



# JOINT ECONOMIC COMMITTEE DEMOCRATS



SENATOR JACK REED (D-RI) – RANKING DEMOCRAT

ECONOMIC POLICY BRIEF

SEPTEMBER 2005

## THE NUMBER OF AMERICANS WITHOUT HEALTH INSURANCE GREW BY 860,000 IN 2004, INCREASING FOR THE FOURTH YEAR IN A ROW

Approximately 45.8 million Americans (15.7 percent of the population) lacked health insurance coverage for all of 2004, an increase of 860,000 from 2003, according to newly released Census Bureau data. The number of people without health insurance has increased by 6 million since 2000.

Employer-sponsored health insurance coverage continued to erode, with only 59.8 percent of Americans receiving coverage from an employer in 2004. This is the first year since 1993 that fewer than 60 percent of Americans were covered through their employer. However, increased coverage under Medicaid and continued enrollment success in the State Children's Health Insurance Program (SCHIP) once again prevented even larger increases in the number of uninsured.

The state picture remained largely unchanged in 2004, but several states have continued to experience substantial dips in coverage levels from 1999-2000. Rhode Island, Indiana, Missouri, Oregon and Maryland have seen the largest changes in the percentage of residents without health insurance between 1999-2000 and 2003-2004.

### The National Picture

- The number of uninsured Americans rose to 45.8 million in 2004 – 860,000 more than in the previous year. More Americans are now without health insurance than at any point since Census began collecting comparable data starting in 1987. Since 2000, the number of uninsured Americans has grown by 6 million.
- The percentage of Americans with employer-based health coverage fell from 60.4 percent in 2003 to 59.8 percent in 2004. The total number of Americans with employer-sponsored health coverage has fallen by 3.7 million since 2000, largely because insurance premiums in the employer-sponsored market have risen at double-digit rates in each of the last four years. Many employees are being asked to pay a greater percentage of their insurance premium. Over 21 million Americans who worked full-time were without health insurance in 2004.
- Enrollment in Medicaid grew by 1.9 million in 2004. Medicaid's enrollment percentage increased from 12.4 percent of the population in 2003 to 12.9 percent in 2004. Without these additions to Medicaid, more Americans would be without health coverage. Medicaid enrollment has increased by approximately 8 million since 2000. Over 37 million Americans now rely on Medicaid as a safety net for some or all of their health care needs.
- While the number of non-elderly adults without health insurance continued to increase in 2004, children's coverage remained stable. The number of uninsured non-elderly adults increased by 950,000 between 2003 and 2004. Between 2000 and 2004, the number of uninsured non-elderly adults increased by over 6 million. However, the number of children under 18 years of age without insurance remained about constant in 2004 at 8.3 million, primarily due to the continued enrollment success of the State Children's

Health Insurance Program (SCHIP) and Medicaid. Since the implementation of SCHIP in 1998, the number of children without health insurance has been reduced by 2.8 million, or 4.2 percent.

- Although the rates were largely unchanged in 2004, Hispanics and blacks continue to face high levels of uninsurance. Nearly one-third of all Hispanics were uninsured in 2004, while almost 20 percent of blacks went without health insurance according to the Census Bureau. While the percentage of uninsured has increased for all Americans since 2000, Hispanic and black rates of uninsurance have remained relatively constant. Enrollment increases in Medicaid and SCHIP have likely helped stabilize the number of uninsured among low-income Hispanics and blacks.

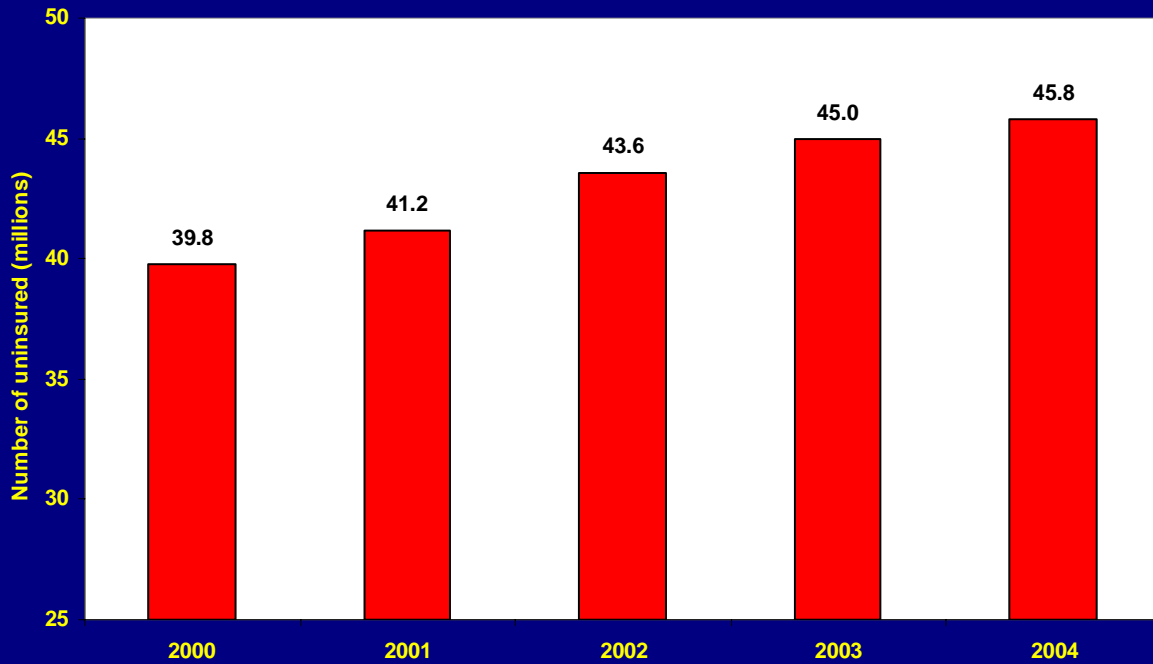
### The State Picture

Following Census guidance on how to utilize state level data, this report compares the two-year average for 1999-2000,

the last years of the Clinton Administration, with the two-year average for 2003-2004, to analyze changes in state health insurance coverage under President Bush. Over that period:

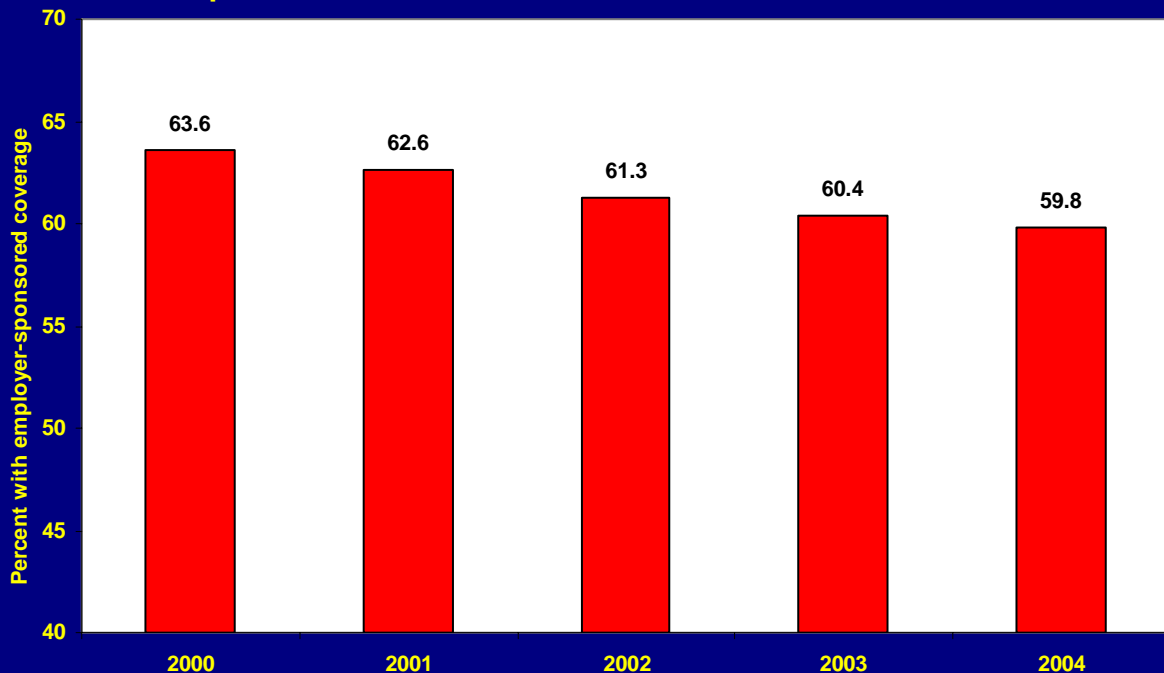
- Thirty-three states experienced a statistically significant increase in the number of uninsured (**Table 1**). The largest increase (827,000) occurred in Texas. New York (with a decline of 209,000) and New Mexico (with a decline of 38,000) were the only two states with statistically significant reductions in the number of uninsured.
- Twenty-eight states also showed a statistically significant increase in the percentage of uninsured (**Table 2**). The state with the largest increase in the percent of the population uninsured was Rhode Island, where the increase was 3.9 percentage points. Other states with increases exceeding 3 percentage points were Indiana, Missouri, Oregon, Maryland, Pennsylvania, Delaware and Tennessee.

**Chart 1 - The Number of Uninsured Americans Has Increased by 6 Million since 2000**



Source: Bureau of the Census, U.S. Department of Commerce.

**Chart 2 - The Percentage of Americans with Employer-Sponsored Health Insurance Has Decreased since 2000**



Source: Bureau of the Census, U.S. Department of Commerce.

Table 1			
Number of People without Health Insurance Coverage for the Entire Year, by State, 1999-2000 and 2003-2004			
State	2-year average (1999-2000)	2-year average (2003-2004)	Change (2003-2004 average less 1999-2000 average) <sup>1</sup>
	Thousands	Thousands	Thousands
United States	40,016	45,391	5,375 *
Alabama	583	619	36
Alaska	117	116	-1
Arizona	957	970	13
Arkansas	380	457	78 *
California	6,443	6,605	162
Colorado	647	770	123 *
Connecticut	319	382	64 *
Delaware	75	105	30 *
District of Columbia	78	76	-1
Florida	2,835	3,275	440 *
Georgia	1,177	1,461	284 *
Hawaii	119	124	5
Idaho	213	232	19
Illinois	1,668	1,791	124 *
Indiana	615	863	248 *
Iowa	235	303	68 *
Kansas	299	295	-4
Kentucky	527	578	52
Louisiana	862	837	-25
Maine	137	131	-6
Maryland	556	786	230 *
Massachusetts	567	715	149 *
Michigan	964	1,118	154 *
Minnesota	380	451	72 *
Mississippi	406	500	94 *
Missouri	449	663	214 *
Montana	155	176	22 *
Nebraska	162	196	34 *
Nevada	363	434	72 *
New Hampshire	109	141	32 *
New Jersey	1,010	1,261	251 *
New Mexico	444	406	-38 *
New York	2,994	2,785	-209 *
North Carolina	1,106	1,373	267 *
North Dakota	72	70	-1
Ohio	1,196	1,322	126 *
Oklahoma	592	693	101 *
Oregon	457	602	145 *
Pennsylvania	1,018	1,419	401 *
Rhode Island	72	114	43 *
South Carolina	537	595	59 *
South Dakota	79	91	12 *
Tennessee	594	803	209 *
Texas	4,651	5,478	827 *
Utah	289	317	28
Vermont	59	63	4
Virginia	856	1,011	155 *
Washington	793	869	76
West Virginia	258	295	37 *
Wisconsin	479	580	101 *
Wyoming	75	74	-1

\*Statistically different from zero at the 90-percent confidence level.

<sup>1</sup>Details may not sum to totals because of rounding

Source: U.S. Census Bureau

Table 2

Percent of People without Health Insurance Coverage for the Entire Year, by State, 1999-2000 and 2003-2004			
State	2-year average (1999-2000)	2-year average (2003-2004)	Change (2003-2004 average less 1999-2000 average)
	Percent	Percent	Percentage points
United States	14.4	15.7	1.3 *
Alabama	13.3	13.8	0.5
Alaska	18.6	18.0	-0.6
Arizona	18.6	17.1	-1.5
Arkansas	14.4	16.9	2.5 *
California	19.0	18.5	-0.5
Colorado	14.9	17.1	2.2 *
Connecticut	9.4	11.0	1.6 *
Delaware	9.6	12.8	3.2 *
District of Columbia	14.1	13.8	-0.3
Florida	17.9	19.0	1.1 *
Georgia	14.7	16.9	2.2 *
Hawaii	9.8	9.9	0.1
Idaho	16.8	17.0	0.2
Illinois	13.6	14.2	0.6
Indiana	10.3	14.0	3.7 *
Iowa	8.2	10.4	2.2 *
Kansas	11.4	11.0	-0.4
Kentucky	13.4	14.1	0.7
Louisiana	19.9	18.9	-1.0
Maine	10.8	10.2	-0.6
Maryland	10.8	14.2	3.4 *
Massachusetts	9.0	11.2	2.2 *
Michigan	9.7	11.2	1.5 *
Minnesota	7.8	8.8	1.0
Mississippi	14.6	17.5	2.9 *
Missouri	8.1	11.8	3.7 *
Montana	17.3	19.2	1.9 *
Nebraska	9.6	11.4	1.8 *
Nevada	17.7	18.7	1.0
New Hampshire	8.7	11.0	2.3 *
New Jersey	12.1	14.6	2.5 *
New Mexico	24.4	21.5	-2.9 *
New York	15.9	14.7	-1.2 *
North Carolina	14.0	16.5	2.5 *
North Dakota	11.5	11.0	-0.5
Ohio	10.7	11.7	1.0 *
Oklahoma	17.7	20.1	2.4 *
Oregon	13.3	16.8	3.5 *
Pennsylvania	8.5	11.7	3.2 *
Rhode Island	6.9	10.8	3.9 *
South Carolina	13.8	14.5	0.7
South Dakota	10.9	12.1	1.2
Tennessee	10.6	13.7	3.1 *
Texas	22.7	24.8	2.1 *
Utah	13.0	13.4	0.4
Vermont	9.8	10.3	0.5
Virginia	12.4	13.7	1.3 *
Washington	13.7	14.2	0.5
West Virginia	14.7	16.5	1.8 *
Wisconsin	8.9	10.6	1.7 *
Wyoming	15.4	15.0	-0.4

\*Statistically different from zero at the 90-percent confidence level.

Source: U.S. Census Bureau