

## Who Has Insurance and Who Does Not in the District of Columbia?

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Residents of the District of Columbia are more likely to have health insurance than the rest of the U.S. population. Most get their coverage at work, as do other Americans, but many have publicly financed coverage from Medicaid or DC Healthy Families. Uninsured low-income residents not eligible for these programs can enroll in the DC HealthCare Alliance, whose benefits resemble Medicaid's and are more extensive than most employer-based coverage. A small share of residents have individual health insurance or coverage through federal programs, such as Tricare. Despite these options, some 66,000 D.C. residents remain uninsured.

Uninsured individuals get less medical care than they need. They often have lower health status and reduced ability to work, save, pay taxes, and contribute to community life.<sup>1</sup> Thus, uninsurance affects not only the uninsured individual but also the larger community. The data presented below show how insurance status relates to age, family income, work status, and health status in the District of Columbia. Such data, though limited, can help policymakers identify who most needs help in obtaining coverage.

### Who Has Insurance?

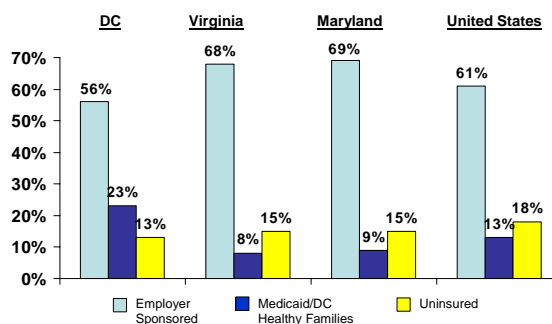
District residents are less likely to have employer-sponsored insurance than other Americans—56 versus 61 percent—but are more likely to have public coverage—23 versus 13 percent. The differences are even greater when D.C. is compared to its neighbors, Virginia and Maryland, where employer coverage is higher than the national average and public coverage is lower (exhibit 1). Employer-sponsored coverage is lower in the District despite the fact that District employers are more likely to offer coverage to employees than employers in the rest of the nation<sup>2</sup>—in large part because nearly three-quarters of people who work in D.C. live elsewhere<sup>3</sup>.

*A smaller share of DC residents are uninsured than in the nation as a whole, but more have public coverage.*

The lower rate of employer-sponsored coverage is more than made up for by the higher rates of public coverage. As a result, the percentage of residents who are uninsured is lower in D.C. than in the nation as a whole or in Virginia or Maryland. The District's government bears a large share of the cost of insuring its residents, while in Maryland and Virginia, employers bear a larger share.

The District's relatively generous eligibility levels for Medicaid contribute to the high share of residents enrolled in public coverage. Nearly half of District children (48 percent) and about 15 percent of adults are covered under one of these programs (exhibit 2). The District also has special eligibility categories for childless adults ages 50 to 64 with incomes at or below 50 percent of the federal poverty level (FPL)<sup>4</sup> as well as for HIV positive individuals.

**Exhibit 1: Rates of Health Insurance Coverage in DC, Compared with Nearby States and the Nation, 2005-2006**

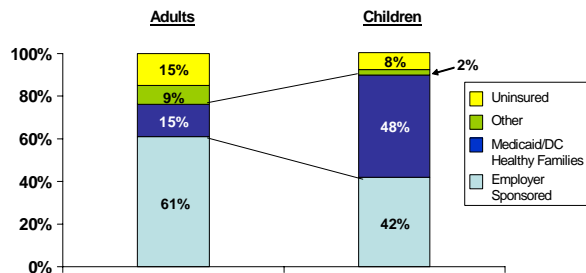


Source: Kaiser Family Foundation, *Health Insurance Coverage in America, 2006 Data Update*, November 2007. Note: Data refer to the population under age 65. Champus/Medicare and private non group insurance not shown.

There is some uncertainty in the insurance estimates for D.C. because they rely on the Current Population Survey (CPS). The CPS, although the most frequently cited source for health insurance coverage estimates,<sup>5</sup>

does not take into account local programs like the Alliance. Alliance members likely report that they have Medicaid or that they are uninsured on the CPS. In 2003, when the Alliance membership was about half its current size, it covered nearly a third of the adult uninsured population.<sup>6</sup> Taking the Alliance into account would probably decrease the District's uninsured rate even further below levels in the CPS and elsewhere.

**Exhibit 2: Rates of Health Insurance Coverage in DC, by Age, 2005-2006**



Source: Kaiser Family Foundation, *Health Insurance Coverage in America, 2006 Data Update*, November 2007.

**Who Lacks Insurance?**

The reasons for going without coverage vary. Some people's jobs do not come with health insurance. Others cannot afford coverage that is offered by an employer. Many people are eligible for public coverage but not enrolled, while others may not be eligible and may have trouble finding and affording other coverage. Coverage status is strongly related to being eligible for public programs or having access to job-related insurance. Residents who are not enrolled in employer or public coverage are very likely to be uninsured.

Almost two-thirds of uninsured residents in DC are workers, 38 percent full-time, and 26 percent part-time (exhibit 3). Health insurance premiums have been rising faster than wages nationally,<sup>7</sup> making employer-based coverage less affordable. Workers may also be less likely to be offered coverage by an employer now than in the past,<sup>8</sup> which puts them and their families at greater risk of being uninsured.

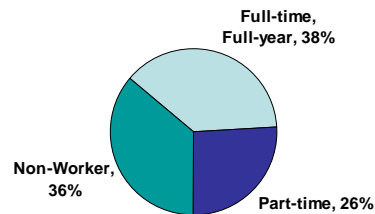
The uninsured in the District are less likely to be in good health than those who are insured. Among uninsured residents, only 55 percent report that they are in excellent or very good health.<sup>9</sup> In comparison, 61 percent of residents with Medicaid coverage and 79 percent of those with employer-sponsored coverage say they are in excellent or very good health. Those in fair or poor health are nearly twice as likely to be uninsured as those reporting excellent or very good health. Thus, less healthy people, who seem to need health insurance

the most are, unfortunately, less likely to have it than those in better health.

All low-income uninsured District residents are eligible for some form of public coverage, but the type of coverage depends largely on the resident's age, family situation, and immigration status. Adults are about twice as likely to be uninsured as children in large part because Medicaid is less likely to be available to adults than children. Men are more likely than women to be uninsured,<sup>10</sup> since women are more likely than men to be caretaker parents and so eligible for Medicaid. Some 47,000 uninsured District residents are adults without children (exhibit 4). Low-income adults without children have limited eligibility for Medicaid but can enroll in the Alliance.

The District's HealthCare Alliance may well be the nation's most comprehensive low-income coverage program. Alliance enrollment has been growing rapidly, with approximately 42,000 individuals enrolled as of mid-2007.<sup>11</sup> Enrollment is projected to grow to 50,000 in FY 2008.<sup>12</sup> All uninsured District residents who have incomes below 200 percent of the FPL but are not eligible for Medicaid are eligible for the Alliance, regardless of immigration status. Still, almost two-thirds of residents who report themselves as uninsured in the CPS have incomes less than 200 percent of the FPL. All of these residents appear to be eligible for the Alliance, and many are likely unenrolled. However, it is impossible to know the exact number, given that the CPS does not contain data on the Alliance. Enrollment of remaining eligible but unenrolled individuals could significantly reduce the number of uninsured people in the District.

**Exhibit 3: Uninsured by Work Status in the District of Columbia, 2004-2006**



Source: Urban Institute 2007. Based on tabulations from the 2005, 2006 and 2007 Annual Social and Economic Supplement to the Current Population Survey  
 Note: Non-workers include non-working children and adults.

**Why Do Insurance Estimates Vary?**

There are other sources of health insurance data than the CPS.<sup>13</sup> All together, they present a wide range of estimates for the uninsured population—from about 46,000 to over 100,000.<sup>14</sup> What may look like inconsistent reporting is actually a reflection of how hard it is to measure uninsurance. Most of these estimates come

**Exhibit 4: Estimated Number of Nonelderly Uninsured District Residents Age 0-64 (Nonelderly by family income, family status and work status)**

Family income (% FPL)	Family Status		Work Status			Total Uninsured	Percent of total uninsured
	Children and parents	Non-parents	Full time, full year	Part-time	Non-worker		
0-99	8,000	18,000	2,000	7,000	17,000	26,000	39.2%
100-199	5,000	12,000	8,000	5,000	4,000	17,000	25.6%
200-299	3,000	8,000	10,000	4,000	1,000	11,000	16.1%
300-399	---	---				5,000	6.9%
400+	2,000	6,000	5,000	1,000	2,000	8,000	12.1%
<b>Total</b>	19,000	47,000	25,000	17,000	24,000	66,000	100.0%

Source: Based on data from a merge of the 2005, 2006 and 2007 Annual Social and Economic Supplement to the CPS.

Notes: Yellow indicates presumed Medicaid eligible; blue indicates Alliance eligible; --- indicates insufficient data. Nonworkers include both children and non-working adults. Part-time includes full-time part-year, part-time full-year, and part-time part-year workers. Numbers may not sum to totals due to rounding.

from national surveys that have relatively small sample sizes at the state and local levels, which can result in some imprecision.<sup>15</sup>

Surveys also differ in results because they ask different questions about insurance (only one local survey asked about the Alliance) and cover different time frames. Some ask whether people have been without coverage for *a full year*, while others ask about uninsured at *one point in time*, that is, on a given day. Still others reflect the number who were uninsured *at any time during the year*, regardless of whether the individual was uninsured for one day or the entire year. Most estimates, like those in this brief, refer to the population under age 65, but others refer to the entire population. Each estimate has its purpose, and each has different implications for policy. A larger survey with more focus on the types of insurance available to residents would be needed to provide more authoritative estimates for the District.

**Summary**

The District of Columbia fares better than the nation as a whole with respect to the share of the population that

is uninsured. This accomplishment is chiefly due to its generous support for public programs, both the federal-state Medicaid and DC Healthy Families programs and its locally financed Alliance program. Employer coverage also plays an important role, and over half of all residents have this form of coverage. Residents who remain uninsured in the District are most likely to be low-income or to be workers without employer-sponsored coverage or childless adults.

In comparison with Maryland and Virginia, the District has high levels of public coverage, due both to relatively generous eligibility standards and the high share of the population with low incomes. Nearly two-thirds of the uninsured appear to be income eligible for public programs in the District, although recent changes in enrollment processes have likely reduced this share. Developing a better understanding of who lacks access to coverage in the District can help policymakers more effectively target the populations most vulnerable to being uninsured.

Allison Cook is a research associate and Barbara A. Ormond a senior research associate in the Urban Institute’s Health Policy Center. This brief is one of a series funded by the District of Columbia Department of Health’s State Planning Grant and by the Urban Institute. This support is gratefully acknowledged, but the views expressed are those of the authors and should not be attributed to the Urban Institute, its trustees, or its funders.

**Notes**

<sup>1</sup> Randall R. Bovbjerg and Jack Hadley, “Why Health Insurance is Important, Expanding Health Insurance in the District of Columbia,” Health Policy Brief, DC-SPG no. 1, November 2007. <http://www.urban.org/url.cfm?ID=411569>.

<sup>2</sup> Agency for Healthcare Research and Quality, 2001. Medical Expenditure Panel Survey—Insurance Component. Tables 11.A.2 and VII.A.1.a.

<sup>3</sup> Census 2000 Transportation Planning Package, pt. 3, tabulated by NeighborhoodInfo DC.

<sup>4</sup> Fifty percent of the federal poverty level is \$5,105 for an individual in 2007.

<sup>5</sup> Kimball Lewis, Marilyn R. Ellwood, and John L. Czajka, "Counting the Uninsured: A Review of the Literature," Washington, DC: The Urban Institute. Assessing the New Federalism Occasional Paper No. 8, July 01, 1998 <http://www.urban.org/url.cfm?ID=308032>.

<sup>6</sup> Kaiser Family Foundation, "DC Health Care Access Survey, 2003." <http://www.kff.org/minorityhealth/minorityhealth103003pkg.cfm>.

<sup>7</sup> Gary Claxton, Jon Gabel, Isadora Gil, Jeremy Pickreign, Heidi Whitmore, Benjamin Finder, Bianca DiJulio, and Samantha Hawkins. "Health Benefits in 2006: Premium Increases Moderate, Enrollment in Consumer-Directed Health Plans Remains Modest," *Health Affairs Web Exclusive* 25, no. 6 (September 26, 2006): w476–w485.

<sup>8</sup> Lisa Clemans-Cope and Bowen Garrett, "Changes in Employer-Sponsored Health Insurance Sponsorship, Eligibility and Participation: 2001 to 2005," Kaiser Family Foundation, December 2006.

<sup>9</sup> Urban Institute tabulations of the 2006 and 2007 Annual Social and Economic Supplement to the Current Population Survey.

<sup>10</sup> Urban Institute tabulations of the 2006 and 2007 Annual Social and Economic Supplement to the Current Population Survey.

<sup>11</sup> Randall R. Bovbjerg, Barbara A. Ormond, and Heather Reffett. "The District Health Care Alliance: Growth, Growing Pains, and Ongoing Concerns," Health Policy Brief, DC-SPG, forthcoming.

<sup>12</sup> DC Fiscal Policy Institute, "What's in the FY 2008 Budget for Health Care?" [undated, 2007] [http://www.dcfpi.org/?page\\_id=13](http://www.dcfpi.org/?page_id=13).

<sup>13</sup> The strengths and weaknesses of the CPS have been widely documented. There is debate over whether CPS estimates of the uninsured reflect the number of uninsured for an entire year (as intended) or at a point in time. The Census Bureau, which conducts the survey, has commented that its estimates are more closely in line with point-in-time rather than full-year estimates. There is also evidence that the CPS may underestimate Medicaid enrollment because of observed differences in many states between Medicaid administrative enrollment data and CPS estimates. Research on this issue suggests that such an undercount of Medicaid enrollment may lead primarily to an overstatement of private coverage rather than of the uninsured. Kimball Lewis, Marilyn R. Ellwood, and John L. Czajka, "Counting the Uninsured: A Review of the Literature," Washington, DC: The Urban Institute. Assessing the New Federalism Occasional Paper No. 8, July 1998; Kathleen Thiede Call, Gestur Davidson, Anna Stauber Sommers, Roger Feldman, Paul Farseth, and Todd Rockwood, "Uncovering the Missing Medicaid Cases and Assessing Their Bias for Estimates of the Uninsured," *Inquiry*, 38(4): 396–408 (Winter 2001/2002).

<sup>14</sup> Nicole Lurie and Michael Stoto, "Health Insurance Status in the District of Columbia," 2002.

<sup>15</sup> Estimates for the District of Columbia often, as in this brief, reflect averages of two or three years of data in order to obtain sufficient sample size to examine subpopulations.