

# SECTION 3

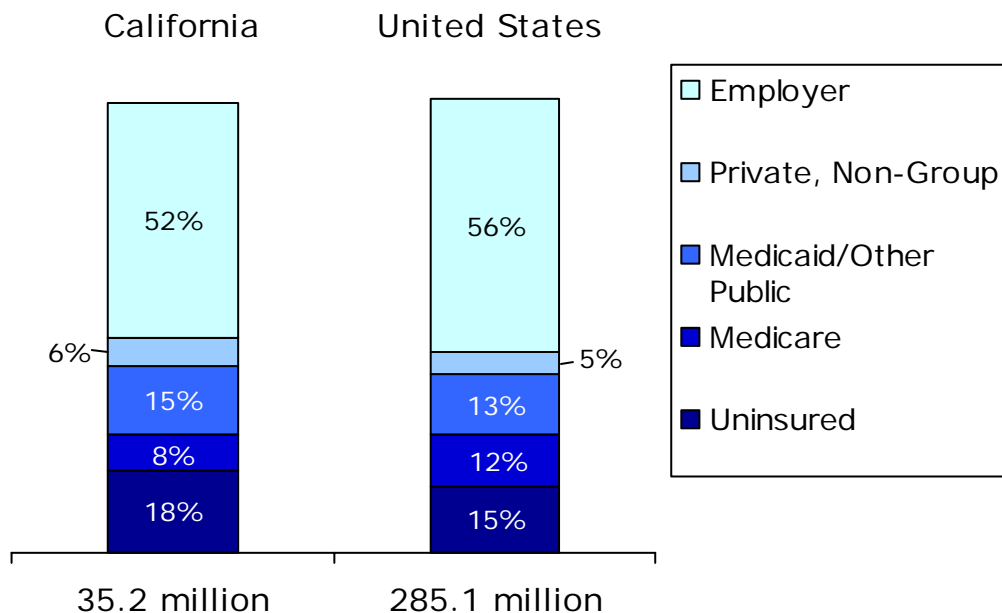
## Health Insurance Coverage

This section provides an overview of health insurance coverage in California and the United States, with particular attention given to the health insurance status of the non-elderly. The insurance status of low-income persons and the uninsured is addressed by characteristics such as gender, poverty status, race/ethnicity, and citizenship status. This section also includes data on uninsured workers.

### Exhibit 3.1

## Distribution of the Total Population by Health Insurance Status, California and the United States, 2002

California had a higher share of uninsured residents compared to the United States overall (18% vs. 15%) in 2002. Among others, a contributing factor was California's higher immigrant population compared to the United States (26.5% vs. 11.5%, Exhibit 1.6); compared to the rest of the population, immigrants are less likely to have health insurance coverage (Exhibit 3.3). California also had lower rates of employer-based health insurance coverage compared to the United States (52% vs. 56%). Among residents receiving coverage under public programs, California had a higher proportion of its population enrolled in Medicaid and other public programs compared to the United States (15% vs. 13%), and a lower proportion of its population enrolled in the Medicare program (8% vs. 12%).



Notes: May not total to 100% due to rounding. See Detailed Notes and Sources at the end of Section 3.

Source: Urban Institute and the Kaiser Commission on Medicaid and the Uninsured estimates based on the March 2003 Current Population Survey.

## Exhibit 3.2

### Distribution of Population Groups by Health Insurance Status

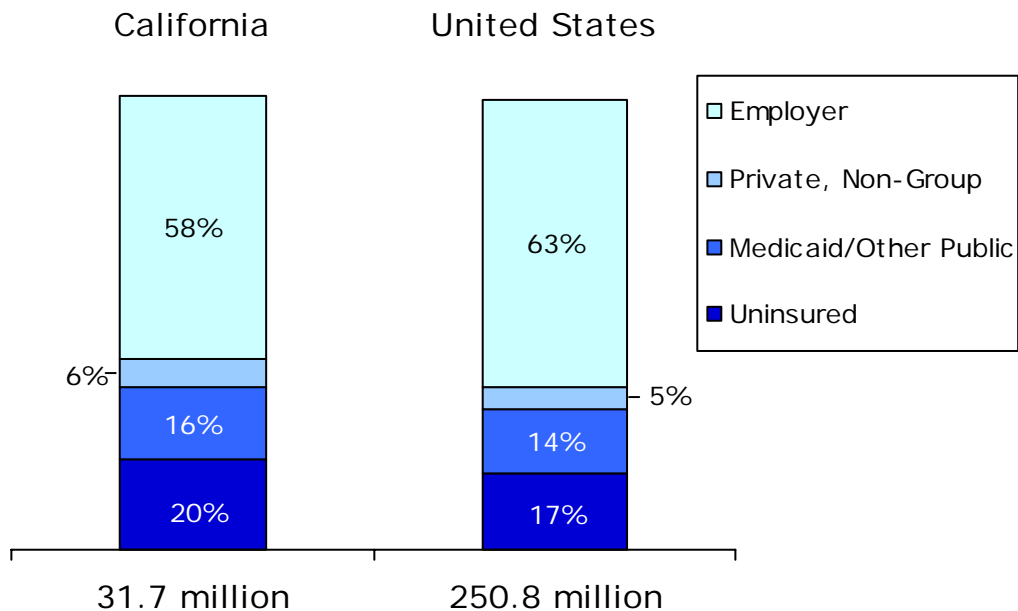
Among the non-elderly population (ages 0-64), California had a higher rate of uninsured persons than the United States as a whole (20% vs. 17%) and a lower rate of employer-based health insurance compared to the United States (58% vs. 63%) in 2002. California and the United States had the same proportion of the population enrolled in both private, non-group health insurance plans (6% vs. 5%), and a similar proportion in Medicaid and other public programs (16% vs. 14%). (Exhibit 3.2a)

Health insurance coverage was similarly distributed among the non-elderly adult population (ages 19-64). Again, California had a higher rate of uninsured (23% vs. 20%) and a lower rate of employer-based insurance coverage (60% vs. 65%) compared to the United States as a whole. In both California and the United States, the same share of the population was enrolled in private, non-group health insurance plans (7% vs. 6%), and Medicaid and other public programs (10% vs. 9%). (Exhibit 3.2b)

Among children (up to age 18), California had a slightly higher proportion of uninsured (14% vs. 12%) and a lower proportion of children covered by employer-sponsored health insurance (53% vs. 59%). California also had a slightly higher proportion of children enrolled in Medicaid and other public programs compared to the United States (28% vs. 25%). In both California and the United States, children were much more likely to be covered by Medicaid and other public forms of health insurance than non-elderly adults. (Exhibit 3.2c)

## Exhibit 3.2a

### Distribution of the Non-Elderly (Ages 0-64) by Health Insurance Status, California and the United States, 2002

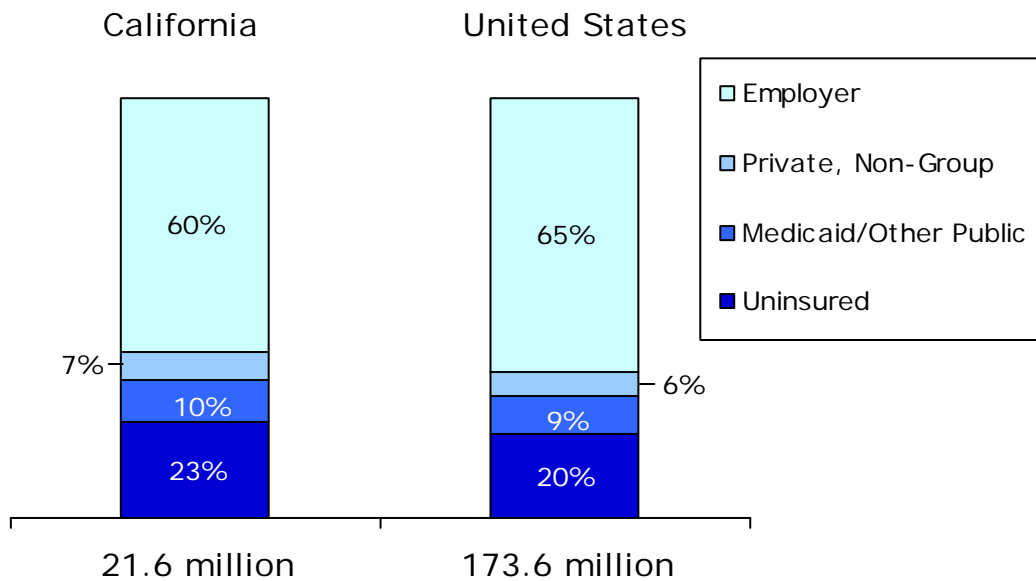


Notes: May not total to 100% due to rounding. See Detailed Notes and Sources at the end of Section 3.

Source: Urban Institute and the Kaiser Commission on Medicaid and the Uninsured estimates based on the March 2003 Current Population Survey.

### Exhibit 3.2b

## Distribution of Non-Elderly Adults (Ages 19-64) by Health Insurance Status, California and the United States, 2002

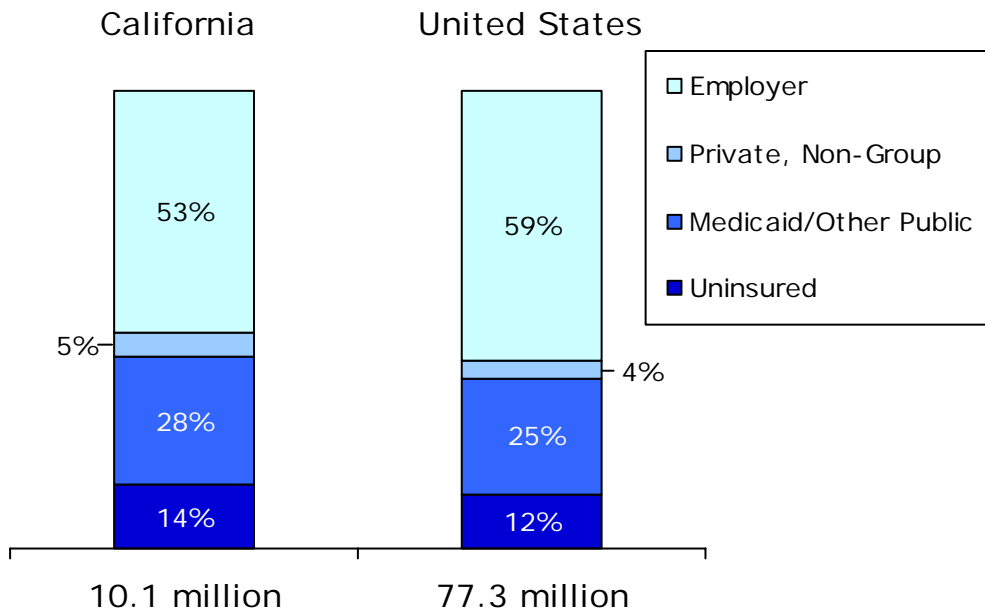


Notes: See Detailed Notes and Sources at the end of Section 3.

Source: Urban Institute and the Kaiser Commission on Medicaid and the Uninsured estimates based on the March 2003 Current Population Survey.

### Exhibit 3.2c

## Distribution of Children (Ages 18 and Under) by Health Insurance Status, California and the United States, 2002



Notes: The State Children's Health Insurance Program (known as Healthy Families in California) is included in Medicaid. See Detailed Notes and Sources at the end of Section 3.

Source: Urban Institute and the Kaiser Commission on Medicaid and the Uninsured estimates based on the March 2003 Current Population Survey.

### Exhibit 3.3

## Health Insurance Coverage of the Non-Elderly (Ages 0-64) by Selected Characteristics, California and the United States, 2002

	Non-Elderly (millions)		Percent Distribution by Coverage Type					
			Private		Public		Uninsured	
	CA	US	CA	US	CA	US	CA	US
Total- Non-Elderly	31.7	250.8	64.0%	68.6%	15.9%	14.1%	20.0%	17.3%
Annual Family Income								
< \$20,000	8.3	61.3	26.1%	28.9%	33.6%	34.8%	40.2 %	36.3%
\$20,000 - \$39,999	7.4	56.5	55.7%	62.5%	19.4%	15.6%	24.9%	21.9%
\$40,000+	16.0	133.0	87.7%	89.5%	5.1 %	4.0%	7.3%	6.5%
Family Poverty Level								
<100%	6.0	42.2	20.9%	21.9%	39.3%	41.4%	39.8%	36.7%
100-199%	6.1	43.5	42.4%	47.9%	26.2%	23.8%	31.3%	28.3%
200%+	19.7	165.2	83.8%	86.0%	5.7 %	4.6%	10.6%	9.4%
Family Work Status								
2 Full-time	8.1	71.2	81.3%	87.0%	8.0%	4.7%	10.7%	8.3%
1 Full-time	17.8	135.4	67.2%	71.0%	12.7%	11.2%	20.1%	17.8%
Only Part-time	2.1	17.1	44.6%	43.9%	21.8%	25.4%	33.6%	30.8%
Non-Workers	3.7	27.1	22.8%	23.8%	45.0%	46.6%	32.2%	29.6%
Race/Ethnicity								
White (non-Hispanic)	14.2	165.8	77.9%	77.4%	9.9%	10.1%	12.2%	12.5%
Black (non-Hispanic)	2.0	31.6	57.9%	52.1%	25.6%	26.3%	16.5%	21.6%
Hispanic	11.2	37.2	46.1%	44.5%	22.7%	21.4%	31.2%	34.1%
Asian/Pacific Islander	3.7	11.0	69.1%	69.4%	11.6%	10.6%	19.3%	20.0%
Citizenship								
U.S. citizen-native	23.4	221.1	68.7%	70.7%	16.8%	14.7%	14.5%	14.6%
U.S. citizen-naturalized	3.0	10.3	68.1%	68.9%	10.4%	9.4%	21.5%	21.7%
Non-U.S. citizen, resident for < 5 years	1.4	7.2	31.6%	37.9%	16.4%	10.9%	52.1%	51.3%
Non-U.S. citizen, resident for 5+ years	3.9	12.3	44.9%	47.5%	14.7%	10.6%	40.4%	41.9%

Notes: May not total 100% due to rounding. See Detailed Notes and Sources at the end of Section 3.

Source: Urban Institute and the Kaiser Commission on Medicaid and the Uninsured estimates based on the March 2003 Current Population Survey.

## Exhibit 3.4

### Health Insurance Coverage of Low-Income Individuals

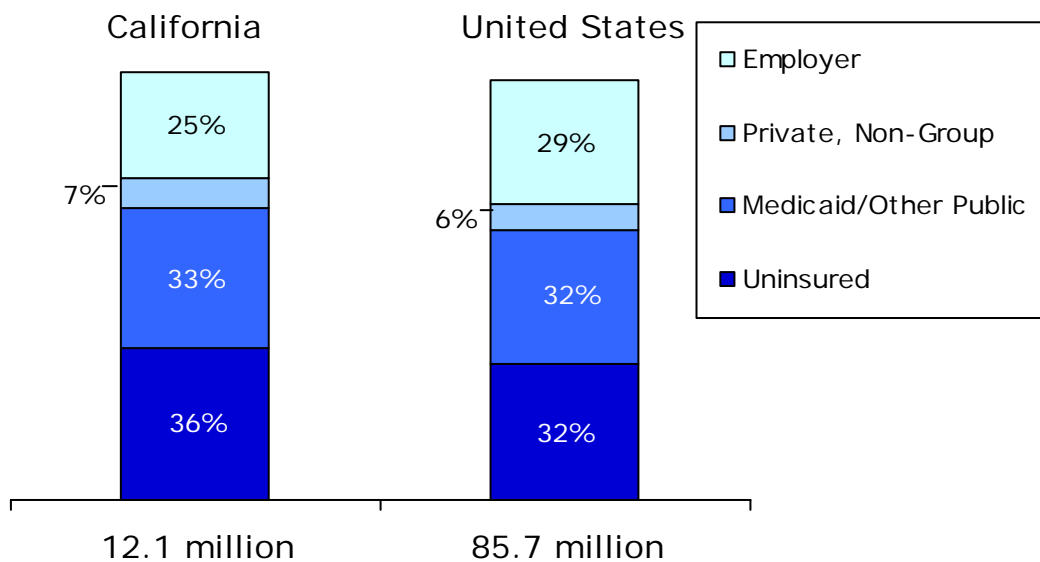
Low-income non-elderly persons (with family incomes below 200% of the federal poverty threshold) were more than one and a half times more likely to be uninsured compared to the non-elderly population as a whole in 2002; approximately one-third of the low-income non-elderly persons in both California and the United States were uninsured (36% and 32%, respectively). The low-income non-elderly in California and the United States were more than twice as likely to be covered by Medicaid or other public programs as the non-elderly as a whole. Only 25% of low-income non-elderly Californians and 29% of the low-income non-elderly population in the United States received health insurance coverage through an employer, less than half the rate of employer-sponsored health insurance coverage among the total non-elderly population. (Exhibit 3.4a and 3.2b)

Health insurance coverage varied considerably between low-income children and adults in California and the United States. Poor and near-poor children in California and the United States were much more likely to receive Medicaid and less likely to be uninsured compared to adult women or men. Poor and near-poor men in California and the United States were the least likely to be enrolled in Medicaid, and the most likely to be uninsured. (Exhibit 3.4b)



### Exhibit 3.4a

## Distribution of the Low-Income Non-Elderly by Health Insurance Status, California and the United States, 2002

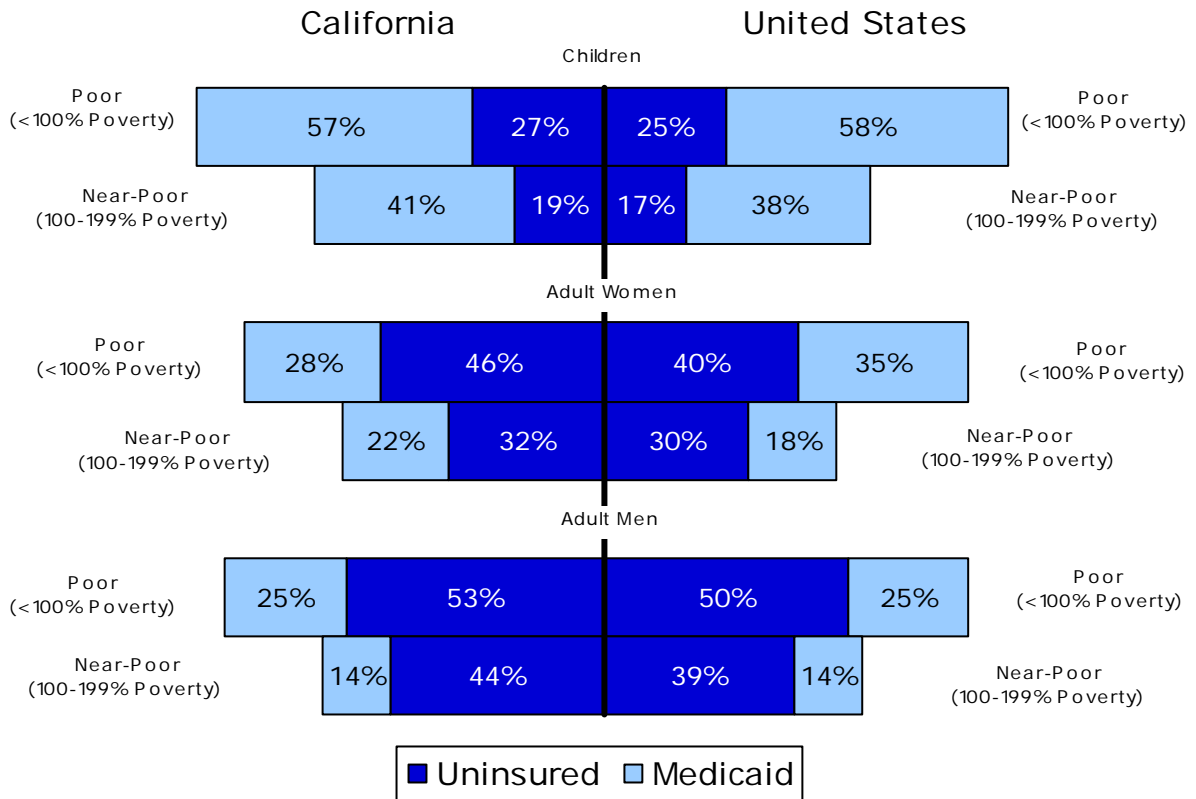


Notes: The non-elderly population includes all individuals under age 65. Low-income is defined as below 200% of the federal poverty threshold (\$18,366 for an individual and \$28,696 for a family of three in 2002). See Detailed Notes and Sources at the end of Section 3 for additional notes.

Source: Urban Institute and the Kaiser Commission on Medicaid and the Uninsured estimates based on the March 2003 Current Population Survey.

## Exhibit 3.4b

# Health Insurance Coverage of Low-Income Children and Non-Elderly Adults, California and the United States, 2002



Notes: Children are ages 18 and under. Non-elderly adults are individuals ages 19-64. Poverty is defined as annual income less than the federal poverty threshold, which in 2002 was \$9,183 for an individual and \$14,348 for a family of three. See Detailed Notes and Sources at the end of Section 3.

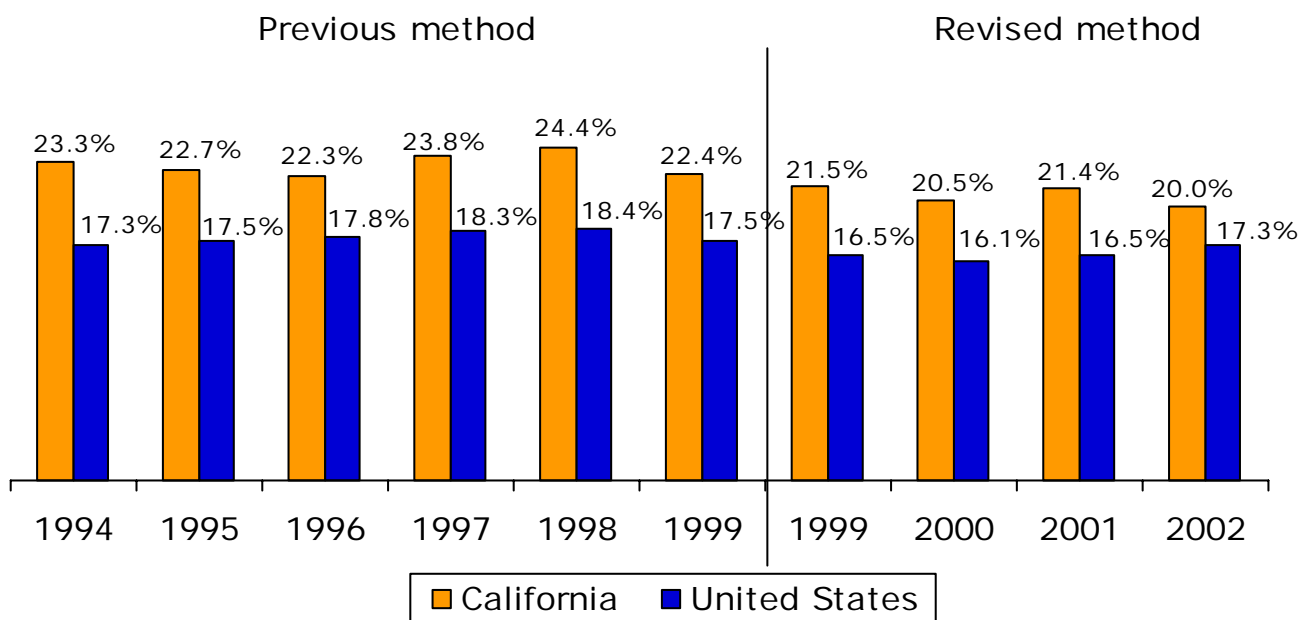
Source: Urban Institute and the Kaiser Commission on Medicaid and the Uninsured estimates based on the March 2003 Current Population Survey.

## Exhibit 3.5

### Non-Elderly Uninsured, California and the United States, 1994-2002

From 1994 to 2002, California has consistently had higher rates of uninsured non-elderly persons compared to the United States overall. In 1998, 24.4% of Californians and 18.4% of all Americans reported that they lacked any source of coverage. Most recently, in 2002, 20.0% of Californians (6.4 million) and 17.3% of the United States nonelderly population (43.3 million) were uninsured.

Uninsured Rates (Ages 0-64)



	Number of Non-Elderly Uninsured (Ages 0-64), in millions									
	1994	1995	1996	1997	1998	1999	(rev.) 1999	2000	2001	2002
CA	6.6	6.5	6.5	7.0	7.3	6.8	6.5	6.3	6.7	6.4
US	39.8	40.6	41.7	43.1	43.9	42.1	40.0	39.6	40.9	43.3

Notes: The revised method rates estimated for 1999 are comparable to later years, except they are based on a smaller sample. See Detailed Notes and Sources at the end of Section 3 for information about multi-year comparisons.

Source: Urban Institute and the Kaiser Commission on Medicaid and the Uninsured estimates based on the March 2003 Current Population Survey.

## Exhibit 3.6

### Characteristics of Non-Elderly Uninsured

Non-elderly adult men (ages 19-64) were more likely to be uninsured than non-elderly adult women or children in 2002. In California, 25% of adult men were uninsured, compared to 20% of adult women and 14% of children. Similarly, in the United States, 22% of adult men were uninsured compared to 18% of adult women and 12% of children. A higher percentage of adult men, adult women, and children in California were uninsured compared to their counterparts in the United States overall. (Exhibit 3.6a)

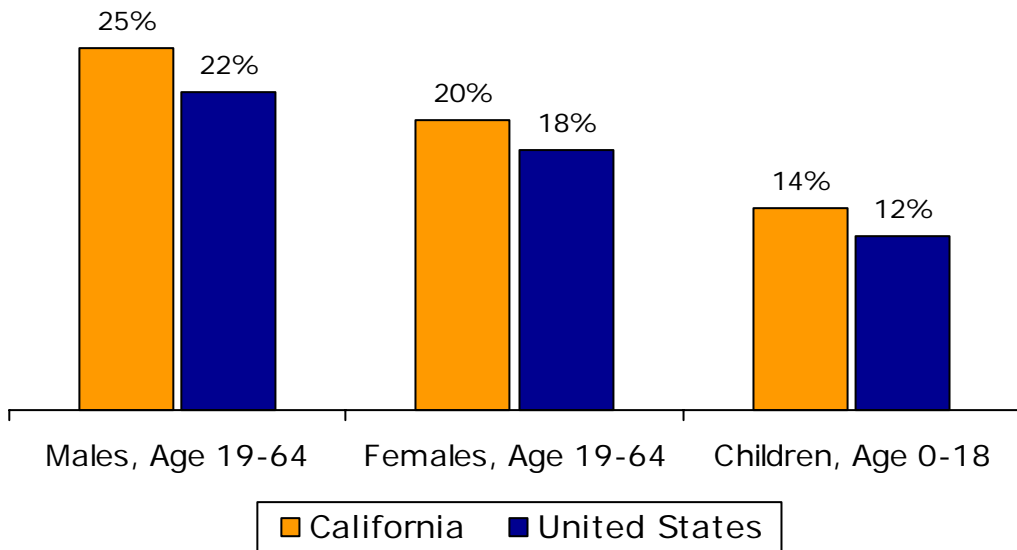
In both California and the United States, individuals with lower incomes were more likely to be uninsured. For example, 40% of Californians with incomes below the poverty threshold were uninsured, compared to 31% of those with incomes between 100-199% of poverty, 21% of those with incomes between 200-299% of poverty, and 7% of those with incomes 300% or more of the poverty threshold. Within all but the highest income category, California had a greater proportion of uninsured compared to the United States overall. (Exhibit 3.6b)

Rates of the uninsured varied greatly by racial and ethnic groups. Non-Hispanic Whites had the lowest proportion of uninsured (12% in California and the United States), while Hispanics were the most likely to lack coverage (31% in California and 34% across the United States). The high uninsured rates among California's large Hispanic population (35% of California's population was Hispanic vs. 13% of the total U.S. population, Exhibit 1.4) contributes to the state's higher uninsured rate compared to the United States overall. (Exhibit 3.6c)

Disparities in health insurance coverage also exist across citizenship status, both in California and in the United States. In California, native U.S. citizens were about one-third as likely to be uninsured as non-citizen residents (15% compared to 51% of non-citizens who were residents for less than 5 years). Rates in the United States were similar, with native citizens reporting the lowest rates of uninsured (15%) and non-citizens who had been residents for less than 5 years reporting the highest rates of uninsured (52%). The large immigrant share of the population in California (27% vs. 12% in the U.S., Exhibit 1.6) contributed to the higher uninsured rate in California compared to the United States. (Exhibit 3.6d)

### Exhibit 3.6a

## Non-Elderly Uninsured Rates by Age and Gender, California and the United States, 2002

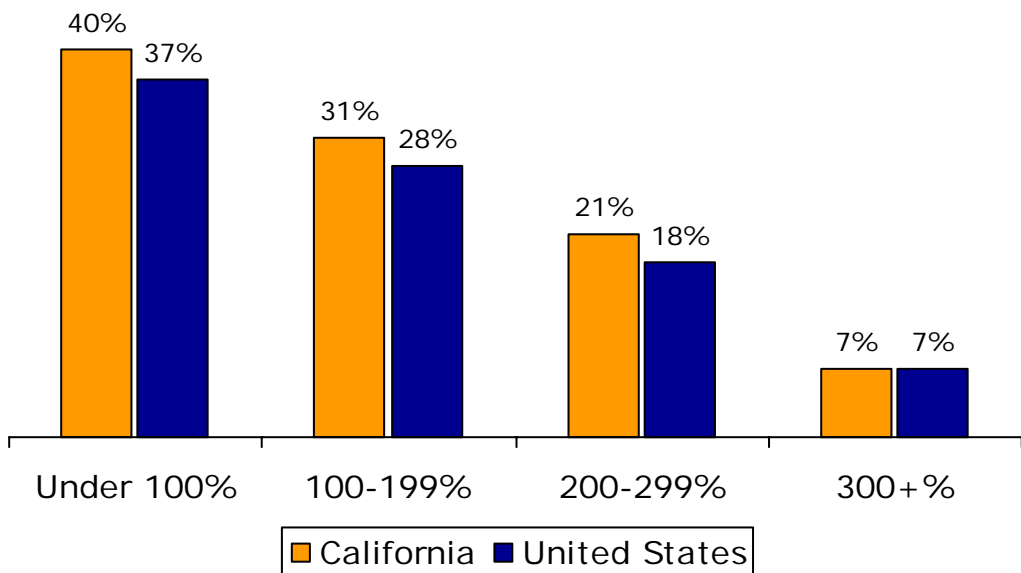


Notes: See Detailed Notes and Sources at the end of Section 3.

Source: Urban Institute and the Kaiser Commission on Medicaid and the Uninsured estimates based on the March 2003 Current Population Survey.

### Exhibit 3.6b

## Non-Elderly Uninsured Rates by Federal Poverty Threshold, California and the United States, 2002

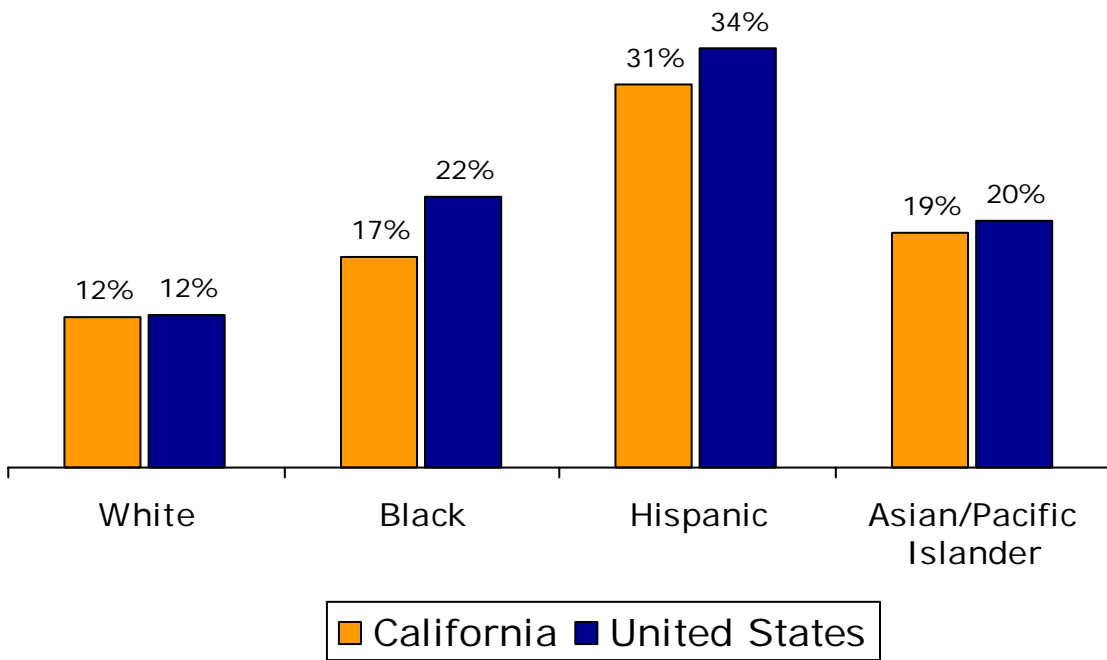


Notes: The non-elderly population includes all individuals under age 65. In 2002, the federal poverty threshold was \$9,183 for an individual and \$14,348 for a family of three. See Detailed Notes and Sources at the end of Section 3.

Source: Urban Institute and the Kaiser Commission on Medicaid and the Uninsured estimates based on the March 2003.

### Exhibit 3.6c

## Non-Elderly Uninsured Rates by Race/Ethnicity, California and the United States, 2002

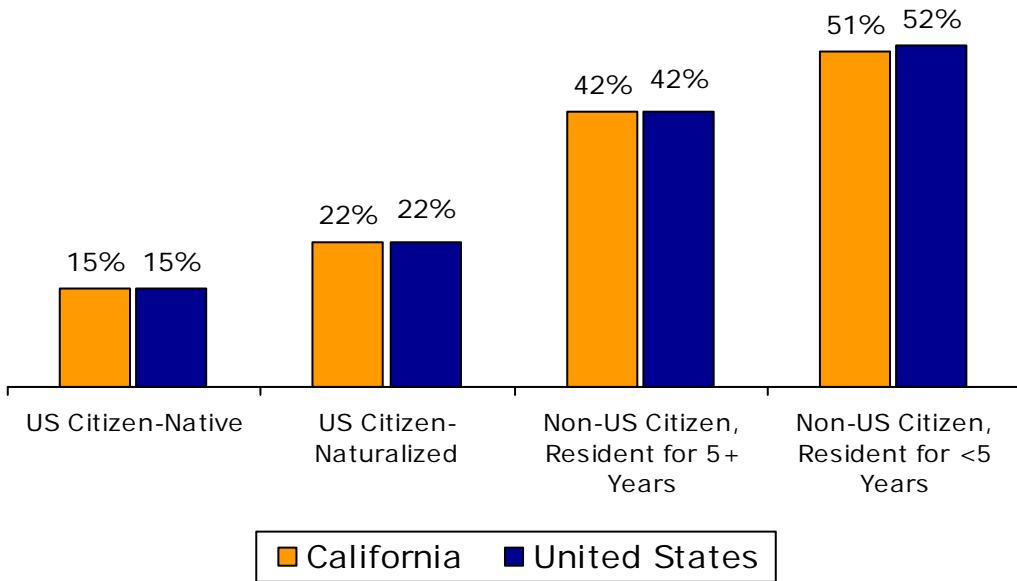


Notes: The non-elderly population includes all individuals under age 65. White, Black, and Asian/Pacific Islander exclude Hispanic ethnicity. Hispanics may be of any race. See Detailed Notes and Sources at the end of Section 3.

Source: Urban Institute and the Kaiser Commission on Medicaid and the Uninsured estimates based on the March 2003 Current Population Survey.

### Exhibit 3.6d

## Non-Elderly Uninsured Rates by Citizenship Status, California and the United States, 2002



Notes: The non-elderly population includes all individuals under age 65. See Detailed Notes and Sources at the end of Section 3.

Source: Urban Institute and the Kaiser Commission on Medicaid and the Uninsured estimates based on the March 2003 Current Population Survey.



### Exhibit 3.6e

## Characteristics of the Non-Elderly Uninsured, California and the United States, 2002

	Uninsured (millions)		Percent of Uninsured		Uninsured Rate	
	CA	US	CA	US	CA	US
Total-Non-Elderly	6.4	43.3	100%	100%	20.0%	17.3%
Age						
Children-Total	1.5	9.3	22.9%	21.5%	14.4%	12.0%
Adults-Total	4.9	34.0	77.1%	78.5%	22.7%	19.6%
Annual Family Income						
<\$20,000	3.4	22.3	52.7%	51.4%	40.2%	36.3%
\$20,000 - \$39,999	1.8	12.4	29.1%	28.6%	24.9%	21.9%
\$40,000+	1.2	8.7	18.2%	20.0%	7.3%	6.5%
Family Poverty Level						
<100%	2.4	15.5	37.4%	35.7%	39.8%	36.7%
100-199%	1.9	12.3	30.0%	28.5%	31.3%	28.3%
200%+	2.1	15.5	32.6%	35.8%	10.6%	9.4%
Household Type						
Single Adults Living Alone	0.3	3.0	5.3%	6.8%	16.0%	16.2%
Single Adults Living Together	1.3	9.3	20.9%	21.6%	34.7%	33.9%
Married Adults	1.0	8.0	16.5%	18.5%	19.1%	15.7%
1 Parent with children	0.7	5.9	10.6%	13.7%	18.6%	19.3%
2 Parents with children	2.5	13.3	38.8%	30.8%	16.5%	12.0%
Multigenerational/Other with children	0.5	3.8	8.1%	8.7%	29.4%	30.5%
Family Work Status						
2 Full-time	0.9	5.9	13.6%	13.6%	10.7%	8.3%
1 Full-time	3.6	24.1	56.2%	55.7%	20.1%	17.8%
Only Part-time	0.7	5.3	11.4%	12.1%	33.6%	30.8%
Non-Workers	1.2	8.0	18.9%	18.6%	32.2%	29.6%
Race/Ethnicity						
White (non-Hispanic)	1.7	20.7	27.1%	47.8%	12.2%	12.5%
Black (non-Hispanic)	0.3	6.8	5.2%	15.7%	16.5%	21.6%
Hispanic	3.5	12.7	55.0%	29.3%	31.2%	34.1%
Asian/Pacific Islander	0.7	2.2	11.2%	5.1%	19.3%	20.0%
American Indian/Aleutian/Eskimo	---	0.4	0.3%	1.0%	---	28.5%
Citizenship						
U.S. citizen-native	3.4	32.3	53.1%	74.5%	14.5%	14.6%
U.S. citizen-naturalized	0.6	2.2	10.1%	5.1%	21.5%	21.7%
Non-U.S. citizen, resident for < 5 years	0.7	3.7	11.8%	8.5%	52.1%	51.3%
Non-U.S. citizen, resident for 5+ years	1.6	5.1	25.1%	11.9%	40.4%	41.9%

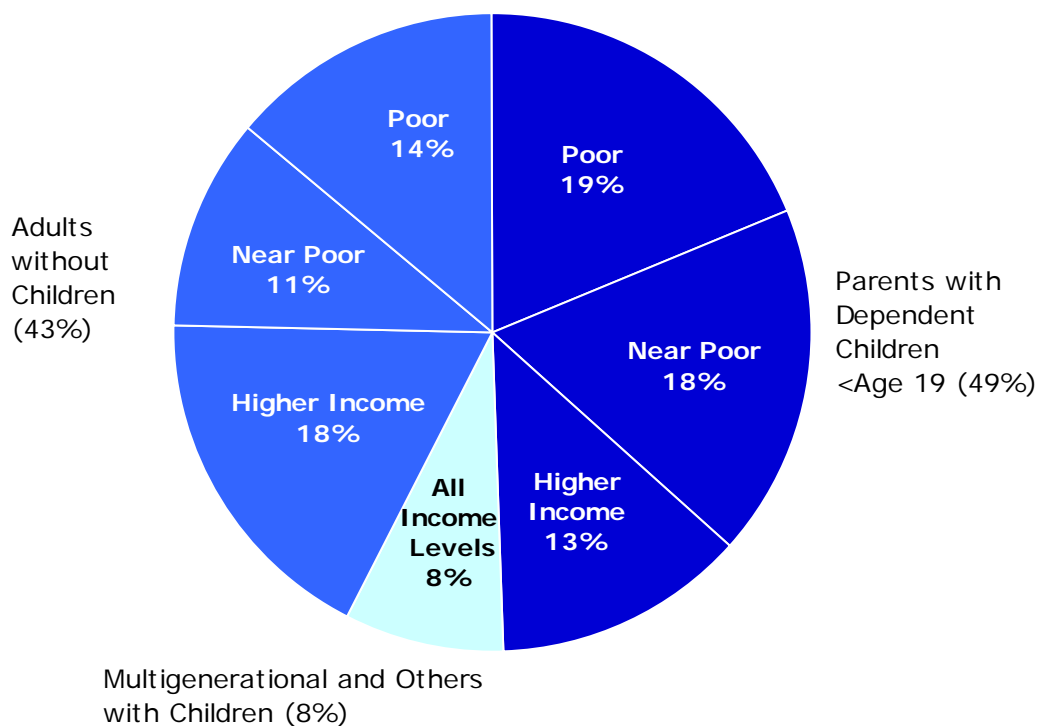
Notes: The non-elderly population includes all individuals under age 65. See Detailed Notes and Sources at the end of Section 3.

Source: Urban Institute and the Kaiser Commission on Medicaid and the Uninsured estimates based on the March 2003 Current Population Survey.

### Exhibit 3.7

## Uninsured Non-Elderly Adults by Parental Status and Income, California, 2002

Half of the uninsured non-elderly adult population were parents with dependent children (49%) in 2002. An additional 43% of the uninsured non-elderly adult population were adults without children, while the remaining 8% were multigenerational families. Uninsured parents with dependent children were more likely to be poor and near poor (37%) compared to adults without children (25%).



Notes: May not total due to rounding. Non-elderly adults include individuals ages 19-64. Poor is defined as under the federal poverty threshold; Near Poor is defined as 100-199% of poverty; and Higher Income is defined as 200% of poverty or higher. The 2002 federal poverty threshold was \$9,183 for an individual and \$14,348 for a family of 3. Parents are defined as any person with a dependent child. Multigenerational/Others with Children includes families with at least three generations in a household, plus families in which adults are caring for children other than their own (e.g., a niece living with an aunt). See Detailed Notes and Sources at the end of Section 3.

Source: Urban Institute and the Kaiser Commission on Medicaid and the Uninsured estimates based on the March 2003 Current Population Survey.

## **Exhibit 3.8**

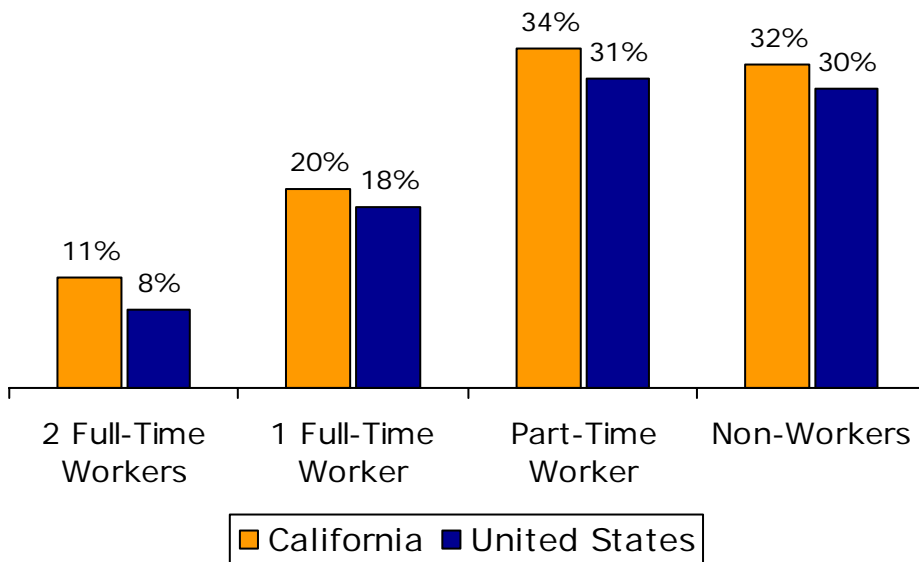
### **Uninsured Workers**

The non-elderly in families with part-time workers and in non-working families were one and a half to three times more likely to be uninsured in both California and the United States in 2002 than families with full-time workers. Uninsured rates in California were consistently higher than those in the United States across all family work status categories. (Exhibit 3.8a)

Rates of uninsured workers in California varied by industry in 2001. For example, agriculture had the highest rate (54%) of uninsured workers compared to all other industries, followed by construction (35%), retail/wholesale trade (31%), and personal services/entertainment (30%). Government jobs had the lowest rate of uninsured workers with only 6% lacking coverage, followed by finance/insurance/real estate (11%) and professional services (14%). (Exhibit 3.8b)

### Exhibit 3.8a

## Rate of Non-Elderly Uninsured by Family Work Status, California and the United States, 2002

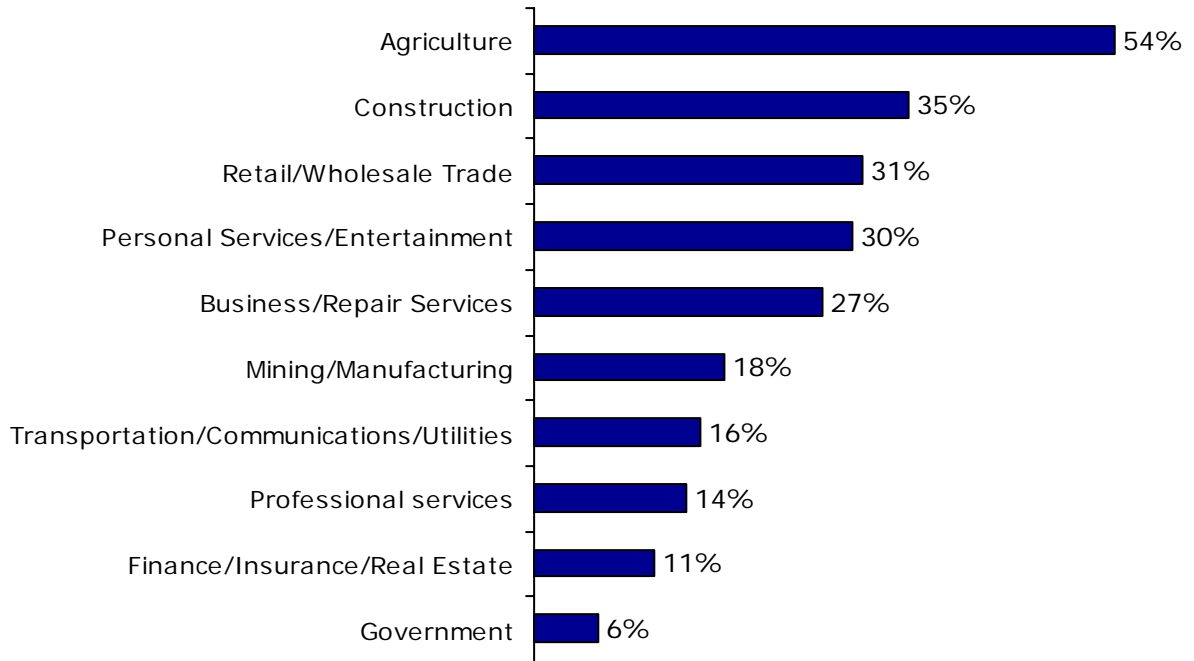


Notes: Non-elderly includes all individuals under age 65. Part-time workers are defined as working <35 hours per week. See Detailed Notes and Sources at the end of Section 3.

Source: Urban Institute and the Kaiser Commission on Medicaid and the Uninsured estimates based on the March 2003.

### Exhibit 3.8b

## Rates of Uninsured Workers by Industry, California, 2001



Notes: See Detailed Notes and Sources at the end of Section 3.

Source: Urban Institute and the Kaiser Commission on Medicaid and the Uninsured estimates based on the March 2002 Current Population Survey.

## Detailed Notes and Sources for Section 3

### Exhibits 3.1 through 3.8b:

#### Population

The population included in this section's data is the civilian, non-institutionalized population.

#### Grouping Household Members

For this section of the report, family is defined not by their household or relatedness, but according to insurance eligibility, or "health insurance unit": -- i.e., related persons whose combined income would be counted in determining Medicaid eligibility in most states, which is similar to persons who would be able to jointly purchase private insurance. Grouping individuals by health insurability versus households or relatedness increases the number of low-income people.

#### Classifying by Type of Health Coverage

The sorting hierarchy used in this section of the report to assign coverage when a nonelderly person has more than one type of coverage is as follows:

*Medicaid:* Those covered by Medicaid (known as Medi-Cal in California), the State Children's Health Insurance Program (known as Healthy Families in California), those who have both Medicaid and another type of coverage such as dual eligibles who are also covered by Medicare, and those covered by any other government source.

*Employer-based:* Those with employer-sponsored coverage for employees and their dependents, either from their own job or another's job.

*Private, non-group:* Those covered by private insurance other than employer-sponsored coverage.

*Other public coverage:* Those covered by the VA and with military-related coverage.

*Uninsured:* Those without health insurance. Individuals who use the Indian Health Service and have no other source of coverage are also considered uninsured.

### **Exhibit 3.3:**

Non-elderly includes all individuals under age 65. Part-time workers were defined as working < 35 hours per week. White, Black, and Asian/Pacific Islander exclude Hispanic ethnicity. Hispanics may be of any race. Public insurance includes Medicaid and other public coverage, and private insurance includes employer-based and private, non-group coverage.

### **Exhibit 3.5**

Several changes were made to the March 2001 Current Population Survey (the source of the 2000 health insurance coverage data) and to subsequent CPS surveys which affect data comparisons over time. These changes include: new questions to verify respondents' answers about whether or not they had any type of health insurance coverage over the year (thus decreasing the number of uninsured); enlarging the size of the CPS sample (which affects state health insurance data more than national data); and reweighting data to the 2000 Census. Thus, health insurance data for 2000 and later years cannot be directly compared with CPS estimates from earlier years.

### **Exhibit 3.6e:**

Non-elderly includes all individuals under age 65. A parent is defined as any person with a dependent child. Multigenerational/other families with children includes families with at least three generations in a household, plus families in which adults are caring for related children other than their own (e.g., a niece living with her aunt). Part-time workers are defined as working < 35 hours per week. White, Black, and Asian/Pacific Islander exclude Hispanic ethnicity. Hispanics may be of any race. Public insurance includes Medicaid and other public coverage, and private insurance includes employer-based and private, non-group coverage.