



CRS Report for Congress

Health Insurance Coverage: Characteristics of the Insured and Uninsured Populations in 2007

Chris L. Peterson and April Grady
Domestic Social Policy Division

Summary

Based on data from the Census Bureau's Current Population Survey (CPS), 45.7 million people in the United States had no health insurance in 2007 — a decrease of approximately 1.3 million people when compared with 2006. Although it was statistically unchanged in 2007, the percentage of people covered by employment-based coverage has dropped in every other year since 2000. Whether the uninsured rate rose in response depended on how much of the employment-based decrease was offset by increases in public coverage. In 2007, Medicare and Medicaid coverage rates increased, and the uninsured rate declined from 15.8% in 2006 to 15.3% in 2007. Mostly because of Medicare, only 1.9% of those age 65 and older were uninsured in 2007. In contrast, 17.1% of those under age 65 were uninsured. Among the nonelderly uninsured, more than half were in families with a full-time, full-year worker. Young adults were more likely to be uninsured than any other age group, and Hispanic individuals had the highest uninsured rate among race/ethnicity groups.

Health Insurance Coverage, by Population Characteristics

Age. **Table 1** provides a breakdown of health insurance coverage by type of insurance and age in 2007. Compared with other age groups, those under age five had the highest rates of coverage in Medicaid, the State Children's Health Insurance Program (SCHIP), or some other program for low-income individuals (34.0%). Young adults aged 19 to 24 were the most likely to have gone without coverage. While most in this age group (54.8%) were covered under an employment-based plan, 30.1% had no health insurance. Some of these young adults lack access to coverage (e.g., because they no longer qualify as dependents on their parents' policies and do not have their own employer offer), and others choose to remain uninsured because they feel that they are in good health and prefer to spend their income on other priorities. Many age groups experienced statistically significant decreases in uninsurance in 2007, and Medicaid and SCHIP coverage rates increased significantly for children and young adults.

Among people age 65 and older, 93.2% 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, 2007

| Age | Population (millions) | Type of Insurance ^a | | | | | | | Uninsured | |
|-----------------|-----------------------|--------------------------------|------------------|----------|---------------------------------------|--------------------------------|-----------|------------|-----------|---|
| | | Employment-based ^b | Private Nongroup | Medicare | Medicaid or Other Public ^c | Military or Veterans' Coverage | (percent) | (millions) | | |
| Under 19 | 78.7 | 60.7% | 5.3% | 0.7% + | 27.6% + | 2.8% | 11.3% | - | 8.9 | - |
| Under 65 | 262.3 | 64.4% | 6.5% | 2.7% + | 13.8% + | 3.2% + | 17.1% | - | 45.0 | - |
| Under 5 | 20.9 | 55.6% | 4.6% | 1.0% + | 34.0% + | 2.9% | 10.5% | - | 2.2 | - |
| 5-18 | 57.7 | 62.5% | 5.5% | 0.6% | 25.3% + | 2.8% | 11.6% | - | 6.7 | - |
| 19-24 | 24.1 | 54.8% | 5.8% | 0.7% | 11.4% + | 2.9% | 30.1% | - | 7.3 | - |
| 25-34 | 40.1 | 61.8% | 5.8% | 1.2% | 8.1% | 2.6% + | 25.7% | - | 10.3 | - |
| 35-54 | 86.1 | 70.2% | 6.9% | 3.2% | 7.1% | 2.7% | 16.8% | - | 14.5 | - |
| 55-61 | 25.3 | 70.1% | 9.3% | 7.9% | 6.9% | 6.0% | 12.0% | - | 3.0 | - |
| 62-64 | 8.0 | 63.1% | 11.1% | 14.8% | 8.8% | 7.1% | 12.3% | - | 1.0 | - |
| 65+ | 36.8 | 35.0% | 25.9% | 93.2% | 8.9% | 7.1% | 1.9% | + | 0.7 | + |
| All ages | 299.1 | 60.8% | 8.9% | 13.8% | 13.2% | 3.7% | 15.3% | - | 45.7 | - |

Source: CRS analysis of data from the March 2008 Current Population Survey (CPS).

Note: The symbol “+” denotes a statistically significant increase over last year, with “-” denoting a statistically significant decrease. Statistical significance was tested at the 95% confidence level.

- 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 2007, whites were least likely to be uninsured (12.1%), while Hispanics were most likely (33.5%). The rate of employment-based health coverage was highest among whites (72.6%), and the rate of public coverage was highest among blacks (26.3%).¹ Most of the race/ethnicity groups shown experienced statistically significant declines in uninsurance in 2007, and public coverage rates increased significantly for blacks and Hispanics.

People residing in two-parent families were most likely to have employment-based health insurance (71.8%) and least likely to be uninsured (12.8%). People in a family headed by a single mother were most likely to have public coverage (40.6%) compared with other family types, and those in a family headed by a single father were most likely to be uninsured (24.4%). Public coverage rates increased significantly for both single-parent and childless families, but findings of significant decreases in uninsurance were mixed.

¹“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 or Northeast (12.9%) than if they lived in the South (20.7%) or West (18.7%). Employment-based health insurance covered 70.4% of people in the Midwest and 68.8% in the Northeast, compared with 60.5% in the South and 61.5% in the West.

Among individuals with family incomes at least two times the poverty threshold, 11.1% went without health insurance compared with 33.6% of the poor (i.e., those with family incomes below the poverty threshold). Only 16.9% of the poor received health coverage through employment, and 48.4% had public coverage. Of people with family incomes at least two times the poverty threshold, 78.9% were covered through an employer, and only 6.4% had public coverage.

Noncitizens had higher uninsured and lower employment-based coverage rates (45.3% and 39.7%) than “native” U.S. citizens (14.4% and 66.7%).

Table 2. Health Insurance Coverage, by Type of Insurance and Demographic Characteristics for People Under Age 65, 2007

| | Population (millions) | Type of Insurance ^a | | | | Uninsured | |
|---|--------------------------|-----------------------------------|---------------------|--------------------|--------------|------------|-------------|
| | | Employment- Based ^b | Public ^c | Other ^d | (percent) | (millions) | |
| Race/ethnicity | | | | | | | |
| White | 167.3 | 72.6% | 11.5% | 11.1% | 12.1% | - | 20.3 |
| Black | 33.3 | 53.0% | 26.3% + | 7.3% | 20.8% | - | 6.9 |
| Hispanic | 43.5 | 42.2% | 23.5% + | 5.2% | 33.5% | - | 14.6 |
| Asian | 11.8 | 65.8% | 11.3% | 10.3% | 17.6% | - | 2.1 |
| Other | 6.4 | 58.0% | 23.5% | 9.9% | 17.6% | - | 1.1 |
| Family type | | | | | | | |
| Two parents | 112.2 | 71.8% | 12.6% | 9.6% | 12.8% | - | 14.3 |
| Single dad with children | 8.6 | 51.1% | 23.6% + | 7.0% | 24.4% | - | 2.1 |
| Single mom with children | 32.9 | 40.4% | 40.6% + | 5.1% | 20.6% | - | 6.8 |
| No children | 108.7 | 65.0% | 10.6% + | 11.1% | 20.1% | - | 21.8 |
| Region | | | | | | | |
| Northeast | 46.7 | 68.8% | 17.3% + | 6.8% | 12.9% | - | 6.0 |
| Midwest | 57.5 | 70.4% | 14.8% | 8.7% | 12.9% | - | 7.4 |
| South | 96.0 | 60.5% | 15.6% + | 10.4% | 20.7% | - | 19.9 |
| West | 62.2 | 61.5% + | 15.3% | 11.0% | 18.7% | - | 11.6 |
| Family income-to-poverty ratio^e | | | | | | | |
| Less than 100% | 33.7 | 16.9% | 48.4% + | 5.7% | 33.6% | - | 11.3 |
| 100%-149% | 22.8 | 32.3% | 34.8% | 7.5% | 32.4% | - | 7.4 |
| 150%-199% | 21.3 | 49.0% + | 22.2% | 9.0% | 27.1% | - | 5.8 |
| 200%+ | 184.1 | 78.9% | 6.4% + | 10.6% | 11.1% | - | 20.4 |
| Citizenship | | | | | | | |
| Native | 229.4 | 66.7% | 16.2% + | 9.9% | 14.4% | - | 32.9 |
| Naturalized | 11.9 | 63.5% | 10.6% | 10.0% | 21.5% | + | 2.6 |
| Noncitizen | 20.9 | 39.7% | 12.4% + | 5.9% | 45.3% | - | 9.5 |
| Total | 262.3 | 64.4% | 15.6% + | 9.5% | 17.1% | - | 45.0 |

Source: CRS analysis of data from the March 2008 CPS.

Note: The symbol “+” denotes a statistically significant increase over last year, with “-” denoting a statistically significant decrease. Statistical significance was tested at the 95% confidence level.

- 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 and military or veterans' coverage.
- e. In 2007, 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 \$21,027. Children are excluded from CPS-based poverty analyses if they are living with a family to which they are unrelated.

Employment Characteristics. The percentage of people covered by employment-based coverage was statistically unchanged in 2007. **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 2007, only 8.5% of workers in large firms (1,000 or more employees) and their dependents were uninsured, compared with 33.7% in small firms (less than 10 employees). The category of agriculture, forestry, fishing, and hunting had the highest proportion of uninsured workers and dependents (35.8%). People associated with employment in public administration and the armed forces had the lowest uninsured rates (3.8% and 0.3%). Overall, people in families with a worker experienced statistically significant declines in uninsurance.

Table 3. Health Insurance Coverage, by Employment Characteristics^a for People Under Age 65, 2007

| | 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 | 224.9 | 35.5% | 36.9% | 20.2% + | 16.3% | - | 36.6 - |
| Firm size^{a,e} | | | | | | | |
| Under 10 | 38.2 | 18.4% | 19.2% | 35.3% + | 33.7% | - | 12.9 |
| 10-24 | 19.1 | 28.5% | 26.7% | 23.4% | 27.8% | - | 5.3 - |
| 25-99 | 28.2 | 35.6% | 34.8% | 19.5% | 18.5% | - | 5.2 |
| 100-499 | 31.5 | 39.6% | 40.9% | 16.2% + | 12.4% | - | 3.9 - |
| 500-999 | 13.4 | 41.6% | 43.2% | 15.0% + | 9.9% | - | 1.3 |
| 1,000 + | 94.5 | 41.7% + | 44.6% - | 15.8% | 8.5% | - | 8.0 |
| Industry^{a,e} | | | | | | | |
| Agriculture, forestry, fishing, and hunting | 3.0 | 16.4% | 18.9% | 33.4% - | 35.8% | - | 1.1 |
| Leisure and hospitality | 15.0 | 25.8% + | 19.5% | 28.9% | 32.5% | - | 4.9 |
| Construction | 19.8 | 24.2% | 27.9% | 23.0% + | 31.3% | - | 6.2 - |
| Other services | 8.7 | 25.4% | 23.1% | 29.8% + | 28.9% | - | 2.5 |
| Professional and business services | 22.9 | 33.9% | 33.8% | 21.5% | 18.8% | - | 4.3 |
| Wholesale and retail trade | 29.1 | 34.7% | 33.4% | 21.7% | 18.8% | - | 5.5 |
| Transportation, utilities | 14.2 | 36.1% | 41.6% | 16.6% | 14.8% | - | 2.1 |
| Mining | 1.6 | 34.1% | 50.3% | 11.0% | 12.4% | - | 0.2 |
| Manufacturing | 29.9 | 38.0% | 45.3% | 13.6% | 11.0% | - | 3.3 |
| Education and health services | 44.8 | 42.3% | 40.6% | 18.6% + | 9.3% | - | 4.2 - |
| Information | 5.7 | 43.5% + | 44.4% | 12.4% | 9.2% | - | 0.5 |
| Financial activities | 16.0 | 39.6% | 42.8% | 17.0% | 8.8% | - | 1.4 - |
| Public administration | 12.4 | 44.9% | 50.4% | 12.6% | 3.8% | - | 0.5 |
| Armed forces | 1.8 | 17.7% | 29.4% | 99.7% | 0.3% | - | 0.0 |
| Labor force attachment^{a,e} | | | | | | | |
| Full time, full year | 181.4 | 37.7% + | 40.5% | 17.0% + | 13.7% | - | 24.9 - |
| Full time, part year | 23.3 | 30.1% | 24.3% | 29.9% + | 25.8% | - | 6.0 |
| Part time, full year | 12.0 | 25.3% | 23.8% | 33.6% | 26.6% | - | 3.2 + |
| Part time, part year | 8.2 | 18.5% | 14.2% | 44.7% | 30.3% | - | 2.5 |

| | 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 | 30.3 | 12.6% ^f | 9.1% | 57.4% | 27.7% | 8.4 |
| People with coverage outside the home | 7.1 | 8.5% | 100.0% | 18.6% | 0.0% | 0.0 |
| Total | 262.3 | 32.1% | 35.4% | 24.5% + | 17.1% - | 45.0 - |

Source: CRS analysis of data from the March 2008 CPS.

Note: The symbol “+” denotes a statistically significant increase over last year, with “-” denoting a statistically significant decrease. Statistical significance was tested at the 95% confidence level.

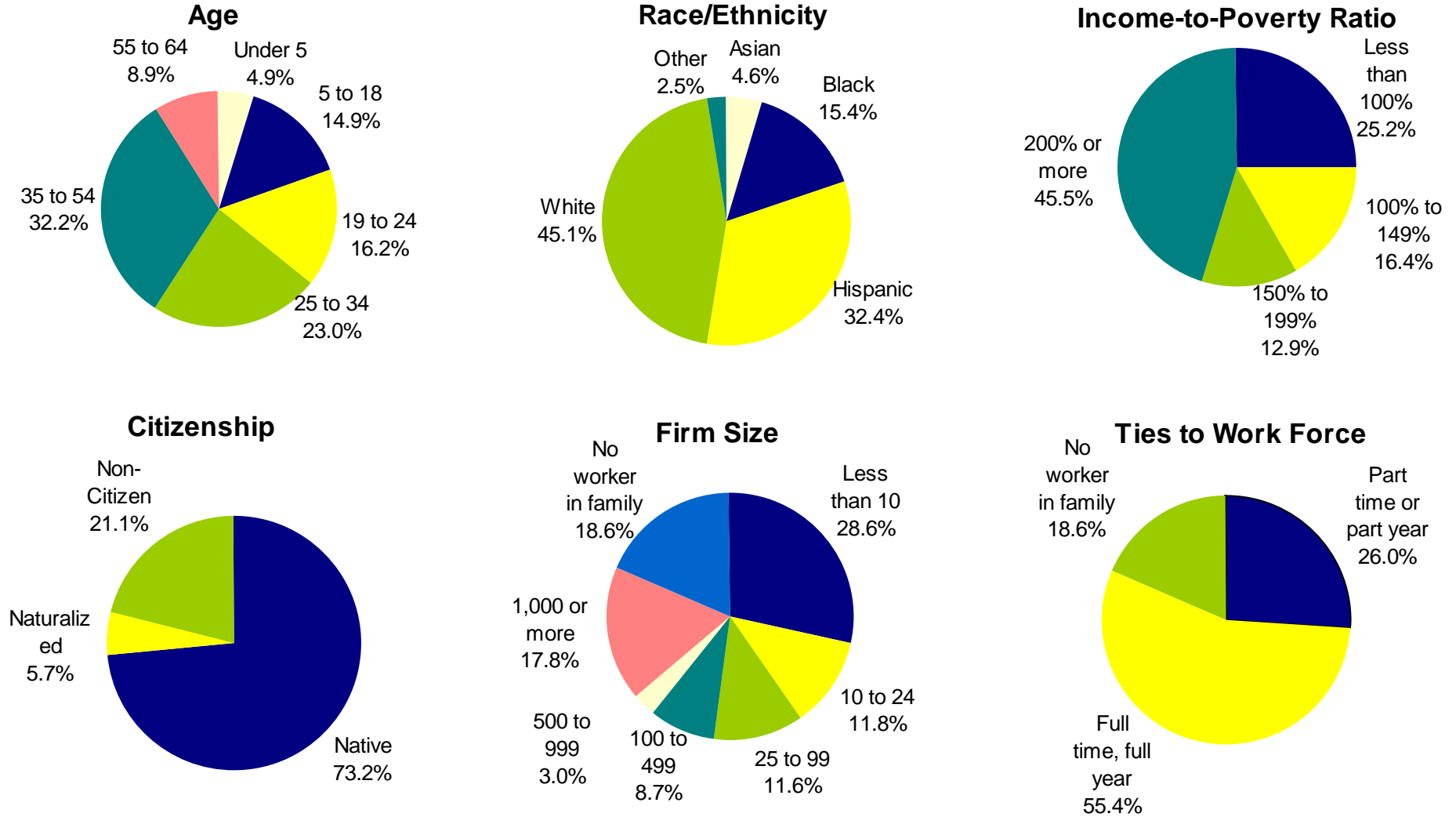
- Firm size, industry and labor force attachment reflect the employment characteristics of the primary worker in families where someone is working. Those characteristics were applied to those individuals’ “dependents” — their spouse and children.
- People may have more than one source of coverage; percentages 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 or veterans’ coverage.
- Excluding those persons with health insurance coverage from outside the home.
- The vast majority 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 2007. Although young adults aged 19 to 24 represented 9.2% of the under-65 population, they made up 16.2% of the under-65 uninsured. Similarly, Hispanics represented 16.6% of the population but 32.4% of the uninsured. Whites (non-Hispanics who report being only white) were the most numerous race/ethnicity group among the under-65 uninsured (45.1%). More than a quarter of the under-65 uninsured were not native U.S. citizens. More than half (55.4%) of the under-65 uninsured were full-time, full-year workers or their spouses and children. About a quarter (26.0%) worked part time or part of the year, and 18.6% 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 12.9% of the under-65 population, they represented 25.2% 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 2007; 27% had income between \$25,000 and \$49,999; 9% had income between \$50,000 and \$74,999; 3% 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, 2007 (45.0 Million)



Source: Congressional Research Service analysis of data from the March 2008 Current Population Survey.

Note: Totals may not sum to 100% 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.