Talking Points About Washington's Uninsured

Washington State Planning Grant on Access to Health Insurance

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The following information is based on the **2004 Washington State Population Survey**, which asked people about their **health insurance status at the time of their interview in Spring 2004**. The story of *who is uninsured* remains consistent with findings from previous state and national surveys.

TOTAL POPULATION

The total **number of uninsured** people in Washington **rose** in 2004 from about 506,000 (in 2002) to just under 606,000 individuals (8.4% to 9.8% of the total population).

UNDER-AGE-65 POPULATION

The vast majority of the population age 65 and older (over 99%) has coverage through Medicare. As shown below, the under-age-65 population is not so fortunate in having access to such a (nearly) universal coverage program.

The **number of uninsured** under-age-65 **continued to rise** in 2004 – Washington now has nearly 603,000 uninsured under-age-65, about 16% of whom are children, compared to nearly 503,000 in 2002. This isn't just a function of population growth because the **rate of uninsurance also continued to rise**, from 9.4% in 2002 to 11.0% in 2004.

- **Neither adults nor children has escaped** – the uninsured rate for adults ages 19-64 rose from 11.5% in 2002 to 13.2% in 2004 while the uninsured rate for children ages 0-18 rose from 4.5% in 2002 to 6.0% in 2004.
- **For those with coverage, who pays continues to change** - coverage via an employer has slowly but steadily dropped from about 71% in 1993 to around 66% in 2004. Over the same period, coverage via public programs (Medicaid and Basic Health) has almost doubled, increasing from almost 9% in 1993 to about 18% in 2004. Nearly 6% get their coverage by purchasing individual insurance.

WHO ARE WASHINGTON'S UNDER-AGE-65 UNINSURED?

They are members of **working families**, they are **poor**, they are **young**, they are disproportionately **Hispanic and American Indian/Alaskan Natives**. They build our houses; harvest our food; wait on us at our local retail stores, hotels, motels, and restaurants; clean our workplaces; and take care of our aging parents and youngest children.

- **Over 70%** are **members of working[1] families,** many of whom are part of self-employed families.
- **Almost 62%** are **members of low-income families** who earn less than 200% of federal poverty, $37,700 for a family of four in 2004.
  - Washington's minimum wage in 2004 was $7.16, which means a family of 4 with two wage earners, each earning minimum wage, would have earned about $30,000 in 2004.
  - The state's estimated median household income for 2004 was $51,762.
- **Close to 40%** are **both low-income and members of working families**.
- While **very poor families** (up to 100% of federal poverty) and **near-poor families** (100-200% of federal poverty) continue to be **most likely to be uninsured, lower-middle class families** (200-300% of federal poverty) **face a growing problem.** The **rate of uninsurance** for this latter group **increased about 50%** between 2000 and 2004 (from 9.5% in 2000 to 14.3% in 2004).
- **Close to 44%** are **young adults ages 19-34,** who are more likely to be uninsured than other age groups **(almost 20% are uninsured)**, however, when young adults are offered and eligible for their employer's health insurance program they typically do sign up. Although this group has grown most in sheer numbers, **middle-age adults** (ages 35-64) **confront the fastest growing problem;** their **rate of uninsurance increased about 44%** between 2000 and 2004 (from almost 6.8% in 2000 to just over 9.7% in 2004).
- Although most of the uninsured are **white**, minority or ethnic groups remain more likely to be uninsured **(e.g., about 18% of Hispanics and 17% of American Indian/Alaskan Natives are uninsured whereas only about 10% of whites are uninsured).**

WHY ARE WASHINGTONIANS UNDER-AGE-65 UNINSURED?

Many who lack access to affordable private insurance **don't qualify for public programs** such as Medicaid and the Basic Health or simply **don't know about insurance options** and how to access them. Adults without dependent children typically don't qualify for Medicaid; and because there are limits on Basic Health enrollment, many of those who might qualify can't get in.

- Based on their family income, close to **70% of all uninsured children** and **64% of all uninsured adults** are **potentially eligible for public coverage** through the current Medicaid, SCHIP or Basic Health programs (if funding allowed).

The reasons people consistently give for not having health insurance (i.e., in national surveys as well as in the Washington state population survey) are:

- **Insurance is unaffordable**. In most parts of the state it takes an income of at least 250% of federal poverty to be able to afford basic living expenses (e.g., housing, food, transportation, child care) including the purchase of health insurance.
- **Their employer doesn't offer health insurance** or in some cases the employer may offer it but the person is not eligible for it. (This is a problem in particular for those who work part-time, are seasonal employees, work for multiple employers or for a small-employer with fewer than 50 employees).
- **They're unemployed or in-between jobs**.
- **Another family member has insurance but it doesn't cover the whole family**.
- **They can't get insurance** or were refused it because of poor health or age. (The Washington Health Insurance Program, a high-risk pool, is an option for some people but premiums make it unaffordable for many).
- **They don't think it's needed** because they're healthy (these are usually young adults but this is *rarely* the reason people give for not having health insurance.

WHAT DOES THIS MEAN FOR THE HEALTH OF WASHINGTON?

The latest edition of *America's Health: State Health Rankings* indicates that the health of Washington residents has been declining relative to other states. In 1998 Washington was ranked the 7th healthiest state in the nation (i.e., 6 other states were considered healthier than Washington). Between 2003 and 2004, Washington's rank slipped from 11th to 15th, the 2nd greatest health decline in health status of all states.

While access to health insurance does not ensure access to health care, it does pave the way (as a financing vehicle) for the chain of access, use, and improved outcome to more readily occur.

> "Although the relationship between health insurance and health outcomes is neither direct nor simple, an extensive clinical and health services research literature links health insurance coverage to improved access to care, better quality, and improved personal and population health status." (*Coverage Matters: Insurance and Health Care.* Institute of Medicine, 2001, page 26.)

[1] "Working" families include adults actually employed or actively looking for work.

MAKING HEALTH CARE WORK FOR EVERYONE
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For further information on Washington's uninsured population:

- See: http://www.ofm.wa.gov/accesshealth/accesshealth.htm or
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