



CRS Report for Congress

Health Insurance Coverage: Characteristics of the Insured and Uninsured Populations in 2006

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Summary

In 2006, 47.0 million people in the United States had no health insurance — an increase of approximately 2.2 million people when compared with 2005. The percentage of people covered by job-based coverage has dropped annually since 2000. Whether the uninsurance rate rose in response depended on how much of the job-based decrease was offset by increases in public coverage. Unlike in recent years, the overall public coverage rate declined in 2006; at the same time, rates for the Medicare and Medicaid categories of public coverage remained statistically unchanged. The uninsurance rate rose from 15.3% in 2005 to 15.8% in 2006. Mostly because of Medicare, 1.5% of those 65 and older were uninsured in 2006; among the nonelderly, 17.8% were uninsured. More than half of the nonelderly uninsured were in families with a full-time, full-year worker. Young adults were more likely to be uninsured than any other age group. More than one-third of Hispanic individuals were uninsured, the highest rate among race/ethnicity groups. In 2007, the Census Bureau released revised 1996-2005 health insurance estimates showing slightly fewer uninsured individuals.¹ This report, which examines characteristics of insured and uninsured people in 2006, uses these revised estimates when referring to prior years.

Health Insurance Coverage by Population Characteristics

Age. **Table 1** provides a breakdown of health insurance coverage by type of insurance and age. In 2006, compared to other age groups, those under age 5 had the highest rates of coverage in Medicaid, the State Children's Health Insurance Program (SCHIP), or some other program for low-income individuals (33%). Young adults ages 19 to 24 were the most likely to have gone without health insurance in 2006. While most in this age group (55%) were covered under an employment-based plan, 31% had no health insurance. Young adults are often too old to be covered as dependents on their

¹ The revision was attributed to a Census Bureau programming error that caused some people who reported private coverage to be coded as uninsured. For 2005, the revision reduced the uninsured rate by 0.6 percentage points (from 15.9% to 15.3%); for 2004, it reduced the uninsured rate by 0.7 percentage points (from 15.6% to 14.9%). For more information, see [<http://www.census.gov/hhes/www/hlthins/usernote/schedule.html>].

parents' policies and, as entry-level workers, do not have strong ties to the work force. Some may also feel that they are in good health and choose to remain uninsured, spending their money on other items. Of those 65 and over, 94% were covered by Medicare, and less than 2% were uninsured. The remainder of this report focuses on the nonelderly population.

Table 1. Health Insurance Coverage by Type of Insurance and Age, 2006

Age	Population (millions)	Type of Insurance ^a					Uninsured	
		Employment-Based ^b	Private Nongroup	Medicare	Medicaid or Other Public ^c	Military/Veterans' Coverage	(percent)	(millions)
Under 5	20.5	56.4%	4.6%	0.7%	32.6%	2.8%	11.4%	2.3
5-18	57.7	62.6%	5.5%	0.5%	24.4%	2.8%	12.3%	7.1
19-24	24.3	54.6%	6.2%	0.6%	10.6%	2.5%	31.0%	7.5
25-34	39.9	60.9%	5.4%	1.2%	8.5%	2.2%	26.9%	10.7
35-54	86.2	70.5%	7.1%	3.0%	6.8%	2.7%	17.0%	14.7
55-61	24.3	69.9%	9.1%	7.3%	6.8%	5.5%	13.0%	3.2
62-64	7.9	62.2%	13.4%	14.9%	9.0%	6.3%	11.8%	0.9
65+	36.0	37.1%	27.5%	93.8%	9.3%	7.4%	1.5%	0.5
Total	296.8	61.1%	9.1%	13.6%	12.9%	3.6%	15.8%	47.0

Source: CRS analysis of data from the March 2007 Current Population Survey (CPS).

- People may have more than one source of coverage; percentages may total to more than 100.
- Includes group health insurance through current or former employer or union and all coverage from outside the home (published Census Bureau figures are slightly lower due to the exclusion of certain people with outside coverage). Excludes military and veterans' coverage.
- Includes State Children's Health Insurance Program (SCHIP) and other state programs for low-income individuals. Excludes military and veterans' coverage.

Other Demographic Characteristics. Table 2 shows the rate of health insurance coverage by type of insurance and selected demographic characteristics — race/ethnicity, family type, region, poverty status, and citizenship — *for people under age 65*. In 2006, whites were least likely to be uninsured (13%), while Hispanics were most likely (36%). The rate of employment-based health coverage was highest among whites (73%), and the rate of public coverage was highest among blacks (25%).²

People residing in two-parent families were most likely to have employment-based health insurance (72%) and least likely to be uninsured (13%). People in a family headed by a single mother were most likely to have public coverage (39%) compared to other family types, and people in a family headed by a single father were most likely to be uninsured (28%).

²“Public coverage” includes Medicare, Medicaid, the State Children's Health Insurance Program (SCHIP), and any other health insurance program for low-income individuals, but excludes military and veterans' coverage. Hispanics may be of any race. In this report, whites, blacks, and Asians are those who are non-Hispanic and report only one race. Among non-Hispanics, individuals who report any other single race (e.g., American Indian) or multiple races are categorized as “other.”

People were less likely to be uninsured if they lived in the Midwest (13%) or the Northeast (14%) than if they lived in the South (21%) or West (20%). Employment-based health insurance covered 71% of people in the Midwest and 69% in the Northeast, compared to 61% in the South and 60% in the West.

Among individuals with family incomes at least two times the poverty threshold, 12% went without health insurance compared to 34% of the poor (i.e., those with family incomes below the poverty threshold). Only 18% of the poor received health coverage through employment, and 46% had public coverage. Of people with family incomes at least two times the poverty threshold, 79% were covered through an employer, and only 6% had public coverage.

Noncitizens were more likely to be uninsured than people born with U.S. citizenship (i.e., “native”) — 47% versus 15%, respectively. Noncitizens accounted for 8% of the population under 65 but were 22% of the under-65 uninsured. Forty percent of noncitizens were covered through employment, compared to 67% of native citizens.

Table 2. Health Insurance Coverage by Type of Insurance and Demographic Characteristics for People Under Age 65, 2006

	Population (millions)	Type of Insurance ^a				Uninsured (percent)	(millions)
		Employment- Based ^b	Public ^c	Other ^d			
Race/ethnicity							
White	167.3	72.5%	11.3%	10.9%	12.5%	21.0	
Black	33.0	53.1%	24.8%	7.2%	21.7%	7.2	
Hispanic	42.4	41.7%	22.3%	4.8%	35.6%	15.1	
Asian	11.8	66.7%	10.8%	12.0%	16.4%	1.9	
Other	6.3	56.1%	22.8%	8.8%	20.4%	1.3	
Family type							
Two parents	114.5	71.9%	12.3%	9.4%	13.1%	15.0	
Single dad with children	8.0	49.5%	21.3%	6.2%	28.0%	2.2	
Single mom with children	32.6	41.0%	39.4%	5.0%	21.4%	7.0	
No children	105.7	64.6%	9.9%	11.1%	21.0%	22.2	
Region							
Northeast	46.9	69.3%	16.0%	6.8%	14.0%	6.6	
Midwest	57.4	70.7%	14.6%	8.4%	12.9%	7.4	
South	94.7	60.9%	14.6%	10.2%	21.4%	20.3	
West	61.7	60.1%	15.4%	11.3%	19.9%	12.2	
Family income-to-poverty ratio^e							
Less than 100%	33.1	18.4%	46.2%	6.4%	34.3%	11.4	
100%-149%	22.0	33.0%	34.3%	6.8%	32.1%	7.1	
150%-199%	22.6	46.8%	22.4%	9.2%	28.9%	6.5	
200%+	182.7	78.8%	6.1%	10.4%	11.7%	21.4	
Citizenship							
Native	227.5	66.7%	15.6%	9.8%	15.0%	34.1	
Naturalized	11.7	64.8%	10.8%	9.9%	19.8%	2.3	
Noncitizen	21.5	40.0%	11.3%	5.4%	46.6%	10.0	
Total	260.8	64.4%	15.0%	9.4%	17.8%	46.5	

Source: CRS analysis of data from the March 2007 CPS.

- People may have more than one source of coverage; percentages may total to more than 100.
- Includes group health insurance through current or former employer or union and all coverage from outside the home (published Census Bureau figures are slightly lower due to the exclusion of certain people with outside coverage). Excludes military and veterans' coverage.

- c. Includes Medicare, Medicaid, the State Children's Health Insurance Program (SCHIP), and other state programs for low-income individuals. Excludes military and veterans' coverage.
- d. Includes private nongroup health insurance, military and veterans' coverage.
- e. In 2006, the poverty threshold (which is used mainly for statistical purposes and differs slightly from the poverty guideline used for program eligibility and other administrative purposes) for a family with two adults and two children was \$20,444. Approximately 374,000 children are excluded from CPS-based poverty analyses because they are living with a family to which they are unrelated.

Employment Characteristics. For the sixth year in a row, the employment-based coverage rate fell, to 64% among the nonelderly in 2006. **Table 3** shows the rate of health insurance coverage for people under age 65 by employment characteristics of the primary worker in the family. In 2006, only 9% of workers in large firms (1,000 or more employees) and their dependents were uninsured, compared to 35% in small firms (less than 10 employees). People who reported working in small firms and their dependents accounted for 14% of the under-65 population but 28% of the under-65 uninsured. Insurance coverage also varied by industry. The category of agriculture, forestry, fishing, and hunting had the highest proportion of uninsured workers and dependents (34%). Four percent of those associated with employment in public administration were uninsured, and no one associated with employment in the armed forces was uninsured.

Table 3. Health Insurance Coverage by Employment Characteristics^a for People Under Age 65, 2006

	Population (millions)	Type of Insurance ^b				
		Employment-Based ^c		Public or Other ^d	Uninsured	
		From Own Job	From Other's Job		(percent)	(millions)
People in families with a worker^e	224.0	35.2%	37.3%	19.6%	16.9%	38.0
Firm size ^{a, c}						
Under 10	37.6	18.9%	19.6%	32.4%	34.8%	13.1
10-24	19.8	27.7%	25.8%	23.6%	28.8%	5.7
25-99	27.9	35.6%	34.4%	19.2%	19.2%	5.4
100-499	32.0	39.3%	41.1%	15.3%	13.9%	4.5
500-999	13.2	41.3%	45.0%	13.8%	9.7%	1.3
1,000 +	93.5	41.0%	45.2%	15.9%	8.6%	8.1
Industry ^{a, c}						
Agriculture, forestry, fishing, and hunting	2.9	16.1%	17.5%	39.2%	33.8%	1.0
Leisure and hospitality	14.8	23.4%	20.1%	29.1%	33.5%	5.0
Construction	20.6	24.5%	27.8%	20.9%	33.0%	6.8
Other services	8.5	24.6%	23.9%	27.9%	30.1%	2.6
Wholesale and retail trade	28.9	34.4%	33.3%	21.2%	19.4%	5.6
Professional and business services	22.9	33.7%	35.4%	20.8%	18.3%	4.2
Transportation, utilities	13.3	35.5%	41.9%	15.6%	15.7%	2.1
Mining	1.6	35.9%	48.5%	8.4%	14.0%	0.2
Manufacturing	30.5	38.8%	45.6%	13.7%	11.0%	3.4
Education and health services	43.8	41.9%	40.5%	17.8%	10.3%	4.5
Financial activities	16.0	40.2%	42.8%	15.9%	9.9%	1.6
Information	6.1	40.2%	45.6%	13.1%	9.3%	0.6
Public administration	12.3	44.6%	51.3%	12.6%	4.0%	0.5
Armed forces	1.7	16.5%	32.4%	99.9%	0.0%	0.0
Labor force attachment ^{a, c}						
Full time, full year	181.6	37.1%	40.5%	16.5%	14.7%	26.6
Full time, part year	23.1	30.7%	26.5%	28.7%	25.5%	5.9
Part time, full year	11.3	26.0%	23.4%	32.6%	26.4%	3.0
Part time, part year	8.0	19.1%	14.1%	44.3%	30.7%	2.4

	Population (millions)	Type of Insurance ^b				
		Employment-Based ^c		Public or Other ^d	Uninsured	
		From Own Job	From Other's Job		(percent)	(millions)
People in families with no worker or policyholder does not work ^e	29.9	12.6%	9.3%	56.6%	28.4%	8.5
People with coverage outside the home	6.9	8.2%	100.0%	18.5%	0.0%	0.0
Total	260.8	31.9%	35.7%	23.8%	17.8%	46.5

Source: CRS analysis of data from the March 2007 CPS.

- Firm size, industry and labor force attachment reflect the employment characteristics of the primary worker in families where someone is working. Those characteristics were applied to those individuals' "dependents" — their spouse and children.
- People may have more than one source of coverage; percentages may total to more than 100.
- Includes group health insurance through current or former employer or union and all coverage from outside the home (published Census Bureau figures are slightly lower due to the exclusion of certain people with outside coverage). Excludes military and veterans' coverage.
- Includes Medicare, Medicaid, the State Children's Health Insurance Program (SCHIP), other state programs for low-income individuals, nongroup health insurance, and military and veterans' coverage.
- Excluding those persons with health insurance coverage from outside the home.
- Nearly 90% of these policyholders (i.e., those who did not work during the year but had employment-based coverage in their name) were retirees, were ill or disabled, or were at home with the family and probably received coverage through their former employer.

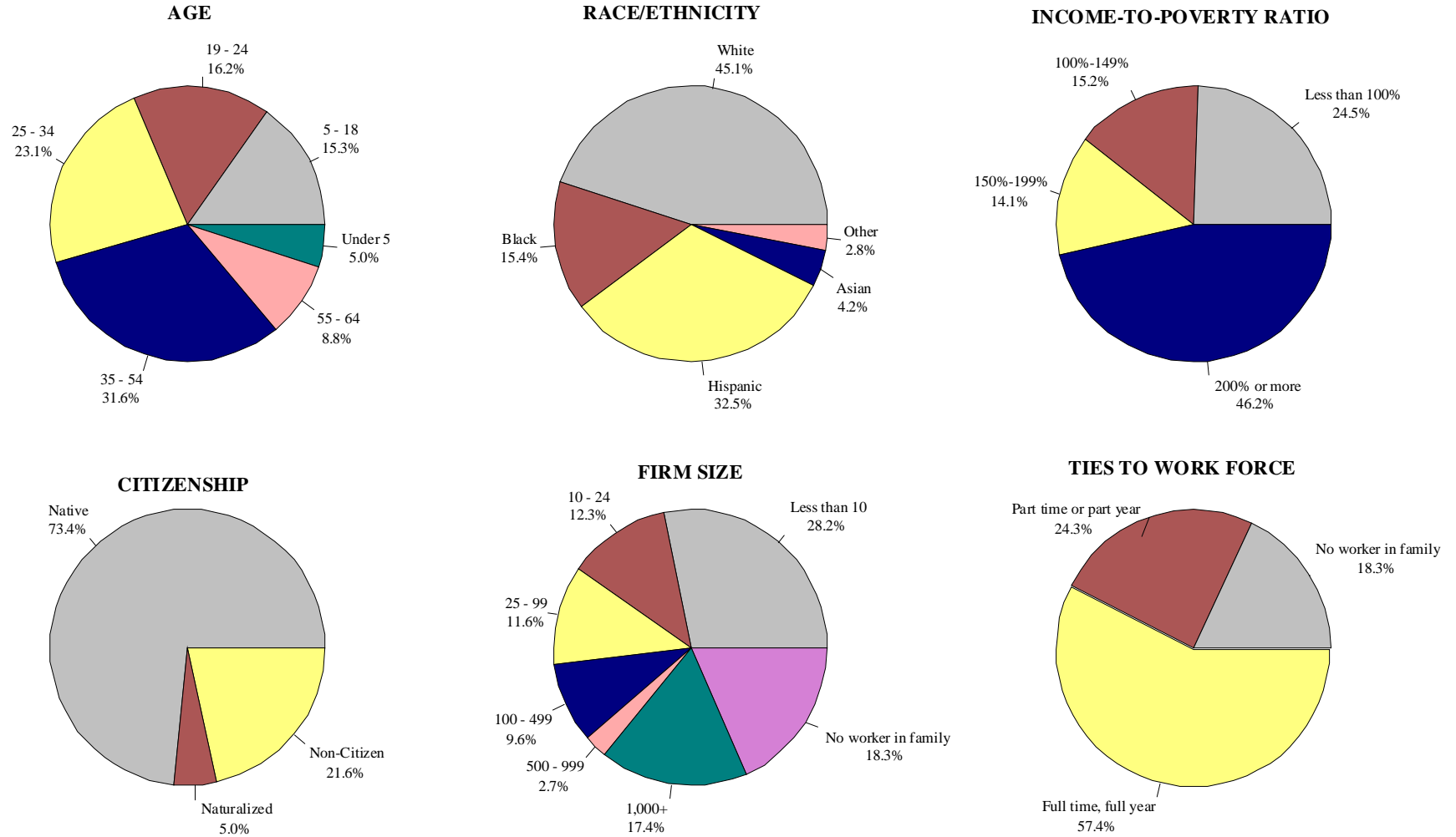
Characteristics of the Uninsured Population Under Age 65

People who lack health insurance differ from the population as a whole: they are more likely to be young adults, poor, Hispanic, or employees in small firms. **Figure 1** illustrates selected characteristics of those under age 65 who were uninsured in 2006. Approximately 16% of the under-65 uninsured were 19 to 24 years old, even though this age group represents only 9% of the under-65 population.

Hispanics represented 33% of the under-65 uninsured, but only 16% of the under-65 population. Whites (non-Hispanics who report being only white) were the most numerous racial or ethnic group among the under-65 uninsured (45%). More than a quarter of the under-65 uninsured were not native-born citizens (that is, they were either noncitizens or naturalized citizens). More than half (57%) of the under-65 uninsured were full time, full year workers or their spouses and children. Approximately 18% had no attachment to the labor force.

Three-quarters of the under-65 uninsured had family incomes above the poverty threshold. Even though the poor accounted for only 13% of the under-65 population, they represented almost 25% of the under-65 uninsured. To show money income among the uninsured, the Census Bureau provides estimates of household income (everyone in the household) and family income (all related people in the household). Many health policy analysts also create "health insurance unit" (HIU) income, which is lower than household or family income, based on people who could be covered under one health insurance policy (an adult plus spouse and dependents in the household). By this measure of HIU income, 57% of the under-65 uninsured had income below \$25,000 in 2006; 26% had income between \$25,000 and \$49,999; 9% had income between \$50,000 and \$74,999; 4% had income between \$75,000 and \$99,999; and 4% had income of \$100,000 or more.

Figure 1. Characteristics of the Uninsured U.S. Population Under Age 65, 2006 (46.5 million)



Source: Congressional Research Service analysis of data from the March 2007 Current Population Survey.

Note: Totals may not sum to 100 percent due to rounding. Hispanics may be of any race. In this chart, whites, blacks and Asians are those who are non-Hispanic and report only one race. Among non-Hispanics, individuals who report any other single race (e.g., American Indian) or multiple races are categorized as “other.” “Firm size” and “ties to work force” reflect the employment characteristics of the primary worker in families where someone is working. Those characteristics were applied to those individuals’ “dependents” — their spouses and children. Employed policyholders of private coverage are first to be assigned as primary workers. For those in families without private coverage, persons’ employment characteristics are those of the family head or, if the head is not employed and the spouse is, the spouse.