Carolina	7.9	4.6	2.6	2.0	0.5	1.6	1.1	1.5
South Carolina	3.8	2.3	1.2	1.1	0.2	0.8	0.5	0.7
Georgia	8.6	5.3	2.7	2.5	0.4	1.7	1.1	1.7
Florida	15.1	8.6	4.7	3.9	1.2	2.5	1.6	3.6
East South Central	15.4	9.1	4.8	4.3	0.9	3.5	2.5	2.6
Kentucky	3.7	2.2	1.2	1.0	0.2	0.8	0.6	0.6
Tennessee	5.2	3.0	1.6	1.4	0.3	1.2	0.9	0.9
Alabama	4.0	2.6	1.3	1.3	0.2	0.8	0.6	0.6
Mississippi	2.5	1.3	0.7	0.6	0.2	0.7	0.5	0.5
West South Central	30.3	16.1	8.3	7.7	1.8	5.8	4.4	7.8
Arkansas	2.4	1.3	0.7	0.6	0.2	0.6	0.4	0.5
Louisiana	3.7	2.0	1.0	1.0	0.2	0.8	0.6	0.8
Oklahoma	3.0	1.7	0.9	0.9	0.2	0.7	0.5	0.6
Texas	21.1	11.0	5.8	5.3	1.1	3.8	2.9	5.8
Mountain	19.0	11.4	5.8	5.6	1.4	3.2	2.4	3.8
Montana	0.8	0.5	0.3	0.2	0.1	0.2	0.1	0.2
Idaho	1.3	0.8	0.4	0.4	0.1	0.2	0.2	0.2
Wyoming	0.5	0.3	0.1	0.1	0.0	0.1	0.0	0.1
Colorado	4.4	2.7	1.4	1.3	0.4	0.6	0.4	0.8
New Mexico	1.7	0.8	0.4	0.4	0.1	0.4	0.3	0.4
Arizona	5.7	3.1	1.7	1.5	0.3	1.3	1.0	1.2
Utah	2.4	1.6	0.7	0.9	0.2	0.3	0.2	0.4
Nevada	2.3	1.5	0.8	0.7	0.1	0.3	0.2	0.5
Pacific	43.0	24.9	13.0	11.9	3.5	8.2	6.7	8.2
Washington	5.7	3.7	2.0	1.7	0.4	1.2	0.8	0.8
Oregon	3.3	2.0	1.1	0.9	0.3	0.5	0.4	0.6
California	32.4	18.1	9.3	8.7	2.7	6.2	5.3	6.6
Alaska	0.6	0.4	0.2	0.2	0.0	0.1	0.1	0.1
Hawaii	1.0	0.8	0.4	0.3	0.1	0.2	0.1	0.1

(Cont'd.)

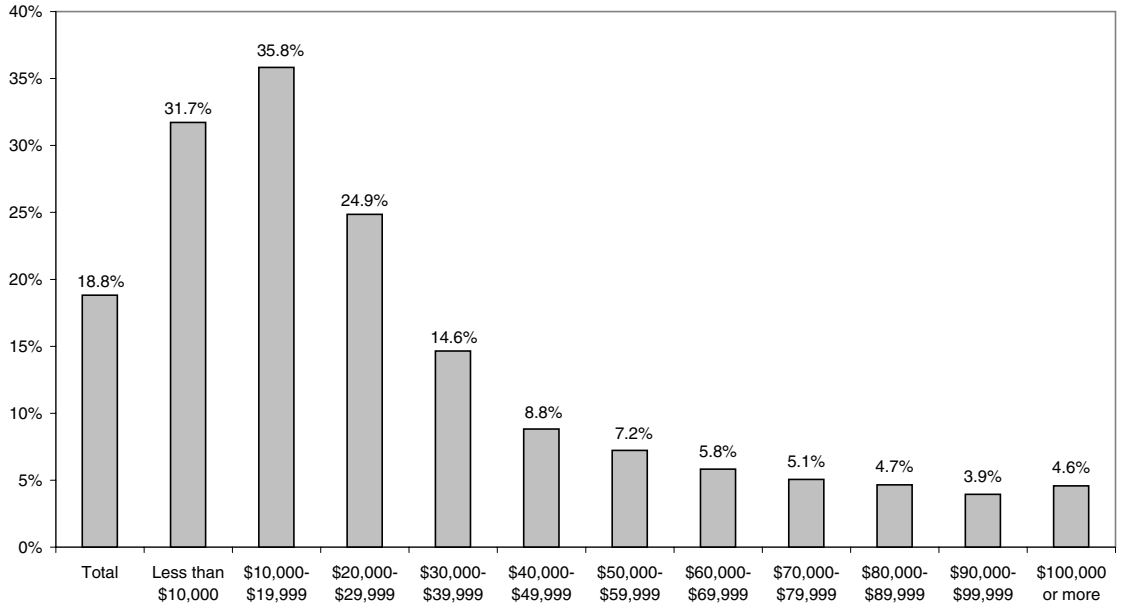
Figure 22 *(contd.)*

Nonelderly Population With Selected Sources of Health Insurance, by Region and State, Three-Year Average 2006–2008

Region and State	Total	Employment-Based Coverage			Individually Purchased	Public		Uninsured
		Total	Own name	Dependent		Total	Medicaid	
	(percentage)							
Total	100.0%	61.8%	31.8%	30.0%	6.5%	18.4%	14.1%	17.5%
New England	100.0	69.8	34.1	35.7	5.3	18.7	15.5	9.9
Maine	100.0	62.9	32.9	30.0	6.4	25.8	19.7	11.2
New Hampshire	100.0	74.2	35.4	38.7	5.7	11.1	7.4	12.1
Vermont	100.0	66.1	34.4	31.7	5.3	23.8	20.0	11.8
Massachusetts	100.0	70.7	33.7	37.0	4.6	19.4	17.3	8.0
Rhode Island	100.0	66.8	33.4	33.5	5.6	21.0	17.2	11.8
Connecticut	100.0	70.5	35.0	35.4	5.8	16.0	12.6	11.0
Middle Atlantic	100.0	65.6	33.5	32.1	5.6	18.0	15.5	14.6
New York	100.0	61.9	32.3	29.6	5.0	21.9	19.7	15.6
New Jersey	100.0	69.2	33.8	35.4	4.8	11.5	8.9	17.1
Pennsylvania	100.0	69.1	35.3	33.8	7.2	16.4	13.7	11.3
East North Central	100.0	67.6	33.3	34.4	5.8	17.2	13.7	13.1
Ohio	100.0	67.4	33.6	33.8	5.6	18.0	14.0	12.6
Indiana	100.0	68.5	33.6	34.9	5.4	16.2	12.9	13.3
Illinois	100.0	66.5	33.2	33.3	6.3	16.1	13.0	14.9
Michigan	100.0	67.5	32.5	35.0	4.9	18.3	14.7	12.7
Wisconsin	100.0	70.1	33.8	36.3	6.8	17.0	13.9	10.1
West North Central	100.0	66.5	34.2	32.3	8.1	16.8	12.6	12.7
Minnesota	100.0	69.9	35.6	34.3	7.8	15.5	12.7	9.9
Iowa	100.0	69.6	35.6	34.0	7.9	16.3	13.0	11.2
Missouri	100.0	63.3	33.8	29.5	7.5	18.6	13.5	14.7
North Dakota	100.0	65.5	33.8	31.8	11.0	13.3	9.2	13.0
South Dakota	100.0	64.1	32.7	31.5	11.1	17.7	11.3	13.4
Nebraska	100.0	66.3	32.6	33.7	8.5	15.5	10.6	14.1
Kansas	100.0	64.4	32.6	31.8	8.4	17.1	12.4	14.1
South Atlantic	100.0	61.2	32.6	28.6	6.3	18.4	11.9	19.4
Delaware	100.0	69.2	35.9	33.3	4.7	17.5	12.9	13.1
Maryland	100.0	69.6	35.3	34.3	5.8	14.4	9.7	14.8
District of Columbia	100.0	61.5	42.2	19.3	7.4	24.2	21.7	11.4
Virginia	100.0	66.8	34.0	32.7	5.7	18.9	8.4	15.2
West Virginia	100.0	61.2	31.4	29.9	3.5	24.9	17.2	16.5
North Carolina	100.0	58.6	33.0	25.6	6.4	20.6	14.4	18.8
South Carolina	100.0	60.6	32.1	28.5	5.7	20.1	14.1	18.5
Georgia	100.0	61.6	31.9	29.8	4.9	19.4	12.7	19.3
Florida	100.0	56.9	30.9	25.9	8.0	16.4	10.7	24.2
East South Central	100.0	59.3	31.2	28.1	5.8	22.7	16.6	17.1
Kentucky	100.0	59.7	31.9	27.8	5.7	22.4	16.1	17.1
Tennessee	100.0	58.1	30.5	27.5	6.3	23.4	16.9	16.7
Alabama	100.0	64.6	32.8	31.8	4.7	20.2	14.5	14.9
Mississippi	100.0	52.7	28.9	23.8	6.6	25.7	19.8	21.5
West South Central	100.0	53.1	27.6	25.5	5.8	19.1	14.4	25.6
Arkansas	100.0	54.1	29.1	25.1	7.4	23.9	17.4	20.0
Louisiana	100.0	53.6	26.1	27.5	6.7	20.5	16.3	22.9
Oklahoma	100.0	57.3	29.1	28.2	6.4	22.4	15.3	19.5
Texas	100.0	52.3	27.4	24.9	5.4	17.8	13.5	27.6
Mountain	100.0	59.9	30.6	29.4	7.3	17.0	12.5	19.8
Montana	100.0	56.9	31.0	25.9	9.5	19.0	13.0	18.8
Idaho	100.0	62.9	30.6	32.2	9.6	15.4	11.8	17.1
Wyoming	100.0	64.3	32.8	31.5	7.1	16.2	10.6	16.0
Colorado	100.0	62.7	32.6	30.2	9.2	13.4	8.6	18.2
New Mexico	100.0	49.4	24.8	24.6	5.6	23.6	17.1	26.0
Arizona	100.0	55.0	29.2	25.8	5.6	22.6	17.9	21.7
Utah	100.0	67.5	28.9	38.6	8.8	11.4	8.8	15.6
Nevada	100.0	65.3	35.8	29.5	5.2	11.7	7.6	20.8
Pacific	100.0	57.8	30.3	27.6	8.2	19.0	15.6	19.2
Washington	100.0	65.1	35.1	29.9	7.4	20.3	13.7	13.3
Oregon	100.0	61.7	33.1	28.6	8.7	15.1	11.9	19.4
California	100.0	55.7	28.8	27.0	8.4	19.0	16.4	20.5
Alaska	100.0	58.6	30.8	27.8	5.9	23.6	12.0	19.9
Hawaii	100.0	71.7	42.1	29.6	5.2	21.6	12.4	9.4

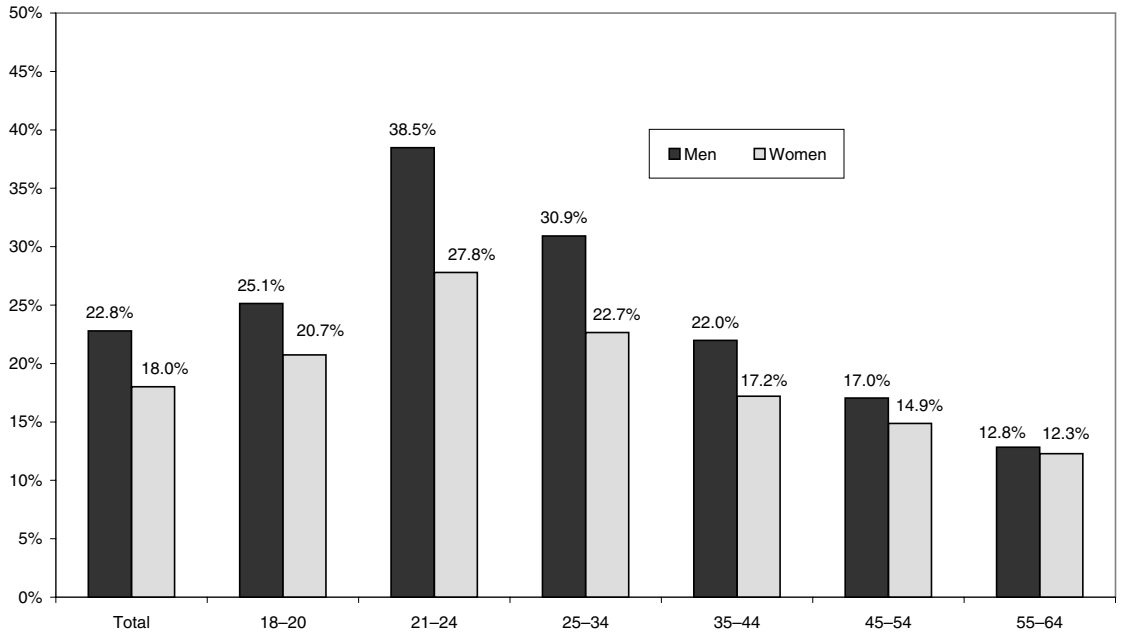
Source: Employee Benefit Research Institute estimates of the 2007–2009 Current Population Survey, March Supplement.
Note: Details may not add to totals because individuals may receive coverage from more than one source.

Figure 23
Percentage Uninsured Among Workers Ages 18–64, by Total Earnings, 2008



Source: Employee Benefit Research Institute estimates from the Current Population Survey, March 2009 Supplement.

Figure 24
Percentage Uninsured Among Individuals Ages 18–64, by Gender and Age, 2008



Source: Employee Benefit Research Institute estimates from the Current Population Survey, March 2009 Supplement.

working, which means fewer individuals with access to health benefits in the work place, and coupled uncertainty with the economy, the future of job security, and prospects for health reform, an increasing number of workers are likely to forego coverage when it is available.

This *Issue Brief* has provided data on recent trends in health benefits, a summary of the characteristics of people with and without health insurance, and the sources of the health insurance. The data and issues discussed are important not only to policymakers but also to employers, because health insurance is the benefit most valued by workers and their families. Sixty percent of workers rate employment-based health benefits as the most important benefit (Helman and Fronstin, 2004). Health benefits provide workers and their families with financial security against losses that can accompany unexpected serious illness or injury. Employers offer health insurance as an employee benefit for a number of reasons—to promote health and increase worker productivity as well as to provide financial security. Health benefits also are a form of compensation used to recruit and retain workers. There also may be a "business case" for health benefits, meaning employers may want to offer them if a compensation package comprised of both wages and health benefits is more profitable than one providing wages alone. However, health reform may change that equation.

Figure 25
Children With Selected Sources of Health Insurance, by Poverty Level, 2008

Poverty Level	Total	Employment-Based Coverage	Individually Purchased	Public		Uninsured
				Total	Medicaid	
			(millions)			
Total	74.5	41.8	3.8	24.8	22.6	7.3
0–99% of poverty	14.5	1.7	0.4	10.3	10.0	2.3
100%–149% of poverty	8.6	2.3	0.3	4.9	4.7	1.3
150%–199% of poverty	7.4	3.3	0.3	3.1	2.9	1.1
200%–299% of poverty	13.3	8.8	0.8	3.2	2.7	1.3
300% of poverty or more	30.7	25.7	2.0	3.3	2.2	1.3
			(percentage within coverage category)			
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
0–99% of poverty	19.5	4.0	10.8	41.6	44.5	31.4
100%–149% of poverty	11.5	5.6	9.1	19.7	20.8	17.9
150%–199% of poverty	10.0	7.9	8.8	12.6	12.8	14.3
200%–299% of poverty	17.9	21.0	20.1	12.7	12.0	18.3
300% of poverty or more	41.2	61.5	51.2	13.4	9.8	18.1
			(percentage within poverty category)			
Total	100.0%	56.1%	5.1%	33.2%	30.3%	9.9%
0–99% of poverty	100.0	11.5	2.8	70.9	69.2	15.9
100%–149% of poverty	100.0	27.2	4.1	57.1	54.9	15.4
150%–199% of poverty	100.0	44.6	4.5	42.0	38.9	14.1
200%–299% of poverty	100.0	65.6	5.8	23.6	20.3	10.1
300% of poverty or more	100.0	83.8	6.4	10.8	7.2	4.3

Source: Employee Benefit Research Institute estimates of the Current Population Survey, March 2009 Supplement.
Note: Details may not add to totals because individuals may receive coverage from more than one source.

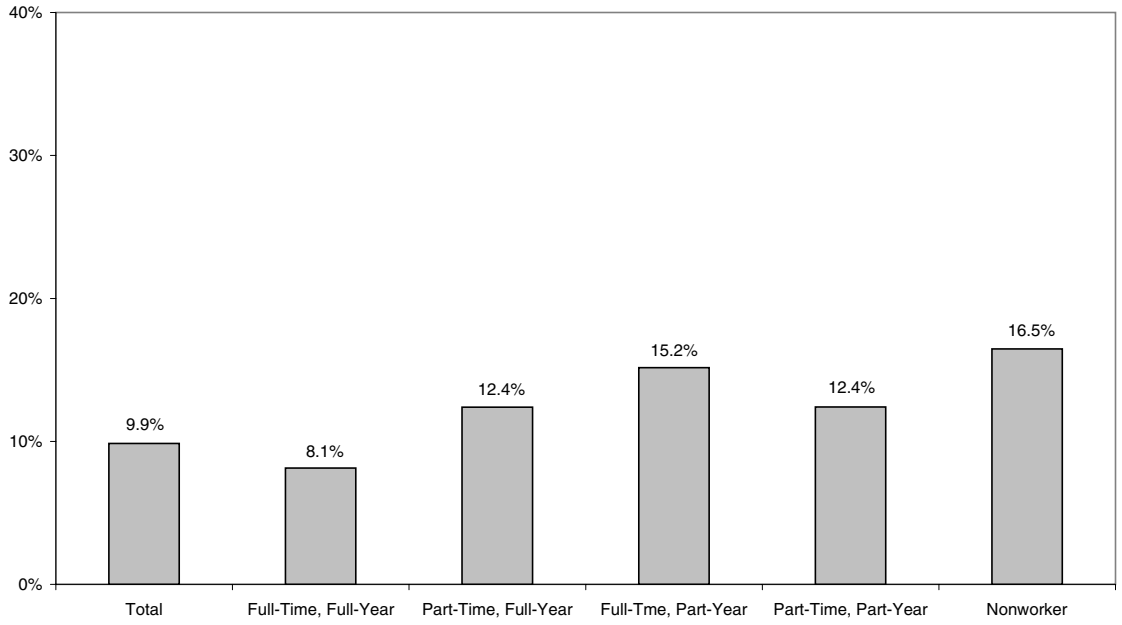
Conclusion

This *Issue Brief* finds that many factors affect the likelihood of an individual having health insurance and the source of that coverage. These factors include the strength of the economy, demographics, and employment characteristics, all of which often vary by location. For example, work status and income play a dominant role in determining an individual's likelihood of having health insurance. In addition, age, gender, firm size, hours of work, occupation, and industry are all important determinants of an individual's likelihood of having coverage; however, these variables are also closely linked to employment status and income. Variations by race and ethnicity also are closely linked to employment status and income.

Recent trends in coverage also have been presented. The data indicate that while the percentage of uninsured individuals in the United States increased between the 2004 and 2006, and it decreased in 2007, it increased again in 2008, and there was a continued shifted from employment-based plans to public programs.

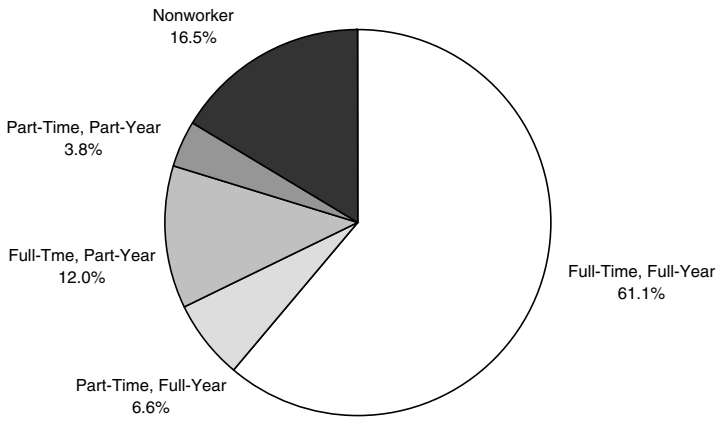
Research illustrates the advantages to consumers of having health insurance and the benefits to employers of offering it. In general, the availability of health insurance allows consumers to avoid unnecessary pain and suffering and improves the quality of life, and employers report that offering benefits has a positive impact on worker recruitment, retention, health status, and productivity (Fronstin and Helman, 2003; Fronstin, 2007). Employers may believe in the business case for providing health benefits today, but in the future they may rethink the value that offering coverage provides, especially if health costs continue to escalate sharply or if health reform changes the value proposition.

Figure 26
Percentage Uninsured Among Children Under Age 18, by Work Status of the Family Head, 2008



Source: Employee Benefit Research Institute estimates from the Current Population Survey, March 2009 Supplement.

Figure 27
Children Under Age 18 Without Health Insurance, by Work Status of the Family Head, 2008



Source: Employee Benefit Research Institute estimates from the Current Population Survey, March 2009 Supplement.

Appendix–Current Population Survey

The data presented in this *Issue Brief* come from the March Supplement to the Current Population Survey (CPS), conducted by the Census Bureau (part of the U.S. Department of Commerce) for the Bureau of Labor Statistics (BLS, part of the U.S. Department of Labor) every month for more than 50 years. It is the primary source of data on labor force characteristics of the U.S. civilian noninstitutionalized population. It is also the official source of data on unemployment rates, poverty, and income in the United States. Approximately 57,000 households, representing 112,000 individuals, are interviewed each month.

Households are scientifically selected on the basis of geographic region of residence to collect data representative of the nation, individual states, and other specified areas. Eight panels are used to rotate the sample each month. This improves the reliability of estimates of month-to-month and year-to-year changes. A sample unit is interviewed for four consecutive months, and then is interviewed again for the same four months a year later. The unit is not interviewed during the eight months in between.

Theoretically, individuals can be followed over time. For example, approximately 50 percent of the sample interviewed in March of 2005 will have been re-interviewed in March 2006. But in practice, the survey does not re-interview *individuals*: Instead, the survey re-interviews the occupants of the *households* that were selected for inclusion in the sample. If the occupants of a household change over the course of the eight interviews, the new occupants in the household will take the place of the former occupants for the remaining interviews.

The first- and the fifth-month interviews are almost always conducted in person by an interviewer. More than 90 percent of the interviews conducted in months two through four and six through eight are conducted by telephone. Interviewers continue to visit households without telephones, with poor English-language skills, or that decline a telephone interview. Interviewers usually obtain responses from more than 93 percent of their eligible cases. The response rate varies by type of area and the mix of telephone versus personal-visit interviews.

Since 1980, the supplement to the March CPS has included questions on health insurance coverage. Separate questions are asked about employment-based health insurance, health insurance purchased directly from an insurer, insurance from a source outside of the household, Medicare, Medicaid, Tricare, CHAMPVA, Indian Health Service, or other state-specific health programs for low-income uninsured individuals. These questions are asked of the household respondent, and potentially could miss nonrespondents, but the CPS also follows each question with a question about who else in the household is covered by the health plan.

Until recently, a question about being uninsured was never asked. Estimates of the uninsured were calculated as a residual; that is, persons were counted as being uninsured if they did not report having any type of health insurance coverage.

The questions on health insurance refer to the previous calendar year. For example, in March 2009, interviewers asked about health insurance coverage during 2008. Assuming that respondents answered the questions correctly, the uninsured estimate should represent the number of people who were uninsured for the entire previous calendar year. One measurement issue that arises in this structure is that individuals potentially are asked to recall the type of health insurance they had 14 months prior to being interviewed. A second issue is that some individuals do not understand the question and report the type of health insurance they have as of the interview date. Third, the CPS may not be picking up all Medicaid recipients because some states do not call the program Medicaid. In fact, there is strong evidence that the CPS under-reports Medicaid coverage, based on comparisons of these data with enrollment and participation data provided by the Centers for Medicare & Medicaid Services (CMS), the federal agency primarily responsible for administering Medicaid.

Because respondents are asked to provide information about all sources of health insurance coverage during the previous calendar year, some individuals reported having health insurance coverage from more than one source. It is not possible to determine when during the calendar year an individual was covered by multiple sources of health

insurance. While these plans may have been held simultaneously, other than among Medicare beneficiaries, they were more likely held at different points during the year.

The CPS has undergone a number of changes over the years that affect the comparability of data in the time series. The remainder of this section discusses those changes.

In March 1988, the CPS questionnaire was substantially changed. Among the changes that were made, questions were added that inevitably picked up more people with health insurance coverage and reduced the number of uninsured in the survey (Moyer, 1989; and Swartz and Purcell, 1989). Prior to the March 1988 CPS, only employed persons were asked about employment-based health insurance. Starting with the March 1988 CPS, all persons age 15 and older were asked about employment-based coverage. This change resulted in the identification of coverage for persons (and their families) covered by former employers through either retiree health benefits or COBRA (the Consolidated Omnibus Budget Reconciliation Act of 1985).

Another major change in March 1988 affected the health insurance coverage of children. Questions were added about coverage from sources outside the household. Imputation methods for children's coverage were also revised to collect more accurate information about coverage type and policyholder. An additional set of questions was added to get more accurate information about children on Medicaid and those covered by a plan purchased directly from an insurer. Finally, weighting, programming, and processing improvements were made to the survey (Levit et al., 1992).

In March 1995, the CPS questionnaire was revised again. The Census Bureau utilized a more detailed set of health insurance questions designed to take advantage of computer-assisted survey interviewing collection (CASIC) technology. The order of the questions was changed, and the wording in some of the questions was changed. In addition, the sampling frame was changed, potentially complicating comparability of the estimates prior to March 1995 with those starting in or after March 1995. The new questions appear to have affected responses regarding the total number of respondents covered by employment-based health insurance coverage, individually purchased coverage, Tricare, and CHAMPVA. Questions on Medicare and Medicaid were also revised, but because estimates of Medicare and Medicaid from the CPS do not vary much from year to year even when the survey is unchanged, it is difficult to know how much the estimates were affected by changes to the survey and how much represents true changes. The longer-term trends in coverage are likely to be representative of the true change, because the estimates do not change much from year to year. Swartz (1997) documents these data issues in greater detail.

In March 1998, the Census Bureau made another change in the CPS by modifying its definition of the population with Medicaid coverage. Previously, an individual reporting coverage from the Indian Health Service (IHS) only was counted as part of the Medicaid population. Beginning with the March 1998 CPS, individuals covered solely by IHS are counted as uninsured. This methodological change affected roughly 300,000 individuals. If this change had not taken place, the Medicaid population would have fallen by 0.9 percentage points between 1996 and 1997, instead of by 1.1 percentage points, and the uninsured would have increased to only 18.1 percent instead of 18.3 percent. Overall, this was a minor change to the uninsured estimates in the CPS.

In March 2000, the Census Bureau added a question to the CPS to verify whether or not a person was uninsured. In essence, anyone who did not report any health insurance coverage during 2000 was asked an additional question about whether they were uninsured. Those who reported that they had coverage were then asked about the type of coverage. The verification questions resulted in the Census Bureau providing a "corrected" estimate for the uninsured in 1999. As shown in Figure A1, prior to the correction, 17.5 percent of the nonelderly population, representing 42.1 million individuals, were estimated to be uninsured in 1999. The verification questions resulted in a 7.4 percent decline in the number and percentage of nonelderly individuals without health insurance coverage in 1999. Most of the persons who would have been counted as uninsured under the old methodology are now counted as having either employment-based health insurance or having purchased health insurance directly from an insurer. Hence, the corrected estimate for the uninsured in 1999 is 16.2 percent, or 39 million, down from 17.5 percent, or 42.1 million.[17]

The verification questions were not asked prior to the March 2000 CPS. As a result, data prior to 1999 are not directly comparable with data after 1999. In order to provide roughly comparable estimates over time, the estimates of health insurance coverage for 1994–1998 in this report have been recalculated using the one-time percentage change in the 1999 health insurance coverage estimates shown in Figure A1.

In 2001, two changes were made to the CPS. First, the sample was expanded to improve state estimates of S-CHIP enrollees. Overall, this change increased the uninsured estimate from 14 percent of the population to 14.1 percent, which accounted for an increase of nearly 200,000 persons uninsured (Mills, 2002). However, the change in the uninsured percentage varied significantly from state to state, ranging from a 1.8 percentage point increase in Connecticut to a 2 percentage point decline in Vermont. The Census Bureau also introduced Census 2000-based weights starting with the March 2002 CPS and provided new estimates for the March 2000 and March 2001 CPS that are based on the new weights. When using the Census 1990-based weights for the March 2001 CPS, 15.8 percent of the nonelderly population, or 38.4 million people, were uninsured (Figure A2). However, when using the Census 2000-based weights, 16.1 percent of the nonelderly population is estimated to be uninsured, representing 39.4 million people. The S-CHIP sample expansion combined with an Hispanic sample expansion each March results in 99,000 households interviewed for the survey, representing 211,000 individuals.

In August 2006, the Census Bureau released a revised March 2005 CPS dataset. Its 2004 data were revised to reflect a correction to the weights and the estimates were revised based on improvements to the methodology that assigns health insurance coverage to dependents. As a result, the 2004 data published in previous EBRI reports have been updated in this report.

Finally, in March 2007, the Census Bureau announced that it had revised the March 2005 and March 2006 datasets. The Census Bureau revised its estimates after discovering a coding error that affected a small number of individuals. These individuals were coded as not having health insurance coverage when in fact they did have coverage. Based on the new Census data, the number of individuals under age 65 with health insurance increased by 1.8 million in both 2004 and 2005 (Figure A3). The increase in coverage was mainly due to an increase in the number of people with employment-based health benefits as a dependent. The 1.8 million additional people with health insurance coverage represents 0.7 percent additional individuals with coverage and 0.7 percent fewer individuals counted as uninsured. Census has released corrected historical data that addresses the coding error. The data in this report are based on the corrected historical data and may not match previous EBRI publications that contain data on health insurance coverage.

Duration of Coverage

Data from the March CPS do not allow researchers to determine the length of time that an individual is insured or uninsured. The Survey of Income and Program Participation (SIPP), another survey conducted by the Census Bureau, allows longitudinal analysis of the uninsured. Copeland (1998) found that 37 percent of the uninsured population was uninsured for one to four months, 22 percent was uninsured for five to eight months, 9 percent was uninsured for nine to 11 months, and 33 percent was uninsured for 12 months or longer. Similarly, Bennefield (1998) found that 29 percent of all uninsured spells lasted 5.3 months or longer. These data would seem to indicate that even though many individuals may lose health insurance during any given month, the majority remain uninsured for a short time, and may even be eligible for coverage under COBRA or various state continuation-of-coverage laws.

Figure A1

Change in the Number and Percentage of Nonelderly Individuals With Selected Sources of Health Insurance Due to Change in CPS Methodology for Counting the Uninsured, 1999

	Millions of Individuals by Coverage Type		*Percentage* of Individuals by Coverage Type		Change in Estimate Due to New Methodology
	Old methodology	New methodology	Old methodology	New methodology	
Total Population	240.7	240.7	100.0%	100.0%	0.0%
Employment-Based Coverage	158.4	160.3	65.8	66.6	1.2
Own name	80.3	81.4	33.4	33.8	1.4
Dependent coverage	78.1	78.9	32.4	32.8	1.1
Individually Purchased	15.8	16.6	6.6	6.9	5.2
Public	34.1	34.5	14.2	14.3	1.1
Medicare	4.8	4.9	2.0	2.0	0.4
Medicaid	25.0	25.3	10.4	10.5	1.3
Tricare/CHAMPVA*	6.5	6.6	2.7	2.7	0.5
No Health Insurance	42.1	39.0	17.5	16.2	(7.4)

Source: Employee Benefit Research Institute estimates of the Current Population Survey, March 2000 Supplement.

Note: Details may not add to totals because individuals may receive coverage from more than one source.

* TRICARE (formerly known as CHAMPUS) is a program administered by the Department of Defense for military retirees as well as families of active duty, retired, and deceased service members. CHAMPVA, the Civilian Health and Medical Program for the Department of Veterans Affairs, is a health care benefits program for disabled dependents of veterans and certain survivors of veterans.

Figure A2

Change in the Number and Percentage of Nonelderly Individuals With Selected Sources of Health Insurance Due to Introduction of Census 2000-Based Weights, 2000

	Millions of Individuals by Coverage Type		Change in Population Estimate Due to New Weights	*Percentage* of Individuals by Coverage Type		Change in Insurance Status Estimate Due to New Weights
	Census 1990-based weights	Census 2000-based weights		Census 1990-based weights	Census 2000-based weights	
Total Population	242.8	244.8	0.9%	100.0%	100.0%	0.0%
Employment-Based Coverage	163.4	164.4	0.6	67.3	67.1	-0.3
Own name	83.7	84.8	1.3	34.5	34.6	0.4
Dependent coverage	79.7	79.6	-0.2	32.8	32.5	-1.0
Individually Purchased	16.1	16.1	-0.1	6.6	6.6	-0.9
Public	34.3	34.6	0.8	14.1	14.1	-0.1
Medicare	5.3	5.3	0.7	2.2	2.2	-0.2
Medicaid	25.3	25.5	0.8	10.4	10.4	0.0
Tricare/CHAMPVA*	6.2	6.2	-0.8	2.6	2.5	-1.6
No Health Insurance	38.4	39.4	2.5	15.8	16.1	1.6

Source: Employee Benefit Research Institute estimates of the Current Population Survey, March 2001 Supplement.

Note: Details may not add to totals because individuals may receive coverage from more than one source.

* TRICARE (formerly known as CHAMPUS) is a program administered by the Department of Defense for military retirees as well as families of active duty, retired, and deceased service members. CHAMPVA, the Civilian Health and Medical Program for the Department of Veterans Affairs, is a health care benefits program for disabled dependents of veterans and certain survivors of veterans.

Figure A3

Change in the Number and Percentage of Nonelderly Individuals With Selected Sources of Health Insurance Due to March 2007 Census Bureau Coding Error Correction, 2004, and 2005

	2004[a]	2004[b]	2004 Change	2005[a]	2005[b]	2005 Change
			(millions)			
Total	255.1	255.1	—	257.4	257.4	0.0
Employment-Based Coverage	159.2	161.0	1.8	159.5	161.3	1.8
Own name	81.7	81.6	-0.1	82.4	82.3	0.0
Dependent coverage	77.5	79.4	1.8	77.2	79.0	1.9
Individually Purchased	17.9	18.0	0.2	17.8	17.9	0.1
Public	45.0	45.1	0.1	45.5	45.5	0.0
Medicare	6.3	6.3	0.0	6.5	6.4	0.0
Medicaid	34.6	34.6	0.0	34.7	34.7	0.0
Tricare/CHAMPVA[c]	7.3	7.4	0.1	7.7	7.7	0.0
No Health Insurance	44.8	43.0	-1.8	46.1	44.4	-1.8
			(percentage)			
Total	100.0%	100.0%	—	100.0%	100.0%	0.0
Employment-Based Coverage	62.4	63.1	0.7	62.0	62.7	0.7
Own name	32.0	32.0	0.0	32.0	32.0	0.0
Dependent coverage	30.4	31.1	0.7	30.0	30.7	0.7
Individually Purchased	7.0	7.1	0.1	6.9	7.0	0.0
Public	17.6	17.7	0.0	17.7	17.7	0.0
Medicare	2.5	2.5	0.0	2.5	2.5	0.0
Medicaid	13.6	13.6	0.0	13.5	13.5	0.0
Tricare/CHAMPVA[c]	2.9	2.9	0.1	3.0	3.0	0.0
No Health Insurance	17.6	16.9	-0.7	17.9	17.2	-0.7

Source: Employee Benefit Research Institute estimates of the Current Population Survey, March 2005 and 2006 Supplements.

Note: Details may not add to totals because individuals may receive coverage from more than one source.

[a] Estimates based on uncorrected Census data.

[b] Estimates based on corrected Census data.

[c] TRICARE (formerly known as CHAMPUS) is a program administered by the Department of Defense for military retirees as well as families of active duty, retired, and deceased service members. CHAMPVA, the Civilian Health and Medical Program for the Department of Veterans Affairs, is a health care benefits program for disabled dependents of veterans and certain survivors of veterans.

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Endnotes

[1] The estimate for Medicaid also includes children enrolled in the State Children's Health Insurance Program (S-CHIP). Medicaid and S-CHIP (and Medicare) estimates are under-reported in the CPS, according to comparisons of these data with enrollment and participation data provided by the Centers for Medicare & Medicaid Services (CMS) (DeNavas-Walt, Proctor, and Lee, 2006). According to Hoffman and Holahan (2005), the CPS may be overestimating the number of uninsured individuals by between 3.6 million and 9.1 million because of the undercount in Medicaid enrollment.

[2] Tricare (formerly known as CHAMPUS) is a program administered by the Department of Defense for military retirees as well as families of active duty, retired, and deceased service members. CHAMPVA, the Civilian Health and Medical Program for the Department of Veterans Affairs, is a health care benefits program for disabled dependents of veterans and certain survivors of veterans.

[3] These estimates sum to more than 100 percent because individuals can have multiple sources of coverage throughout the year as well as during a point in time. For instance, Medicare beneficiaries often have private coverage as a supplement to Medicare.

[4] The uninsured estimates from the March CPS are supposed to represent the percentage of individuals without health insurance coverage during an entire calendar year. However, based on comparisons with other surveys, many researchers concur that the uninsured estimate from the CPS is closer to a point-in-time estimate than to a calendar year estimate. If the CPS is a point-in-time estimate and not a calendar year, it would mean that the data from the March 2009 CPS represent the number of uninsured during March 2009 instead of during the previous calendar year. More information about the CPS, and other surveys that collect data on the uninsured, can be found in Fronstin (2000c). See also Bhandari (2004) and U.S. Congressional Budget Office (2004).

[5] The Census reports 46.3 million uninsured, or 15.4 percent of the entire United States population. Because this report only examines the population under age 65, it reports 45.7 million uninsured, or 17.7 percent of the nonelderly population.

[6] Expansion in S-CHIP during the late 1990s may have offset the decline in Medicaid coverage.

[7] See Exhibit 2.1 in http://www.kff.org/insurance/7672/upload/76723.pdf.

[8] The March supplement to the Current Population Survey does not collect information regarding the availability of health benefits through employment. Nonetheless, this analysis assumes that the decline in coverage was due to a drop in take-up rates rather than a drop in eligibility rates, because the overall percentage of employers offering health benefits to at least some of their workers increased from 60 percent in 2007 to 63 percent in 2008. See Exhibit 2.1 in http://ehbs.kff.org/pdf/7790.pdf (last reviewed September 2009).

[9] In this report, individuals who receive coverage directly through their employer, union, or a previous employer are categorized as having coverage in their *own name*. Individuals who receive employment-based coverage indirectly are categorized as having *dependent* coverage.

[10] It has been estimated that 95 percent of low-income children are eligible for either Medicaid or S-CHIP. See www.cbpp.org/12-6-00schip.htm (last reviewed September 2009).

[11] The percentage of uninsured workers eligible for health benefits through a family member is not included in this estimate.

[12] The region and state data in this section are not based on the most recent 2007 data, but instead based on a three-year average of 2005–2007 data. The Census Bureau recommends using three-year averages to compare estimates across states. State estimates are considerably less reliable than national estimates and fluctuate more widely year-to-year than national estimates.

[13] See Fronstin (2008).

[14] Both Fronstin (2005b) and Cooper and Schone (1997) found that young workers are less likely than older workers to be covered by employment-based health benefits even when a plan is offered to them.

[15] Krauss et al. (1999) found that 55.7 percent of the uninsured had at least one ambulatory medical care visit in 1996, compared with 76.2 percent of individuals with only public insurance and 77.2 percent of individuals with any private insurance. They also found that among persons with at least one visit, the uninsured had an average of 5.1 visits, compared with 8.7 visits by persons with only public insurance and 6.5 visits by those with any private insurance. Another study found that among persons visiting a health care provider, 17 percent of the uninsured received health care in an emergency room, compared with 9 percent of the privately insured (Cunningham and Whitmore, 1998). Furthermore, Fronstin (1998 and 2000a) found that 22 percent of the uninsured were in a family where someone had difficulty obtaining needed care, compared with 10–11 percent of the insured population, mainly because they could not afford health care.

[16] Traditionally, cost shifting occurs when a health care provider raises its prices to one set of payers because it lowered them to another set (Morrisey, 1996).

[17] See Nelson and Mills (2001) for additional information about the verification questions.

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