

Uninsured in Massachusetts Now Highest in 7 Years, as Nation Suffers Drop in Job-Based Coverage

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We offer brief comments on, and highlights of, the U.S. Census Bureau data released today on health insurance status, by state and nationally.

Estimates for the states

The share of Massachusetts residents without coverage rose from 10.3 percent in the 2002-03 average to 11.2 percent in 2003-04.

(Table 11, <http://www.census.gov/hhes/www/hlthins/hlthin04/hi04t11.pdf>)

Massachusetts was one of **8 states that suffered substantial increases** in share uninsured -- the others were Delaware, Florida, Montana, New Hampshire, Oklahoma, South Carolina, and Tennessee. (These rose enough that the Census Bureau deemed the change statistically significant, not likely due to chance differences in the survey samples.)¹

The 1-year estimates for 2004 show Massachusetts with 11.7% of its residents uninsured. (http://pubdb3.census.gov/macro/032005/health/h06_000.htm) As always, state rates vary widely, ranging from Minnesota at 8.9% to Texas at fully 25.0%.

For a clearer picture of the uninsured problem, it is useful to look at people under 65. (The above figures for the whole population include seniors, for whom Medicare coverage is nearly universal.) Data on type of insurance by state and age (http://pubdb3.census.gov/macro/032005/health/h05_000.htm) for 2004 show the **uninsured were an estimated 13.2% of people under 65 in Massachusetts**, as compared to 11.2% for Bay State residents of all ages.

Since seniors are such a large share of Florida's population, this difference was particularly large in Florida, with 19.9% of the overall population uninsured but 23.6% of people under age 65. In Texas, the share uninsured under 65 was 27.6%.

In Massachusetts, at 13.2%, the share uninsured among people under 65 in 2004 was the highest it has been in seven years.² This state's rate peaked in 1997 at 14.3%, declined annually through 2001 (when it was estimated at 9.3%), and then rose in each of the next three years.

National estimates

The share uninsured nationwide in the single-year estimate for 2004, at 15.7 percent of Americans, was called “stable.” That meant an estimated 45.8 million people without coverage.

The Census Bureau noted, “After peaking at 16.3 percent in 1998, the rate fell for two years in a row to 14.2 percent in 2000, and the rate increased for three years before stabilizing at 15.7 percent in 2004.” (p. 23 and Figure 5, <http://www.census.gov/prod/2005pubs/p60-229.pdf>).

The Census Bureau did not highlight that the 2004 figure of **15.7 percent uninsured nationwide was the 3rd-highest estimate ever**, after 16.3% in 1998, 16.1% in 1997. (See Table C-1, p. 67.)

The share of Americans with **job-based coverage dropped** from 60.4% in 2003 to 59.8% in 2004 (a statistically-significant decline). A Census Bureau spokesman acknowledged that the share uninsured stayed level because of an “increase in government coverage, notably Medicaid and the state children's health insurance program, that offset a decline in employment-based coverage.” (<http://www.nytimes.com/aponline/national/AP-Census-Poverty.html>).

Notably, almost half a million (456,000) more full-time workers were uninsured in 2004 than in 2003. At the same time, there was a rise of almost 2 million in the number of Americans covered by Medicaid.

But in 2005, that pattern of public-sector gap-filling appears unlikely to continue, as several states impose the largest-ever cuts in Medicaid eligibility.

The Census Bureau's data “Highlights” may have been trying to offer good news by starting, “The number of people with health insurance coverage increased by 2.0 million in 2004, to 245.3 million.” The increase, however, essentially reflects population growth, not any gain in the share of people covered.

¹ Only Idaho, New York, and Wyoming had significant drops in percentage uninsured.

² Data already on the Census Bureau website offer a time series through 2003 for comparison (<http://www.census.gov/hhes/www/hlthins/historic/hihist6.html> - health insurance status by state, people under 65, 1987-2003).