



# JOINT ECONOMIC COMMITTEE DEMOCRATS



SENATOR JACK REED (D-RI) – RANKING DEMOCRAT

ECONOMIC POLICY BRIEF

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## THE NUMBER OF AMERICANS WITHOUT HEALTH INSURANCE ROSE FOR THE FIFTH YEAR IN A ROW IN 2005

Both the number of Americans without health insurance coverage and the uninsured as a percentage of the population rose in 2005, according to the latest estimates by the Census Bureau. The number of people without health insurance is the largest on record and has increased in every year since 2000.

The new Census data also show a decline in the percentage of people with employer-sponsored health insurance, the most important source of health insurance. In addition, the number of children without health insurance, which had been on a downward trend since 1998, increased in 2005.

### The National Picture

- The number of Americans without health insurance rose by 1.3 million in 2005 to 46.6 million. The number of uninsured has increased in each of the last five years (**Chart 1**), and more people are without health insurance now than at any point since Census began collecting comparable data starting in 1987. Since 2000, the ranks of the uninsured have grown by 6.8 million.
- After three years of little change, the percentage of the population not covered by health insurance increased by 0.3 percentage points in 2005, to 15.9 percent. The percentage of people not covered by health insurance has not been this high since 1998.
- The percentage of Americans with employer-based health coverage fell to 59.5 percent in 2005 from 59.8 percent in 2004. That percentage was 63.6 percent in 2000 (**Chart 2**). Three million fewer people had employment-based health insurance coverage in 2005 than had it in 2000. Double-digit average annual increases in insurance premiums in the employer-sponsored market over the last 4 years probably played an important role in the decline in employer-sponsored coverage. Many employees are being asked to finance a greater percentage of their insurance premium or switch to a high-deductible health plan, which may lead some to drop coverage altogether.
- The ranks of the uninsured in 2005 included 21.5 million people who worked full-time.
- Without Medicaid providing stable coverage for millions of low-income Americans, the number of uninsured would most likely have been even higher. Medicaid insured 13.0 percent of the population in 2005, the same as in 2004. Medicaid enrollment has increased by approximately 8.6 million since 2000. Over 38 million Americans now rely on Medicaid as a safety net for some or all of their health care needs.
- The number and percentage of uninsured children under 18 years of age increased in 2005. The total number of uninsured children rose by 361,000 to 8.3 million in 2005. The percentage of children without health insurance increased from 10.8 percent in 2004 to 11.2 percent in 2005, the first increase in the uninsured rate among children since 1998.

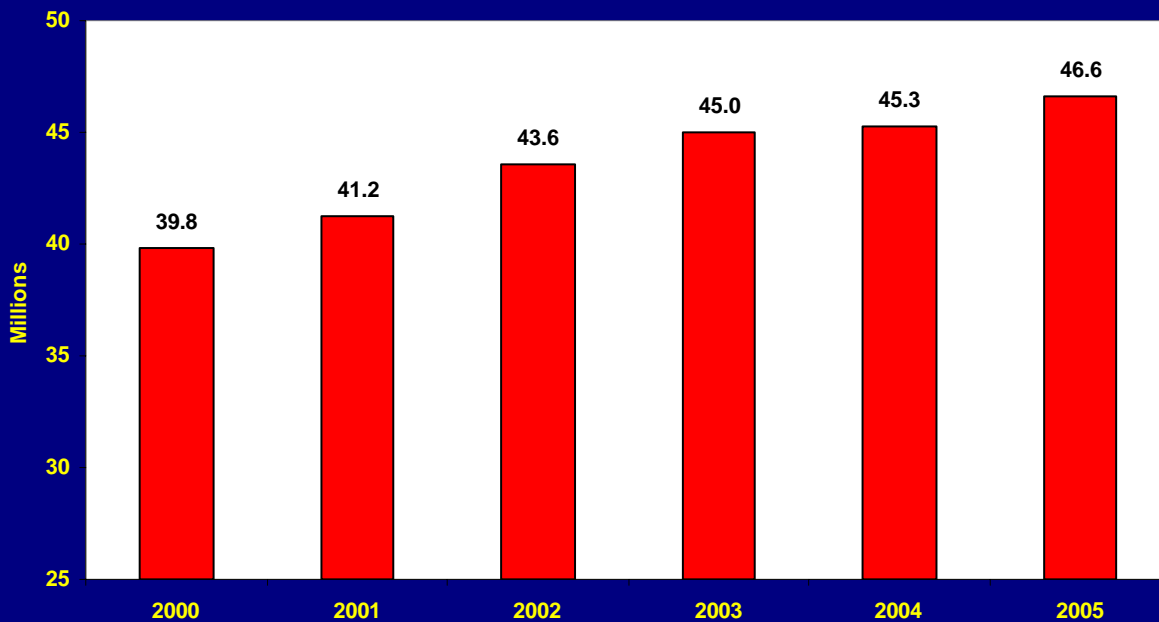
- Between 1998 and 2004, the number of children not covered by health insurance had fallen by 3.1 million. That reduction was largely due to success in enrolling low-income children in the State Children's Health Insurance Program (SCHIP) and Medicaid.
- Rates of uninsurance are very high among Hispanics and African-Americans. Nearly one-third of Hispanics and nearly one-fifth of African-Americans were uninsured in 2005. The Hispanic rate rose to 32.7 percent in 2005 from 32.3 percent in 2004, and the black rate rose to 19.6 percent in 2005 from 19.3 percent in 2004.
- 33 states experienced a statistically significant increase in the number of uninsured (**Table 1**), and 24 states also showed a statistically significant increase in the percentage of uninsured (**Table 2**).
- Texas was the state with the largest increase in the number of uninsured (887,000).
- Rhode Island experienced the largest increase in the percentage of people uninsured (4.5 percentage points). The percentage of people in Missouri without health insurance increased by 4.3 percentage points. The other states with more than a 3 percentage point increase were Delaware, Georgia, Indiana, Maryland, Oregon, and Tennessee.
- Only three states experienced a statistically significant reduction in both the number and percentage of uninsured: New York (with declines of 458,000 people and 2.6 percentage points), New Mexico (with declines of 49,000 people and 3.8 percentage points), and Louisiana (with declines of 109,000 people and 2.2 percentage points).

### The State Picture

Following Census guidance on how to utilize and compare 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 2004-2005, to gauge state health insurance coverage trends under President Bush. Over that period:

**Chart 1 - The Number of Uninsured Has Increased by 6.8 Million since 2000**

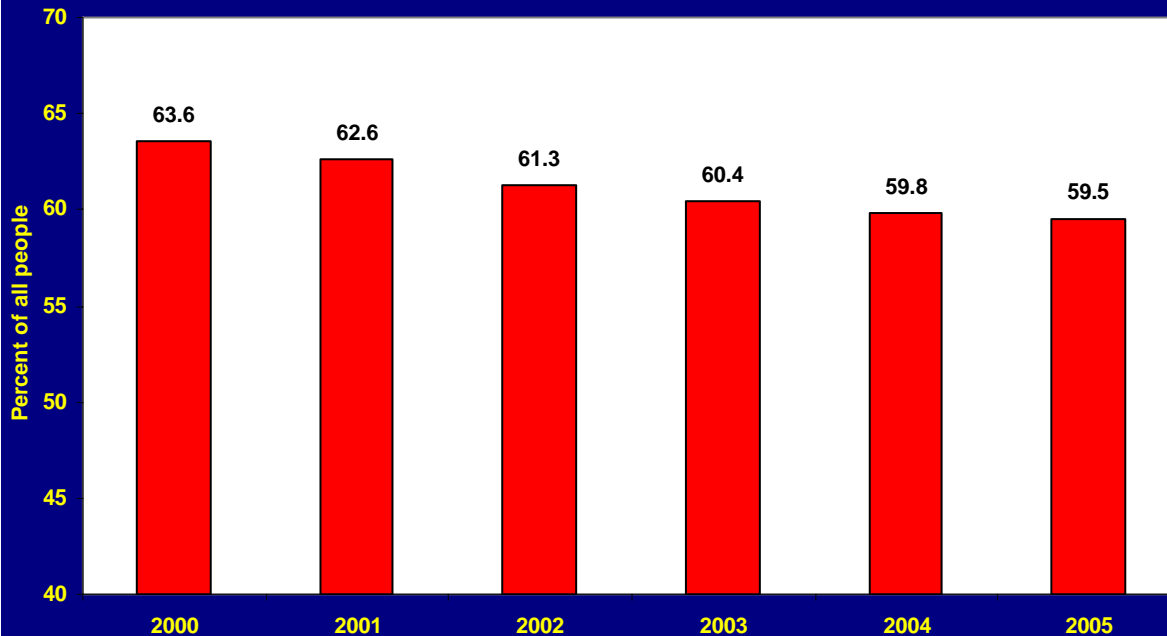
Number of People Not Covered by Health Insurance, 2000-2005



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

**Chart 2 - A Declining Percentage of People Have Employer-Sponsored Health Insurance**

Percentage of Population with Employer-Sponsored Health Insurance, 2000-2005



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 2004-2005			
State	2-year average (1999-2000)	2-year average (2004-2005)	Change (2004-2005 average less 1999-2000 average) <sup>1</sup>
	Thousands	Thousands	Thousands
United States	40,016	45,391	5,926 *
Alabama	583	619	66
Alaska	117	116	-4
Arizona	957	970	149 *
Arkansas	380	457	91 *
California	6,443	6,605	368 *
Colorado	647	770	121 *
Connecticut	319	382	74 *
Delaware	75	105	37 *
District of Columbia	78	76	-7
Florida	2,835	3,275	758 *
Georgia	1,177	1,461	431 *
Hawaii	119	124	-3
Idaho	213	232	5
Illinois	1,668	1,791	117
Indiana	615	863	262 *
Iowa	235	303	30
Kansas	299	295	-6
Kentucky	527	578	20
Louisiana	862	837	-109 *
Maine	137	131	0
Maryland	556	786	235 *
Massachusetts	567	715	114 *
Michigan	964	1,118	183 *
Minnesota	380	451	65 *
Mississippi	406	500	82 *
Missouri	449	663	251 *
Montana	155	176	14
Nebraska	162	196	38 *
Nevada	363	434	74 *
New Hampshire	109	141	27 *
New Jersey	1,010	1,261	278 *
New Mexico	444	406	-49 *
New York	2,994	2,785	-458 *
North Carolina	1,106	1,373	224 *
North Dakota	72	70	-1
Ohio	1,196	1,322	148 *
Oklahoma	592	693	67 *
Oregon	457	602	135 *
Pennsylvania	1,018	1,419	340 *
Rhode Island	72	114	48 *
South Carolina	537	595	139 *
South Dakota	79	91	13 *
Tennessee	594	803	226 *
Texas	4,651	5,478	887 *
Utah	289	317	92 *
Vermont	59	63	11 *
Virginia	856	1,011	172 *
Washington	793	869	39
West Virginia	258	295	48 *
Wisconsin	479	580	69
Wyoming	75	74	0

\*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 2004-2005**

State	2-year average 1999-2000	2-year average 2004-2005	Change (2004-2005 average less 1999- 2000 average)	
	Percent	Percent	Percentage Points	
United States	14.4	15.7	1.3	*
Alabama	13.3	14.4	1.1	
Alaska	18.6	17.3	-1.3	
Arizona	18.6	18.7	0.1	
Arkansas	14.4	17.1	2.7	*
California	19.0	19.0	0.0	
Colorado	14.9	16.8	1.9	*
Connecticut	9.4	11.3	1.9	*
Delaware	9.6	13.5	3.9	*
District of Columbia	14.1	13.1	-1.0	
Florida	17.9	20.3	2.4	*
Georgia	14.7	18.1	3.4	*
Hawaii	9.8	9.2	-0.6	
Idaho	16.8	15.5	-1.3	
Illinois	13.6	14.2	0.6	
Indiana	10.3	14.3	4.0	*
Iowa	8.2	9.1	0.9	
Kansas	11.4	10.9	-0.5	
Kentucky	13.4	13.5	0.1	
Louisiana	19.9	17.7	-2.2	*
Maine	10.8	10.5	-0.3	
Maryland	10.8	14.2	3.4	*
Massachusetts	9.0	10.7	1.7	*
Michigan	9.7	11.5	1.8	*
Minnesota	7.8	8.7	0.9	
Mississippi	14.6	17.1	2.5	*
Missouri	8.1	12.4	4.3	*
Montana	17.3	18.4	1.1	
Nebraska	9.6	11.4	1.8	
Nevada	17.7	18.1	0.4	
New Hampshire	8.7	10.5	1.8	*
New Jersey	12.1	14.8	2.7	*
New Mexico	24.4	20.6	-3.8	*
New York	15.9	13.3	-2.6	*
North Carolina	14.0	15.6	1.6	*
North Dakota	11.5	11.4	-0.1	
Ohio	10.7	11.9	1.2	
Oklahoma	17.7	19.0	1.3	
Oregon	13.3	16.4	3.1	*
Pennsylvania	8.5	11.1	2.6	*
Rhode Island	6.9	11.4	4.5	*
South Carolina	13.8	16.3	2.5	*
South Dakota	10.9	12.1	1.2	
Tennessee	10.6	14.0	3.4	*
Texas	22.7	24.5	1.8	*
Utah	13.0	15.5	2.5	*
Vermont	9.8	11.4	1.6	
Virginia	12.4	13.9	1.5	*
Washington	13.7	13.4	-0.3	
West Virginia	14.7	17.0	2.3	*
Wisconsin	8.9	10.0	1.1	
Wyoming	15.4	14.8	-0.6	

-Represents zero.

\*Statistically significant at the 90-percent confidence level.

Source: U.S. Census Bureau, Current Population Survey,