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THE NUMBER OF UNINSURED AMERICANS
RISES SHARPLY IN 2002
15 Out of Every 100 Americans Lack Health Insurance

Washington, D.C. – A new report on health insurance coverage in the U.S. released today by the Census Bureau shows that the number of uninsured Americans rose to 43.6 million in 2002 – 2.4 million more than the previous year. The total number of uninsured Americans has increased by 3.8 million since President Bush took office and now totals 15.2 percent of our population.

“The growing impact of the Bush jobless recovery is evident in this new Census report as rising unemployment, escalating premiums, and growing state budget cuts mean more American families are going without health insurance,” said **Rep. Pete Stark**, Senior Democrat on the **Joint Economic Committee**. “This is the second punch of the double whammy – you lose your job and then you lose your health insurance,” said Stark.

For the second year in a row, the Census report finds that fewer Americans have private health insurance. The percentage of Americans with private health insurance fell to 69.6 percent, down from 70.9 percent in 2001. Employment-based coverage, the largest component of the U.S. health insurance system, fell to 61.3 percent in 2002, a 1.3 percentage point decline from 2001 and 2.3 percentage points fewer than 2000.

While the number of Americans with private health plans fell, an additional 3.2 million Americans were enrolled in Medicaid in 2002 according to administrative data, as the enrollment percentage increased from 11.2 percent of the population in 2001 to 11.6 percent in 2002. With state fiscal difficulties continuing, most states will not be able to sustain their Medicaid enrollment without a renewed federal commitment to the program.

“As this report highlights, America is heading in the wrong direction as people are losing health insurance – and this report does not even tell the whole story. It does not account for the significant decreases in financial commitments to Medicaid and SCHIP that states are being forced to make due to their budget crises,” said Rep. Stark. “Instead of developing a national solution to expand health insurance coverage, President Bush is further jeopardizing those who still have coverage by offering proposals such as block granting Medicaid,” concluded Rep. Stark.

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Other key findings from the Census report include:

- **The percentage of uninsured Americans increased to 15.2 percent, up from 14.6 percent in 2001** – Both the percentage and the number of Americans without health insurance increased substantially in 2002. Since 2000, the percentage of uninsured Americans has risen a full percentage point, from 14.2 percent in 2000 to 15.2 percent in 2002.
- **The percentage of uninsured increased for all family income levels – demonstrating that no American families can escape the danger of losing their health insurance.** While the percentage of uninsured increased the most for households earning between \$25,000 and \$50,000 (increasing 1.6 percentage points to 19.3 percent in 2002), even those Americans with family earnings over \$75,000 a year were more likely to be uninsured last year than in the previous year.
- **Part of the reason for the erosion of employer-based coverage can be traced to the increase in health insurance premiums.** According to an employer survey by the Kaiser Family Foundation, premiums rose by 13.9 percent in 2003, following an increase of 12.9 percent in 2002. The average annual premium for a family has risen to over \$2,400 in 2003.
- **The State Children’s Health Insurance Program (SCHIP) has succeeded at reducing the number of low-income children without health insurance, yet insurance rates for children under 18 remained constant in 2002, for the second year in a row.** The number of children without health insurance remained steady at 8.5 million, despite an increase of 600,000 in SCHIP enrollment. Rep. Stark and Sen. Jay Rockefeller (D-WV) are co-sponsors of The MediKids Health Insurance Act that would use the Medicare program as a model and provide universal health care for America’s children.
- **Providing Medicaid coverage to the low-income population has placed states under substantial pressure in their efforts to maintain and increase enrollment for eligible Americans.** Although administrative data show that 3.2 million more Americans were covered under Medicaid in 2002 than in the previous year, continued state fiscal pressures and an uncertainty about future federal assistance may make these coverage levels unsustainable in the future.
- **States have had varying success in reducing the number of uninsured. Minnesota, Rhode Island and Wisconsin have uninsured rates of approximately 8 percent (using 3-year averages). The President’s home state of Texas has the highest uninsured rate in the U.S., with 24.1 percent of its population without insurance (using a 3-year average).**

The Joint Economic Committee, established under the Employment Act of 1946, was created by Congress to review economic conditions and to analyze the effectiveness of economic policy.

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