

CRS Report for Congress

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Health Insurance Coverage: Characteristics of the Insured and Uninsured Populations in 2001

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Summary

The number of Americans without health insurance rose in 2001 to 41.2 million Americans (14.6%) — an increase of 1.4 million people from 2000. This reversed a two-year trend of falling numbers of uninsured. Approximately 1.3 million fewer Americans had employment-based health coverage, compared to 2000, according to the Census Bureau. From 1999 to 2000, this number had risen by 2.9 million. In spite of the decline, most Americans (64.1%) still received their health insurance through an employer. Yet full-time, full-year workers and their family members made up more than half of the uninsured. The percentage of individuals covered by Medicaid increased significantly in 2001. Among children in 2001, the percentage of uninsured did not change significantly. This report examines characteristics of both the insured and the uninsured populations in the United States. It will be updated in fall 2003.

Health Insurance Coverage and Selected Population Characteristics

Age. Table 1 provides a breakdown of health insurance coverage by type of insurance and age. In 2001, compared to other age groups, those under age 5 were most likely (29%) to have coverage through Medicaid, the State Children's Health Insurance Program (SCHIP), or some other program for low-income individuals. Young adults ages 19 to 24 were the most likely to have gone without health insurance for the entire year. While most in this age group (57%) were covered under an employment-based plan, 30% had no health insurance. Young adults are often too old to be covered as dependents on their parents' policies and, as entry-level workers, do not have strong ties to the work force. In addition, some may choose to remain uninsured and spend their money on other items. After age 25, the percentage of people without health insurance decreases. Of those age 65 and over, 96% were covered by Medicare, and less than 1% were uninsured for the entire year. The remainder of this report focuses on the population under age 65.

Table 1. Health Insurance Coverage by Type of Insurance and Age, 2001

Age	Population (in millions)	Type of insurance ^a					Uninsured
		Employment based ^b	Private nongroup	Medicare	Medicaid or other public ^c	Military/ veterans coverage	
Under 5	19.4	60.8%	4.8%	0.7%	28.5%	3.5%	10.6%
5-18	57.1	66.3	5.1	0.6	20.2	3.2	12.6
19-24	23.4	57.3	6.0	0.7	9.6	2.7	29.7
25-34	38.7	66.2	5.3	1.3	6.7	2.1	23.4
35-54	83.8	74.4	6.8	2.6	5.5	2.7	14.7
55-61	19.3	70.4	9.9	7.1	7.0	4.3	12.8
62-64	6.5	61.9	12.9	14.2	6.9	5.9	14.1
65+	33.8	35.3	30.3	96.1	9.7	6.4	0.8
Total	282.1	64.1%	9.2%	13.5%	11.2%	3.4%	14.6%

Source: CRS analysis of data from the March 2002 Current Population Survey (CPS).

^a People may have had more than one source of health insurance over the course of the year.

^b Group health insurance through employer or union.

^c Nonmilitary. Includes State Children's Health Insurance Program (SCHIP) and other state programs for low-income individuals.

Other Demographic Characteristics. Table 2 shows the rate of health insurance coverage by type of insurance and selected demographic characteristics — race, family type, region, poverty level and citizenship — *for people under age 65*. In 2001, whites were least likely to be uninsured (12%), while Hispanics were most likely (35%). The rate of employment-based health coverage was highest among whites (76%), and the rate of public coverage¹ was highest among blacks (24%).

People in male-headed or two-parent families with children were less likely to be uninsured (13%) than those in female-headed families with children (21%) or in families with no children (19%). The sources of coverage were quite different for male-present (one or two parents) and female-headed (single parent) families with children: coverage was employment based for 74% of male-present families compared to 45% of female-headed families; 10% of male-present families had public coverage compared to 36% of female-headed families.

People were less likely to be uninsured if they lived in the Midwest (12%) or the Northeast (14%), than if they lived in the South (19%) or West (19%). More than 70% of those living in the Northeast and Midwest had employment-based health insurance compared to 65% in the South and 63% in the West. Among individuals with incomes at least two times the poverty level, 11% went without health insurance compared to 34% of the poor (i.e., those with incomes below the poverty level). Only 21% of the poor received health coverage through employment, and 44% had public coverage. More than

¹ Includes Medicare, Medicaid, the State Children's Health Insurance Program (SCHIP), or some other program for low-income individuals. Excludes military and veterans coverage.

80% of people with incomes at least two times the poverty level were covered through an employer, and only 5% had public coverage.

Non-citizens were more likely to be uninsured than people born with U.S. citizenship (i.e., “native”) — 44% versus 14%, respectively. Non-citizens accounted for 8% of the population under 65, but were 21% of the uninsured. About 44% of non-citizens were covered through employment, compared to 70% of citizens.

Table 2. Health Insurance Coverage by Type of Insurance and Demographic Characteristics for People Under Age 65, 2001

	Population (in millions)	Type of insurance ^a			
		Employment based ^b	Public ^c	Other ^d	Uninsured
Race/ethnicity					
White	166.9	75.6%	9.3%	10.3%	11.6%
Black	31.9	56.5	23.9	7.1	20.1
Hispanic	35.5	44.8	19.4	5.1	34.7
Other	14.0	62.1	13.0	10.8	20.5
Family type					
Female-headed with children	29.6	45.3	36.3	4.8	20.5
Two parent or male-headed w/children	119.5	73.9	10.3	9.0	13.1
No children	99.2	67.6	8.9	10.7	19.4
Region					
Northeast	46.1	71.8	13.6	6.5	13.8
Midwest	55.9	74.6	11.1	8.3	12.2
South	88.5	65.0	13.3	10.2	18.8
West	57.8	63.1	13.3	10.6	19.3
Poverty level^e					
Less than 100% of poverty	29.5	20.6	44.0	6.7	33.9
100%-149% of poverty	20.9	37.8	29.9	8.7	30.6
150%-199% of poverty	21.7	52.8	19.0	9.8	25.8
200%+ of poverty	175.6	81.5	4.7	9.6	10.7
Citizenship					
Native	219.2	70.2	13.3	9.5	13.8
Naturalized	9.6	65.8	8.8	9.7	21.0
Non-Citizens	19.5	43.5	9.7	5.7	44.3
Total	248.3	68.0%	12.8%	9.2%	16.5%

Source: CRS analysis of data from the March 2002 CPS.

^a People may have more than one source of coverage; percentages may total to more than 100.

^b Group health insurance through employer or union.

^c Includes Medicare, Medicaid, the State Children’s Health Insurance Program (SCHIP), and other state programs for low-income individuals. Excludes military and veterans coverage.

^d Private nongroup health insurance, veterans coverage, or military health care.

^e In 2001, the weighted average poverty threshold for a family of four was \$18,104. Approximately 607,000 children are excluded from CPS-based poverty analyses because they are in unrelated subfamilies.

Employment Characteristics. Following 2 years of significant increases in employment-based coverage, the prevalence of job-related health insurance fell in 2001 to 68%. **Table 3** shows the rate of health insurance coverage by employment characteristics for people under age 65 who were workers or their dependents. In 2001, only about 8% of workers and dependents of workers in large firms (1,000 or more employees) were uninsured compared to 33% in small firms (less than 10 employees). People who reported working in small firms and their dependents accounted for 14% of the under 65 population but 28% of the uninsured. Insurance coverage varied according to industry, as well. Agriculture and personal services had the highest proportion of uninsured workers and dependents — more than 30%; only 3% of those in public administration were uninsured. Among workers, 84% of those employed full time, full year had health insurance, most often through their own employment (78%). In 2001, nearly one-third of workers with less than full time, full year employment were uninsured.

Table 3. Health Insurance Coverage by Employment Characteristics^a for People Under Age 65, 2001

	Population (in millions)	Type of insurance ^b			
		From own job ^c	From other's job ^c	Other ^d	Uninsured
Firm size^e					
Under 10	34.2	20.5%	21.5%	30.5%	33.3%
10-24	18.3	31.0	28.1	20.3	27.3
25-99	27.0	37.9	36.2	16.4	18.0
100-499	30.0	40.8	42.9	14.0	11.6
500-999	12.8	42.9	43.2	12.4	10.2
1,000 +	92.2	42.5	45.5	14.4	8.2
Industry^e					
Agriculture	4.7	16.9%	18.3%	32.0%	38.3%
Personal services	5.5	25.8	20.8	25.7	33.6
Construction	17.0	26.6	31.4	18.4	29.4
Retail trade	28.6	30.7	26.6	23.1	26.4
Entertainment	3.3	36.5	27.9	21.0	22.3
Business services	14.7	32.6	32.7	21.3	21.8
Wholesale trade	8.8	38.4	44.5	12.3	12.6
Nondurable goods	14.2	39.9	44.8	12.8	11.3
Mining	1.2	35.3	45.5	17.0	11.2
Transportation	18.5	39.7	45.6	12.6	11.2
Professional services	49.6	43.3	41.1	16.4	9.9
Durable goods	22.0	41.4	46.6	11.2	9.4
Finance/insurance	13.4	42.8	43.7	13.4	8.9
Public administration	13.2	39.9	47.0	25.5	3.4

	Population (in millions)	Type of insurance ^b			
		From own job ^c	From other's job ^c	Other ^d	Uninsured
Labor force attachment of policyholder or, if no insurance, working family member^a					
Workers					
Full time, full year	85.3	78.2	6.6	10.6	16.0
Full time, part year	15.1	56.5	5.6	18.4	30.7
Part time, full year	6.2	46.9	6.6	24.0	33.3
Part time, part year	5.1	33.1	5.2	32.9	38.3
Workers' Dependents					
Full time, full year	84.8	0.0	77.5	18.2	10.4
Full time, part year	11.0	0.0	57.4	38.2	13.7
Part time, full year	4.3	0.0	53.1	35.4	16.5
Part time, part year	2.8	0.0	40.6	54.4	12.2
Not working	26.3	15.2 ^f	9.8	54.3	27.7
Coverage outside home	7.4	8.0	100.0	16.5	0.0
Total	248.3	34.0%	37.3%	21.4%	16.5%

Source: CRS analysis of data from the March 2002 CPS.

^a The employment characteristics are those of the policyholder. In families without private coverage, “workers” are the family head or, if the head is not employed, the spouse. For “dependents,” the employment characteristics are those of the person providing dependent coverage or, if the dependent has no private health insurance, to the head of household or spouse.

^b People may have more than one source of health insurance during the year.

^c Group health insurance through current or former employer or union.

^d Medicare, Medicaid, the State Children’s Health Insurance Program (SCHIP), nongroup health insurance, veterans coverage, and other government coverage.

^e For persons who worked and their dependents.

^f Nearly 90% of these policyholders (i.e., those who did not work during the year but had employment-based coverage in their name) were retirees, were ill or disabled, or were at home with the family and probably received coverage through their former employer.

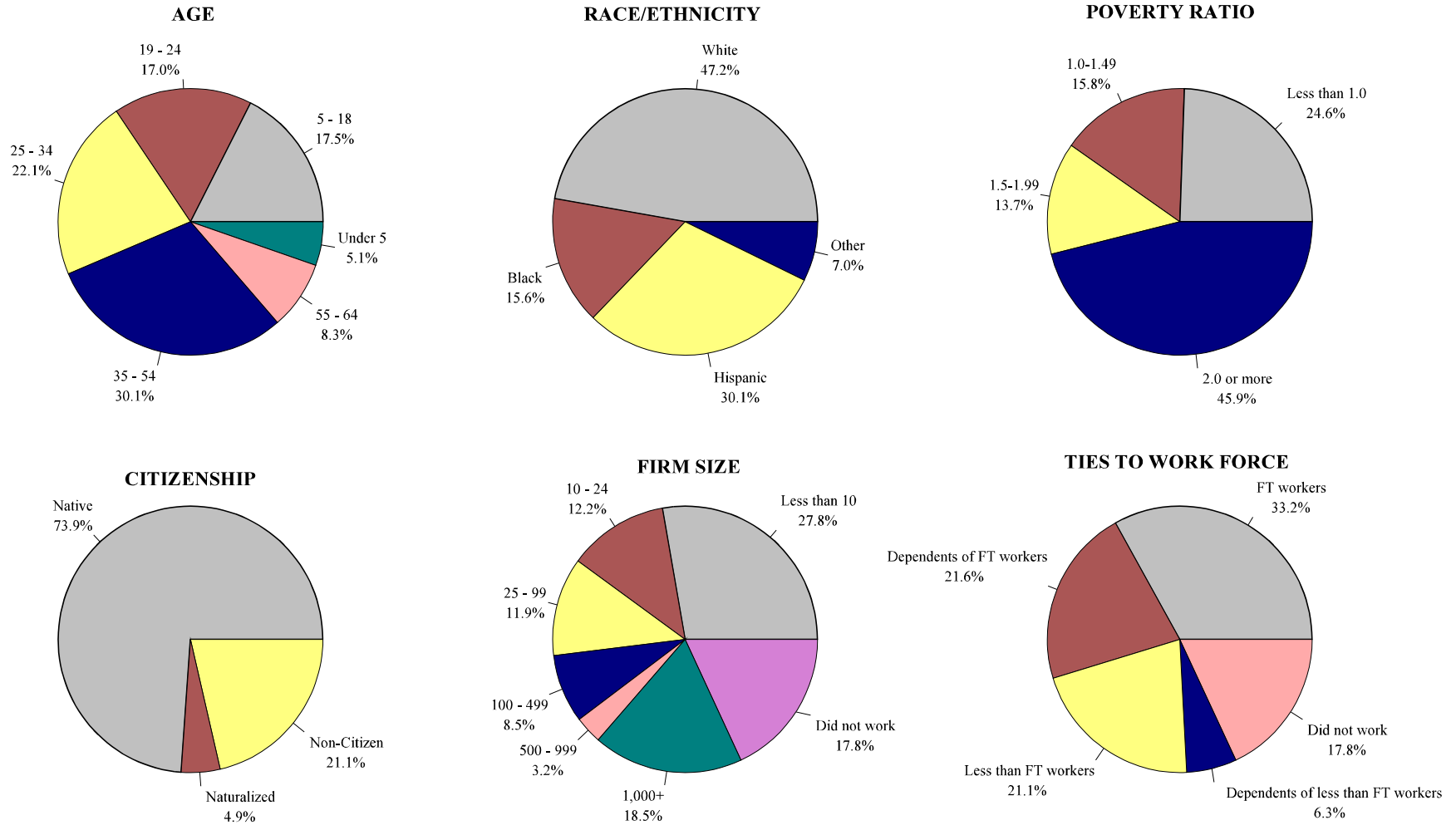
Characteristics of the Uninsured Population under Age 65

People who lack health insurance differ from the population as a whole: they are more likely to be young adults, poor, Hispanic, or employees in small firms. **Figure 1** illustrates selected characteristics of those under age 65 who were uninsured for 2001. Approximately 17% of the uninsured were 19 to 24 years old, even though this age group represents less than 9% of the under 65 population.

Our report for the year 2000 noted that for the first time since 1994, when CRS began this annual analysis, the percentage of the uninsured who were white fell below 50% — to 49%. In 2001, this percentage dropped again, to 47%, even though whites make up two-thirds (67%) of the under 65 population.

More than half (55%) of the uninsured were full time, full year workers or their dependents. Approximately 18% had no attachment to the labor force. Approximately three-quarters of the uninsured were above the poverty level. Even though the poor accounted for only 12% of the under 65 population, they represented 25% of the uninsured. For the first time since 1994, more than one-quarter of the uninsured were not native-born citizens (i.e., they were either not citizens or were naturalized citizens).

Figure 1. Characteristics of the Uninsured Population Under Age 65, 2001



Source: Congressional Research Service (CRS) analysis of data from the March 2002 Current Population Survey (CPS).

Note: Totals may not sum to 100% due to rounding. “FT workers” represent full-time, full-year workers.