

# EPI BRIEFING PAPER

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## **HEALTH INSURANCE ERODING FOR WORKING FAMILIES**

### **Employer-provided coverage declines for fifth consecutive year**

BY ELISE GOULD

**M**ore Americans are uninsured because of the continued erosion in employer-provided health insurance, the most prominent form of U.S. health insurance. The number of people without health insurance grew significantly for the fifth year in a row. Nearly 46.6 million Americans were uninsured in 2005—up almost 7 million since 2000. The rate of those without insurance has grown 1.7 percentage points during this period, from 14.2% in 2000 to 15.9% in 2005.

The percent of people with employer-provided health insurance also fell for the fifth year in a row, 4.1 percentage points in total. Over 3 million fewer people of all ages had employer-provided insurance in 2005 than in 2000 as a result of rising health costs coupled with weak labor demand. However, this decline does not take into account population growth. As many as 9 million more people would have had employer-provided health insurance in 2005 if the coverage rate had remained at the 2000 level.

Because of these large declines in employer-provided health insurance, workers and their families have been falling into the ranks of the uninsured at alarming rates. There were almost 4 million more uninsured workers in 2005 than in 2000. While uninsured workers are disproportionately young, non-white, less educated, and low-wage, workers across the socio-economic spectrum have experienced losses in coverage. Men lost coverage at nearly twice the rate of women, as did non-Hispanic whites over blacks. Even the most highly educated and highest wage workers had lower rates of insurance coverage in 2005 than in 2000.

As with workers, the downward trend in employer-provided coverage for children continued into 2005. In the previous four years, children were less likely to become uninsured as public-sector health coverage expanded. This year that trend reversed and the number of uninsured children rose 361,000 to 8.3 million in 2005. This is the first time in seven years that the rate of uninsured children has increased.

The safety net health programs—Medicaid and the State Children's Health Insurance Program (SCHIP)—have kept millions of families insured when their employment-based benefits were lost. Unfortunately, medical inflation and state budget constraints have weakened this safety net.

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While Medicaid and SCHIP still work for many, it is clear that the government has not picked up coverage for everybody who lost insurance. The weakening of this system—notably for children—is particularly difficult for workers and their families in a time when they are facing the challenges of stagnant incomes. Furthermore, these programs are simply not designed to assist low income adults or middle or high income families from becoming uninsured. Even for middle or high income families, serious unexpected illness can lead to grave financial difficulty or bankruptcy.

The employer market has been the primary method of obtaining health insurance in this country. Its strength lies in the effective sharing of risk among individuals. Unfortunately, labor market pressures and rising medical care inflation are weakening this system. In a weak labor market, workers may lose their jobs or be forced to take jobs without benefits and lose their already tenuous connection to the employer-provided health insurance system. During periods of weak labor demand, workers do not have the bargaining power to bid up their wages or benefits. During a period of simultaneous weak bargaining power and rising health costs, employers demand that workers pay for higher premiums or pay more out-of-pocket for their care. This shift is occurring in a period when capital's share of corporate income was the highest in nearly 40 years. Furthermore, by pushing workers out of the employer system and into the public one, employers are shifting the cost of insuring their workers onto taxpayers.

The government at both the federal and state level have responded to medical inflation with policy changes that reduce public insurance eligibility or with proposals to reduce government costs. Budget crises at the state level are putting Medicaid and SCHIP funding at risk. Simultaneously, policy proposals at the federal level either to lessen the tax advantage of workplace insurance or to encourage a private purchase system could further destabilize an already weakening employer-provided health insurance system.

Given the erosion of employer-provided health insurance and rising costs of medical care, now is a critical time to consider health insurance reform. There are several promising solutions that would increase access to affordable health care. The key to all of the policies is creating large, varied, and stable risk pools.

This report's central findings regarding health insurance coverage include:

- The number of uninsured Americans rose by nearly 7 million, from 39.8 million in 2000 to 46.6 million in 2005. This increase was due primarily to the precipitous decline in employer-provided health coverage for workers and their families.
- Nearly 4.5 million fewer Americans under 65 had employer-provided coverage in 2005 than in 2000. As many as 8.2 million more people under 65 would have had employer-provided health insurance in 2005 if the coverage rate had remained at the 2000 level.
- The downward trend in the rate of employer-provided health insurance continued from 2004 to 2005, during a period in which the economy created over 2 million jobs.
- Individuals among the bottom 20% of household income were the least likely to have employer coverage; 21.9% of the bottom income quintile were covered compared to 86.4% for workers in the highest income quintile.
- Jobholders experienced a significant decline in health insurance coverage from 2000 to 2005. In 2000, 74.2% of workers had employer-provided coverage, whereas 70.5% of workers had coverage in 2005.
- No category of workers was insulated from loss of coverage. Even full-time workers, workers with a college degree, and workers in the highest wage quintile experienced declines in coverage between 2000 and 2005.
- Children experienced declines in employer-provided health insurance coverage in each of the last five years. In 2000, 65.6% of children had employer-provided coverage, whereas in 2005 only 60.5% did, a fall of over 5 percentage points. Fewer children had Medicaid or SCHIP in 2005 than in 2004. For the first time since 1998, the rate of uninsured children has increased.
- There is a market increase in health insurance inequality as the drop in employer-provided coverage for children in the lowest household income quintile was 6.6 percentage points while the drop for those in the highest quintile was only 0.1 percentage points between 2000 and 2005.

- The decline in employer coverage was pervasive and felt throughout the country. When comparing the 1999-2000 and 2004-05 periods, 34 states experienced significant losses in coverage with Indiana, Utah, Maryland, and Missouri experiencing losses in excess of 8 percentage points. No state experienced a significant increase in their employer-provided coverage rate.

## Declines in overall employer-provided coverage

About 4.4 million fewer people under the age of 65—including workers, their spouses, and their children—had employer-provided health insurance in 2005 than in 2000. The percent with employer-provided health insurance fell from 67.7% in 2000 to 62.8% in 2005, a decline of 5.0 percentage points.

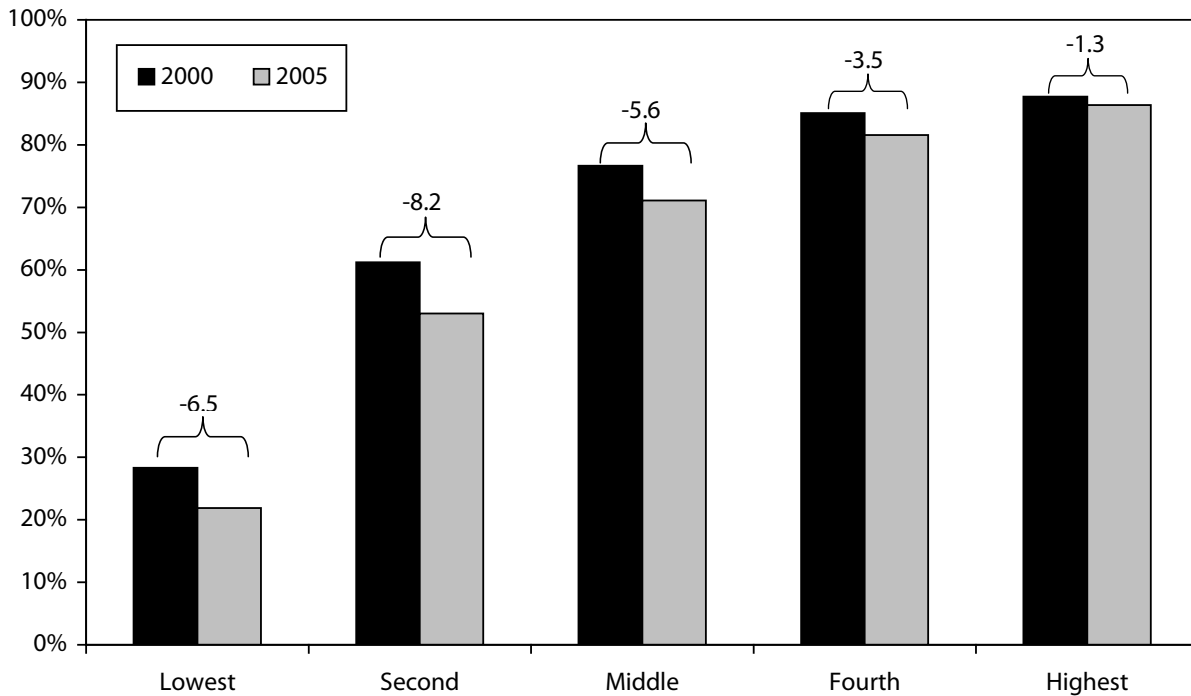
As shown in **Table 1**, these declines in coverage occurred across all lines: by age, sex, race, education, and household income level. Some people, however, were more hurt than others by the declines. Those with only a high school educa-

**Table 1**  
**Employer-provided health insurance, population under 65 years old, 2000-05**

|                               | Health insurance coverage |       |       |       |       |       | Percentage-point change 2000-05 |
|-------------------------------|---------------------------|-------|-------|-------|-------|-------|---------------------------------|
|                               | 2000                      | 2001  | 2002  | 2003  | 2004  | 2005  |                                 |
| <b>Under 65 population</b>    | 67.7%                     | 66.4% | 65.0% | 63.8% | 63.2% | 62.8% | -5.0                            |
| <b>Age</b>                    |                           |       |       |       |       |       |                                 |
| 0-17 years                    | 65.6%                     | 63.9% | 63.0% | 61.2% | 61.0% | 60.5% | -5.1                            |
| 18-24 years                   | 52.8                      | 50.4  | 48.9  | 48.3  | 46.4  | 47.1  | -5.6                            |
| 25-54 years                   | 72.5                      | 71.2  | 69.3  | 67.9  | 67.3  | 66.6  | -5.8                            |
| 55-64 years                   | 66.7                      | 67.7  | 67.5  | 68.1  | 67.2  | 66.7  | 0.0                             |
| <b>Gender</b>                 |                           |       |       |       |       |       |                                 |
| Male                          | 67.8%                     | 66.5% | 64.9% | 63.7% | 62.7% | 62.5% | -5.3                            |
| Female                        | 67.6                      | 66.3  | 65.2  | 63.9  | 63.7  | 63.0  | -4.6                            |
| <b>Race</b>                   |                           |       |       |       |       |       |                                 |
| White, non-Hispanic           | 75.0%                     | 73.8% | 72.6% | 71.3% | 70.5% | 70.4% | -4.6                            |
| Black                         | 55.7                      | 55.5  | 52.8  | 52.0  | 51.7  | 50.8  | -4.8                            |
| Hispanic                      | 45.5                      | 43.9  | 43.7  | 42.6  | 42.5  | 41.6  | -3.9                            |
| Other                         | 63.8                      | 60.5  | 60.6  | 60.4  | 61.4  | 61.8  | -2.0                            |
| <b>Education*</b>             |                           |       |       |       |       |       |                                 |
| Less than high school         | 38.6%                     | 36.5% | 35.7% | 34.2% | 33.3% | 32.7% | -6.0                            |
| High school                   | 65.1                      | 63.1  | 60.9  | 59.3  | 58.5  | 57.7  | -7.3                            |
| Some college                  | 72.7                      | 71.3  | 69.7  | 68.3  | 67.5  | 66.7  | -6.0                            |
| College                       | 83.0                      | 82.6  | 81.1  | 79.7  | 80.1  | 79.4  | -3.6                            |
| Post-college                  | 87.3                      | 87.3  | 86.0  | 85.5  | 85.4  | 85.7  | -1.6                            |
| <b>Household income fifth</b> |                           |       |       |       |       |       |                                 |
| Lowest (1-20)                 | 28.3%                     | 25.8% | 24.4% | 22.4% | 22.2% | 21.9% | -6.5                            |
| Second (21-40)                | 61.2                      | 59.3  | 56.9  | 54.9  | 53.3  | 53.0  | -8.2                            |
| Middle (41-60)                | 76.7                      | 76.1  | 74.5  | 73.8  | 72.7  | 71.1  | -5.6                            |
| Fourth (61-80)                | 85.1                      | 83.8  | 83.5  | 82.7  | 82.1  | 81.6  | -3.5                            |
| Highest (81-100)              | 87.7                      | 87.1  | 86.1  | 85.7  | 85.9  | 86.4  | -1.3                            |

\* Education reflects own education for individuals 18 and over and reflects family head's education for children under 18.

**SOURCE:** Author's analysis of the March Current Population Survey, 2001-06.

**FIGURE A****Employer-provided health insurance for individuals under 65 by household income quintile, 2000-05**

SOURCE: Author's analysis of the March Current Population Survey, 2001-06.

tion and those in the second-to-lowest household income quintile were the hardest hit in the last five years. High school graduates were not only less likely than college graduates to have employer-provided insurance (57.7% vs. 79.4%), but they experienced declines in coverage twice as large (7.3 vs. 3.6 percentage-point drops).<sup>1</sup>

Health insurance coverage rates were also dramatically different by age, race, and ethnicity. Children under 18, adults 18-24 years old, and adults 25-54 years old experienced significant declines in employer-provided health coverage of 5.1, 5.6, and 5.8 percentage points, respectively. The lack of losses in employer-provided coverage for older Americans may be attributed to their increased employment-to-population ratios during this period. In 2005, 70.4% of whites had employer-provided coverage as compared to 50.8% of blacks and 41.6% of Hispanics. Nearly a million fewer black Americans had employer coverage in 2005 than in 2000. Blacks and Hispanics also experienced larger declines in coverage over the past year.

The lowest rates of employer-provided coverage occurred within households with the lowest incomes. Only about one in five individuals in household in the bottom 20% of the income scale had employer-provided health insurance, whereas more than four in five individuals in households at the highest 20% of earners had such coverage (Figure A). Individuals in households in the second quintile saw the largest declines in coverage. Their coverage rates fell 8.2 percentage points, from 61.2% in 2000 to 53.0% in 2005, which translates into 3 million fewer Americans in the second quintile with employer-provided coverage. It was individuals in the middle fifth of household income, however, who experienced the largest declines in coverage over the last year, a drop of 1.6 percentage points.

## Declining coverage for workers

### *Employer-provided health insurance*

The percent of workers with employer-provided health insurance coverage fell from 2004 to 2005, continuing the uninterrupted decline that began in 2000. As shown in **Table 2**, 70.5% of workers in 2005 had employer-provided health insurance either from their own or their spouse's job, down from 70.9% the year before and down a total of 3.7 percentage points since 2000. Nearly 2.8 million fewer workers had employer-provided health insurance in 2005 than in 2000.

The loss of coverage was greater for men than women, as the coverage rate for working men with employer-provided insurance fell 4.4 percentage points compared to 2.8 points for women workers. About two-thirds of workers with a high school education were covered in 2005, whereas 81.6% of college-educated workers had employer-provided health coverage. This disparity reflects the fact that higher-skilled workers are likely to have higher-quality jobs that offer health benefits. That said, even college graduates have not been insulated from the decline in employer-provided health insurance. Nonetheless, workers with only a high school education still fared worse than those with a college degree (a decline of 5.6 vs. 3.0 percentage points).

**Table 2**  
**Share of workers (18-64 years old) receiving employer-provided health insurance, 2000-05**

|                       | Health insurance coverage |       |       |       |       |       | Percentage-point change 2000-05 |
|-----------------------|---------------------------|-------|-------|-------|-------|-------|---------------------------------|
|                       | 2000                      | 2001  | 2002  | 2003  | 2004  | 2005  |                                 |
| <b>All workers</b>    | 74.2%                     | 73.5% | 72.2% | 71.4% | 70.9% | 70.5% | -3.7                            |
| <b>Gender</b>         |                           |       |       |       |       |       |                                 |
| Male                  | 73.5%                     | 72.6% | 71.1% | 70.4% | 69.4% | 69.0% | -4.4                            |
| Female                | 75.0                      | 74.5  | 73.5  | 72.6  | 72.5  | 72.2  | -2.8                            |
| <b>Race</b>           |                           |       |       |       |       |       |                                 |
| White, non-Hisp.      | 79.0%                     | 78.4% | 77.1% | 76.3% | 75.7% | 75.5% | -3.5                            |
| Black                 | 68.0                      | 68.1  | 66.0  | 66.5  | 66.0  | 65.1  | -2.8                            |
| Hispanic              | 53.1                      | 52.0  | 52.8  | 50.6  | 50.6  | 49.9  | -3.2                            |
| Other                 | 70.0                      | 67.9  | 67.4  | 68.2  | 68.6  | 68.7  | -1.4                            |
| <b>Education</b>      |                           |       |       |       |       |       |                                 |
| High school           | 71.2%                     | 70.2% | 68.3% | 67.0% | 66.4% | 65.6% | -5.6                            |
| College               | 84.7                      | 84.2  | 83.0  | 81.9  | 82.2  | 81.6  | -3.0                            |
| <b>Wage quintiles</b> |                           |       |       |       |       |       |                                 |
| Lowest                | 48.8%                     | 48.1% | 46.6% | 45.1% | 44.5% | 44.1% | -4.7                            |
| Second                | 68.2                      | 67.4  | 65.1  | 64.0  | 62.6  | 62.5  | -5.7                            |
| Middle                | 80.1                      | 79.9  | 79.2  | 77.9  | 77.2  | 76.8  | -3.3                            |
| Fourth                | 86.5                      | 86.9  | 85.8  | 84.9  | 84.5  | 84.2  | -2.3                            |
| Highest               | 88.1                      | 87.1  | 85.8  | 86.3  | 86.5  | 86.1  | -2.1                            |
| <b>Work time</b>      |                           |       |       |       |       |       |                                 |
| Full time             | 77.1%                     | 76.5% | 75.5% | 74.7% | 74.2% | 73.7% | -3.4                            |
| Part time             | 59.4                      | 58.3  | 56.6  | 56.1  | 54.8  | 55.0  | -4.4                            |

**SOURCE:** Author's analysis of the March Current Population Survey, 2001-06.

Workers earning lower hourly wages are significantly less likely to have employer-provided health coverage than those earning higher wages; however, even those in the highest wage quintile were subjected to losses in coverage. Full-time workers are more likely to have employer-provided health insurance than part-time workers (73.7% vs. 55.0%). At the same time, over one-fourth of full-time workers, or nearly 32 million full-time workers, are not receiving employer-provided health insurance. These numbers have also been increasing consistently over the last five years.

An important group of workers to examine more closely are workers who are significantly attached to the private sector labor force, defined as those who work in the private sector at least 20 hours per week and 26 weeks per year. The coverage trends for these workers have also fallen over the last year, continuing a steady climb downwards (Table 3). Less than 55% of these steady workers receive health insurance from their own employer, down almost 4 percentage points since 2000.

**Table 3**  
**Share of private-sector workers\* insured by own employer,\*\* by occupation, firm size, and industry, 2000-05**

|  | Health insurance coverage (%) |       |       |       |       |       | Percentage-point change 2000-05 |
|--|-------------------------------|-------|-------|-------|-------|-------|---------------------------------|
|  | 2000                          | 2001  | 2002  | 2003  | 2004  | 2005  |                                 |
| <b>All workers*</b>  | 58.9%                         | 58.2% | 57.3% | 56.4% | 55.9% | 54.9% | -3.9                            |
| <b>Occupations</b>   |                               |       |       |       |       |       |                                 |
| White collar   | 65.0%                         | 64.5% | 63.1% | 62.4% | 62.4% | 61.2% | -3.8                            |
| Blue collar  | 59.0                          | 58.1  | 57.1  | 56.4  | 54.8  | 53.9  | -5.1                            |
| Service  | 33.9                          | 33.3  | 31.6  | 28.7  | 29.4  | 28.7  | -5.3                            |
| <b>Firm size (no. of employees)</b>                                  |                               |       |       |       |       |       |                                 |
| Less than 100  | 43.9%                         | 43.4% | 42.6% | 42.0% | 41.0% | 40.4% | -3.5                            |
| 100 - 499  | 65.9                          | 64.8  | 64.8  | 63.7  | 63.2  | 61.7  | -4.2                            |
| 500 or more  | 69.6                          | 69.3  | 68.6  | 67.9  | 67.6  | 66.6  | -2.9                            |
|  |                               |       | 2002  | 2003  | 2004  | 2005  | 2002-05                         |
| <b>Industry***</b>   |                               |       |       |       |       |       |                                 |
| Agriculture, forestry, fishing, and hunting                          |                               |       | 37.1% | 29.1% | 25.8% | 26.1% | -11.0                           |
| Arts, entertainment, recreation, accommodation, and food services    |                               |       | 32.5% | 30.4% | 30.5% | 30.6% | -1.9                            |
| Construction   |                               |       | 47.5  | 44.8  | 42.4  | 42.4  | -5.1                            |
| Educational, health, and social services                             |                               |       | 59.4  | 59.4  | 60.2  | 57.5  | -1.9                            |
| Financial, insurance, real estate, and rental and leasing            |                               |       | 65.8  | 65.5  | 65.2  | 64.4  | -1.4                            |
| Information  |                               |       | 73.0  | 71.3  | 70.1  | 72.3  | -0.7                            |
| Manufacturing  |                               |       | 72.7  | 73.0  | 71.8  | 71.2  | -1.5                            |
| Mining   |                               |       | 78.4  | 76.8  | 79.1  | 73.4  | -5.0                            |
| Other services (except public administration)                        |                               |       | 40.1  | 38.9  | 39.2  | 39.5  | -0.6                            |
| Professional, scientific, management, admin., and waste man. service |                               |       | 57.4% | 55.1% | 55.8% | 54.7% | -2.7                            |
| Transportation and utilities   |                               |       | 66.9  | 65.7  | 66.8  | 63.6  | -3.3                            |
| Wholesale and retail trade   |                               |       | 53.9  | 52.9  | 52.7  | 51.9  | -2.0                            |

\* Private-sector, wage and salary workers, age 18-64, who worked at least 20 hours per week and 26 weeks per year.

\*\* Workers received employer-provided health insurance through their own job and employer had to pay at least part of their insurance premiums to qualify as employer-provided insurance coverage.

\*\*\* Industry classifications changes make it impossible to compare 2005 with years earlier than 2002.

**SOURCE:** Author's analysis of the March Current Population Survey, 2001-06.

White collar, blue collar, and service sector workers experienced declines in coverage, but service workers are insured at the lowest rates (28.7%) and experienced the greatest drop (5.3 percentage points). Blue collar workers experienced the largest decline over the last year, a drop of 3.2 percentage points. Workers in larger firms are more likely to have employer-provided health insurance from their employer than workers in smaller firms. Only 40.4% of workers in small firms (firms of less than 100 employees, which represent about 42% of the workforce) had employer-provided health insurance compared with over 60% in firms greater than 100 employees. Workers in firms of all sizes lost coverage, but those in firms with more than 100 but less than 500 employees had the greatest declines over the last year and since 2000.

**Table 4**  
**Workers without any health insurance coverage, 2000-05**

|                       | Uninsured |       |       |       |       |       | Percentage-point<br>change<br>2000-05 |
|-----------------------|-----------|-------|-------|-------|-------|-------|---------------------------------------|
|                       | 2000      | 2001  | 2002  | 2003  | 2004  | 2005  |                                       |
| <b>All workers</b>    | 16.5%     | 17.0% | 18.0% | 18.6% | 18.5% | 18.7% | 2.2                                   |
| <b>Age</b>            |           |       |       |       |       |       |                                       |
| 18-24 years           | 26.1%     | 26.7% | 28.7% | 29.4% | 29.8% | 29.4% | 3.3                                   |
| 25-34 years           | 20.1      | 21.5  | 22.6  | 24.1  | 23.3  | 24.2  | 4.1                                   |
| 35-44 years           | 14.4      | 14.7  | 16.2  | 16.7  | 16.8  | 17.0  | 2.7                                   |
| 45-54 years           | 11.3      | 11.8  | 12.5  | 13.1  | 13.0  | 13.3  | 2.0                                   |
| 55-64 years           | 12.0      | 11.6  | 11.5  | 11.3  | 11.2  | 11.9  | -0.1                                  |
| <b>Gender</b>         |           |       |       |       |       |       |                                       |
| Male                  | 18.2%     | 18.9% | 20.3% | 20.7% | 20.8% | 21.0% | 2.9                                   |
| Female                | 14.7      | 14.9  | 15.4  | 16.3  | 15.8  | 16.1  | 1.5                                   |
| <b>Race</b>           |           |       |       |       |       |       |                                       |
| White, non-Hispanic   | 11.8%     | 12.2% | 13.2% | 13.9% | 13.8% | 14.0% | 2.1                                   |
| Black                 | 21.6      | 21.8  | 23.6  | 22.8  | 22.2  | 22.6  | 1.0                                   |
| Hispanic              | 38.1      | 39.1  | 38.5  | 40.0  | 39.4  | 39.4  | 1.3                                   |
| Other                 | 20.5      | 21.6  | 21.2  | 21.0  | 19.3  | 19.9  | -0.5                                  |
| <b>Education</b>      |           |       |       |       |       |       |                                       |
| Less than high school | 39.5%     | 40.9% | 41.4% | 43.2% | 42.4% | 42.7% | 3.2                                   |
| High school           | 19.6      | 20.1  | 21.9  | 22.9  | 22.6  | 23.7  | 4.1                                   |
| Some college          | 13.4      | 13.8  | 14.7  | 15.4  | 15.6  | 15.8  | 2.4                                   |
| College               | 8.0       | 8.6   | 9.3   | 9.9   | 9.8   | 9.5   | 1.5                                   |
| Post-college          | 4.3       | 4.7   | 5.5   | 5.7   | 5.0   | 5.1   | 0.8                                   |
| <b>Wage quintiles</b> |           |       |       |       |       |       |                                       |
| Lowest (1-20)         | 36.5%     | 38.0% | 39.6  | 41.9% | 40.9% | 40.4% | 3.9                                   |
| Second (21-40)        | 19.7      | 19.3  | 21.0  | 21.7  | 21.9  | 22.1  | 2.4                                   |
| Middle (41-60)        | 12.0      | 12.0  | 13.0  | 13.2  | 13.9  | 14.2  | 2.2                                   |
| Fourth (61-80)        | 7.8       | 8.8   | 8.5   | 8.9   | 8.7   | 9.7   | 1.9                                   |
| Highest (81-100)      | 6.4       | 6.8   | 7.7   | 7.4   | 6.9   | 7.1   | 0.6                                   |
| <b>Work time</b>      |           |       |       |       |       |       |                                       |
| Full time             | 15.7%     | 16.0% | 16.8% | 17.5% | 17.3% | 17.7% | 2.0                                   |
| Part time             | 20.6      | 22.0  | 23.5  | 23.8  | 24.2  | 23.5  | 2.9                                   |

**SOURCE:** Author's analysis of the March Current Population Survey, 2001-06.

Coverage rates in 2005 differ dramatically by the worker's major industrial sector. Workers in the largest sectors—wholesale and retail trade and education, health, and social services (18%, and 16%, respectively, of the total private workforce in 2005)—have coverage rates between 52% and 58%. Workers in these sectors experienced declines in coverage of about 2 percentage points since 2002. Manufacturing, another large sector, had a coverage rate of 71.2% in 2005, a decline of 1.5 percentage points from 2002. Manufacturing jobs have been falling as a share of total private sector jobs, as total employment in this sector declined 7% over this period. These high quality jobs, as defined by a greater likelihood of providing health benefits, are declining both because less workers in the industry are getting benefits and because there are fewer workers in the industry than in previous years.

### **Uninsured workers**

While the predominant form of health insurance for workers is through the workplace, some are eligible for Medicaid or Medicare and others may choose to purchase in the private market. To best understand the growing insecurity of many working families, it's important to examine the growth in the uninsured workforce. In 2005, 18.7% workers 18-64 years old were uninsured (Table 4). These 27.3 million uninsured workers make up about 60% of the total uninsured population. Since 2000, the number of uninsured workers has grown an additional 2.2 percentage points (3.8 million workers).

Uninsured workers tend to be younger. Nearly 30% of young workers (18-24 years old) are uninsured as compared to about 12% of workers age 55-64. The groups of young and older workers represent about 14% of the workforce each, but 22% and 9% of the uninsured workforce, respectively (Table 5).

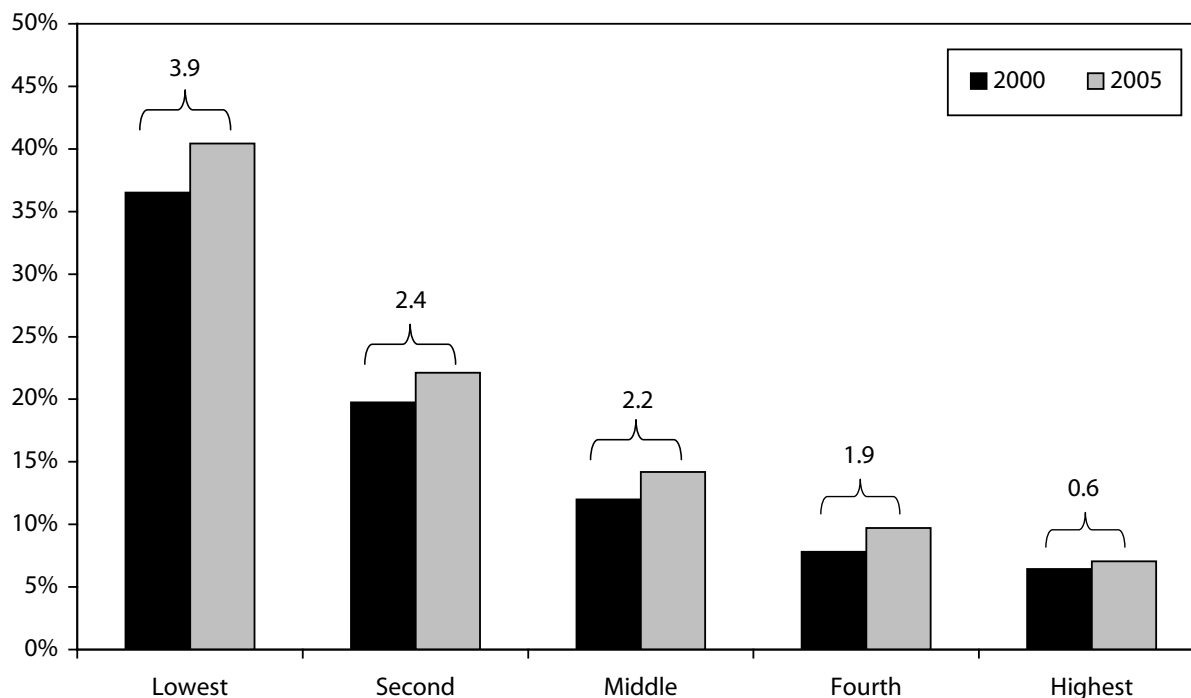
Male workers are more likely to be uninsured and experienced a larger increase in their uninsured rate since 2000 than female workers. Hispanic workers have the highest uninsured rate of any other race/ethnicity, in fact, nearly twice

**Table 5**  
**Profile of workers without any health insurance coverage as compared to all workers, 2005**

|                     | All workers | Uninsured workers |                       | All workers | Uninsured workers |
|---------------------|-------------|-------------------|-----------------------|-------------|-------------------|
| <b>Age</b>          |             |                   | <b>Education</b>      |             |                   |
| 18-24 years         | 13.9%       | 21.9%             | Less than high school | 10.6%       | 24.2%             |
| 25-34 years         | 22.6%       | 29.2%             | High school           | 29.8%       | 37.7%             |
| 35-44 years         | 24.9%       | 22.6%             | Some college          | 30.2%       | 25.5%             |
| 45-54 years         | 24.3%       | 17.2%             | College               | 19.7%       | 9.9%              |
| 55-64 years         | 14.3%       | 9.1%              | Post-college          | 9.7%        | 2.7%              |
| <b>Gender</b>       |             |                   | <b>Wage quintiles</b> |             |                   |
| Male                | 53.3%       | 59.7%             | Lowest                | 20.0%       | 39.1%             |
| Female              | 46.7%       | 40.3%             | Second                | 20.0%       | 27.8%             |
| <b>Race</b>         |             |                   | Middle                | 20.0%       | 15.7%             |
| White, non-Hispanic | 69.3%       | 51.8%             | Fourth                | 20.0%       | 9.9%              |
| Black               | 10.9%       | 13.2%             | Highest               | 20.0%       | 7.5%              |
| Hispanic            | 13.5%       | 28.3%             | <b>Work time</b>      |             |                   |
| Other               | 6.3%        | 6.7%              | Full-time             | 82.9%       | 78.5%             |
|                     |             |                   | Part-time             | 17.1%       | 21.5%             |

**SOURCE:** Author's analysis of the March Current Population Survey, 2001-06.



**FIGURE B****Share of workers (18-64) who are uninsured, by wage quintile, 2000-05**

SOURCE: Author's analysis of the March Current Population Survey, 2001-06.

as high. Almost 40% of Hispanic workers are uninsured. Uninsurance among workers falls consistently with education from 42.7% for those with less than a high school degree to 5.1% for those with graduate education.

Uninsurance declines as wages rise (Figure B). While 40.4% of workers in the lowest wage quintile are uninsured, only 7.1% of workers in the highest quintile are. Nearly 40% of uninsured workers fall in the lowest wage quintile, while a disproportionately small number of uninsured workers are middle or high income. Workers' rates of uninsurance from 2000 to 2005 also decline with income. Workers in the lowest wage quintile experience an increase over six times the amount experienced by those in the highest wage quintile (3.9 vs. 0.6). Full-time workers have lower rates of uninsurance than part-timers, however, both declined significant amounts in the last five years.

## Declining coverage for children

Most children receive health insurance through their parent's job. The rate of employer-provided health insurance for children fell 5.1 percentage points between 2000 and 2005, a decline from 65.6% to 60.5%. This drop occurred across all socio-economics group, as shown in Table 6.

Ranking children by their household's income is particularly revealing of the unequal distribution of employer-provided health care (Figure C). Only 17.7% of children in the lowest income quintile were found to have employer-provided health insurance, compared with 88.7% of the children in the highest income quintile. In other words, children whose household incomes were in the top 20% were nearly five times more likely to have employer-provided health insurance than children in the lowest 20% of household income. This disparity has only been exacerbated over the past five years: the drop in coverage for those in the lowest income quintile was 6.6 percentage points, while the drop for those

**Table 6**  
**Employer-provided health insurance, children age 17 and under, 2000-05**

|                                 | Health insurance coverage (%) |       |       |       |       |       | Percentage-point change 2000-05 |
|---------------------------------|-------------------------------|-------|-------|-------|-------|-------|---------------------------------|
|                                 | 2000                          | 2001  | 2002  | 2003  | 2004  | 2005  |                                 |
| <b>All under 18</b>             | 65.6%                         | 63.9% | 63.0% | 61.2% | 61.0% | 60.5% | -5.1                            |
| <b>Race</b>                     |                               |       |       |       |       |       |                                 |
| White, non-Hisp.                | 76.0%                         | 74.5% | 73.8% | 72.3% | 71.7% | 71.6% | -4.4                            |
| Black                           | 50.8                          | 50.6  | 48.4  | 45.3  | 46.1  | 45.0  | -5.8                            |
| Hispanic                        | 42.4                          | 41.0  | 40.2  | 39.6  | 40.1  | 39.0  | -3.4                            |
| Other                           | 64.2                          | 58.6  | 60.8  | 59.1  | 61.7  | 62.4  | -1.8                            |
| <b>Education of family head</b> |                               |       |       |       |       |       |                                 |
| Less than high school           | 34.0%                         | 30.8% | 29.8% | 28.2% | 27.7% | 26.8% | -7.2                            |
| High school                     | 63.3                          | 60.2  | 58.4  | 56.2  | 56.7  | 55.0  | -8.3                            |
| Some college                    | 73.5                          | 71.5  | 69.9  | 67.8  | 67.1  | 66.0  | -7.4                            |
| College                         | 85.8                          | 85.7  | 85.1  | 83.2  | 83.4  | 83.1  | -2.7                            |
| Post-college                    | 87.6                          | 88.1  | 87.3  | 87.1  | 86.7  | 86.7  | -0.9                            |
| <b>Household income fifth</b>   |                               |       |       |       |       |       |                                 |
| Lowest                          | 24.3%                         | 22.0% | 20.7% | 18.6% | 18.4% | 17.7% | -6.6                            |
| Second                          | 54.3                          | 51.0  | 49.2  | 45.7  | 45.9  | 44.6  | -9.7                            |
| Middle                          | 74.5                          | 74.0  | 72.7  | 71.4  | 70.6  | 69.0  | -5.5                            |
| Fourth                          | 86.1                          | 84.3  | 84.5  | 83.2  | 82.7  | 82.4  | -3.7                            |
| Highest                         | 88.8                          | 88.3  | 88.1  | 87.0  | 87.5  | 88.7  | -0.1                            |

**SOURCE:** Author's analysis of the March Current Population Survey, 2001-06.

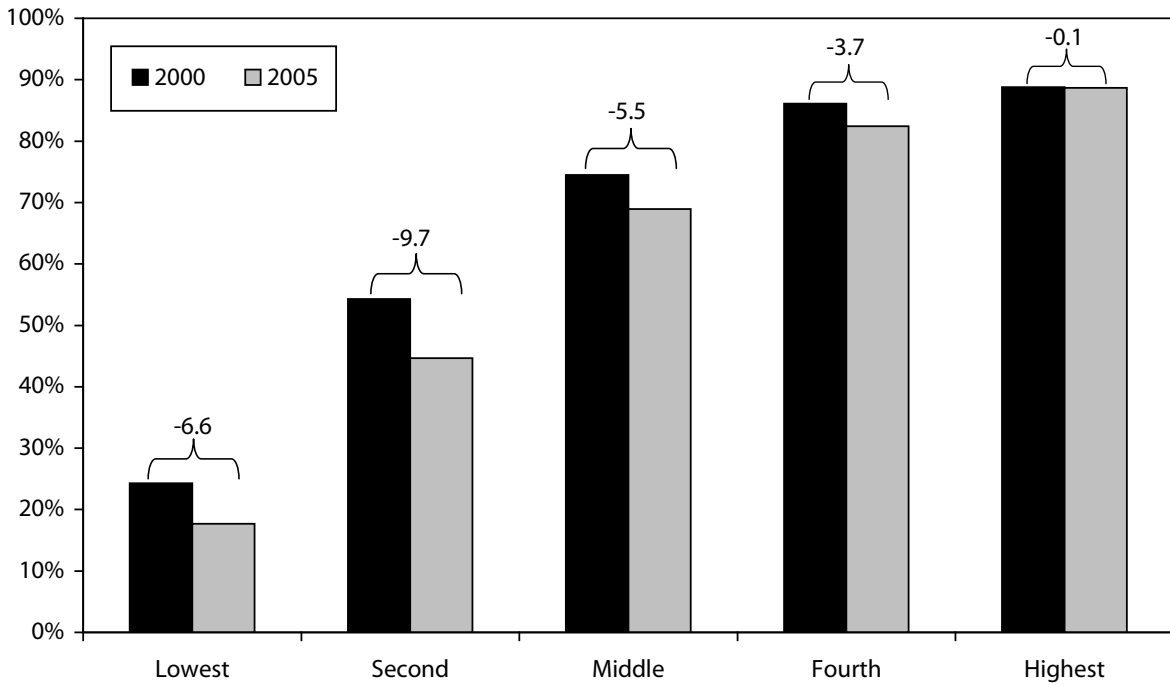
in the highest quintile was only 0.1 percentage points. The group hurt the worst, however, was children in the second lowest quintile; their coverage rates declined by 9.7 percentage points, from 54.3% to 44.6%.

The second set of numbers in Table 6 assign each child the education level of their family head. Children with parents of lower education attainment fare much worse than those with college or advanced degrees. Only about 55.0% of children with high-school-educated parents have employer-provided health insurance as compared to 83.1% of children with college-educated parents. The declines in coverage from 2000 to 2005 were more than three times greater for the former group as well.

The number of uninsured children rose 361,000 from 2004 to 2005 to a total of 8.3 million uninsured children. The percent of uninsured children rose from 10.8% to 11.2%, a statistically significant increase. This is the first time the uninsured rate has increased since 1998. This unfortunate turnaround in the number and percent of uninsured children was caused by the confluence of two events. First, there has been a significant drop in the number of children covered by employer-provided health insurance. In the last year alone, nearly 300,000 fewer children had employer-provided health insurance. Second, there has been a significant reversal in trend in the number of children insured by Medicaid or SCHIP in the last year. Nearly 1%, or 184,000, fewer children had Medicaid or SCHIP in 2005 than in 2004. In previous years, the strength of government programs aimed at children kept many from falling into the ranks of the uninsured, keeping them better insulated from the losses in employer-provided coverage. This phenomenon and the recent reversal in trend is illustrated in **Figure D**. The safety net does not appear to be catching as many children as in the past.

FIGURE C

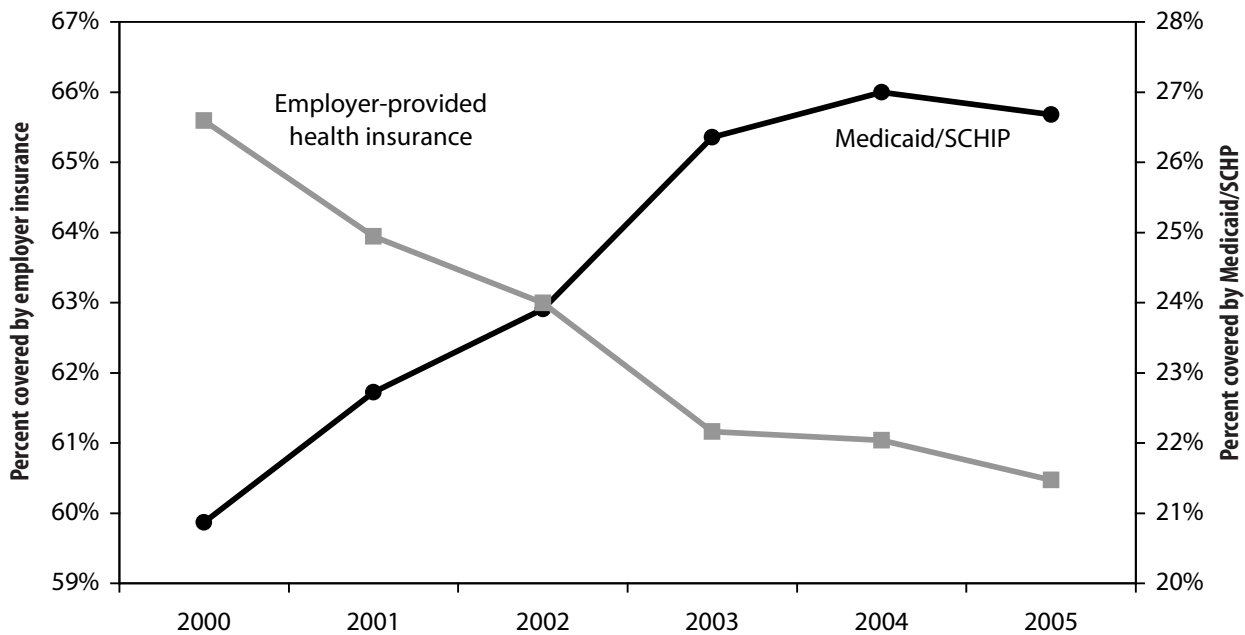
Employer-provided health coverage for children, by household income quintile, 2000-05



SOURCE: Author's analysis of the March Current Population Survey, 2001-06.

FIGURE D

Employment-based health insurance and Medicaid/SCHIP, children under 18



SOURCE: Author's analysis of the March Current Population Survey, 2001-06.

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## Coverage by state

While the majority of states experienced significant declines in employer-provided coverage for the under-65 population between the 1999-2000 and 2004-05 periods, the level and extent of coverage loss varied by state, as shown in Table 7. The states with the highest employer-provided coverage rates in the merged 2004-05 years were New Hampshire (76.7%), Minnesota (73.0%), and New Jersey (72.4%). The lowest coverage rates were found in New Mexico (52.9%), Montana (54.6%), and Texas (55.1%). Thirty-four states experienced significant losses in coverage with Indiana, Utah, Maryland, and Missouri experiencing losses in excess of 8 percentage points. No state experienced a significant increase in their coverage rate.

Table 8 displays the coverage levels and rates for workers who are significantly attached to the private sector labor force and receive employer-provided coverage from their own job. The state with the highest rate of employer-provided coverage among workers was Hawaii, with a coverage rate in 2004-05 of 69.9%. This is likely due to the fact that Hawaii has a government mandate requiring employers to provide health insurance to their workers who work at least 20 hours per week. The largest declines in coverage for workers between 1999-2000 and 2004-05 were in Arkansas and New Jersey, with declines over 7 percentage points. As with the under-65 population, there is no state with a statistically significant increase in its coverage rate for workers.

State-by-state employer-provided coverage levels and rates for children are displayed in Table 9. The highest rates of employer-provided coverage for children were in New Hampshire (78.2%), Minnesota (74.0%), and New Jersey (73.0%). New Mexico, Mississippi, and the District of Columbia cover less than half their children with employer-provided health insurance. Indiana and Mississippi experienced significant declines in coverage rates in excess of 11 percentage points. Massachusetts was the only state that significantly increased its coverage rate from 1999-2000 to 2004-05.

## Conclusion

Social insurance is intended to insulate people from negative shocks such as job loss, illness, or natural disaster. Public insurance is intended to provide a safety net to people who have limited access to private insurance markets. Clearly, there are many Americans who fall through the growing gulf between employer-provided coverage and government health programs. A universal system, one that provides a minimum standard of care to everyone, would provide Americans with access to the type of health care appropriate for the most prosperous nation in the world. Taking insurance out of the job market and into the public sector has the potential to provide a stronger safety net, particularly during times of weak labor growth. This can lead more Americans to have steadier insurance access and increase their ability to secure regular medical care.

From 2000 to 2005, this country saw a substantial rise in the number of uninsured. A continued decline in those with employer-provided health insurance along with a weakening of the health insurance safety net will undoubtedly cause more and more Americans to lose coverage and therefore access to adequate health care.

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## Endnotes

1. In this analysis, children under 18 are assigned the education level of their family head.

**Table 7**  
**Employer-provided health insurance coverage, by state, population under 65 years old,**  
**1999-2000 to 2004-05**

| State                | Health insurance coverage (%) |         |                         | Health insurance coverage (persons) |             |                   |
|----------------------|-------------------------------|---------|-------------------------|-------------------------------------|-------------|-------------------|
|                      | 1999-2000                     | 2004-05 | Percentage-point change | 1999-2000                           | 2004-05     | Change            |
| <i>Nationwide</i>    | 67.6%                         | 63.0%   | <b>-4.6</b>             | 164,690,091                         | 161,975,552 | <b>-2,714,539</b> |
| Alaska               | 61.6                          | 58.3    | -3.3                    | 363,920                             | 357,747     | -6,174            |
| Alabama              | 67.2                          | 62.6    | <b>-4.6</b>             | 2,604,963                           | 2,490,624   | <b>-114,339</b>   |
| Arkansas             | 62.6                          | 56.7    | <b>-5.9</b>             | 1,398,066                           | 1,347,867   | -50,199           |
| Arizona              | 61.2                          | 55.6    | <b>-5.6</b>             | 2,732,338                           | 2,864,256   | 131,918           |
| California           | 60.1                          | 55.4    | <b>-4.6</b>             | 18,366,168                          | 17,742,883  | <b>-623,285</b>   |
| Colorado             | 69.3                          | 64.8    | <b>-4.5</b>             | 2,698,472                           | 2,703,859   | 5,387             |
| Connecticut          | 77.6                          | 71.3    | <b>-6.3</b>             | 2,224,218                           | 2,164,888   | -59,330           |
| District of Columbia | 61.8                          | 58.0    | -3.8                    | 287,361                             | 278,858     | -8,503            |
| Delaware             | 74.1                          | 69.1    | <b>-4.9</b>             | 504,688                             | 502,575     | -2,113            |
| Florida              | 61.8                          | 57.2    | <b>-4.6</b>             | 7,983,823                           | 8,486,295   | <b>502,472</b>    |
| Georgia              | 67.0                          | 59.9    | -7.0                    | 4,810,056                           | 4,845,872   | 35,816            |
| Hawaii               | 72.4                          | 71.3    | -1.0                    | 768,558                             | 772,048     | 3,490             |
| Iowa                 | 76.3                          | 71.1    | <b>-5.3</b>             | 1,865,700                           | 1,796,449   | -69,251           |
| Idaho                | 66.1                          | 62.4    | <b>-3.7</b>             | 744,187                             | 792,338     | <b>48,151</b>     |
| Illinois             | 71.9                          | 68.2    | <b>-3.7</b>             | 7,845,350                           | 7,562,796   | <b>-282,554</b>   |
| Indiana              | 76.1                          | 66.8    | <b>-9.4</b>             | 3,966,921                           | 3,674,600   | <b>-292,322</b>   |
| Kansas               | 70.1                          | 69.0    | -1.2                    | 1,599,438                           | 1,616,042   | 16,605            |
| Kentucky             | 67.5                          | 63.6    | <b>-3.9</b>             | 2,364,997                           | 2,272,539   | -92,458           |
| Louisiana            | 59.0                          | 57.7    | -1.3                    | 2,277,998                           | 2,134,119   | <b>-143,879</b>   |
| Massachusetts        | 72.2                          | 69.6    | <b>-2.6</b>             | 3,936,765                           | 3,908,400   | -28,365           |
| Maryland             | 77.9                          | 69.3    | <b>-8.6</b>             | 3,488,610                           | 3,407,834   | -80,777           |
| Maine                | 69.1                          | 62.9    | <b>-6.2</b>             | 763,011                             | 711,003     | <b>-52,008</b>    |
| Michigan             | 74.9                          | 69.9    | <b>-5.0</b>             | 6,629,836                           | 6,146,353   | <b>-483,483</b>   |
| Minnesota            | 76.9                          | 73.0    | <b>-3.8</b>             | 3,343,628                           | 3,303,892   | -39,736           |
| Missouri             | 74.0                          | 65.7    | <b>-8.2</b>             | 3,612,328                           | 3,252,189   | <b>-360,139</b>   |
| Mississippi          | 63.1                          | 55.7    | <b>-7.4</b>             | 1,531,715                           | 1,395,216   | <b>-136,499</b>   |
| Montana              | 58.7                          | 54.6    | <b>-4.1</b>             | 459,662                             | 431,902     | -27,760           |
| North Carolina       | 68.0                          | 61.4    | <b>-6.6</b>             | 4,642,996                           | 4,614,681   | -28,315           |
| North Dakota         | 66.0                          | 66.0    | 0.0                     | 349,087                             | 358,463     | 9,377             |
| Nebraska             | 68.4                          | 68.0    | -0.4                    | 1,007,220                           | 1,039,770   | 32,551            |
| New Hampshire        | 77.7                          | 76.7    | -1.0                    | 851,812                             | 871,941     | 20,130            |
| New Jersey           | 75.6                          | 72.4    | <b>-3.2</b>             | 5,407,423                           | 5,523,454   | 116,032           |
| New Mexico           | 53.7                          | 52.9    | -0.8                    | 845,825                             | 886,539     | 40,714            |
| Nevada               | 67.9                          | 66.3    | -1.6                    | 1,204,995                           | 1,410,974   | <b>205,979</b>    |
| New York             | 63.4                          | 63.6    | 0.2                     | 10,316,890                          | 10,521,159  | 204,269           |
| Ohio                 | 74.5                          | 69.8    | <b>-4.7</b>             | 7,311,591                           | 6,914,623   | <b>-396,969</b>   |
| Oklahoma             | 60.3                          | 57.9    | -2.5                    | 1,721,269                           | 1,731,099   | 9,830             |
| Oregon               | 67.6                          | 62.4    | <b>-5.2</b>             | 2,036,343                           | 1,955,020   | -81,324           |
| Pennsylvania         | 75.1                          | 70.0    | <b>-5.1</b>             | 7,680,327                           | 7,323,044   | <b>-357,283</b>   |
| Rhode Island         | 74.8                          | 67.5    | <b>-7.3</b>             | 640,473                             | 626,825     | -13,649           |
| South Carolina       | 68.3                          | 60.4    | <b>-7.8</b>             | 2,320,504                           | 2,187,949   | <b>-132,555</b>   |
| South Dakota         | 66.7                          | 61.6    | <b>-5.1</b>             | 412,493                             | 404,853     | -7,640            |
| Tennessee            | 65.5                          | 59.1    | <b>-6.4</b>             | 3,262,868                           | 3,007,922   | <b>-254,947</b>   |
| Texas                | 60.4                          | 55.1    | <b>-5.3</b>             | 11,061,785                          | 11,164,201  | 102,416           |
| Utah                 | 74.6                          | 65.6    | <b>-9.0</b>             | 1,513,068                           | 1,490,325   | -22,743           |
| Virginia             | 70.8                          | 68.8    | -2.0                    | 4,321,818                           | 4,547,248   | 225,430           |
| Vermont              | 67.1                          | 64.0    | -3.1                    | 359,246                             | 345,023     | -14,224           |
| Washington           | 66.1                          | 64.9    | -1.2                    | 3,409,654                           | 3,558,722   | <b>149,068</b>    |
| Wisconsin            | 76.6                          | 70.0    | <b>-6.5</b>             | 3,613,230                           | 3,329,852   | <b>-283,378</b>   |
| West Virginia        | 63.5                          | 60.6    | -2.9                    | 946,555                             | 924,135     | -22,420           |
| Wyoming              | 65.1                          | 62.1    | -3.0                    | 279,854                             | 274,297     | -5,557            |

Note: Bolded numbers are statistically significant at the 5% level.

**SOURCE:** Author's analysis of the March Current Population Survey, 2000-06.

**Table 8**  
**Employer-provided health insurance coverage, by state, 1999-2000 to 2004-05,**  
**percent of workers\* insured by own employer\*\***

| State                | Health insurance coverage (%) |         |                         | Health insurance coverage (persons) |            |                   |
|----------------------|-------------------------------|---------|-------------------------|-------------------------------------|------------|-------------------|
|                      | 1999-2000                     | 2004-05 | Percentage-point change | 1999-2000                           | 2004-05    | Change            |
| Nationwide           | 58.9%                         | 55.4%   | <b>-3.5</b>             | 55,724,411                          | 53,549,335 | <b>-2,175,077</b> |
| Alaska               | 54.1                          | 51.5    | -2.6                    | 92,149                              | 93,301     | 1,152             |
| Alabama              | 59.9                          | 56.0    | -3.9                    | 893,259                             | 816,021    | -77,239           |
| Arkansas             | 56.9                          | 49.3    | <b>-7.6</b>             | 456,602                             | 431,154    | -25,448           |
| Arizona              | 53.3                          | 52.3    | -1.0                    | 883,760                             | 985,057    | <b>101,297</b>    |
| California           | 55.8                          | 52.4    | <b>-3.4</b>             | 6,315,126                           | 5,957,676  | <b>-357,450</b>   |
| Colorado             | 59.0                          | 55.9    | -3.1                    | 914,776                             | 901,970    | -12,806           |
| Connecticut          | 64.3                          | 60.1    | -4.2                    | 739,028                             | 720,723    | -18,305           |
| District of Columbia | 62.7                          | 60.3    | -2.3                    | 108,587                             | 104,038    | -4,549            |
| Delaware             | 63.9                          | 59.2    | -4.7                    | 179,975                             | 179,010    | -965              |
| Florida              | 52.8                          | 50.6    | -2.2                    | 2,776,328                           | 2,933,989  | 157,661           |
| Georgia              | 58.8                          | 54.3    | <b>-4.6</b>             | 1,679,902                           | 1,649,683  | -30,219           |
| Hawaii               | 70.5                          | 69.9    | -0.6                    | 270,692                             | 273,726    | 3,034             |
| Iowa                 | 61.2                          | 57.5    | -3.6                    | 625,227                             | 591,754    | -33,473           |
| Idaho                | 54.3                          | 54.8    | 0.4                     | 220,904                             | 244,962    | 24,058            |
| Illinois             | 61.0                          | 59.5    | -1.5                    | 2,783,702                           | 2,557,947  | <b>-225,755</b>   |
| Indiana              | 64.1                          | 57.1    | <b>-6.9</b>             | 1,370,193                           | 1,243,671  | <b>-126,523</b>   |
| Kansas               | 60.9                          | 60.7    | -0.2                    | 542,715                             | 527,064    | -15,651           |
| Kentucky             | 57.8                          | 59.1    | 1.3                     | 783,531                             | 763,533    | -19,998           |
| Louisiana            | 51.2                          | 53.0    | 1.8                     | 661,337                             | 651,259    | -10,078           |
| Massachusetts        | 62.5                          | 56.3    | <b>-6.2</b>             | 1,439,406                           | 1,266,191  | <b>-173,215</b>   |
| Maryland             | 62.3                          | 55.6    | <b>-6.8</b>             | 1,023,502                           | 996,396    | -27,106           |
| Maine                | 60.0                          | 56.7    | -3.3                    | 254,870                             | 250,787    | -4,084            |
| Michigan             | 63.4                          | 58.3    | <b>-5.1</b>             | 2,235,350                           | 1,922,316  | <b>-313,034</b>   |
| Minnesota            | 63.2                          | 61.1    | -2.1                    | 1,182,181                           | 1,180,116  | -2,065            |
| Missouri             | 65.5                          | 59.2    | <b>-6.3</b>             | 1,361,994                           | 1,161,937  | <b>-200,057</b>   |
| Mississippi          | 54.8                          | 50.8    | -4.0                    | 462,323                             | 415,661    | -46,663           |
| Montana              | 49.9                          | 46.9    | -3.0                    | 128,400                             | 124,178    | -4,223            |
| North Carolina       | 59.7                          | 54.4    | <b>-5.3</b>             | 1,655,292                           | 1,479,653  | <b>-175,639</b>   |
| North Dakota         | 55.0                          | 54.3    | -0.7                    | 107,816                             | 113,126    | 5,310             |
| Nebraska             | 57.3                          | 57.7    | 0.4                     | 341,424                             | 347,910    | 6,486             |
| New Hampshire        | 60.8                          | 60.5    | -0.3                    | 277,104                             | 296,191    | 19,088            |
| New Jersey           | 63.1                          | 55.9    | <b>-7.2</b>             | 1,856,666                           | 1,653,151  | <b>-203,515</b>   |
| New Mexico           | 48.7                          | 43.0    | -5.7                    | 239,939                             | 229,501    | -10,439           |
| Nevada               | 62.6                          | 60.4    | -2.2                    | 457,349                             | 533,705    | 76,357            |
| New York             | 55.3                          | 53.9    | -1.4                    | 3,236,245                           | 3,227,961  | -8,284            |
| Ohio                 | 63.2                          | 58.3    | <b>-4.9</b>             | 2,491,640                           | 2,336,752  | <b>-154,888</b>   |
| Oklahoma             | 53.3                          | 53.8    | 0.6                     | 528,119                             | 569,633    | 41,514            |
| Oregon               | 62.2                          | 57.1    | <b>-5.1</b>             | 743,421                             | 652,356    | <b>-91,065</b>    |
| Pennsylvania         | 64.8                          | 61.5    | <b>-3.3</b>             | 2,685,786                           | 2,595,750  | -90,036           |
| Rhode Island         | 59.9                          | 55.7    | -4.2                    | 212,513                             | 210,817    | -1,696            |
| South Carolina       | 57.5                          | 53.7    | -3.8                    | 734,344                             | 699,994    | -34,350           |
| South Dakota         | 54.9                          | 51.9    | -3.1                    | 130,186                             | 135,240    | 5,054             |
| Tennessee            | 56.4                          | 55.6    | -0.8                    | 1,110,269                           | 1,052,378  | -57,891           |
| Texas                | 55.0                          | 51.2    | <b>-3.8</b>             | 3,756,449                           | 3,717,309  | -39,140           |
| Utah                 | 55.3                          | 49.4    | <b>-5.8</b>             | 380,522                             | 397,726    | 17,204            |
| Virginia             | 62.5                          | 57.1    | <b>-5.3</b>             | 1,457,401                           | 1,458,414  | 1,014             |
| Vermont              | 55.8                          | 54.0    | -1.8                    | 119,021                             | 114,818    | -4,203            |
| Washington           | 61.4                          | 62.1    | 0.7                     | 1,255,100                           | 1,304,811  | 49,711            |
| Wisconsin            | 59.9                          | 58.2    | -1.7                    | 1,183,934                           | 1,129,815  | -54,119           |
| West Virginia        | 54.2                          | 51.3    | -3.0                    | 297,794                             | 269,042    | -28,753           |
| Wyoming              | 54.3                          | 51.7    | -2.6                    | 80,272                              | 79,175     | -1,097            |

Note: Bolded numbers are statistically significant at the 5% level.

\* Private-sector, wage and salary workers, age 18-64, who worked at least 20 hours per week and 26 weeks per year.

\*\* Worker received employer-provided health insurance through their own job and employer had to pay at least part of their insurance premiums to qualify as employer-provided insurance coverage.

**SOURCE:** Author's analysis of the March Current Population Survey, 2000-06.

**Table 9**  
**Employer-provided health insurance coverage, by state, children under 18 years old**  
**1999-2000 to 2004-05**

| State                | Health insurance coverage (%) |         |                         | Health insurance coverage (persons) |            |                   |
|----------------------|-------------------------------|---------|-------------------------|-------------------------------------|------------|-------------------|
|                      | 1999-2000                     | 2004-05 | Percentage-point change | 1999-2000                           | 2004-05    | Change            |
| <i>Nationwide</i>    | 65.4%                         | 60.8%   | <b>-4.6</b>             | 47,279,110                          | 44,891,380 | <b>-2,387,731</b> |
| Alaska               | 59.1                          | 57.1    | -2.0                    | 116,507                             | 106,296    | -10,212           |
| Alabama              | 63.7                          | 60.9    | -2.7                    | 723,709                             | 663,715    | -59,995           |
| Arkansas             | 61.4                          | 55.0    | <b>-6.5</b>             | 424,218                             | 374,916    | -49,302           |
| Arizona              | 58.5                          | 52.4    | <b>-6.1</b>             | 828,421                             | 837,139    | 8,719             |
| California           | 57.2                          | 52.4    | <b>-4.8</b>             | 5,422,506                           | 5,063,407  | <b>-359,099</b>   |
| Colorado             | 66.5                          | 64.9    | -1.7                    | 763,430                             | 764,121    | 691               |
| Connecticut          | 77.6                          | 71.4    | <b>-6.3</b>             | 677,678                             | 596,594    | <b>-81,084</b>    |
| District of Columbia | 50.5                          | 47.3    | -3.2                    | 56,318                              | 53,303     | -3,015            |
| Delaware             | 70.0                          | 67.3    | -2.8                    | 141,009                             | 131,671    | -9,338            |
| Florida              | 59.4                          | 55.6    | <b>-3.9</b>             | 2,163,937                           | 2,249,647  | 85,711            |
| Georgia              | 64.0                          | 55.2    | <b>-8.9</b>             | 1,382,979                           | 1,299,253  | -83,726           |
| Hawaii               | 67.4                          | 69.1    | 1.7                     | 210,595                             | 204,590    | -6,005            |
| Iowa                 | 78.1                          | 70.1    | <b>-8.0</b>             | 571,971                             | 478,683    | <b>-93,288</b>    |
| Idaho                | 64.3                          | 58.5    | <b>-5.8</b>             | 234,443                             | 227,888    | -6,555            |
| Illinois             | 70.3                          | 66.0    | <b>-4.2</b>             | 2,277,293                           | 2,152,153  | -125,140          |
| Indiana              | 75.5                          | 64.0    | <b>-11.4</b>            | 1,138,676                           | 1,030,964  | <b>-107,712</b>   |
| Kansas               | 68.8                          | 66.5    | -2.3                    | 464,111                             | 458,094    | -6,017            |
| Kentucky             | 65.3                          | 60.6    | -4.8                    | 630,729                             | 597,404    | -33,325           |
| Louisiana            | 55.7                          | 55.6    | -0.1                    | 662,670                             | 614,475    | -48,195           |
| Massachusetts        | 68.0                          | 72.4    | <b>4.4</b>              | 1,008,322                           | 1,081,558  | 73,236            |
| Maryland             | 77.8                          | 67.4    | <b>-10.3</b>            | 1,008,151                           | 934,884    | -73,268           |
| Maine                | 68.4                          | 60.4    | <b>-8.0</b>             | 205,169                             | 170,695    | <b>-34,474</b>    |
| Michigan             | 73.8                          | 70.5    | <b>-3.3</b>             | 1,989,809                           | 1,798,064  | <b>-191,745</b>   |
| Minnesota            | 78.2                          | 74.0    | -4.2                    | 1,008,804                           | 917,448    | -91,356           |
| Missouri             | 71.2                          | 61.8    | <b>-9.4</b>             | 1,016,045                           | 863,561    | -152,484          |
| Mississippi          | 58.9                          | 47.8    | <b>-11.1</b>            | 451,048                             | 363,569    | <b>-87,479</b>    |
| Montana              | 57.2                          | 54.9    | -2.3                    | 133,224                             | 118,121    | -15,103           |
| North Carolina       | 64.5                          | 58.5    | <b>-6.0</b>             | 1,258,503                           | 1,271,825  | 13,322            |
| North Dakota         | 63.1                          | 65.6    | 2.4                     | 93,992                              | 93,864     | -128              |
| Nebraska             | 68.2                          | 67.9    | -0.4                    | 305,912                             | 298,171    | -7,742            |
| New Hampshire        | 78.9                          | 78.2    | -0.7                    | 257,719                             | 236,005    | -21,714           |
| New Jersey           | 76.5                          | 73.0    | <b>-3.5</b>             | 1,523,879                           | 1,598,014  | 74,136            |
| New Mexico           | 49.4                          | 48.1    | -1.3                    | 258,792                             | 237,715    | -21,078           |
| Nevada               | 67.7                          | 68.3    | 0.6                     | 388,199                             | 433,291    | 45,093            |
| New York             | 60.4                          | 61.8    | 1.4                     | 2,836,710                           | 2,821,586  | -15,124           |
| Ohio                 | 73.6                          | 68.2    | <b>-5.4</b>             | 2,123,524                           | 1,886,403  | <b>-237,121</b>   |
| Oklahoma             | 55.4                          | 52.6    | -2.8                    | 463,297                             | 452,439    | -10,858           |
| Oregon               | 65.8                          | 61.2    | -4.5                    | 575,887                             | 532,475    | -43,412           |
| Pennsylvania         | 74.7                          | 66.7    | <b>-8.0</b>             | 2,126,725                           | 1,893,583  | <b>-233,142</b>   |
| Rhode Island         | 74.2                          | 63.6    | <b>-10.6</b>            | 188,355                             | 159,617    | <b>-28,738</b>    |
| South Carolina       | 66.0                          | 58.1    | <b>-7.9</b>             | 634,713                             | 594,829    | -39,884           |
| South Dakota         | 69.2                          | 58.5    | <b>-10.7</b>            | 128,463                             | 110,159    | -18,304           |
| Tennessee            | 63.8                          | 60.5    | -3.3                    | 890,152                             | 851,310    | -38,843           |
| Texas                | 56.9                          | 50.9    | <b>-6.0</b>             | 3,306,916                           | 3,252,010  | -54,906           |
| Utah                 | 76.9                          | 66.1    | <b>-10.8</b>            | 556,773                             | 507,102    | -49,671           |
| Virginia             | 68.6                          | 69.1    | 0.5                     | 1,202,873                           | 1,266,820  | 63,947            |
| Vermont              | 65.6                          | 60.6    | -5.0                    | 96,253                              | 80,784     | -15,470           |
| Washington           | 63.7                          | 62.2    | -1.4                    | 939,707                             | 944,967    | 5,261             |
| Wisconsin            | 76.9                          | 69.8    | <b>-7.1</b>             | 1,108,050                           | 910,624    | <b>-197,427</b>   |
| West Virginia        | 58.0                          | 60.2    | 2.1                     | 219,108                             | 233,373    | 14,266            |
| Wyoming              | 64.4                          | 61.4    | -3.0                    | 82,851                              | 72,211     | -10,640           |

Note: Bolded numbers are statistically significant at the 5% level.

SOURCE: Author's analysis of the March Current Population Survey, 2000-06.