COVERING THE UNINSURED:
What Is The Problem,
Why Care?

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41 Million Americans -- About 1 in 7 – Are Uninsured

Primary Source of Health Insurance, 2001

- Uninsured: 15%
- Medicaid: 8%
- Medicare: 13%
- Military: 1%
- Individual coverage: 5%

Employer-based coverage: 57%

Nearly Twice As Many Had A Gap In Coverage Over 2 Years

Number of Uninsured in Millions, 2001-02

Source: Families USA, March 2003
Number of Uninsured Is Growing

- Uninsured rose by 1.4 million in 2001
- Erosion of employer coverage may worsen problem, even with economic recovery
- States are cutting back on public coverage
  - 1 to 2 million low-income people may lose Medicaid/Children’s Health Insurance Program coverage

Percent of Uninsured Workers May Increase by 30% Over the Next Decade

<table>
<thead>
<tr>
<th>Year</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>23.1%</td>
</tr>
<tr>
<td>2009</td>
<td>30.3%</td>
</tr>
</tbody>
</table>

Sources: Census Bureau, Gilmer & Kronick, 2001, Center on Budget and Policy Priorities
Is 41 Million Uninsured A Lot?

More Than Canada’s Population, People On The West Coast

41 Million Is:

- More than:
  - All Elderly Americans
  - All African Americans

- 5 times more than the number of Americans with cancer

- 40 times more than the number of Americans with HIV/AIDS

Sources: Census Bureau, SEER, Kaiser Family Foundation
Who Are The Uninsured

- Most work
- Most have low income -- but fastest growth is among those with higher income
- Disproportionately Hispanic
  - Nearly _ of all Hispanics uninsured during the year
- Concentrated in the South, West

Uninsured Adults (18-64)
By Work Experience, 2001

- Work Full Time, 59%
- Work Part Time, 16%
- Do Not Work, 25%

Sources: Census Bureau; Doty, The Commonwealth Fund, February 2003.
Young Adults At Greatest Risk

Students better off, but still at a higher risk of being uninsured
- 18% of full-time students
- 36% of other young adults

Uninsured young adults (ages 19-29) have problems
- 53% have access problems due to cost
- 52% unable to pay medical bill, contacted by collection agency, changed way of life to pay bills


Percent Who Are Uninsured By Age, 2000

<table>
<thead>
<tr>
<th>Age</th>
<th>Uninsured Part Year</th>
<th>Uninsured All Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>18 and under</td>
<td>14</td>
<td>9</td>
</tr>
<tr>
<td>19-23</td>
<td>24</td>
<td>23</td>
</tr>
<tr>
<td>24-29</td>
<td>20</td>
<td>21</td>
</tr>
<tr>
<td>30-35</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>36-49</td>
<td>9</td>
<td>13</td>
</tr>
<tr>
<td>50-64</td>
<td>7</td>
<td>11</td>
</tr>
</tbody>
</table>
WHY CARE
Affects Health and Access to Health Care

- 18,000 uninsured adults die each year because they didn’t get proper care
- Risk of death for uninsured people with cancer is 50% higher

Percent Who Did Not See A Doctor When Sick, 2001

43% Uninsured Now
31% Insured Now, Uninsured in Past Year
10% Insured All Year

Causes Individual Financial Hardship

- **Uninsured paid on average $1,200 for health care in 1999 – a significant proportion of income for some**

- **Health costs are a major source of debt**
  - Medical bills accounted for 40 percent of personal bankruptcy
  - Major source of credit card debt

Percent With Difficulty Paying for Basic Living Costs (e.g., Food, Rent, Heat), 2001

Uninsured: 40%
Insured All Year: 12%

Sources: AHRQ MEPS data for 1999; Warren et al., 2000; Duchon et al., Commonwealth Fund, December 2001.
Causes Broader Financial Hardship

- $35 billion in uncompensated care in the system
- Hurts global competitiveness

Real Health Expenditures Per Capita in 1998 (U.S. $)

<table>
<thead>
<tr>
<th>Country</th>
<th>Real Health Expenditures Per Capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Kingdom</td>
<td>$1,510</td>
</tr>
<tr>
<td>Ireland</td>
<td>$1,534</td>
</tr>
<tr>
<td>Average</td>
<td>$1,696</td>
</tr>
<tr>
<td>Sweden</td>
<td>$1,732</td>
</tr>
<tr>
<td>Japan</td>
<td>$1,795</td>
</tr>
<tr>
<td>Italy</td>
<td>$1,824</td>
</tr>
<tr>
<td>Austria</td>
<td>$1,894</td>
</tr>
<tr>
<td>France</td>
<td>$2,043</td>
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<tr>
<td>Belgium</td>
<td>$2,050</td>
</tr>
<tr>
<td>Australia</td>
<td>$2,095</td>
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<tr>
<td>Canada</td>
<td>$2,360</td>
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<tr>
<td>Germany</td>
<td>$2,361</td>
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<tr>
<td>Switzerland</td>
<td>$2,853</td>
</tr>
<tr>
<td>United States</td>
<td>$4,165</td>
</tr>
</tbody>
</table>

Sources: Hadley and Holahan, 2003
Notes: Health expenditure per capita expressed in economy-wide purchasing power parity, United States dollars. OECD country average, weighted average for 19 OECD countries that have a relatively complete set of data. Source: *Health at a Glance*, Organization for Economic Cooperation and Development (OECD), Table 4.1, page 83
## Affects Society’s Potential

### Uninsured Workers Are:
- More likely to miss work
- Less likely to use preventive services, exercise regularly
- Less likely to receive appropriate care for chronic illness

### Uninsured Children Are:
- 25% more likely to miss school
- 3 times more likely to not get needed medications, glasses or mental health care
- Less likely to play sports

Source: Ha, Health System Change, February 2002; Stoddard JJ et al. 1994
WHAT CAUSES THIS PROBLEM?

• Lack of Access
  – Not all Americans have access to affordable health insurance

• Lack of Affordability
  – The cost of insurance is often prohibitive

• Complexity and Size of the System

• Lack of Political Consensus