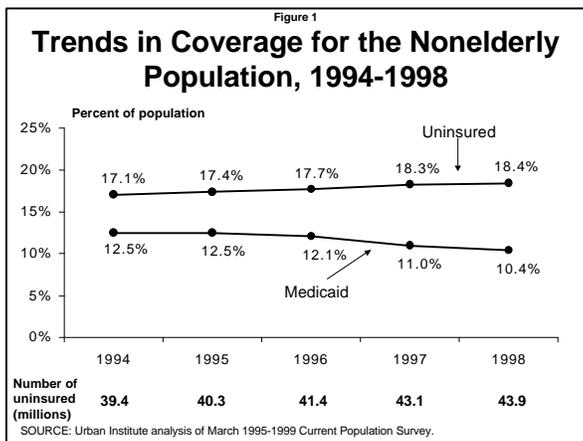


THE UNINSURED AND THEIR ACCESS TO HEALTH CARE

Today, 44 million Americans are without health insurance coverage. Having health insurance makes a substantial difference in the amount and kind of health care people are able to obtain and ultimately can make a difference in how healthy people are.

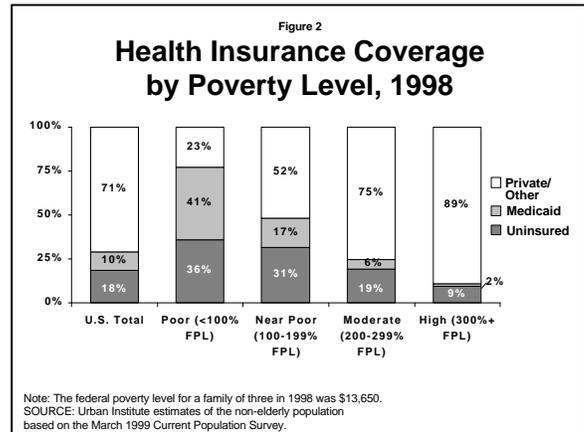
The uninsured are predominantly under the age of 65 because virtually all elderly Americans have Medicare coverage. Most Americans receive health insurance coverage through their employers, but millions lack coverage because their employer does not offer it or they cannot afford to pay for it. Medicaid covers 40 million low-income people, but millions more do not meet its restrictive income and eligibility criteria and are left uninsured.

Between 1988 and 1998, the number of uninsured grew by an average of one million per year (Figure 1). In the early 1990s, this growth was largely due to decreased job-based coverage that was somewhat offset by expansions in the Medicaid program. In recent years, with the improved economy, job-based coverage is no longer declining, but Medicaid enrollment of adults and children has dropped, due in part to unintentional consequences of welfare reform and immigration policy.

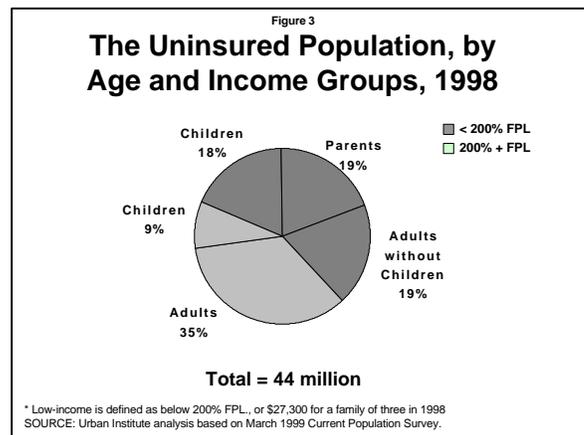


WHO ARE THE UNINSURED?

The uninsured are predominantly workers and their families, many of whom have low incomes. Low-income Americans (those who earn less than 200% of the federal poverty level, or \$27,300 for a family of three in 1998) run the highest risk of being uninsured. About a third of the poor and near-poor lack health insurance coverage (Figure 2).



Over half (56%) of the uninsured population is low-income, and nearly one in five of the uninsured are low-income children (Figure 3). Almost all of these children are eligible for coverage through either Medicaid or the State Children's Health Insurance Program but are not enrolled. Their parents make up another 19% of the uninsured population.



Almost three-quarters (74%) of the uninsured are in families where at least one person is working full time, and 10% are in families with at least one part-time worker. Only 16% of the uninsured are in families with no workforce attachment.

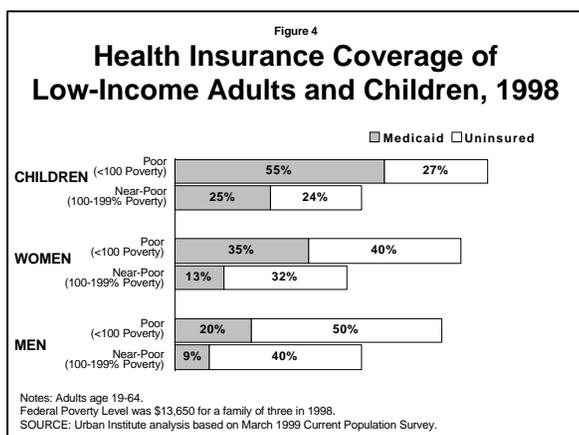
A total of 25 million workers—18% of the workforce—are uninsured. Low-wage workers are at greater risk of being uninsured, with nearly a third (31%) of workers earning under \$20,000/year uninsured compared to 5% of workers earning over \$50,000/year. Workers in small firms (less than 100 employees) are more likely to be uninsured than those in larger firms.

## WHY ARE SO MANY AMERICANS UNINSURED?

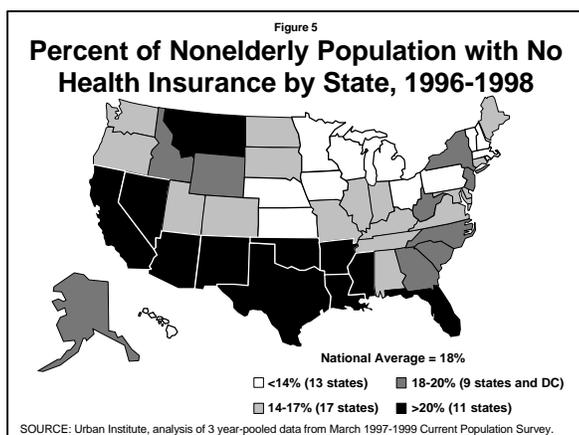
The high cost of coverage is the most commonly cited reason for lack of health insurance. Insurance premiums, along with the employee contribution, have increased substantially over the past decade, with the average employee share of premiums at 27% in 1998.

Higher premiums have particularly affected low-wage workers. The employee cost for family coverage is higher in businesses that employ mainly low-wage workers than in those with mostly high-wage workers. Access to employer-sponsored health coverage has also been declining among low-income workers, as employment continues to shift into sectors that are less likely to offer coverage.

Gaps in the Medicaid program leave many low-income Americans, especially adults, without coverage (Figure 4). Nonelderly low-income adults must meet stringent income eligibility standards and generally are not eligible if they are single adults or childless couples, no matter how poor. Parents may qualify for Medicaid, though income eligibility is set much lower than for children.



The nature of employment and employer-provided coverage, the share of families who live on low incomes, and the scope of state Medicaid programs all contribute to the wide variation in health insurance coverage across states. Nearly a three-fold difference exists between the state with the lowest and highest uninsured rates (Figure 5).

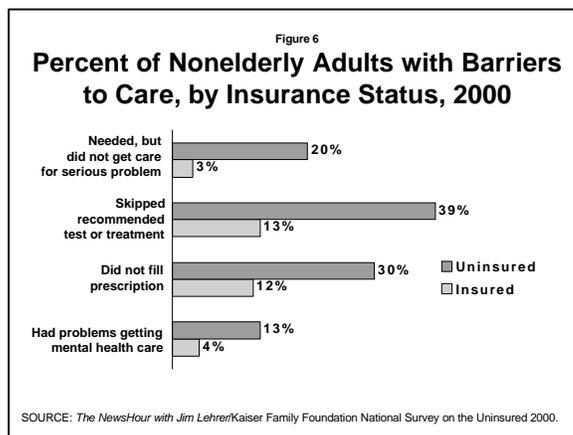


The Kaiser Commission on Medicaid and the Uninsured was established by the Henry J. Kaiser Family Foundation to function as a policy institute and forum for analyzing health care coverage, financing and access for the low-income population and assessing options for reform. The Kaiser Family Foundation is an independent national health care philanthropy and is not associated with Kaiser Permanente or Kaiser Industries.

## WHAT DIFFERENCE DOES HEALTH INSURANCE MAKE?

Health insurance affects access to health care as well as the financial well-being of families. Nearly 40% of the uninsured have no regular source of health care, and, coupled with a fear of high medical bills, many delay or forego needed care.

- Nearly 40% of uninsured adults skipped a recommended medical test or treatment, and 20% say they have needed but not gotten care for a serious problem in the past year (Figure 6).



- Uninsured children are at least 70% more likely than insured children not to have received medical care for common conditions like ear infections—illnesses that if left untreated can lead to more serious health problems. They are also 30% less likely to receive medical attention when they are injured.
- Both uninsured adults and children are less likely to receive preventive care. Uninsured adults are over 30% less likely to have had a check-up in the past year; uninsured men 40% less likely to have had a prostate exam and uninsured women 60% less likely to have had a mammogram compared to the insured.

Delaying or not receiving treatment can lead to more serious illness and avoidable health problems, which does make a difference in how healthy people are.

- The uninsured are more likely than those with insurance to be hospitalized for conditions that could have been avoided, such as pneumonia and uncontrolled diabetes.
- The uninsured with various forms of cancer are more likely to be diagnosed with late stage cancer. Death rates for uninsured women with breast cancer are significantly higher compared to women with insurance.

Health insurance clearly matters for the millions of Americans who lack coverage. Decisions made by the uninsured to delay or forego needed care because of its cost ultimately can lead to poorer health outcomes.