

HEALTH INSURANCE COVERAGE IN 2005

The numbers and the characteristics of the uninsured are important information for decision makers working to improve health insurance coverage. The 2005 estimates on health insurance coverage come from the 2006 Annual Social and Economic Supplement (ASEC) to the Current Population Survey (CPS).

During a 12-year period from 1987 to 1998, the uninsured rate either increased or remained statistically unchanged from one year to the next, as shown in Figure 1. After peaking at 16.3 percent in 1998, the rate fell for 2 years in a row to 14.2 percent in 2000. The rate increased to about 15.6 percent during 2003 and 2004 before reaching 15.9 percent in 2005.¹

¹ The estimates in this report (which may be shown in text and figures) are based on responses from a sample of the population and may differ from actual values because of sampling variability or other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant. All comparative statements have undergone statistical testing and are significant at the 90-percent confidence level unless otherwise noted. For further information about the sources and accuracy of the estimates, see the full report at <www.census.gov/prod/2006pubs/p60-231.pdf>.

Words That Count

Private health insurance is coverage by a health plan provided through an employer or union or purchased by an individual from a private health insurance company.

Employment-based health insurance is coverage offered through one's own employment or that of a relative. It may be offered by an employer or a union.

Direct-purchase health insurance is coverage through a plan purchased by an individual from a private health insurance company.

Government health insurance includes Medicare, Medicaid, and military insurance, such as CHAMPUS or TRICARE.

The uninsured rate is based on people who lacked health insurance for all of 2005.

Within the civilian noninstitutionalized population, both the number of people with health insurance and the number without it grew between 2004 and 2005. The number of people with health insurance grew from 245.9 million to 247.3 million. The number without health insurance increased from 45.3 million to 46.6 million. The percentage of people without health insurance increased from 15.6 percent to 15.9 percent.

Health insurance related to employment covered 59.8 percent of people for some or all of 2004, compared with 59.5 percent of people for some or all of 2005 (Figure 2). This decline reflects the decrease in total private health insurance coverage, from 68.2 percent in 2004 to 67.7 percent in 2005.

Between 2004 and 2005, the percentage of people covered by government health insurance programs remained statistically unchanged at 27.3 percent. Similarly, the percentages of people covered by Medicaid (13.0 percent) and Medicare (13.7 percent) were not statistically different from the previous year.

Coverage by Race, Hispanic Origin, and Nativity

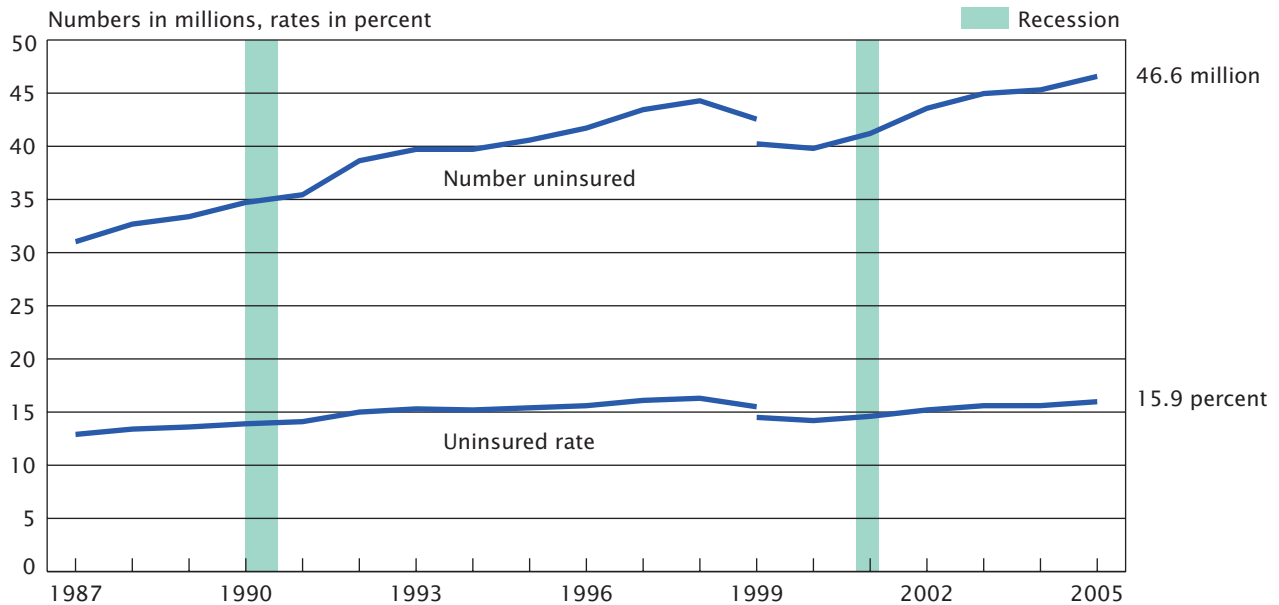
In 2005, the Hispanic population had the highest uninsured rate (32.7 percent), not statistically different from the previous year. The rates for Blacks (19.6 percent) and non-Hispanic Whites (11.3 percent) were also statistically unchanged from 2004.² At the same time,

² Federal surveys now give respondents the option of reporting more than one race. Therefore, two basic ways of defining a race group are possible. A group such as Asians may be defined as those who reported Asian and no other race (the race-alone or single-race concept) or as those who reported Asian regardless of whether they also reported another race (the race-alone-or-in-combination concept). The text and figures in this report show data using the first approach (race alone). Use of the single-race population in this report does not imply that this is the preferred method of presenting data. The Census Bureau uses a variety of approaches.

Non-Hispanic White refers to people who reported White and no other race and are not Hispanic. The term Black is used for people who reported Black or African American, and the term Pacific Islander is used for people who reported Native Hawaiian or Other Pacific Islander.

Because Hispanics may be any race, data in this chapter for Hispanics overlap with data for the racial populations. Based on the 2005 CPS ASEC, 2.9 percent of Black householders, 27.7 percent of American Indian and Alaska Native householders, and 9.5 percent of Native Hawaiian and Other Pacific Islander householders were Hispanic.

Figure 1.
Number Uninsured and Uninsured Rate: 1987 to 2005



Notes: Respondents were not asked detailed health insurance questions before the 1988 CPS. Implementation of Census 2000-based population controls occurred for the 2000 ASEC, which collected data for 1999. These estimates also reflect the results of follow-up verification questions that were asked of people who responded "no" to all questions about specific types of health insurance coverage in order to verify whether they were actually uninsured. This change increased the number and percentage of people covered by health insurance, bringing the CPS more in line with estimates from other national surveys. The 2004 data have been revised to reflect a correction to the weights in the 2005 ASEC. The estimates also reflect improvements to the algorithm that assigns coverage to dependents. The data points are placed at the midpoints of the respective years.
 Source: U.S. Census Bureau, Current Population Survey, 1988 to 2006 Annual Social and Economic Supplements.

the uninsured rate for Asians increased from 16.5 percent to 17.9 percent.

Because of the small sample size of both the American Indian and Alaska Native population and the Pacific Islander population in the 2005 CPS ASEC, the U.S. Census Bureau uses 3-year-average uninsured rates (2003–2005) to improve accuracy. Using this method, the uninsured rates for American Indians and Alaska Natives (29.9 percent) and Pacific Islanders (21.8 percent) were lower than the rate for Hispanics (32.6 percent) and higher than the rates for other racial groups.

Between 2004 and 2005, the uninsured rate increased from 13.1 percent to 13.4 percent for the native population (people born in the United States, Puerto Rico, or any of the U.S. island areas or who had at least one citizen parent).³ Among the foreign born (people who were not U.S. citizens or U.S. nationals at birth), this

³ The island areas include the U.S. Virgin Islands, American Samoa, Guam, and the Commonwealth of Northern Mariana Islands.

rate remained statistically unchanged at 33.6 percent. The rates for naturalized citizens (17.9 percent) and noncitizens (43.6 percent) were not statistically different from the previous year.

Coverage by Economic Status

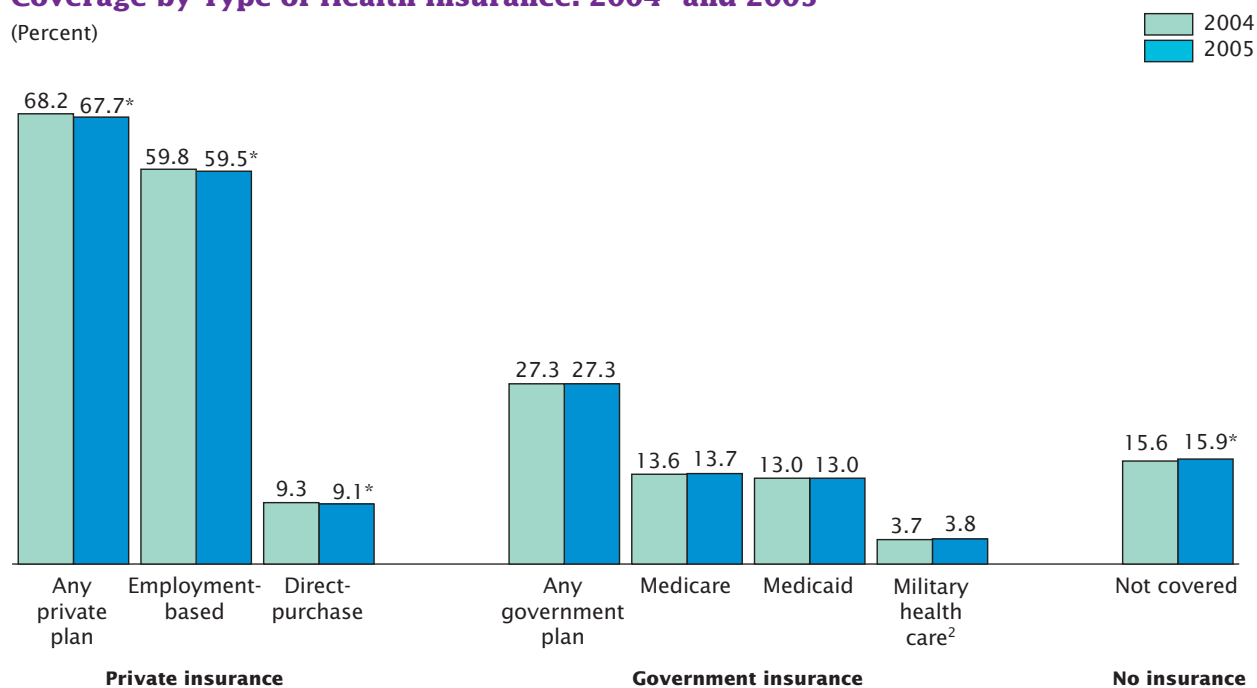
The likelihood of being covered by health insurance rises with income. Among people in households with an annual income of less than \$25,000, 75.6 percent had health insurance coverage in 2005, compared with 91.5 percent of those in households with an income of \$75,000 or more.

Among adults aged 18 to 64, full-time workers (82.3 percent) were more likely to have health insurance coverage than part-time workers (76.5 percent) or nonworkers (72.7 percent).⁴

⁴ Workers are classified as part-time if they worked fewer than 35 hours per week in the majority of weeks in 2005. The coverage rate for part-time workers was not statistically different from that of nonworkers.

Figure 2.
Coverage by Type of Health Insurance: 2004¹ and 2005

(Percent)



* Statistically different at the 90-percent confidence level.

¹ The 2004 data have been revised to reflect a correction to the weights in the 2005 ASEC. The estimates also reflect improvements to the algorithm that assigns coverage to dependents.

² Military health care includes CHAMPUS (Comprehensive Health and Medical Plan for Uniformed Services)/Tricare and CHAMPVA (Civilian Health and Medical Program of the Department of Veterans Affairs), as well as care provided by the Department of Veterans Affairs and the military.

Note: The estimates by type of coverage are not mutually exclusive; people can be covered by more than one type of health insurance during the year.

Source: U.S. Census Bureau, Current Population Survey, 2005 and 2006 Annual Social and Economic Supplements.

Children Without Health Insurance Coverage

Between 2004 and 2005, both the percentage and the number of children without health insurance increased, from 10.8 percent to 11.2 percent and from 7.9 million to 8.3 million.⁵ Children 12 to 17 years old were more likely to be uninsured than those under 12—12.6 percent compared with 10.5 percent.

Coverage in the Regions and States

The Midwest and the Northeast had the lowest uninsured rates in 2005, 11.9 percent and 12.3 percent, respectively.⁶ The uninsured rate was 18.1 percent in the West and 18.6 percent in the South.⁷

⁵ Children are people under age 18.

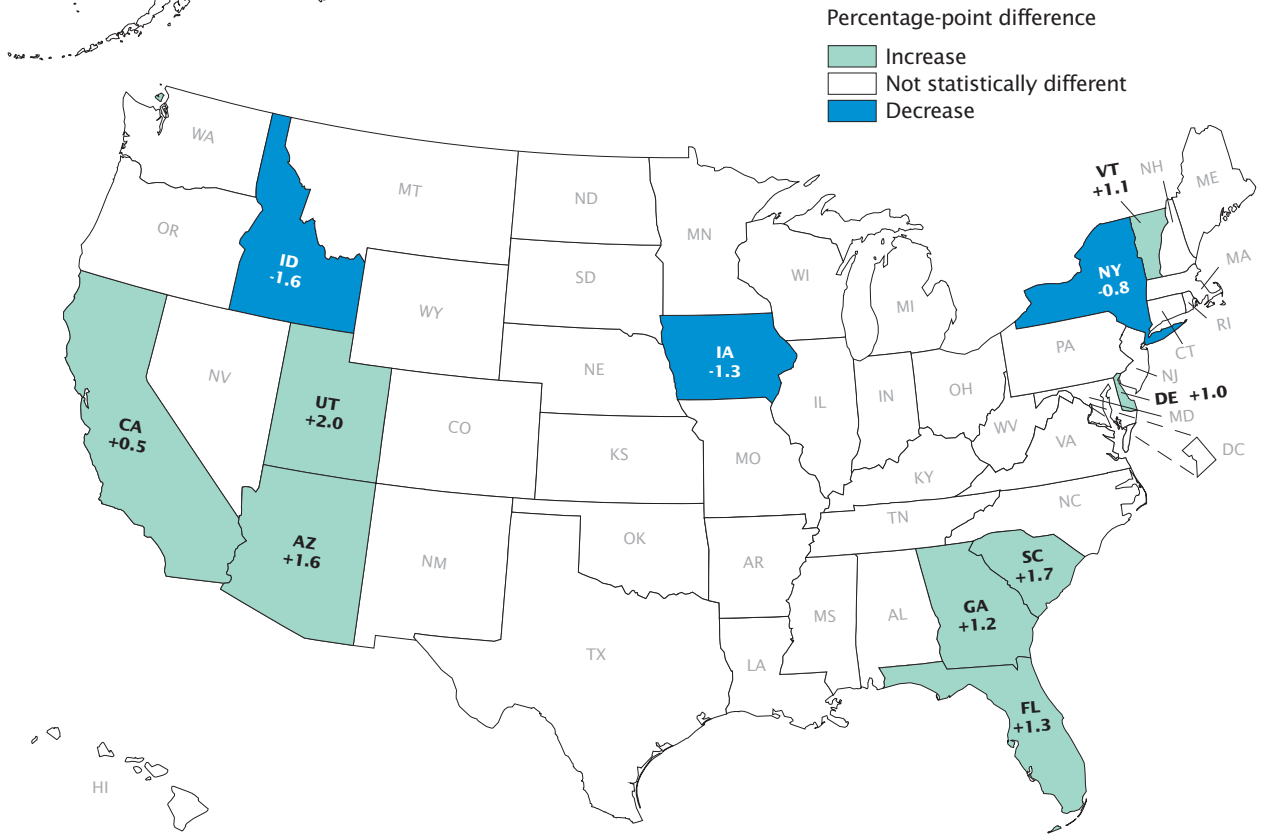
⁶ The uninsured rates for the Midwest and the Northeast are not statistically different.

⁷ The uninsured rates for the South and the West are not statistically different.

Based on a 3-year average (2003–2005), the proportion of people without health insurance was highest in Texas (24.6 percent) and lowest in Minnesota (8.7 percent). The rate for Minnesota was not statistically different from the rate for Hawaii (9.5 percent).

Comparisons of 2-year moving averages (2003–2004 and 2004–2005) indicate that the proportion without coverage fell in three states and rose in eight, as shown in Figure 3. The uninsured rate decreased in Idaho, Iowa, and New York. The rates increased in Delaware, Florida, Georgia, and South Carolina in the South and Arizona, California, and Utah in the West. In the Northeast, the rate rose in Vermont.

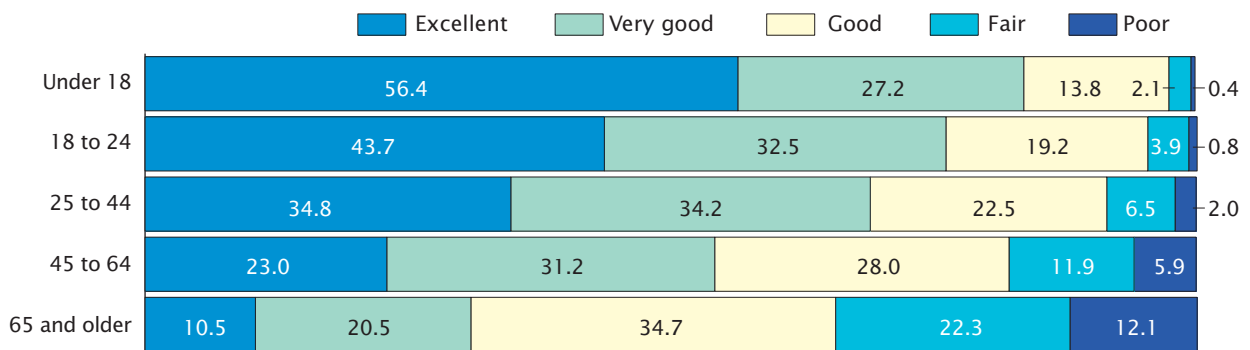
Figure 3.
**Differences in 2-Year-Average Uninsured Rates
 by State: 2004–2005 Less 2003–2004¹**



¹ The 2004 data have been revised to reflect a correction to the weights in the 2005 ASEC. The estimates also reflect improvements to the algorithm that assigns coverage to dependents.
 Source: U.S. Census Bureau, Current Population Survey, 2004 to 2006 Annual Social and Economic Supplements.

Figure 4.
Perceived Health Status by Age: 2001

(Percent of all people in age group)



Source: U.S. Census Bureau, Survey of Income and Program Participation, October 2001–January 2002.

Health Status, Health Insurance, and Health Service Utilization: 2001

In 2001, close to two-thirds of all people living in the United States reported they were in excellent or very good health in the Census Bureau's Survey of Income and Program Participation (SIPP).⁸ In contrast, 12 percent reported fair or poor health. Thirty-seven percent of the male population and 34 percent of the female population reported excellent health.

The share of people with excellent and very good health status diminished with age, as shown in Figure 4. While 56 percent of people under age 18 reported excellent health, 11 percent of those 65 and older did.

There was no direct relationship between income and perceived health status, except among people with incomes above 250 percent of the poverty level. People living in a family with income that was at least 250 percent of their poverty threshold had better health status than people in lower income groups.

Health status was directly related to utilization of health services, including visits to doctors, hospitalizations, and prescription use.⁹ Compared with those who reported lower health ratings, those with better reported health said they were less likely to visit the doctor frequently, stay overnight at a hospital, and use prescriptions. In contrast, no clear evidence linked health status to visits to the dentist.

⁸ The data presented in this section of the Population Profile were collected from October 2001 through January 2002 in the third wave of the 2001 SIPP. As with all surveys, estimates may vary from the actual values because of sampling variation and other factors. All comparisons made in this section have undergone statistical testing and are significant at the 90-percent confidence level unless otherwise noted. Further information on the sources and accuracy of the estimates is available at <www.sipp.census.gov/sipp/sourceac/S&A01_w1tow6_cross_puf.pdf>. The population represented here is the civilian noninstitutionalized population living in the United States.

⁹ Since the institutionalized population is not part of the SIPP sample, this analysis does not include service utilization by that group.

Among both children (under 18 years old) and adults (18 and older), 25 percent of those in excellent health visited a doctor more than twice in the year prior to the survey. While 72 percent of children in poor health saw a doctor this often, 86 percent of adults reporting poor health did.

About 95 percent of both children and adults in excellent or very good health did not require hospitalization in the previous 12 months. Among those reporting poor health, the proportions were 71 percent for children and 61 percent for adults.

Sixty-five percent of children and 45 percent of adults did not take prescription medicine during the previous 12 months. The rates were highest for people in excellent health and successively lower for those in other health-status groups.

Ten percent of children and 41 percent of adults took prescription medicine regularly over the study period. The rates were lowest for people reporting excellent health and successively higher for people in other health-status groups.

About 54 percent of both children and people aged 65 and older visited a dentist at least once during the year. Adults aged 45 to 64 were the most likely to visit a dentist—11 percent went three or more times during the year, compared with 8 percent for all people.

People reporting excellent health had the highest rate of private health insurance coverage (78 percent) and the lowest rate of government insurance coverage (15 percent). Among those reporting poor health, 48 percent had private health coverage and 71 percent were covered by government health insurance. When the two types of coverage were considered together, the coverage rates were not statistically different for people in poor health and those in excellent health—nearly 88 percent.

The Census Bureau Can Tell You More

Consult the following Census Bureau Current Population Reports: *Income, Poverty, and Health Insurance Coverage in the United States: 2005* (P60-231) by Carmen DeNavas-Walt, Bernadette Proctor, and Cheryl Hill Lee; *Health Status, Health Insurance, and Health Services Utilization: 2001* (P70-106) by Shailesh Bhandari; and *Dynamics of Economic Well-Being: Health Insurance 1996–1999* (P70-92) by Shailesh Bhandari and Robert Mills.

Look for complete reports and detailed tables on the Census Bureau's Web site <www.census.gov>.

Click on "Subjects A to Z," then click on "H" and select "Health Insurance Data."

Contact the Census Bureau's Demographic Call Center (toll-free) at 1-866-758-1060.

E-mail <ask.census.gov>.

See Appendix A for information on the accuracy of the estimates.