

## Estimated Impact of COVID-19 on Washington State's Health Coverage

*March 3, 2021*

*(Update for status as of February 20, 2021)*

### **Introduction**

The historic COVID-19 pandemic has caused unprecedented lockdowns throughout the world in early 2020. Washington, the first state in the U.S. to report COVID-19 infection, implemented measures to modulate the pandemic's effect on public health to minimize loss of life. Non-essential businesses statewide were ordered to close temporarily or, condition permitting, allow workers to work from home. Many workers lost their employment as a result. In the first ten weeks starting on March 15, 2020, more than one million workers in Washington filed unemployment insurance claims.<sup>1</sup> Almost as quickly as the number of unemployed went up, the number of people remaining unemployed came down with the lifting of the lockdowns that started around mid-May of 2020. At the time of this report, more people remained unemployed than before the pandemic broke out.

When workers lose their employment, many also lose their employment-based health insurance (EBI). Family members who have health coverage through the worker's EBI lose their coverage as well. In this analysis, we simulated the weekly changes in employment as of the week ending on *February 20, 2021*, using the recently released *2019* American Community Survey.<sup>2</sup> The purpose of the analysis is to assess COVID-19's effect on (1) the state's uninsured rate, (2) health coverage changes of the newly unemployed workers and (3) changes in uninsured rates at the county level. We plan to update the estimates periodically as the pandemic evolves and more data become available.

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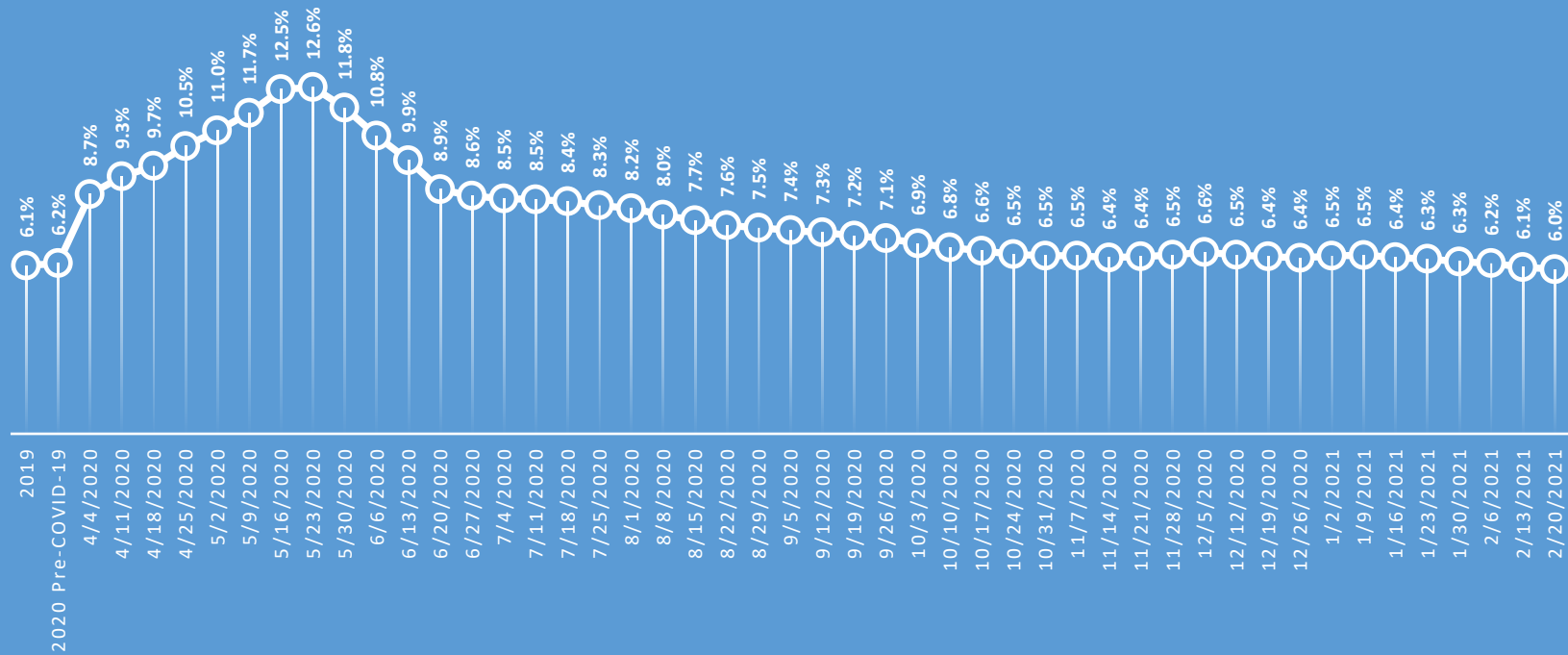
<sup>1</sup> See Washington State Employment Security Department's Unemployment Insurance Initial Claims Weekly Dashboard at: [https://public.tableau.com/profile/jeff.robinson#!/vizhome/InitialClaimsapplicationsforUnemploymentInsurance-WA\\_ET539-/Story1](https://public.tableau.com/profile/jeff.robinson#!/vizhome/InitialClaimsapplicationsforUnemploymentInsurance-WA_ET539-/Story1).

<sup>2</sup> Updates of this report published prior to December 2020 used the 2018 American Community Survey as the base. Beginning with the December 2020 update, all uninsured rates are calculated using the 2019 ACS as the base. Therefore, corresponding estimates between this update and updates published prior to December 2020 may not match. However, the trends in the uninsured rates remained same with the rebasing from ACS 2018 to ACS 2019.

### Main Findings

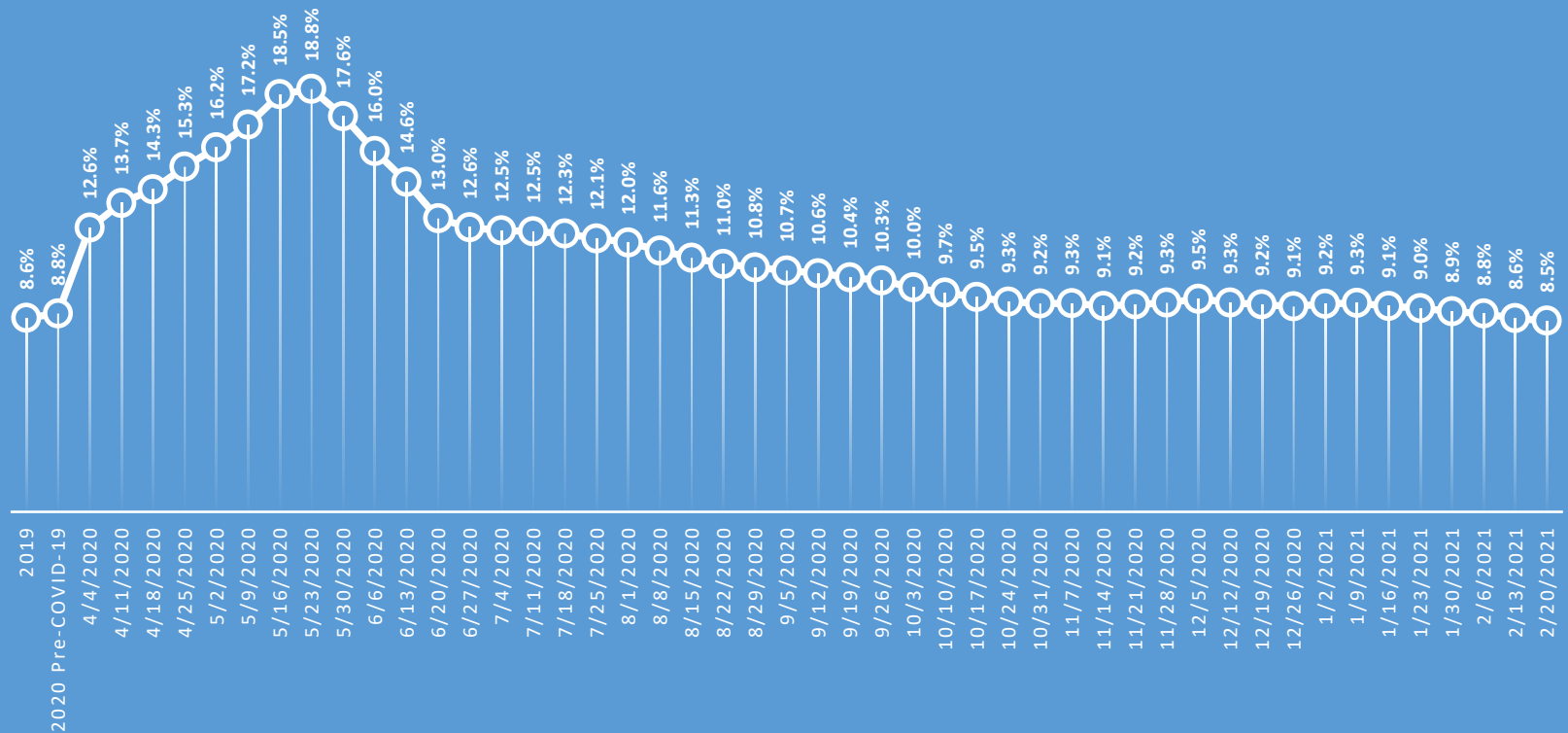
**Weekly Changes in Overall Uninsured.** Prior to the COVID-19 outbreak, Washington’s uninsured rate was 6.1% in 2019 and was projected to be 6.2% in pre-pandemic 2020. In the second half of March through May 23, 2020, unemployment claims surged in Washington and the state’s uninsured rate increased to 12.6%, the highest level during the pandemic. However, in the pursuing four weeks, the uninsured rate declined, approximately 0.9 percentage point per week, to 8.6 % in the week ending on June 20, 2020. What followed was a continued decline, but at a more gradual pace of approximately 0.1-0.3 percentage point per week until the week ending on October 24, 2020. In November and December of 2020, the weekly uninsured rate oscillated between 6.4% and 6.5%. In January and February of 2021, however, the weekly uninsured rate declined steadily thanks to continued decline in unemployment claims filing and further enrollment increases in Medicaid (or Apple Health) and individual health plans (mostly through the Exchange). The latest uninsured rate for the week ending on February 20, 2021, was 6% lower than the 6.2% immediately before the pandemic outbreak. (Figure 1) From early 2020 (prior to COVID-19) to the weeks ending on May 23, 2020 and February 20, 2021, the state’s estimated total uninsured changed from 479,000 to 973,000 and then to 465,700 (see Table A1 in Appendix).

**FIGURE 1. ESTIMATED UNINSURED IN WASHINGTON (NUMBER AND PERCENTAGE) 2019, PRE-COVID19 2020, AND WEEKLY SINCE APRIL 2020**

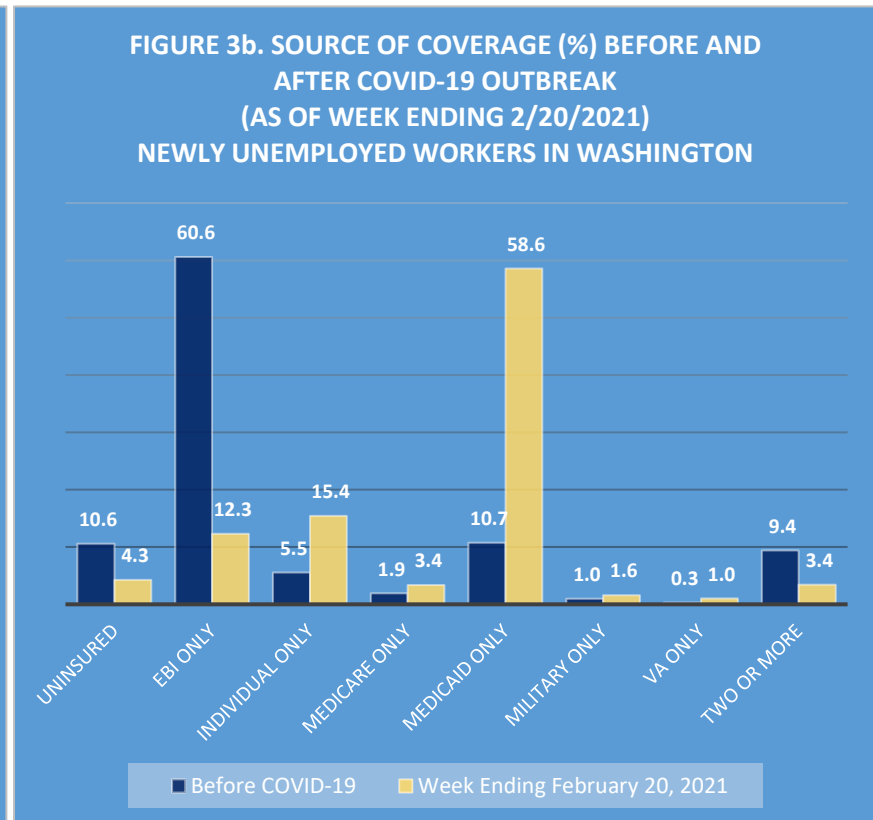
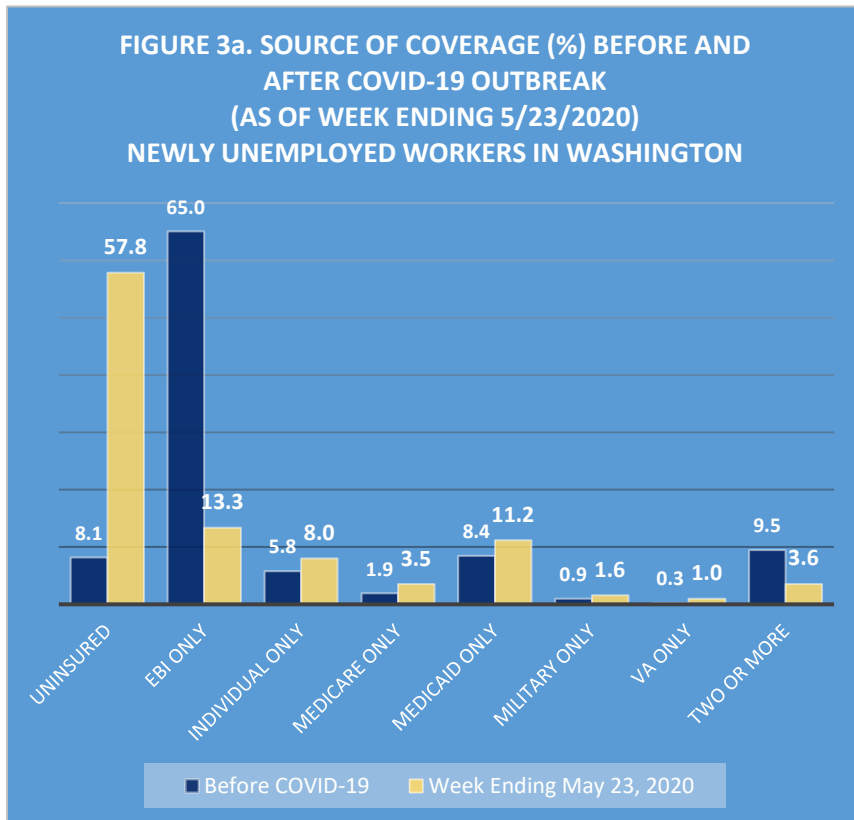


**Weekly Changes in Uninsured among Adults Age 18-64.** Similarly, the uninsured rate of adults age 18-64 is estimated to have increased from 8.6% in 2019 to 8.8% prior to the COVID-19 outbreak in 2020. By May 23, 2020, the uninsured rate for these adults reached the highest level during the pandemic, 18.8%. In the next four weeks, the unemployment rate dropped nearly six percentage points to 13% in the week ending on June 20, 2020, averaging a decline of approximately 1.5 percentage point per week. From that point on, the uninsured rate for adults age 18-64 continued to drop (except in late November and early December of 2020 when a slight increase took place), but at much slower pace of 0.1-0.3 percentage point per week. Currently, their uninsured rate declined to 8.5% in the week ending on February 20, 2021, below the pre-pandemic rate of 8.8%. (Figure2) From the beginning of 2020 (prior to COVID-19) to the weeks ending on May 23, 2020 and February 20, 2021, the number of uninsured adults age 18-64 increased from 419,000 to 894,000 and then dropped to 409,200 (see Table A1 in Appendix).

**FIGURE 2. ESTIMATED UNINSURED AMONG ADULTS 18-64 IN WASHINGTON  
(NUMBER AND PERCENTAGE)  
2019, PRE-COVID19 2020, AND WEEKLY SINCE APRIL 2020**

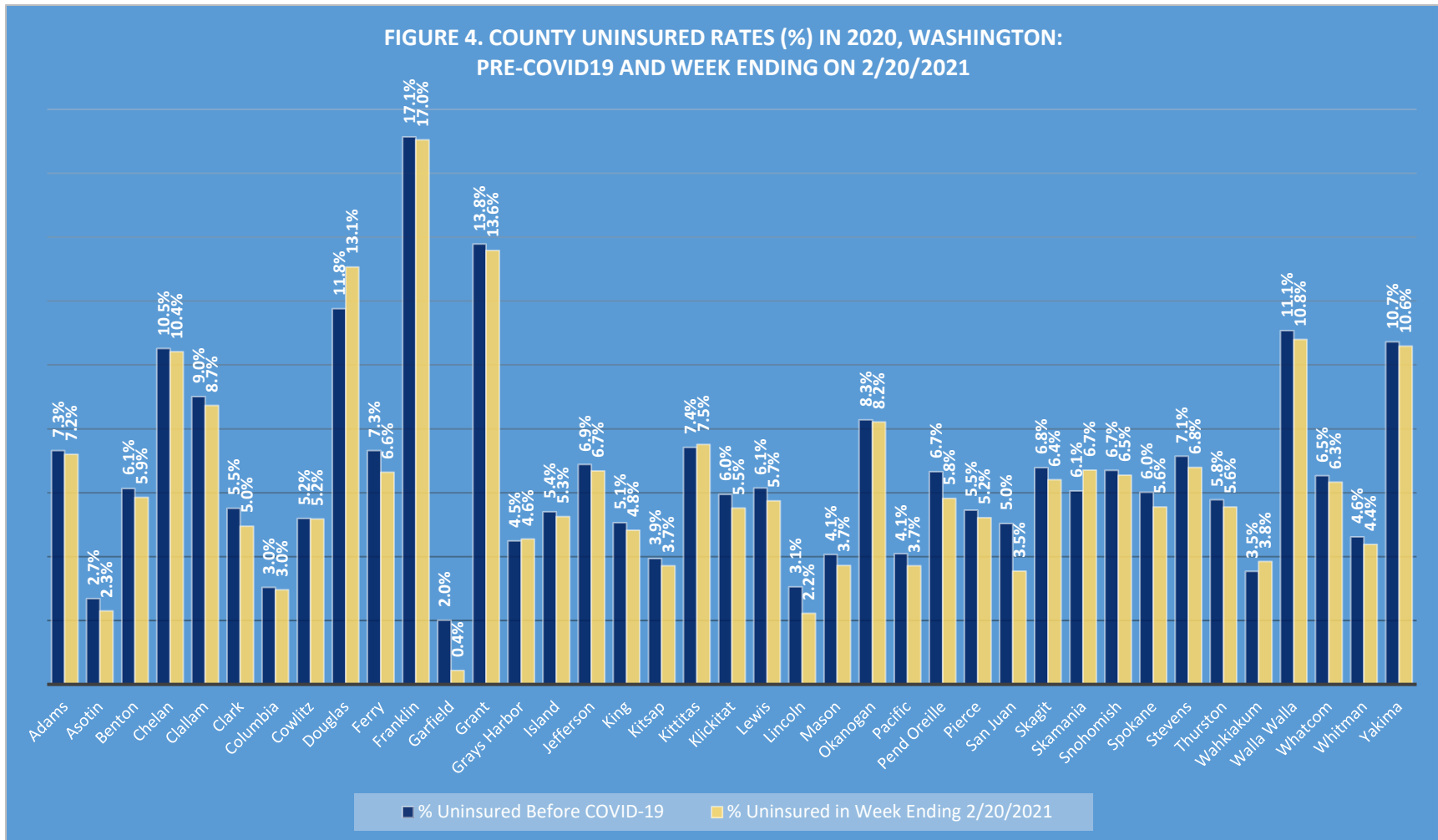


**Coverage Changes among Currently Newly-Unemployed Workers from Pre-pandemic to February 20, 2021.** The health coverage of newly unemployed workers was affected disproportionately during the pandemic. At the peak of unemployment claims, the uninsured rate of the cohort newly unemployed as of May 23, 2020, reached 58% from 8.1% before the outbreak. (Figure 3a) However, the cohort of newly or still unemployed workers as of February 20, 2021, is estimated to have a lower uninsured rate of 4.3% compared to 10.6% before the outbreak. The current unemployed cohort is much smaller and the significant increases in Medicaid and individual health plans in recent months have offset their loss in employment-based coverage, which decreased from 60.6% before the pandemic outbreak to 12.3%.<sup>3</sup> Their Medicaid coverage increased from 10.7% to 58.6% and their individual health plan coverage rate increased from 5.5% to 15.4%. (Figure 3b)

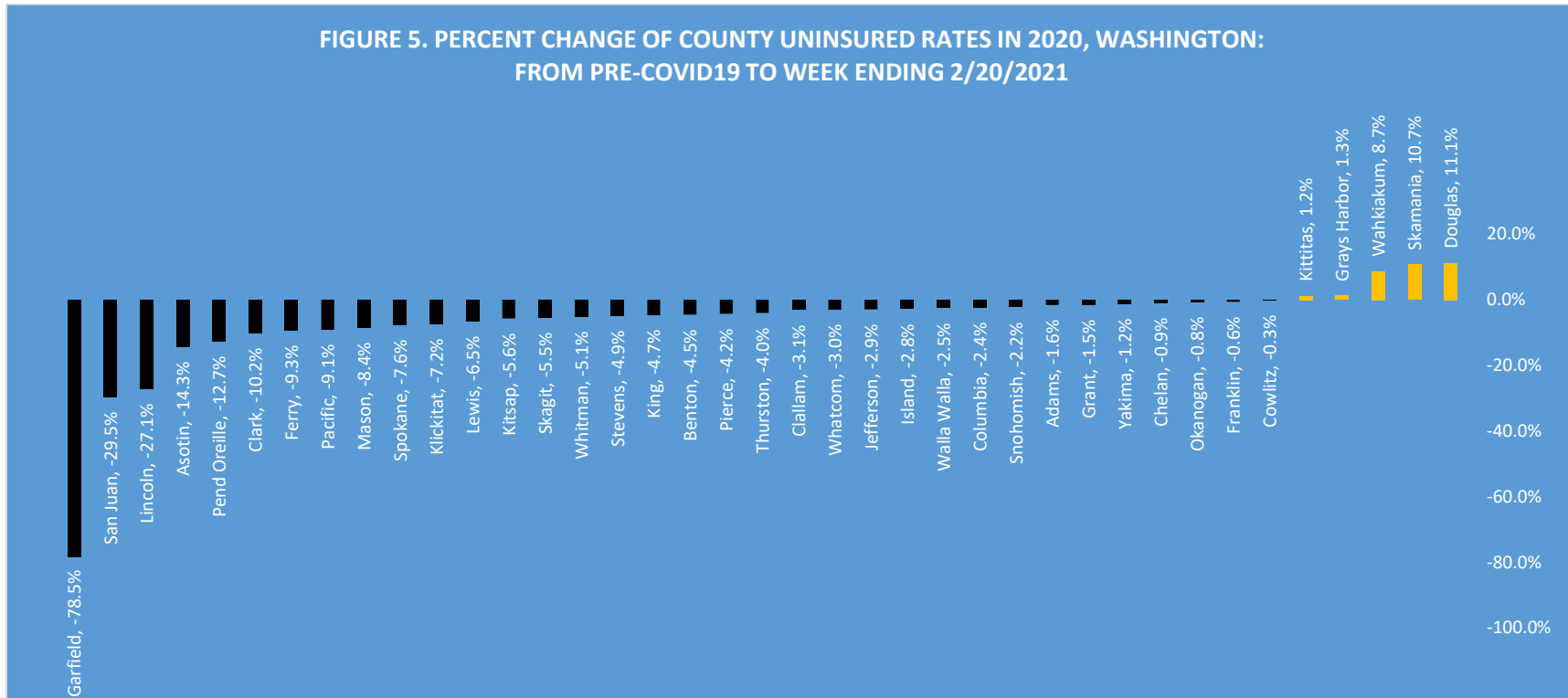


<sup>3</sup> This includes some newly unemployed workers who are estimated to have changed to their spouses' EBI coverage or to parents' EBI coverage if they were less than 26 years old, in addition to those who retained EBI through leave without pay or COBRA.

**County Uninsured Rates from Pre-pandemic to February 20, 2021.** There was a lot of variation in the uninsured rates among the counties before COVID-19 broke out in the state. The rates before the pandemic ranged from 2% in Garfield County to 17.1% in Franklin County. When the state’s uninsured rate reached the highest level during the pandemic in the week ending on May 23, the county-level uninsured rates ranged from 3.9% in Asotin to 19.5% in Franklin (see Table A2 in the Appendix). The current range, for the week ending on February 20, 2021, is between 0.4% in Garfield and 17% in Franklin. (Figure 4)



**Percent Change in County Uninsured Rates from Pre-pandemic to February 20, 2021.** The shifts in the ranges of county uninsured rates during the pandemic were modest when compared to changes in many counties with uninsured rates falling within the ranges. In the week ending on May 23, 2020, the uninsured rate increased in all counties and ten counties had uninsured rates that more than doubled over the pre-pandemic rates. King County’s uninsured rate increased by 156.8%, the largest increase of all counties (see Table A2 in Appendix). Since May 23, 2020, uninsured rates dropped in all counties. Currently, only five counties have uninsured rates higher than the pre-pandemic rates and only two counties (Douglas and Skamania) still have increases in their rates that exceed 10% from pre-pandemic to February 20, 2021. (Figure 5)



**Potential Factors in Geographic Variation of the Pandemic’s Impact.** Several factors at the county level could have contributed to the volatile changes in uninsured rates among the counties. These factors include the number of people becoming unemployed, the occupations the workers were in before becoming unemployed, whether the workers had access to coverage from spouse’s employment-based insurance, and variations in enrolling in other eligible coverage sources (e.g., Medicaid and qualified health plan through the Exchange) both before and after the COVID-19 outbreak.

## Method and Data

Estimates reported above were generated using an Office of Financial Management simulation file based on the recently released 2019 American Community Survey 1-Year Public Use Microdata Sample file (ACS). Key data sources contributing to the simulation file include, in addition to ACS, detailed OFM population projections for 2020 and 2021 and weekly reports of unemployment insurance (UI) claims,<sup>4</sup> qualified health plans (i.e., the Exchange) and Medicaid enrollment. The simulation also involves several assumptions, such as proportions of new enrollees in Exchange and Medicaid who were previously uninsured and proportions of UI claimants whose EBI continued through leave without pay and COBRA (a coverage program for former and retired employees). Changes in the assumptions can affect the resultant estimates of coverage changes related to the COVID-19 pandemic. Note that updates of this report published prior to December of 2020 were based on the 2018 ACS. The rebasing of the simulation model from 2018 ACS to 2019 ACS resulted in slight differences in the corresponding health coverage estimates before and after the rebasing.

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<sup>4</sup> Starting the week ending on May 23, the UI claims data used in the simulation included the current week's continued (paid) claims in addition to past month's initial claims assumed being processed for payment. Previously, the UI claims data used in the simulation included only initial claims.

Appendix

Table A1. Number and Percent of Uninsured in 2019, Pre-COVID 2020, Weekly between April 4, 2020 and February 20, 2021: Washington State

Year or Week	Total Population		Adults 18-64		Year or Week	Total Population		Adults 18-64	
	N	%	N	%		N	%	N	%
2019	465,198	6.1%	408,290	8.6%	9/12/2020	565,291	7.3%	504,301	10.6%
2020 Pre-COVID-19	479,110	6.2%	419,362	8.8%	9/19/2020	556,482	7.2%	495,933	10.4%
4/4/2020	672,934	8.7%	600,927	12.6%	9/26/2020	549,040	7.1%	488,927	10.3%
4/11/2020	722,622	9.3%	653,179	13.7%	10/3/2020	534,484	6.9%	474,304	10.0%
4/18/2020	752,036	9.7%	681,989	14.3%	10/10/2020	522,957	6.8%	463,238	9.7%
4/25/2020	808,020	10.5%	729,648	15.3%	10/17/2020	513,817	6.6%	454,180	9.5%
5/2/2020	851,493	11.0%	770,617	16.2%	10/24/2020	503,926	6.5%	444,479	9.3%
5/9/2020	901,243	11.7%	818,843	17.2%	10/31/2020	500,185	6.5%	440,702	9.2%
5/16/2020	967,574	12.5%	883,057	18.5%	11/7/2020	500,244	6.5%	440,738	9.3%
5/23/2020	973,329	12.6%	894,063	18.8%	11/14/2020	494,765	6.4%	435,345	9.1%
5/30/2020	915,304	11.8%	836,710	17.6%	11/21/2020	497,887	6.4%	438,319	9.2%
6/6/2020	836,747	10.8%	762,897	16.0%	11/28/2020	502,033	6.5%	442,333	9.3%
6/13/2020	767,967	9.9%	697,950	14.6%	12/5/2020	510,266	6.6%	450,466	9.5%
6/20/2020	686,564	8.9%	620,423	13.0%	12/12/2020	502,290	6.5%	442,545	9.3%
6/27/2020	668,355	8.6%	601,536	12.6%	12/19/2020	497,837	6.4%	438,112	9.2%
7/4/2020	660,632	8.5%	594,843	12.5%	12/26/2020	493,883	6.4%	434,196	9.1%
7/11/2020	658,437	8.5%	593,319	12.5%	1/2/2021	499,765	6.5%	440,044	9.2%
7/18/2020	652,542	8.4%	588,246	12.3%	1/9/2021	506,037	6.5%	447,331	9.3%
7/25/2020	641,250	8.3%	577,991	12.1%	1/16/2021	499,513	6.4%	440,841	9.1%
8/1/2020	633,032	8.2%	569,413	12.0%	1/23/2021	494,987	6.3%	436,411	9.0%
8/8/2020	614,768	8.0%	552,341	11.6%	1/30/2021	487,834	6.3%	429,419	8.9%
8/15/2020	598,868	7.7%	537,158	11.3%	2/6/2021	482,914	6.2%	424,590	8.8%
8/22/2020	585,423	7.6%	524,247	11.0%	2/13/2021	471,919	6.1%	414,722	8.6%
8/29/2020	578,617	7.5%	516,847	10.8%	2/20/2021	465,677	6.0%	409,226	8.5%
9/5/2020	571,577	7.4%	510,241	10.7%					



Table A2. County Uninsured Rates (%) and Percent Change, Pre-COVID-19, and Weeks Ending on May 23 and February 20, 2021: Washington State

County	% Uninsured		Percent Change		County	% Uninsured		Percent Change			
	% Uninsured Pre-COVID	Week Ending 5/23/20	Week Ending 2/20/21	Pre-COVID to 5/23/20		Pre-COVID to 2/20/21	% Uninsured Pre-COVID	Week Ending 5/23/20	Week Ending 2/20/21	Pre-COVID to 5/23/20	Pre-COVID to 2/20/21
Adams	7.3%	11.1%	7.2%	51.8%	-1.6%	Lewis	6.1%	11.1%	5.7%	81.4%	-6.5%
Asotin	2.7%	3.9%	2.3%	44.6%	-14.3%	Lincoln	3.1%	5.5%	2.2%	80.2%	-27.1%
Benton	6.1%	11.5%	5.9%	88.0%	-4.5%	Mason	4.1%	9.1%	3.7%	124.1%	-8.4%
Chelan	10.5%	16.3%	10.4%	55.4%	-0.9%	Okanogan	8.3%	11.4%	8.2%	37.7%	-0.8%
Clallam	9.0%	13.2%	8.7%	46.8%	-3.1%	Pacific	4.1%	8.7%	3.7%	113.5%	-9.1%
Clark	5.5%	9.9%	5.0%	79.9%	-10.2%	Pend Oreille	6.7%	9.5%	5.8%	42.1%	-12.7%
Columbia	3.0%	5.9%	3.0%	93.2%	-2.4%	Pierce	5.5%	12.7%	5.2%	132.5%	-4.2%
Cowlitz	5.2%	10.2%	5.2%	97.2%	-0.3%	San Juan	5.0%	10.8%	3.5%	114.2%	-29.5%
Douglas	11.8%	17.7%	13.1%	50.6%	11.1%	Skagit	6.8%	12.2%	6.4%	79.2%	-5.5%
Ferry	7.3%	9.9%	6.6%	35.6%	-9.3%	Skamania	6.1%	10.1%	6.7%	67.3%	10.7%
Franklin	17.1%	19.5%	17.0%	13.5%	-0.6%	Snohomish	6.7%	14.5%	6.5%	116.0%	-2.2%
Garfield	2.0%	4.2%	0.4%	111.8%	-78.5%	Spokane	6.0%	11.6%	5.6%	92.9%	-7.6%
Grant	13.8%	17.1%	13.6%	23.7%	-1.5%	Stevens	7.1%	10.3%	6.8%	43.6%	-4.9%
Grays Harbor	4.5%	11.4%	4.6%	153.3%	1.3%	Thurston	5.8%	12.1%	5.6%	108.7%	-4.0%
Island	5.4%	9.6%	5.3%	78.4%	-2.8%	Wahkiakum	3.5%	6.6%	3.8%	87.8%	8.7%
Jefferson	6.9%	11.6%	6.7%	68.9%	-2.9%	Walla Walla	11.1%	16.8%	10.8%	51.4%	-2.5%
King	5.1%	13.0%	4.8%	156.8%	-4.7%	Whatcom	6.5%	12.4%	6.3%	90.1%	-3.0%
Kitsap	3.9%	9.0%	3.7%	127.8%	-5.6%	Whitman	4.6%	7.5%	4.4%	63.2%	-5.1%
Kittitas	7.4%	13.0%	7.5%	74.7%	1.2%	Yakima	10.7%	15.2%	10.6%	41.6%	-1.2%
Klickitat	6.0%	8.7%	5.5%	46.6%	-7.2%	State	6.2%	12.6%	6.0%	103.2%	-3.6%