



HEALTH POLICY PROGRAM

ISSUE BRIEF

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WHO ARE THE UNINSURED?

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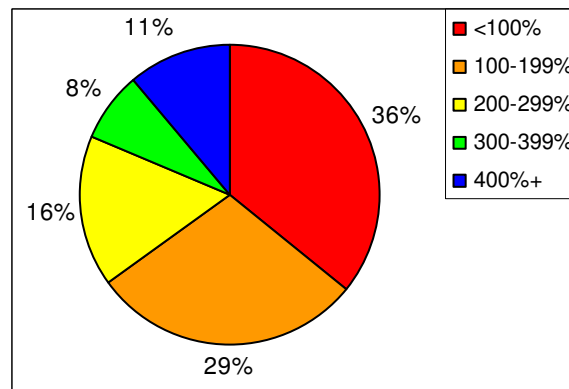
Sarah Axeen and Elizabeth Carpenter**

In August 2007, the Census Bureau estimated that there are 47 million uninsured Americans. *But, who are the uninsured?* There is no single profile of an uninsured American. The uninsured are a heterogeneous mix of adults and children from varying economic, racial, and geographic backgrounds. The data tell us that the problem of the uninsured is worsening. When combined with rising health care costs, uninsurance represents one of the largest domestic challenges facing our nation.†

INCOME

The majority of uninsured Americans have incomes below 200% of the poverty line or \$41,300 for a family of four. However, one in 10 uninsured Americans live in families that earn \$82,600 a year or more.

Figure 1 – Uninsured by Income



FPL	Percent of	Size of Population	Number Uninsured	Likelihood of being Uninsured	Percent of the Uninsured
<100%		45.5 Million	16.6 Million	36.5%	35.8%
100-199%		45.3 Million	13.6 Million	30.1%	29.3%
200-299%		41.7 Million	7.6 Million	18.1%	16.3%
300-399%		32.5 Million	3.5 Million	10.7%	7.5%
400%+		95.1 Million	5.2 Million	5.4%	11.1%

Source: Kaiser Family Foundation in "Health Insurance Coverage in America," 2007.

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† Note: If not otherwise stated, all data is based on the non-Medicare population.

Low-income individuals are also less likely to work for firms that offer insurance. Even in firms that do offer, workers with lower paying jobs are often ineligible for coverage. Still, the average employee share of an employer sponsored insurance premium was \$2,585 for family coverage in 2005.¹ For a family at the FPL making \$21,000, this represents almost 13% percent of income.

Figure 2 – Likelihood of Offer, Eligibility, Enrollment in ESI by Income
Population: Employees (workers who are not self-employed) age 19 to 64

Percent of Federal Poverty Level	Percent whose Employer Offers Coverage	Percent whose Employer Offers and who are Eligible for ESI	Percent who are Eligible for and Enroll in ESI Coverage	Percent with Any Coverage
<100%	55.4%	39.7%	25.2%	45.9%
100-199%	69.6%	60.4%	47.2%	60.9%
200-249%	80.4%	74.7%	62.9%	75.0%
250-299%	85.2%	79.2%	69.5%	83.4%
300-399%	87.7%	83.0%	71.8%	89.0%
400%+	92.6%	89.6%	75.0%	96.0%

Source: L. Clemans-Cope and B. Garrett (Urban Institute) 2006. Unpublished estimates based on the February 2005 Contingent Work Supplement of the Current Population Survey (CPS) and the March 2005 Annual Social and Economic (ASEC) Supplement of the CPS

As health care costs continue to rise, an increasing number of Americans are simply unable to afford coverage, especially if they do not access insurance through their employer. Without an employer contribution most families making less than \$83,000 a year would have to spend *at least 20%* of their take-home income to secure health insurance for their family. With the exception of major cities, this burden is far more onerous than other necessary expenses like housing.²

Figures 3 and 4 - Share of Income Used for Health Care Premium³ if Family Must Buy Own Coverage

Two Wage-Earners with Two Children

Percent of Federal Poverty Level	Annual Income	Federal Tax Liability (includes Child Tax Credit)	Percent of Income Spent on Premium	Percent of Take-Home Income ⁴ Spent on Premium
<100% FPL	\$20,650	\$2,015	58.6%	65.0%
200% FPL	\$41,300	\$5,113	29.3%	33.5%
300% FPL	\$61,950	\$8,210	19.5%	22.5%
400% FPL	\$82,600	\$12,998	14.7%	17.4%

One Wage-Earner with Two Children

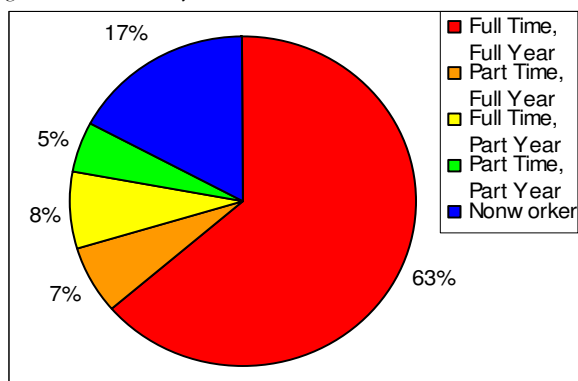
Percent of Federal Poverty Level	Annual Income	Federal Tax Liability (includes Child Tax Credit)	Percent of Income Spent on Premium	Percent of Take-Home Income ⁵ Spent on Premium
<100% FPL	\$17,170	\$1,716	70.5%	78.3%
200% FPL	\$34,340	\$4,291	35.2%	40.3%
300% FPL	\$51,510	\$7,553	23.5%	27.5%
400% FPL	\$68,680	\$11,845	17.6%	21.3%

Sources: Kaiser Family Foundation and Health Research and Educational Trust in "Survey of Employer Health Benefits 2007," 2007; US Department of Health and Human Services, "Federal Poverty Levels, 2007"; and "Federal Tax Brackets" at: http://www.moneychimp.com/features/tax_brackets.htm.

EMPLOYMENT

The vast majority of uninsured people are connected to the workforce. In 2006, almost two-thirds of the uninsured were in a household where someone held a full-time job for the entire year. Unfortunately, employment alone does not guarantee coverage.

Figure 5 – Uninsured by Work Status

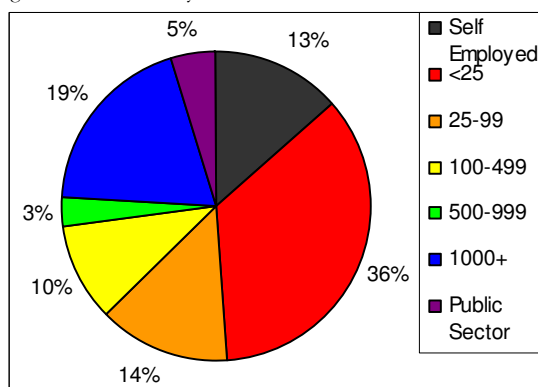


Work Status	Size of Population	Number Uninsured	Likelihood of being Uninsured	Percent of the Uninsured
Full Time, Full Year	197.3 Million	29.5 Million	15.0%	63.5%
Part Time, Full Year	12.7 Million	3.1 Million	24.5%	6.7%
Full Time, Part Year	12.6 Million	3.5 Million	27.5%	7.5%
Part Time, Part Year	9.0 Million	2.4 Million	26.4%	5.1%
Nonworker	28.4 Million	8.0 Million	28.2%	17.2%

Source: Paul Fronstin in "Sources of Health Insurance and Characteristics of the Uninsured," 2007.

More than 50% of uninsured workers are self-employed or work in firms with fewer than 100 people. In fact, you have almost a 1-in-3 chance of being uninsured if you are self-employed or work in a firm with fewer than 25 employees.

Figure 6 – Uninsured by Firm Size



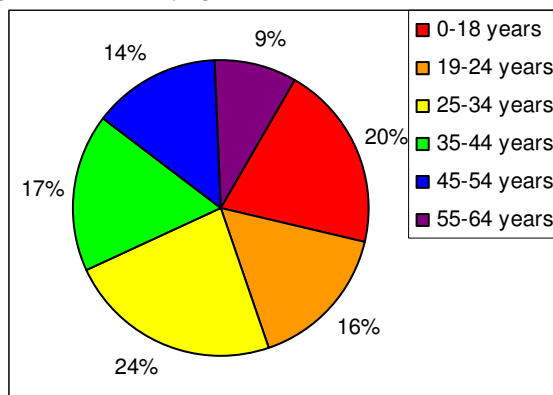
Firm Size	Size of Population	Number Uninsured	Likelihood of being Uninsured	Percent of the Uninsured
Self-Employed	13.5 Million	3.7 Million	27.6%	13.5%
<25	29.6 Million	9.8 Million	33.0%	35.4%
25-99	17.8 Million	3.7 Million	21.2%	13.6%
100-499	17.3 Million	2.9 Million	16.6%	10.4%
500-999	6.6 Million	0.8 Million	12.7%	3.1%
1000+	41.0 Million	5.3 Million	13.0%	19.3%
Public Sector	21.2 Million	1.3 Million	6.2%	4.8%

Source: Kaiser Family Foundation in "Health Insurance Coverage in America," 2007.

AGE AND GENDER

Most of the uninsured are young. Over half of the uninsured population is under the age of 34. In fact, you have more than a 30% chance of being uninsured if you are between the ages of 19 and 24.

Figure 7 – Uninsured by Age

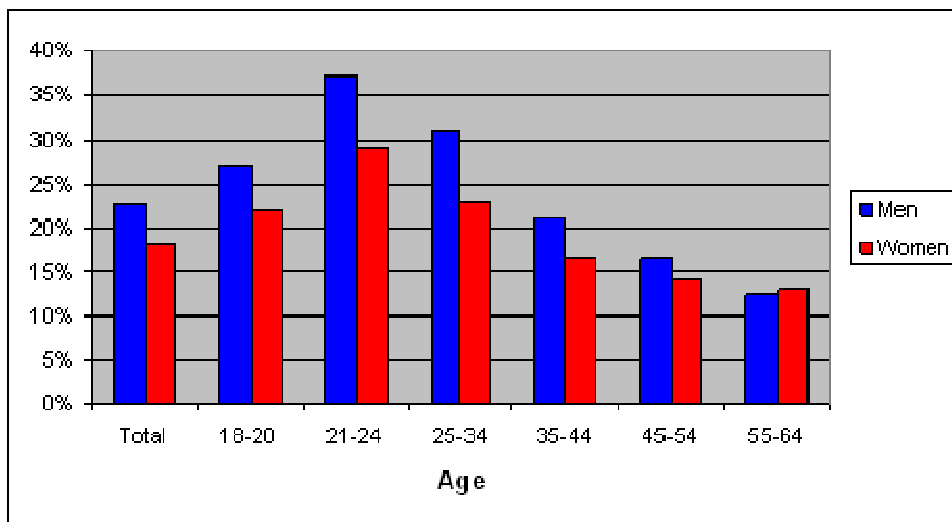


Age	Size of Population	Number Uninsured	Likelihood of being Uninsured	Percent of the Uninsured
0-18	78.2 Million	9.4 Million	12.1%	20.3%
19-24	24.1 Million	7.5 Million	31.2%	16.2%
25-34	39.6 Million	10.7 Million	27.1%	23.1%
35-44	42.5 Million	8.0 Million	18.9%	17.3%
45-54	43.4 Million	5.6 Million	15.3%	14.3%
55-64	32.2 Million	4.1 Million	12.7%	8.8%

Source: Kaiser Family Foundation in "Health Insurance Coverage in America," 2007.

Men and women have almost equal likelihoods of being uninsured, with men having a slightly higher rate of total uninsurance. When comparing the two populations, men have higher uninsurance rates in every age range except for the 55-64 bracket, when women outpace men.

Figure 8– Uninsured by Age and Gender

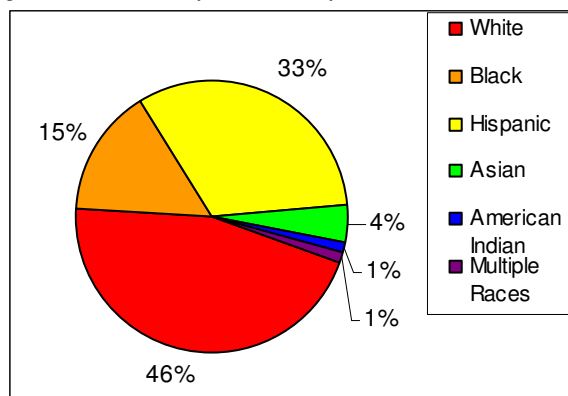


Source: Paul Fronstin in "Sources of Health Insurance and Characteristics of the Uninsured," 2007.

RACE

Almost half of uninsured Americans are white. Non-whites, however, are the most likely to be uninsured.

Figure 10 – Uninsured by Race/Ethnicity



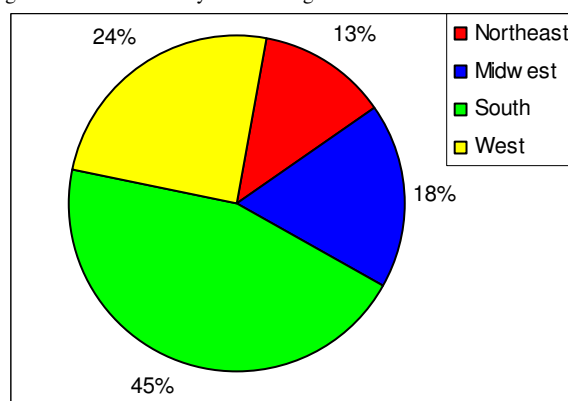
Race/Ethnicity	Size of Population	Number Uninsured	Likelihood of being Uninsured	Percent of the Uninsured
White	166.7 Million	21.0 Million	12.6%	45.1%
Black	32.9 Million	7.2 Million	21.8%	15.4%
Hispanic	42.3 Million	15.1 Million	35.7%	32.5%
Asian	12.4 Million	2.1 Million	16.6%	4.4%
American Indian	1.7 Million	0.6 Million	33.0%	1.2%
Multiple Races	4.0 Million	0.6 Million	15.2%	1.3%

Source: Kaiser Family Foundation in "Health Insurance Coverage in America," 2007.

GEOGRAPHY

Almost half of uninsured individuals live in the South. Southerners and Westerners are almost twice as likely to be uninsured as people who live in the Northeast or Midwest.

Figure 12 – Uninsured by Census Region



Region	Size of Population	Number Uninsured	Likelihood of being Uninsured	Percent of the Uninsured
Northeast	46.8 Million	5.2 Million	11.2%	12.5%
Midwest	62.2 Million	7.4 Million	11.8%	17.6%
South	91.2 Million	18.9 Million	20.8%	45.4%
West	55.9 Million	10.2 Million	18.2%	24.4%

Source: Patricia F. Adams, et al., in "Summary health statistics for the U.S. population," 2005.

ENDNOTES

¹ Average Employee Contribution based on MEPS Insurance Component Tables provided by the AHRQ.

² HUD determinations of Fair Market Rents in the Columbus, Ohio metropolitan area. Rent for a two-bedroom apartment is \$8,088 per year.

³ Average premium of \$12,106 based on Kaiser Family Foundation and Health Research and Educational Trust in “Survey of Employer Health Benefits 2007,” 2007.

⁴ Does not account for state tax liability.

⁵ Does not account for state tax liability.

SOURCES

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