

# medicaid and the uninsured

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## The Decline in the Uninsured in 2007: Why Did It Happen and Can It Last?

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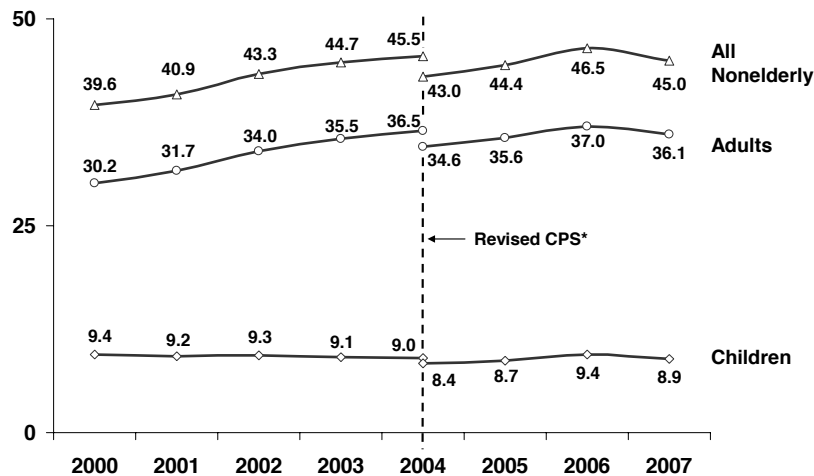
### Introduction

On August 26, 2008 the U.S. Census Bureau released data showing that the number of uninsured Americans under age 65 fell by 1.5 million between 2006 and 2007.<sup>1</sup> The main reason for the reduction was a substantial growth in public coverage both through Medicaid and Medicare, and military programs, such as TRICARE or VA health care.<sup>2</sup> Health insurance reform in Massachusetts, while a small state, contributed considerably to the decline in the nation's uninsured in 2007.

For the first time in this decade, there was no significant decline in employer coverage. Just over 60 percent of the reduction in the nonelderly uninsured was among adults, and the remainder was among children. These results represent the first decline in the number of uninsured in this decade.

**Uninsured Trends: 2000-2004.** Figure 1 shows changes in the number of uninsured each year since 2000, with steady growth through 2006. Between 2000 and 2004, real median household incomes declined and the percentage of the population in poverty increased.<sup>3</sup> The rate of employer coverage fell substantially from 67.8 percent to 63.3 percent. Though there was an increase in Medicaid and the State

Figure 1  
**Number of Nonelderly Uninsured, 2000-2007**  
(in millions)



SOURCE: Urban Institute, 2008. Based on data from the 2001 through 2008 March Supplements to the CPS.  
\* The Census Bureau made revisions to dependent coverage on the CPS resulting in a lower number of uninsured starting in the data year 2004; thus estimates from earlier 2004 data and all prior years are not directly comparable

Children's Health Insurance Program (SCHIP) and other state programs that partially offset the decline in employer coverage, the net result was an increase in the uninsured rate from 16.1 percent to 17.8 percent. The ranks of uninsured Americans increased by 6.0 million, all of which were adults (6.3 million). Both adults and children saw comparable declines of 4.6 percentage points in the rate of employer-sponsored insurance. While public coverage of children grew substantially, public coverage of adults grew by a much smaller amount. As a result, the share of adults who were uninsured increased from 17.9 percent in 2000 to 20.6 percent in 2004. Meanwhile, the uninsured rate for children fell from 12.3 percent to 11.6 percent and the number of uninsured children fell by 350,000.

***Uninsured Trends: 2004-2007.*** Between 2004 and 2006, the economy improved. Real median incomes increased and the poverty rate fell.<sup>4</sup> Despite the improving economy, the rate of employer coverage continued to decline from 64.0 percent to 63.0 percent, albeit at a slower rate than had been seen in the previous four years. There was little change in public coverage and as a result the uninsured rate increased from 16.9 percent to 17.9 percent and the number of uninsured increased by 3.4 million. Growth in the number of uninsured adults (2.4 million), primarily due to a decline in the rate of employer coverage, accounted for just over 70 percent of the increase among all nonelderly. Among children, there was a sharp decline in employer coverage and a small increase in Medicaid and SCHIP. The net effect was an increase in their uninsured rate from 10.9 percent to 12.1 percent and an increase in the number of uninsured children by one million.

In contrast, between 2006 and 2007 employer coverage rates remained the same and public coverage increased—yielding a 1.5 million decrease in the number of uninsured. Continuing economic growth into 2007 likely explains why employer coverage stabilized. The increase in public coverage is most likely due to improving state revenues which affected 2007 budget decisions, and permitted states to expand eligibility and ease enrollment restrictions.

In particular, Massachusetts passed legislation in 2006 intended to reach universal coverage in the state. By 2007 the number of uninsured in the state had decreased by half--over 300,000 fewer uninsured. This small state accounted for over 20 percent of the decline in the number of uninsured in the nation last year.

The reduction in the number of uninsured is quite unlikely to continue. The increasing unemployment rate and economic downturn will almost certainly lead to a decline in employer coverage and an increase in the uninsured. In the final section of this brief, we project that the number of uninsured individuals will increase by at least two million in 2008; and the number will be higher if the unemployment rate increases beyond 6.1 percent.

## Data and Methods

This analysis relies primarily on data from the 2007 and 2008 Annual Social and Economic Supplements to the Current Population Survey (ASEC, CPS). The CPS is the most frequently cited source for estimates of Americans' health insurance status.<sup>5</sup> Health insurance and income data on the March ASEC to the CPS are current to the calendar year prior to the survey.

There is debate over whether the CPS measures the number of uninsured people for all of the past year (as intended) or at a point in time in the past year. There is a growing belief that the CPS more closely represents point in time insurance estimates and is generally in line with other surveys' point in time estimates.<sup>6</sup> For this paper, we interpret the estimates of insurance coverage and of uninsurance as reflecting the typical or average experience in the past year.

The CPS asks respondents about coverage throughout the year; thus individuals may report more than one type of coverage. In this analysis, we assign one type of coverage to each respondent based on the following hierarchy: employer coverage; Medicaid, SCHIP or state coverage; Medicare, or military coverage; and directly purchased coverage. The remainder is uninsured.

The CPS is useful for examining trends in health coverage over time. However changes in the survey's design occasionally make it impossible to compare data before and after a change. This occurred most recently when the method of assigning dependent health coverage was revised, impacting estimates of coverage for 2004 and subsequent data years. The Census Bureau released corrections to the assignment of dependent coverage on the CPS in Aug 2006 and March 2007.<sup>7</sup> These revisions resulted in a net decline of 2.5 million in the 2004 estimate of the uninsured.

In this paper, measures of income as a percent of poverty are based on the income of the health insurance unit (HIU). The HIU includes members of the nuclear family who can be covered under one insurance policy such as the policy holder, spouse, children under age 19, and full-time students under age 23. The HIU more accurately reflects the income available to individuals when purchasing health insurance coverage or seeking coverage through public programs.

When examining data by income group, we use the following federal poverty level (FPL) categories to represent low, middle and high income, respectively: below 200% FPL, 200-399% FPL, and 400% FPL and higher. The intent is to show how changes in coverage are affecting individuals at different income levels. The advantage of using poverty thresholds is that they adjust for family size and inflation. The income categories used by the Census Bureau can be misleading in that they do not account for either family size or inflation and may misrepresent the amount of income available to an individual because they can include the income of unrelated individuals living together.

## Main Findings

Table 1 shows changes in health insurance coverage between 2006 and 2007 for three groups: all non-elderly, non-elderly adults, and children. For the non-elderly as a whole, there was an increase in Medicaid and SCHIP coverage, from 11.3 percent to 11.8 percent, or by 1.4 million people. Coverage through Medicare and military health care programs also increased adding another 580,000 people with insurance coverage. There was no change in the rate of employer coverage but due to the overall growth in the population of 1.4 million, 720,000 more Americans appear to have had coverage through employers. The net effect of these coverage changes was to reduce the uninsured rate from 17.9 percent to 17.2 percent, and to reduce the number of uninsured Americans under the age of 65 by 1.5 million.

For adults there was an increase in coverage through both Medicare and military (retired military or dependents of the military) coverage. Each grew by close to 300,000 individuals. There was no change in the rate of employer coverage but because of the growth in the number of adults (960,000), there was an increase of 710,000 adults with employer coverage. The growth in the adult population also contributed to an increase of 440,000 adults with Medicaid/SCHIP. Together, these increases in coverage led the uninsured rate to fall from 20.4 percent to 19.7 percent or by 910,000 adults.

The decline in uninsured children can be attributed to increased participation in Medicaid and SCHIP. The rate of public coverage increased from 22.4 percent to 23.5 percent, resulting in 1.0 million more children covered by Medicaid. This led directly to a decline in the uninsured rate for children from 12.1 percent to 11.3 percent and 570,000 fewer uninsured children.

### Changes in Health Coverage by Income, 2006-2007

Table 1 also shows changes in coverage for low, middle, and high income individuals. Among those with low incomes (less than 200% of the poverty level), the drop in the uninsured resulted primarily from increases in Medicaid and SCHIP enrollment. There was also an increase in Medicaid and SCHIP enrollment among the middle-income group (200% - 399% of the poverty level). The uninsurance rate for high income non-elderly Americans (400% of the poverty level or greater) fell from 5.4 to 4.9 percent or by 510,000 people. This was largely driven by increases in military-related coverage. Enrollment in these programs increased by 260,000. An increase in nonelderly Medicare coverage among those with high incomes (70,000) also contributed.

Nearly two thirds of the decline in the uninsured among adults was among those with income below 200 percent of the federal poverty level (580,000 of 910,000). There was a significant increase in public coverage (Medicaid and Medicare) among this group. The net effect was a reduction in the uninsured rate from 41.2 percent to 40.3 percent. Among high-income adults, the increase in military coverage, as well as other types of coverage, resulted in a decline in the uninsured rate from 5.9 percent to 5.3 percent or by 380,000.

Among children, nearly half of the reduction in the uninsured was among those with incomes below 200% of poverty (270,000). Significant increases in Medicaid and SCHIP participation among low-income

children (from 45.7 percent to 47.7 percent) led to a decline in their uninsurance rate from 19.6 percent to 18.5 percent. For middle-income children, while the increase in the rate of public coverage was not statistically significant, there was a significant increase in the number of children enrolled in Medicaid and SCHIP (170,000). The uninsurance rate for these children fell from 9.1 percent to 8.3 percent and the number of uninsured middle-income children fell by 170,000. Among high-income children, an increase in dependent military coverage contributed to a decline in the uninsurance rate from 3.9 percent to 3.4 percent or by 130,000. There were no significant changes in coverage patterns between young and older children.

### **Changes in Health Coverage among Adults by Age**

A large share of the improved health coverage of adults was among young adults, those ages 19 to 34 (Table 2). Neither increases in the rate of employer or Medicaid/SCHIP coverage were statistically significant alone but changes for all coverage types taken together were significant. The result was a decline in the uninsurance rate of young adults from 28.6 percent to 27.6 percent or by 660,000 people. Most of this occurred among those below 200% of poverty (580,000). There was a significant increase in Medicaid/SCHIP among adults ages 35-54 but this did not result in a significant change in the uninsured. Among those ages 55-64, there was a significant increase in the rate of Medicare and retired or dependent military coverage, with a larger increase (240,000) in Medicare. However, there was no change in the uninsurance rate and essentially no change in the number of uninsured adults ages 55 to 64.

### **Changes in Health Coverage by Citizenship**

Eighty percent of the decline in the uninsured between 2006 and 2007 was among native citizens (1.2 million out of 1.5 million people). This again reflected an increase in the rate of public coverage, which contributed substantially to a decline in the uninsured rate from 15.0 percent to 14.4 percent among native citizens, or by 1.2 million people (Table 3). In contrast, the uninsured rate among naturalized citizens increased, adding 240,000 uninsured.

There was a significant reduction in the number of uninsured non-citizens (540,000) in 2008. This is largely related to the apparent decline in the overall size of the non-citizen population (580,000). While Medicaid and SCHIP coverage did increase by 1.1 percentage point (even though not all non-citizens qualify for these programs), the decline in the uninsurance rate of 1.3 percentage points was not statistically significant among non-citizens.

### **Changes in Health Coverage by Region**

Table 4 shows that most of the reduction in the uninsured occurred in the northeast and the west. In the northeast there was an increase in public coverage and a decline in the uninsured rate. The result was 520,000 fewer uninsured and much of this occurred in a single state, Massachusetts (see below).

In the west, there was an increase in employer-sponsored insurance for reasons that are not clear. Close to half of the increase in the west was in California (data not shown). This led to a decline in the uninsurance rate from 19.9 percent to 18.8 percent or a reduction of 620,000 uninsured. In the south, there were increases in both Medicaid/SCHIP coverage as well as Medicare and military coverage. These led to a decline in the uninsurance rate from 21.5 percent to 20.8 percent. The overall population in the south increased by 1.2 million. Because the increase in population offset the decline in the uninsurance rate, the reduction in the number of uninsured people in the south was relatively modest (340,000).

### **Changes in Health Coverage in Massachusetts**

Massachusetts experienced significant reductions in the uninsured between 2006 and 2007, accounting for 22 percent of the national decline in the nonelderly uninsured. As is well known, Massachusetts enacted a series of health reforms in 2006 intended to lead to universal coverage. The state expanded Medicaid and SCHIP coverage and eliminated caps on coverage for certain adult groups. They also provided income-related subsidies within a new program (Commonwealth Care) that would make coverage more affordable and established a purchasing arrangement called the Connector which made coverage options more accessible. These reforms were implemented in 2006 and 2007. There was a substantial increase by 2007 in public coverage and a major reduction in the number of uninsured (324,000), with the uninsured rate declining from 11.8 percent to 6.0 percent (Table 5).

Among adults in Massachusetts there was an increase in both employer-sponsored insurance and public coverage (Medicaid, SCHIP and Commonwealth Care). The increase in employer-sponsored coverage was likely due to increased participation (or take-up) in employer health benefit offers given the impending implementation of the individual mandate. Public coverage, including subsidized coverage in Commonwealth Care, increased substantially from 10.3 percent to 14.3 percent. The overall result was a reduction in the number of uninsured adults by 257,000. Nearly all of this occurred among those with incomes below 300% of poverty (254,000), the income group at which most of the reforms were targeted (data not shown). Among adults, the uninsured rate fell from 13.8 percent to 7.1 percent. This is very similar to results reported by Long.<sup>8</sup> Among children, there was an increase in the rate of public coverage from 15.3 percent to 25.4 percent. The increase in public coverage led to a decline in the number of uninsured children by 67,000.

### **Other Findings**

There were a few other findings of interest:

- There was a decline in the uninsurance rate for workers from 18.8 percent to 18.2 percent (Table 6). This occurred not because of an increase in employer coverage alone but because of increases in coverage of all types. Overall, the number of uninsured workers declined by 790,000. Of this, 74 percent were workers with low family incomes. As the economy improves and labor markets tighten, health coverage tends to improve among the low-income.

- About 73 percent of the decline in the number of uninsured workers was among those in industries that are less likely to offer health benefits (referred to as Low ESI industries in Table 7). These are defined as industries where less than 80 percent of workers had employer-sponsored insurance in 2007 and include agriculture, construction, wholesale and resale trade and various service industries. Increases in employer coverage, as well as public coverage, contributed to the decline.
- There was a decline in the number of uninsured among whites and Hispanics (Table 8). The number of uninsured whites fell by 690,000 and Hispanics by 550,000. There were no significant changes in the uninsurance rate or number of uninsured blacks or other race/ethnicity groups.

### Will These Improvements Last?

We do not expect the reduction in the number of uninsured to continue. The deteriorating economy and increasing rate of unemployment will likely lead to a decline in the rate of employer-sponsored insurance, as has occurred in the past. Many people will likely gain coverage through Medicaid and SCHIP but the number of uninsured is almost certain to increase. Research done by Garrett earlier this year with Dorn and colleagues for the Kaiser Commission on Medicaid and the Uninsured showed that a 1 percentage point increase in the unemployment rate resulted in the percentage of children receiving employer-sponsored insurance declining by 0.95 percentage points and Medicaid and SCHIP increasing by 0.79 percentage points.<sup>9</sup> They found no effect on the number of uninsured children. These results reflect the fact that broader coverage through Medicaid and SCHIP can help to offset most of the decline in employer-sponsored insurance among children. For adults, results were different. A one percentage point rise in the unemployment rate would reduce the share of adults with employer-sponsored insurance by 0.92 percentage points, increase the share with Medicaid by 0.2 percentage points and increase the share who are uninsured by 0.6 percentage points. The number of uninsured adults increases because of Medicaid's restricted eligibility categories for adults, covering low-income adults only if they are parents, pregnant, or disabled and at lower income eligibility levels than children.

These results indicate that the rate of employer-sponsored insurance for both adults and children would fall by about 1 percentage point for each percentage point increase in the unemployment rate. The unemployment rate for August 2008 was 6.1 percent, a 1.5 percentage point increase since June 2007.<sup>10</sup> Garrett's results suggest that Medicaid and SCHIP coverage of adults would increase by about 700,000 and for children by about 900,000 as a result of this increase (Table 9). These estimates assume that Medicaid and SCHIP programs will not make cutbacks in eligibility standards and tighten enrollment procedures more than they have in the past in response to budget problems.

Applying Garrett's estimates regarding the uninsured to a 1.5 point increase in unemployment indicates that the number of uninsured children would not increase; however the number of uninsured adults would likely increase by 2.1 million. This estimate could very well be low for three reasons. First it does not account for any underlying secular decline in employer-sponsored insurance which would increase the uninsured rate over and above the cyclical effects shown in Table 9. Second, it assumes that the unemployment rate will not exceed 6.1 percent. Finally, it assumes that states will permit Medicaid and SCHIP enrollment to increase to cover all those who are eligible and at least partially offset the decline in employer-sponsored insurance. If Medicaid and SCHIP do not keep up with the new demand as they have in the past then both the number of uninsured children and adults could grown even more.

## Conclusion

The number of uninsured in this country declined between 2006 and 2007 for the first time since 2000, due primarily to increases in public coverage, particularly Medicaid and SCHIP, but also Medicare and military-related coverage. Increased participation in Medicaid/SCHIP was the main contributor to the decline in uninsured children and low-income adults, while increases in military-related coverage primarily led to a reduction in uninsured adults with high incomes.

The impact on the national total of uninsured from a single small state's health reform aimed at achieving universal coverage was remarkable. The number of uninsured in Massachusetts was reduced by half (324,000), which accounted for over a fifth of the total decrease in the number of uninsured last year. Most of the reduction in the uninsured occurred in two regions of the country: the northeast and the west.

Substantial changes in health coverage among the low-income population (having family incomes less than 200% of the poverty level), especially the young, contributed in large part to the nearly 1.5 million decrease in the number of uninsured. Bolstered by a more positive fiscal outlook in 2007 and the anticipation that strong SCHIP reauthorization legislation would be passed, many states took steps that year to expand Medicaid and SCHIP eligibility, as well as simplify enrollment and renewal procedures. The share of low-income children with Medicaid/SCHIP coverage grew from 46 percent to 48 percent in one year. Low-income children accounted for about 300,000 of the total decline in the number of uninsured in 2007.

Low-income young adults (age 19-34) made up nearly 600,000 of the decline in the number of uninsured. As the economy improved last year and the job market tightened, health coverage improved among low-income workers, even those working in jobs that typically are less likely to offer health benefits. Another mostly low-income group, non-citizens, contributed largely to the decline in the number of uninsured—not because of improved employer-coverage, but because of an apparent decline in the overall number of non-citizens in the country.

Unfortunately, the worsening economy and rising rate of unemployment in 2008 make it unlikely that coverage will continue to increase in the absence of policy changes this year. Employer-sponsored health coverage generally falls with rising unemployment. Our estimates predict that employer coverage



will decline in 2008, resulting in an increase in the number of uninsured by at least two million people—which would more than offset the 2007 decline in the uninsured.

During an economic downturn states' revenues contract with less funding available for Medicaid and SCHIP budgets. At the same time, the number of people who qualify for these programs increases. Were it not for temporary federal relief in the form of higher federal matching payment rates to the states, the prolonged impact of the brief 2001 recession (lasting through 2004) may have left states less able to meet the growing need for health coverage. To ensure that more people would be covered, the additional federal funds were conditioned on states maintaining their same income eligibility levels. This short-term federal aid helped states buffer the loss of private coverage among low-income children. Without additional financial assistance, states may be unable to even maintain their current levels of health coverage and be limited in their response to the greater need for coverage as unemployment grows.

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## Endnotes

<sup>1</sup> C. DeNavas-Walt, B.D. Proctor, and J. Smith, "Income, Poverty, and Health Insurance Coverage in the United States: 2007". US Census Bureau, August 2008.

<sup>2</sup> About one percent of military coverage is composed of residual other coverage.

<sup>3</sup> C. DeNavas-Walt, et al.

<sup>4</sup> C. DeNavas-Walt, et al.

<sup>5</sup> K. Lewis, M. Ellwood, and J.L. Czajka, "Counting the Uninsured: A Review of the Literature," Washington, D.C.: The Urban Institute. Accessing the New Federalism Occasional Paper No. 8, U.S. Congressional Budget Office, 2003, "How Many People Lack Health Insurance and for How Long?"

<sup>6</sup> C. DeNavas-Walt, et al.

<sup>7</sup> "Findings from the 2005 Current Population Survey SHADAC Conference Call Highlights", State Health Access Data Assistance Center, September 2006, [http://www.shadac.umn.edu/img/assets/18528/CPS2005Summary\\_Sep2006.pdf](http://www.shadac.umn.edu/img/assets/18528/CPS2005Summary_Sep2006.pdf); "Current Population Survey 2005 and 2006 Annual Social and Economic (ASEC) Supplement User Note 1", U.S. Census Bureau, March 2007, <http://www.census.gov/hhes/www/hlthins/usernote/usernote3-21rev.html>.

<sup>8</sup> Long, Sharon, "On the Road to Universal Coverage: Impacts of Reform in Massachusetts At One Year," *Health Affairs*, 3 June 2008.

<sup>9</sup> S. Dorn, B. Garrett, J. Holahan, and A. Williams, "Medicaid, SCHIP and Economic Downturn: Policy Challenges and Policy Responses," Kaiser Commission on Medicaid and the Uninsured, April 2008.

<sup>10</sup> Bureau of Labor Statistics, extracted on September 24, 2008. (Seas) Unemployment Rate. [http://data.bls.gov/PDQ/servlet/SurveyOutputServlet?data\\_tool=latest\\_numbers&series\\_id=LNS14000000](http://data.bls.gov/PDQ/servlet/SurveyOutputServlet?data_tool=latest_numbers&series_id=LNS14000000).

Table 1

Health Insurance Coverage, 2006-2007  
Nonelderly by Age and Health Insurance Unit Income

	Nonelderly			Adults, 19-64			Children, 0-18		
	Distribution within Income Category		Change in Percent Millions	Distribution within Income Category		Change in Percent Millions	Distribution within Income Category		Change in Percent Millions
	2006	2007	2006-07	2006	2007	2006-07	2006	2007	2006-07
<b>All Incomes (millions of people)</b>	<b>260.0</b>	<b>261.4</b>	<b>1.4<sup>a</sup></b>	<b>181.8</b>	<b>182.8</b>	<b>1.0</b>	<b>78.2</b>	<b>78.6</b>	<b>0.4</b>
Employer Medicaid/SCHIP	163.8	63.0%	164.5	62.9%	-0.1%	0.7	46.7	59.7%	-0.3%
Medicare	29.4	11.3%	30.9	11.8%	0.5%*	1.4 <sup>a</sup>	17.5	22.4%	1.1%* 1.0 <sup>a</sup>
Military	3.1	1.2%	3.5	1.3%	0.1%*	0.3 <sup>a</sup>	0.2	0.2%	0.1%# 0.1 <sup>b</sup>
Private Nongroup	2.9	1.1%	3.2	1.2%	0.1%#	0.2 <sup>a</sup>	0.9	1.1%	0.0%
Uninsured	14.3	5.5%	14.4	5.5%	0.0%	0.1	3.5	4.5%	-0.1%
	46.5	17.9%	45.0	17.2%	-0.7%*	-1.5 <sup>a</sup>	9.4	12.1%	-0.8%*
<b>Less than 200% of FPL</b>	<b>90.8</b>	<b>91.0</b>	<b>0.3</b>	<b>57.7</b>	<b>57.5</b>	<b>-0.2</b>	<b>33.1</b>	<b>33.6</b>	<b>0.5</b>
Employer Medicaid/SCHIP	26.3	29.0%	26.2	28.8%	-0.2%	-0.1	9.8	29.5%	-0.6%
Medicare	25.5	28.1%	26.7	29.3%	1.2%*	1.1 <sup>a</sup>	15.1	45.7%	2.0%* 0.9 <sup>a</sup>
Military	2.2	2.4%	2.4	2.6%	0.2%#	0.2 <sup>b</sup>	0.1	0.4%	0.1%
Private Nongroup	1.0	1.1%	1.0	1.1%	-0.1%	0.0	0.3	1.0%	-0.2%
Uninsured	5.5	6.1%	5.4	5.9%	-0.1%	-0.1	1.2	3.7%	-0.2%
	30.3	33.3%	29.4	32.3%	-1.0%*	-0.9 <sup>a</sup>	6.5	19.6%	-1.1%*
<b>200 to 399% of FPL</b>	<b>74.2</b>	<b>75.2</b>	<b>1.0<sup>b</sup></b>	<b>51.6</b>	<b>52.3</b>	<b>0.8</b>	<b>22.6</b>	<b>22.8</b>	<b>0.2</b>
Employer Medicaid/SCHIP	54.1	72.9%	54.8	72.9%	-0.1%	0.7	17.0	75.4%	0.0%
Medicare	3.1	4.2%	3.4	4.6%	0.4%*	0.3 <sup>a</sup>	2.0	8.7%	0.7% 0.2 <sup>b</sup>
Military	0.7	0.9%	0.7	1.0%	0.1%	0.1	0.0	0.1%	0.0%
Private Nongroup	1.1	1.4%	1.1	1.5%	0.0%	0.0	0.4	1.6%	-0.1%
Uninsured	4.2	5.6%	4.2	5.6%	0.0%	0.0	1.1	5.1%	0.2%
	11.0	14.9%	10.9	14.5%	-0.4%	-0.1	2.1	9.1%	-0.8%#
<b>400% of FPL and above</b>	<b>95.1</b>	<b>95.2</b>	<b>0.1</b>	<b>72.6</b>	<b>73.0</b>	<b>0.4</b>	<b>22.5</b>	<b>22.2</b>	<b>-0.3</b>
Employer Medicaid/SCHIP	83.4	87.7%	83.5	87.7%	0.0%	0.1	19.9	88.5%	0.5%
Medicare	0.8	0.8%	0.8	0.8%	0.0%	0.0	0.4	1.7%	-0.2%
Military	0.3	0.3%	0.3	0.4%	0.1%#	0.1 <sup>b</sup>	0.0	0.0%	0.0%
Private Nongroup	0.9	0.9%	1.1	1.2%	0.3%*	0.3 <sup>a</sup>	0.2	0.8%	0.3%# 0.1 <sup>b</sup>
Uninsured	4.6	4.8%	4.8	5.1%	0.2%	0.2	1.1	5.1%	-0.1%
	5.2	5.4%	4.7	4.9%	-0.5%*	-0.5 <sup>a</sup>	0.9	3.9%	-0.5%# -0.1 <sup>a</sup>

Note: Excludes persons aged 65 and older and those in the Armed Forces.

\* Indicates change in percent of people is statistically significant (at the 95% confidence level).

# Indicates change in percent of people is statistically significant (at the 90% confidence level).

a Indicates change in numbers of people is statistically significant (at the 95% confidence level).

b Indicates change in numbers of people is statistically significant (at the 90% confidence level).

Table 2

**Health Insurance Coverage, 2006-2007  
Nonelderly Adults by Age and Health Insurance Unit Income**

	Adults, 19-34			Adults, 35-54			Adults, 55-64		
	Distribution within Income Category		Change in Percent Millions 2006-07	Distribution within Income Category		Change in Percent Millions 2006-07	Distribution within Income Category		Change in Percent Millions 2006-07
	2006	2007		2006	2007		2006	2007	
<b>All Incomes (millions of people)</b>	<b>63.7</b>	<b>63.8</b>	<b>0.0</b>	<b>85.9</b>	<b>85.7</b>	<b>-0.2</b>	<b>32.2</b>	<b>33.3</b>	<b>1.1<sup>a</sup></b>
Employer Medicaid and State Medicare	35.3	55.3%	0.5%	60.2	70.0%	-0.4%	21.7	67.4%	0.4%
TRICARE/Other federal Private Nongroup Uninsured	5.0	7.9%	0.2%	4.9	5.7%	0.3% <sup>#</sup>	2.0	6.2%	-0.2%
	0.3	0.4%	0.0%	1.2	1.4%	0.0%	1.5	4.6%	0.6% <sup>*</sup>
	0.5	0.8%	0.1%	0.8	0.9%	0.0%	0.7	2.3%	0.4% <sup>*</sup>
	4.4	6.9%	0.2%	4.2	4.8%	0.2%	2.2	6.8%	-0.5%
	18.3	28.6%	-1.1% <sup>*</sup>	14.7	17.1%	-0.2%	4.1	12.7%	-0.7%
<b>Less than 200% of FPL</b>	<b>28.7</b>	<b>28.3</b>	<b>-0.4</b>	<b>21.3</b>	<b>21.3</b>	<b>0.0</b>	<b>7.7</b>	<b>7.9</b>	<b>0.2</b>
Employer Medicaid and State Medicare	8.2	28.8%	0.6%	6.3	29.5%	-0.6%	2.0	26.1%	-0.1%
TRICARE/Other federal Private Nongroup Uninsured	4.4	15.4%	0.7%	4.3	20.0%	0.9%	1.7	22.2%	-1.5%
	0.2	0.8%	0.1%	0.9	4.2%	0.2%	0.9	12.0%	1.2%
	0.2	0.9%	-0.1%	0.2	1.1%	-0.1%	0.2	2.6%	0.8% <sup>#</sup>
	2.5	8.7%	0.1%	1.1	5.3%	0.1%	0.6	8.3%	-0.7%
	13.0	45.5%	-1.4% <sup>*</sup>	8.5	39.9%	-0.4%	2.2	28.8%	0.3%
<b>200 to 399% of FPL</b>	<b>18.8</b>	<b>19.1</b>	<b>0.3</b>	<b>24.7</b>	<b>25.0</b>	<b>0.3</b>	<b>8.1</b>	<b>8.3</b>	<b>0.2</b>
Employer Medicaid and State Medicare	13.0	69.3%	-0.4%	18.5	74.8%	-0.1%	5.6	69.1%	0.3%
TRICARE/Other federal Private Nongroup Uninsured	0.5	2.5%	-0.1%	0.5	1.9%	0.3%	0.2	2.3%	0.7% <sup>#</sup>
	0.0	0.2%	-0.1%	0.2	0.9%	0.0%	0.4	4.8%	0.5%
	0.2	1.0%	0.2%	0.3	1.1%	-0.1%	0.2	2.9%	0.4%
	1.2	6.3%	-0.1%	1.2	5.0%	-0.1%	0.6	7.6%	-0.5%
	3.9	20.7%	0.4%	4.0	16.2%	-0.1%	1.1	13.4%	-1.4% <sup>#</sup>
<b>400% of FPL and above</b>	<b>16.3</b>	<b>16.4</b>	<b>0.1</b>	<b>39.9</b>	<b>39.4</b>	<b>-0.5</b>	<b>16.4</b>	<b>17.2</b>	<b>0.7<sup>a</sup></b>
Employer Medicaid and State Medicare	14.0	86.1%	0.2%	35.4	88.7%	-0.4%	14.1	85.9%	0.2%
TRICARE/Other federal Private Nongroup Uninsured	0.1	0.7%	0.1%	0.2	0.4%	0.0%	0.1	0.7%	0.1%
	0.0	0.0%	0.0%	0.1	0.2%	0.0%	0.2	1.0%	0.4% <sup>*</sup>
	0.1	0.5%	0.8% <sup>*</sup>	0.3	0.8%	0.2% <sup>*</sup>	0.3	1.8%	0.3%
	0.7	4.6%	0.7% <sup>#</sup>	1.8	4.5%	0.4% <sup>#</sup>	0.9	5.7%	-0.4%
	1.3	8.1%	-1.4% <sup>*</sup>	2.2	5.4%	-0.2%	0.8	4.9%	-0.6%

Note: Excludes persons aged 65 and older and those in the Armed Forces.

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**Table 3**  
**Health Insurance Coverage, 2006-2007**  
**Nonelderly by Citizenship Status**

	US Citizen, Native			US Citizen, Naturalized			Non-Citizen		
	Distribution within Income Category		Change in Percent in Millions	Distribution within Income Category		Change in Percent in Millions	Distribution within Income Category		Change in Percent in Millions
	2006	2007	2006-07	2006	2007	2006-07	2006	2007	2006-07
<b>All Incomes (millions of people)</b>	<b>226.8</b>	<b>228.6</b>	<b>1.8<sup>a</sup></b>	<b>11.7</b>	<b>11.9</b>	<b>0.2</b>	<b>21.5</b>	<b>20.9</b>	<b>-0.6</b>
Employer	147.8	149.0	0.0%	7.5	7.4	-1.7%	8.5	8.1	-0.6%
Medicaid/SCHIP	26.5	27.8	0.4%*	0.8	0.9	0.2%	2.0	2.2	1.1%*
Medicare/military	5.6	6.2	0.2%*	0.3	0.3	0.0%	0.2	0.2	0.1%
Private Nongroup	12.7	12.7	0.0%	0.8	0.8	-0.1%	0.8	0.9	0.7%#
Uninsured	34.1	32.9	-0.6%*	2.3	2.6	1.7%#	10.0	9.5	-1.3% <sup>a</sup>

Note: Excludes persons aged 65 and older and those in the Armed Forces.

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**Table 4**  
**Health Insurance Coverage, 2006-2007**  
**Nonelderly by Region**

	Region					
	Distribution within Income Category				Change	
	2006		2007		in Percent	in Millions
	2006	2007	2006	2007	2006-07	2006-07
<b>Northeast</b>	<b>46.9</b>		<b>46.6</b>		<b>-0.3</b>	
Employer	31.9	68.0%	31.4	67.4%	-0.7%	-0.5 <sup>b</sup>
Medicaid/SCHIP	5.6	11.9%	6.2	13.3%	1.3% *	0.6 <sup>a</sup>
Medicare/military	0.7	1.5%	0.7	1.5%	0.0%	0.0
Private Nongroup	2.2	4.6%	2.3	4.9%	0.3%	0.1
Uninsured	6.6	14.0%	6.0	13.0%	-1.0% *	-0.5 <sup>a</sup>
<b>Midwest</b>	<b>57.3</b>		<b>57.4</b>		<b>0.0</b>	
Employer	39.6	69.1%	39.4	68.7%	-0.4%	-0.2
Medicaid/SCHIP	6.0	10.5%	6.2	10.7%	0.3%	0.2
Medicare/military	1.1	2.0%	1.3	2.2%	0.3% *	0.2 <sup>a</sup>
Private Nongroup	3.2	5.6%	3.1	5.5%	-0.2%	-0.1
Uninsured	7.4	12.9%	7.4	12.9%	0.0%	0.0
<b>South</b>	<b>94.4</b>		<b>95.5</b>		<b>1.2<sup>a</sup></b>	
Employer	56.2	59.6%	56.6	59.2%	-0.3%	0.4
Medicaid/SCHIP	10.2	10.9%	10.9	11.4%	0.6% *	0.7 <sup>a</sup>
Medicare/military	2.9	3.1%	3.4	3.5%	0.4% *	0.4 <sup>a</sup>
Private Nongroup	4.7	5.0%	4.8	5.0%	0.0%	0.0
Uninsured	20.3	21.5%	19.9	20.8%	-0.6% *	-0.3
<b>West</b>	<b>61.5</b>		<b>61.9</b>		<b>0.5<sup>a</sup></b>	
Employer	36.1	58.8%	37.1	60.0%	1.2% *	1.0 <sup>a</sup>
Medicaid/SCHIP	7.6	12.3%	7.6	12.3%	-0.1%	0.0
Medicare/military	1.3	2.2%	1.3	2.1%	-0.1%	0.0
Private Nongroup	4.2	6.8%	4.3	6.9%	0.1%	0.1
Uninsured	12.2	19.9%	11.6	18.8%	-1.2% *	-0.6 <sup>a</sup>

Note: Excludes persons aged 65 and older and those in the Armed Forces.

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**Table 5****Health Insurance Coverage in Massachusetts, 2006-2007  
Nonelderly by Age**

	Massachusetts					
	Distribution within Income Category				Change	
					in Percent	in Thousands
	2006	2007	2006-07			
<b>Nonelderly (thousands of people)</b>	<b>5498.1</b>	<b>5493.6</b>			<b>-4.5</b>	
Employer	3848.3	70.0%	3899.5	71.0%	1.0%	51.2
Medicaid/SCHIP	645.0	11.7%	955.5	17.4%	5.7% *	310.5 <sup>a</sup>
Medicare/military	57.1	1.0%	55.4	1.0%	0.0%	-1.7
Private Nongroup	296.3	5.4%	255.5	4.7%	-0.7%	-40.8
Uninsured	651.3	11.8%	327.6	6.0%	-5.9% *	-323.7 <sup>a</sup>
<b>Adults, 19-64</b>	<b>3918.9</b>	<b>3974.1</b>			<b>55.2</b>	
Employer	2695.1	68.8%	2850.2	71.7%	2.9% #	155.0 <sup>b</sup>
Medicaid/SCHIP	403.1	10.3%	568.9	14.3%	4.0% *	165.8 <sup>a</sup>
Medicare/military	51.8	1.3%	52.8	1.3%	0.0%	1.0
Private Nongroup	229.3	5.9%	219.5	5.5%	-0.3%	-9.8
Uninsured	539.7	13.8%	282.8	7.1%	-6.7% *	-256.9 <sup>a</sup>
<b>Children, 0-18</b>	<b>1579.1</b>	<b>1519.5</b>			<b>-59.6</b>	
Employer	1153.2	73.0%	1049.4	69.1%	-4.0%	-103.8
Medicaid/SCHIP	241.9	15.3%	386.7	25.4%	10.1% *	144.7 <sup>a</sup>
Medicare/military	5.4	0.3%	2.6	0.2%	-0.2%	-2.7
Private Nongroup	67.0	4.2%	36.0	2.4%	-1.9% #	-31.0 <sup>b</sup>
Uninsured	111.7	7.1%	44.8	3.0%	-4.1% *	-66.8 <sup>a</sup>

Note: Excludes persons aged 65 and older and those in the Armed Forces.

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<sup>b</sup> Indicates change in numbers of people is statistically significant (at the 90% confidence level).

**Table 6**

**Health Insurance Coverage, 2006-07  
Workers by Health Insurance Unit Income**

	<b>Workers, 18-64</b>					
	<b>Distribution within Income Category</b>				<b>Change</b>	
	<b>2006</b>		<b>2007</b>		<b>in Percent</b>	<b>in Millions</b>
					<b>2006-07</b>	
<b>All Incomes (millions of people)</b>	<b>147.1</b>		<b>147.8</b>		<b>0.7</b>	
Employer	104.3	70.9%	105.1	71.1%	0.2%	0.8
Medicaid/SCHIP	5.1	3.4%	5.3	3.6%	0.1%	0.2
Medicare/military	1.7	1.1%	1.9	1.3%	0.1% *	0.2 <sup>a</sup>
Private Nongroup	8.4	5.7%	8.7	5.9%	0.1%	0.2
Uninsured	27.6	18.8%	26.8	18.2%	-0.6% *	-0.8 <sup>a</sup>
<b>Less than 200% of FPL</b>	<b>36.1</b>		<b>35.5</b>		<b>-0.6</b>	
Employer	13.0	35.9%	12.9	36.3%	0.5%	-0.1
Medicaid/SCHIP	4.0	11.1%	4.1	11.6%	0.5%	0.1
Medicare/military	0.5	1.5%	0.5	1.4%	0.0%	0.0
Private Nongroup	2.9	8.0%	2.8	7.9%	-0.1%	-0.1
Uninsured	15.8	43.6%	15.2	42.7%	-0.9%	-0.6 <sup>a</sup>

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**Table 7**  
**Health Insurance Coverage, 2006-07**  
**Workers by Industry**

	Workers in High ESI Industries <sup>1</sup>				Workers in Low ESI Industries <sup>2</sup>				
	Distribution within Income Category		Change in Percent in Millions		Distribution within Income Category		Change in Percent in Millions		
	2006	2007	2006-07	2006-07	2006	2007	2006-07	2006-07	
<b>All Incomes (millions of people)</b>	<b>52.1</b>	<b>51.5</b>	<b>-0.5</b>		<b>95.0</b>	<b>96.3</b>		<b>1.2<sup>a</sup></b>	
Employer	43.4	83.4%	43.1	83.7%	0.3%	0.3%	62.0	64.4%	0.3%
Medicaid/SCHIP	0.9	1.8%	1.0	1.9%	0.1%	0.0	4.2	4.4%	0.1%
Medicare/military	0.5	0.9%	0.4	0.9%	0.0%	0.0	1.2	1.3%	0.2% <sup>*</sup>
Private Nongroup	2.2	4.1%	2.1	4.0%	-0.1%	-0.1	6.3	6.6%	0.3% <sup>b</sup>
Uninsured	5.1	9.9%	4.9	9.6%	-0.3%	-0.2	22.5	23.7%	-0.9% <sup>*</sup>

Note: Excludes persons aged 65 and older and those in the Armed Forces.

<sup>1</sup>High ESI Industries include industries with an ESI rate of 80% or higher in 2007: Finance; Manufacturing; Info and Communications; Education; Utilities; and Public Administration.

<sup>2</sup>Low ESI Industries include industries with an ESI rate of lower than 80% in 2007: Agriculture; Arts/Entertainment/Recreation; Construction; Former Military; Health and Social Services; Other Services, Professional; Transportation; Wholesale and Retail Trade; and Mining.

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**Table 8**  
**Health Insurance Coverage, 2006-2007**  
**Nonelderly by Race/Ethnicity**

	Race/Ethnicity					
	Distribution within Income Category				Change	
					in Percent	in Millions
	2006	2007	2006-07			
<b>White Only (Non-Hispanic)</b>	<b>166.7</b>	<b>166.7</b>			<b>0.0</b>	
Employer	118.2	70.9%	118.2	70.9%	0.0%	-0.1
Medicaid/SCHIP	12.6	7.6%	12.7	7.6%	0.1%	0.1
Medicare/military	4.0	2.4%	4.5	2.7%	0.3% *	0.4 <sup>a</sup>
Private Nongroup	10.9	6.5%	11.1	6.6%	0.1%	0.1
Uninsured	21.0	12.6%	20.3	12.2%	-0.4% *	-0.7 <sup>a</sup>
<b>Black Only (Non-Hispanic)</b>	<b>32.9</b>	<b>33.2</b>			<b>0.3</b>	
Employer	17.0	51.8%	17.1	51.6%	-0.2%	0.1
Medicaid/SCHIP	6.6	20.1%	7.0	21.1%	1.0%	0.4 <sup>b</sup>
Medicare/military	1.0	3.1%	1.1	3.4%	0.2%	0.1
Private Nongroup	1.0	3.2%	1.0	3.0%	-0.2%	-0.1
Uninsured	7.2	21.8%	6.9	20.9%	-0.9%	-0.2
<b>Hispanic</b>	<b>42.3</b>	<b>43.4</b>			<b>1.0</b> <sup>a</sup>	
Employer	17.3	41.0%	18.0	41.5%	0.5%	0.6 <sup>a</sup>
Medicaid/SCHIP	8.1	19.1%	8.9	20.4%	1.3% *	0.8 <sup>a</sup>
Medicare/military	0.6	1.5%	0.7	1.5%	0.0%	0.0
Private Nongroup	1.1	2.7%	1.3	3.1%	0.3%	0.2 <sup>b</sup>
Uninsured	15.1	35.7%	14.6	33.5%	-2.1% *	-0.5 <sup>a</sup>
<b>Other</b>	<b>18.1</b>	<b>18.2</b>			<b>0.1</b>	
Employer	11.2	62.0%	11.2	61.8%	-0.2%	0.0
Medicaid/SCHIP	2.1	11.6%	2.3	12.4%	0.9%	0.2
Medicare/military	0.4	2.1%	0.4	2.3%	0.2%	0.0
Private Nongroup	1.2	6.5%	1.0	5.7%	-0.7%	-0.1
Uninsured	3.2	17.8%	3.2	17.7%	-0.2%	0.0

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**Table 9**


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**Projected Coverage in 2008,  
Based on an Increase in the Unemployment Rate  
from 4.6% to 6.1%**

	<b>Adults, 19-64</b>			<b>Children, 0-18</b>		
			<b>Change in Millions</b>			<b>Change in Millions</b>
	<b>2007</b>	<b>2008</b>	<b>2007-08</b>	<b>2007</b>	<b>2008</b>	<b>2007-08</b>
<b>Total (millions of people)</b>	<b>182.8</b>	<b>184.8</b>	<b>2.0</b>	<b>78.6</b>	<b>79.2</b>	<b>0.6</b>
Employer	64.5%	63.0%	-1.5	59.4%	58.0%	-0.8
Medicaid/SCHIP	6.8%	7.1%	0.7	18.5%	19.5%	0.9
Uninsured	19.7%	20.6%	2.1	---	---	---

Notes: Changes in coverage do not add up to the total change in population because changes in Medicare, military or private non-group coverage are not shown. Table does not reflect changes in uninsured children because these changes are estimated to be not significant. Excludes persons aged 65 and older and those in the Armed Forces.

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