



# Americans At Risk

One in  
Three Uninsured

Families USA

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# Americans At Risk:

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A REPORT BY  
**Families USA**

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*March 2009*

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**Americans at Risk:  
One in Three Uninsured**

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## INTRODUCTION

**A**s the recession worsens, America's businesses and families are feeling the squeeze of these tough economic times. Unemployment is at its highest rate in decades, and economic forecasts suggest that troubles are likely to continue for many months to come. At the same time, the cost of health coverage continues to rise, and millions of Americans remain uninsured, with more workers losing their jobs and the health insurance that they rely on with each passing week.

For too long, the story has been the same: Health reform is the topic of much political and policy discussion, but meaningful action to cover the uninsured fails to occur. And thus the crisis continues, leaving millions of Americans at risk—unless policy makers act to ensure that all Americans have health coverage.

To find out how many people are affected by being uninsured, Families USA commissioned The Lewin Group to analyze data from the Census Bureau's Current Population Survey (CPS) and its Survey of Income and Program Participation (SIPP), as well as from the Medical Expenditure Panel Survey (MEPS), which is conducted by the Agency for Healthcare Research and Quality. This analysis found that 86.7 million people—one out of every three Americans under the age of 65—was uninsured for some period of time during 2007 and 2008. These Americans have had to pay for medical care out of their own pockets, or they have had to delay needed care altogether.

Who are these uninsured Americans? No one is protected from the risk of uninsurance. People in all age groups, of every race and ethnicity, and across all income ranges are affected. While most of us have health insurance through our jobs, four out of five uninsured Americans are from working families. Many of these working families are at great risk today as more and more workers get laid off and lose their ability to retain health coverage.

This report offers a closer look at the number of uninsured Americans, who they are, and how long they are uninsured. We also discuss the major underlying reasons for the growth in the number of uninsured.

## KEY FINDINGS

### One in Three Uninsured: 2007-2008

- 86.7 million people under the age of 65 went without health insurance for some or all of the two-year period from 2007 to 2008 (Table 1).
- One out of three people (33.1 percent) under the age of 65 were uninsured for some or all of 2007-2008 (Table 1).

Table 1

#### Insurance Status of Americans under Age 65, 2007-2008

Population Under 65	Number Uninsured	Percent Uninsured
262,316,000	86,708,000	33.1%

Source: Estimates prepared by The Lewin Group for Families USA (see Technical Appendix for details).

### Number of Months Uninsured

- Of the 86.7 million uninsured individuals, three in five (60.2 percent) were uninsured for nine months or more. Nearly three-quarters (74.5 percent) were uninsured for six months or more (Table 2).
- Among all people under the age of 65 who were uninsured in 2007-2008, one quarter (25.3 percent) were uninsured for the full 24 months during 2007-2008; 19.5 percent were uninsured for 13 to 23 months; 15.4 percent were uninsured for nine to 12 months; 14.3 percent were uninsured for six to eight months; and 20.1 percent were uninsured for three to five months. Only 5.4 percent were uninsured for two months or less (Table 2).

Table 2

#### Duration without Health Insurance for Uninsured People under Age 65, 2007-2008

Months Uninsured	Number Uninsured	As Percent of All Uninsured
24 Months	21,938,000	25.3%
13-23 Months	16,922,000	19.5%
9-12 Months	13,319,000	15.4%
6-8 Months	12,440,000	14.3%
3-5 Months	17,443,000	20.1%
1-2 Months	4,646,000	5.4%
<b>Total*</b>	<b>86,708,000</b>	<b>100.0%</b>
Uninsured 9+ months*	52,179,000	60.2%
Uninsured 6+ months*	64,619,000	74.5%

\* Numbers do not add due to rounding.

Source: Estimates prepared by The Lewin Group for Families USA (see Technical Appendix for details).

## Work Status of the Uninsured

- Four out of five individuals (79.2 percent) who went without health insurance during 2007-2008 were from working families: 69.7 percent were in families with a worker who was employed full-time, and 9.5 percent were in families with a worker who was employed part-time (Table 3).
- In addition, 4.6 percent were looking for work (Table 3).
- Of the people who were uninsured during 2007-2008, only 16.2 percent were not in the labor force—because they were either disabled, chronically ill, family caregivers, or not looking for employment for other reasons (Table 3).

Table 3

### People under Age 65 without Health Insurance during 2007-2008, by Family Employment Status

Family Employment Status At End of Period	Number Uninsured	As Percent of All Uninsured
Employed Full- or Part-Time	68,644,000	79.2%
Employed Full-Time	60,428,000	69.7%
Employed Part-Time	8,216,000	9.5%
Unemployed (seeking work)	3,985,000	4.6%
Not in Labor Force	14,079,000	16.2%
<b>Total</b>	<b>86,708,000</b>	<b>100.0%</b>

Source: Estimates prepared by The Lewin Group for Families USA (see Technical Appendix for details).

## Income Level of the Uninsured

- Three out of five individuals (58.7 percent) in families with incomes below the federal poverty level (\$21,200 a year for a family of four in 2008) went without health insurance in 2007-2008 (Table 4).
- More than half (52.0 percent) of individuals in families with incomes between 100 and 199 percent of poverty (between \$21,200 and \$42,400 a year for a family of four in 2008) went without health insurance in 2007-2008 (Table 4).
- The likelihood of being uninsured decreases considerably with increased income, but nearly one in five (17.9 percent) people in families with incomes at four times the poverty level or above went without health insurance in 2007-2008 (Table 4).

Table 4

**People under Age 65 without Health Insurance during 2007-2008, by Income Level**

Family Income Relative To Poverty Level	Number Uninsured	Percent of Income Group Uninsured	As Percent of All Uninsured
<100%	22,058,000	58.7%	25.4%
100-199%	22,963,000	52.0%	26.5%
200-299%	14,319,000	33.7%	16.5%
300-399%	9,051,000	25.2%	10.4%
400%+	18,316,000	17.9%	21.1%
<b>Total*</b>	<b>86,708,000</b>		<b>100.0%</b>

\* Numbers do not add due to rounding.

Source: Estimates prepared by The Lewin Group for Families USA (see Technical Appendix for details).

## Every Racial and Ethnic Group Is Affected

- Hispanics/Latinos, African Americans, and people of other racial or ethnic minorities were much more likely to be uninsured than whites: 55.1 percent of Hispanics/Latinos, 40.3 percent of African Americans, and 34.0 percent of other racial and ethnic minorities went without health insurance in 2007-2008, compared to 25.8 percent of whites (Table 5).
- Although racial and ethnic minorities are more likely to be uninsured, whites accounted for nearly half (49.8 percent) of the uninsured in 2007-2008 (Table 5).

Table 5

**People under Age 65 without Health Insurance during 2007-2008, by Race and Hispanic Origin**

Race and Hispanic Origin	Number Uninsured	Percent of Subgroup Uninsured	As Percent of All Uninsured
White	43,169,000	25.8%	49.8%
African American	13,416,000	40.3%	15.5%
Hispanic, any race	23,935,000	55.1%	27.6%
Other*	6,188,000	34.0%	7.1%
<b>Total</b>	<b>86,708,000</b>		<b>100.0%</b>

\* "Other" includes those who identify themselves as American Indian, Aleut or Eskimo, Asian or Pacific Islander, or as a member of more than one group (e.g., white-black, white-Asian, black-Asian).

Source: Estimates prepared by The Lewin Group for Families USA (see Technical Appendix for details).

## Every Age Group Is Affected

- Of the total 86.7 million uninsured people in 2007-2008, 60.1 million were uninsured adults (between 19 and 64 years of age) (Table 6).
- The likelihood of being uninsured declined among adults as they grew older. The percentage who were uninsured was highest among 19- to 24-year-olds (49.5 percent) and 25- to 44-year-olds (36.3 percent). The percentage who were uninsured declined for 45- to 54-year-olds and 55- to 64-year-olds, to 25.5 percent and 21.2 percent, respectively (Table 6).

Table 6

### People under Age 65 without Health Insurance during 2007-2008, by Age

Age	Number Uninsured	Percent of Age Group Uninsured	As Percent of All Uninsured
0-18 Years	26,619,000	33.8%	30.7%
19-24 Years	11,956,000	49.5%	13.8%
25-44 Years	29,874,000	36.3%	34.5%
45-54 Years	11,186,000	25.5%	12.9%
55-64 Years	7,074,000	21.2%	8.2%
<b>Total*</b>	<b>86,708,000</b>		<b>100.0%</b>

\* Numbers do not add due to rounding.

Source: Estimates prepared by The Lewin Group for Families USA (see Technical Appendix for details).

## The Census Bureau and the Families USA Study: Two Different and Valid Measures of the Uninsured

The estimates of the number of Americans facing the physical and financial consequences of being uninsured that are presented in this study are based on a methodology that Families USA developed with The Lewin Group, a health and human services research consulting firm with more than 35 years of experience in empirical research and data analysis.

The estimates presented here differ from the widely quoted estimates of uninsured Americans that are released by the Census Bureau each year. The most recent Census Bureau release reports an estimated 45.7 million uninsured Americans (15.3 percent of the U.S. population) in 2007. This number, which was derived from the Census Bureau's annual Current Population Survey, is intended to offer an estimate of how many people did not have any type of health insurance for an entire calendar year. There are many people, however, who are uninsured for a portion of a year but not for the entire year. These individuals are not reflected in the Census Bureau's estimate.

Thus, this study was designed to take a closer look at, and to improve our understanding of, how many people experience a significant gap in health coverage. The Census Bureau's Current Population Survey asks respondents a series of questions in March, which respondents must answer by looking back at the time period from January 1 through December 31 of the previous year. If, and only if, the respondent answers that he or she did not have any kind of insurance at any point during that previous calendar year will that person be counted as uninsured. However, there are many people who are uninsured for periods of time that do

not neatly fall within a 12-month calendar year. The Families USA-Lewin methodology used in this study examines how many people under the age of 65 were without health insurance for at least one month—and up to the entire 24 months—during the two-year period of 2007-2008.

By taking this closer look, we found that many more people experienced a significant gap in health coverage than is usually recognized, and that that number is increasing rapidly. Our methodology includes, for example, a person who was uninsured from August 1, 2007, to April 1, 2008. This person would not be counted as uninsured in either 2007 or 2008 by the Census Bureau's Current Population Survey. Similarly, a person who was uninsured from January 1, 2007, until November 1, 2008—22 months without health insurance—would be counted by the Census Bureau as uninsured in 2007 but not counted as uninsured in 2008 (even though the person was uninsured for 10 months of 2008). No picture of the causes and consequences of being uninsured is complete unless it includes all who experience a significant gap in health coverage.

As described more fully in the Technical Appendix (see page 17), this study's estimates of the number of uninsured Americans are based exclusively on the most recent data projections from the Census Bureau's Current Population Survey and its Survey of Income and Program Participation, as well as from the Medical Expenditure Panel Survey (MEPS), which is conducted by the Agency for Healthcare Research and Quality.

## DISCUSSION

According to the U.S. Census Bureau, an estimated 45.7 million Americans were uninsured in 2007. This widely quoted number, which was derived from the Census Bureau's annual Current Population Survey (CPS), is designed to be an estimate of how many people did not have any type of health insurance for the entire previous calendar year. Although the CPS numbers provide a useful annual estimate of coverage and a tool that can be used to track trends in coverage from year to year, these numbers do not paint a complete picture of the insurance crisis.

This study was designed to take a closer look at the uninsured in America and to improve our understanding of how many people experience significant gaps in health coverage. Not only does it measure the number of uninsured people over a longer period of time than the CPS (two years in contrast to one), it also measures people who are uninsured for different lengths of time.

By taking this closer look, we found that many more people were touched by a significant gap in health insurance than is reported by the CPS. These people are at risk, both in terms of their physical and their economic well-being, and they may be profoundly affected by being uninsured. No picture of the causes and consequences of being uninsured is complete unless it includes all people who experience a significant gap in health coverage.

As described more fully in the Technical Appendix, this study's findings are based exclusively on data projections from the CPS, as well as the Census Bureau's Survey of Income and Program Participation (SIPP) and the Medical Expenditure Panel Survey (MEPS) from the Agency for Healthcare Research and Quality.

Our analysis yielded disturbing results: We found that 86.7 million people under the age of 65—one out of every three non-elderly Americans (33.1 percent)—went without health insurance for all or part of 2007-2008.

***A note about terminology:** When describing racial and ethnic groups, the Census Bureau uses the following terms: white, non-Hispanic; black, non-Hispanic; Hispanic; and other. In this report, we use the following terms: white; African American; Hispanic, any race; and other.*

### A Shared Problem

Our findings demonstrate that uninsurance affects a diverse array of people. Americans from every income group, every racial and ethnic group, and every age group are uninsured. Our analysis also found several key characteristics that the uninsured have in common. First and foremost, as previous research has demonstrated, the vast majority of the uninsured are from working families.<sup>1</sup> Four out of five individuals (79.2 percent) who were

uninsured during 2007-2008 were from working families; 69.7 percent of the uninsured were from families with one or more people who were employed full-time (Table 3).

Second, the majority of people who are uninsured remain uninsured for substantial periods of time. Our findings demonstrate that nearly three-quarters (74.5 percent) of those who went without health insurance for some or all of 2007-2008 were uninsured for six months or more. Three out of five (60.2 percent) were uninsured for nine months or more (Table 2). The effects of being uninsured, even for a period of a few months, can be devastating, both financially and physically (see “Why Insurance Matters” on page 12). Furthermore, as the duration of uninsurance increases, so do the chances of facing catastrophic financial and health problems.<sup>2</sup>

### Why Is the Crisis of Uninsurance So Large?

One in three Americans lack health insurance. There is no doubt that this is a shocking statistic, and it raises the question: Why is the crisis of uninsurance so large? A number of factors have led to the remarkable number of Americans who are at risk due to uninsurance. While nearly 165 million non-elderly Americans receive coverage through their job or the job of a loved one, the changing labor market has led to a decline in job-based health insurance. In addition, rising health insurance premiums have priced a growing share of Americans out of coverage, and limitations on eligibility for health care safety net programs leave millions of hard-working families with no affordable and available option for coverage. These trends are likely to accelerate as the economy continues to weaken.

#### ■ A Changing Labor Market

Labor market dynamics have a profound effect on insurance coverage. The likelihood that workers are offered health insurance is closely related to a range of factors, including the industry that they work in, the number of hours that they work, whether they are permanent or temporary employees, and the size of the firm.<sup>3</sup>

Traditionally, full-time, permanent employees in professional or government jobs, so-called “white-collar” workers, have been the most likely to have job-based health insurance. The vast majority of white-collar workers have health coverage. In contrast, so-called “blue-collar” workers who are employed in the service or agricultural sectors, as well as “nonstandard” workers—those who are employed on a part-time, temporary, seasonal, or contract basis—are far less likely to have insurance. For example, one study found that just one out of five nonstandard workers (21 percent) had job-based health insurance. In contrast, three-quarters (74 percent) of full-time, permanent, salaried employees had job-based coverage.<sup>4</sup>

Although these differences in coverage between white- and blue-collar workers have existed for years, data indicate that job-based health insurance is becoming increasingly scarce in all sectors. The proportion of Americans with job-based insurance dropped by nearly 5 percentage points between 2000 and 2007 (from 64.2 percent in 2000 to 59.3 percent in 2007).<sup>5</sup> Much of the decline in job-based insurance is associated with the rising costs of coverage, particularly in this recession. The rising costs of health insurance are a burden on businesses in the best of economic times, and employers have been increasingly shifting workers into positions that do not offer health coverage. Moving workers into part-time, seasonal, temporary, or other “nonstandard” positions often enables employers to avoid the cost of providing health insurance. In 2005, 34.3 million people—about a quarter of the U.S. workforce—were nonstandard workers,<sup>6</sup> and data suggest that this number is likely to have grown substantially in recent years. In fact, the number of Americans who are involuntarily working part-time grew by 73.3 percent between December 2007 and December 2008 alone.<sup>7</sup>

These labor market dynamics also help to explain some of the demographic trends discussed in the Key Findings. Racial and ethnic minorities are disproportionately employed in industries and occupations that do not typically offer health benefits or in nonstandard jobs. As a result, they are more likely to be uninsured.<sup>8</sup>

#### ■ Health Insurance Premiums Are on the Rise

Premiums for both job-based and individually purchased health insurance have risen rapidly between 1999 and today, increasing by double-digit amounts annually between 2001 and 2004. Moreover, these rising premiums have far outstripped increases in worker earnings.<sup>9</sup> Between 2000 and 2007, family premiums for job-based health insurance increased by 78.3 percent, while median worker earnings rose by only 14.5 percent.<sup>10</sup> When premium costs outpace wages, more people end up without health insurance: As health care costs increase relative to income, the number of uninsured people increases, as well.<sup>11</sup>

Faced with the rising cost of health insurance premiums, employers must make difficult decisions. Some employers, particularly those in small businesses, have concluded that they can no longer afford to offer health insurance to their workers and have dropped coverage, further increasing the number of uninsured Americans.<sup>12</sup> Other employers continue to offer health insurance, but they ask their employees to pay a greater share of the premiums. In addition, a growing number of employers seek to hold down costs by offering “thinner coverage”—coverage that offers fewer benefits and/or that comes with higher deductibles, copayments, and co-insurance.<sup>13</sup>

In such situations, working families must contend with a set of difficult decisions. Even if someone in the family has an offer of coverage, he or she is likely to be required to pay more, and often for fewer benefits, than in the past. Between 2000 and 2007, the employee share of family insurance premiums increased by 90.3 percent.<sup>14</sup> As a result, more and more working families are being priced out of job-based insurance.<sup>15</sup>

Workers without an offer of job-based coverage—and those who cannot afford the out-of-pocket costs associated with their employer's plan—may seek coverage on their own in the individual health insurance market. However, finding an individual insurance plan that meets their needs and their budget is likely to be extremely challenging. One recent survey found that nine out of 10 people who sought individual coverage never purchased a plan—either because they couldn't find an affordable plan, they were rejected for coverage, or they were offered a plan that excluded coverage for the very care they were most likely to need.<sup>16</sup>

In order to bring America's uninsurance crisis under control, the rapid rise in premiums must be slowed. To do this, we must address the root causes of premium increases. One of the main causes is the rapid rise in health care spending. Between 2000 and 2008, the amount spent on health care for each American grew from \$4,032 to a projected \$6,569—an increase of 62.9 percent.<sup>17</sup> This marked growth in health expenditures is driven, in large part, by two factors: increasing utilization, particularly of high-tech, high-cost services, and rising underlying health care costs.<sup>18</sup>

Advances in medicine, such as the development of new biological drugs, surgical procedures, and diagnostic tools, have improved the quality of care for a number of medical conditions. New technology, however, comes at a high price. And some health care experts estimate that the costs associated with these new medical technologies will account for as much as half of the increase in overall health care spending now and in the future.<sup>19</sup>

Increased utilization, the adoption of new medical technologies, and rising underlying costs have led to rapid increases in the amount spent on health care. As underlying health care costs continue to go up, health insurance becomes even less affordable, and the number of uninsured people rises.

Premium increases caused by the rise in underlying health care costs are compounded by policies that favor insurance companies over working families. Many states lack the consumer protections that help ensure that insurance companies treat people fairly. In some markets, for example, insurers can discriminate against people because of age, health status, and a range of other factors. In these markets, insurers are free to charge high premiums, eliminate coverage of certain services, or deny coverage.<sup>20</sup> Moreover, health insurance companies are generally free to decide how much of each

dollar they collect in premiums will be spent on health care, how much will be spent on overhead (such as marketing and advertising), and how much will be retained as profits.<sup>21</sup>

Lack of consumer protections is exacerbated by a trend in mergers among competing insurance companies. A 2007 study found that there were more than 400 insurance company mergers in the previous 12 years, which resulted in near-monopoly power among insurance companies. In nearly two-thirds of major metropolitan areas, a single insurer controls half or more of the market; in 96 percent of metropolitan areas, a single insurer controls at least 30 percent of the market.<sup>22</sup> Without rules to govern the influence and growth of large insurers, premiums are likely to continue their rapid ascent. Appropriate oversight can help bring down the cost of premiums, making health care more affordable for all Americans.

### ■ Holes in the Safety Net

Medicaid and the Children's Health Insurance Program (CHIP) provide health coverage to more than 66 million low-income children and families.<sup>23</sup> Without these programs, millions more would be uninsured.

Although these programs are vitally important, many people wrongly assume that Medicaid and CHIP offer coverage to all low-income and vulnerable Americans. Contrary to this assumption, Medicaid and CHIP are targeted programs that serve specific groups of low-income people—mainly children and their parents. These programs do not cover millions of other low-income Americans who are uninsured but no less needy, typically low-wage workers.<sup>24</sup> Moreover, the current structures of Medicaid and CHIP allow each state and the District of Columbia significant flexibility to set their own rules about who is eligible, income guidelines, enrollment procedures, and reporting requirements.

In almost all states, income eligibility levels differ radically based on family status. In most states, for example, a child is eligible for public health coverage (through either Medicaid or CHIP) if that child's family income is at or below 200 percent of the federal poverty level (\$35,200 for a family of three in 2008). However, the eligibility standards are much lower for parents than they are for children. The median income eligibility level for working parents is 67 percent of the federal poverty level—only \$11,792 in annual income for a family of three in 2008.<sup>25</sup> Even worse, in 43 states, Medicaid is simply not available for adults without dependent children unless those adults are permanently disabled.<sup>26</sup>

In light of state variations in Medicaid and CHIP, it is clear that there are many holes in the current safety net. Modernizing this system by making eligibility for public health programs more uniform across states and eliminating family status as a criterion for eligibility could help strengthen the safety net and reduce the number of uninsured.

## Why Insurance Matters

### 1 The uninsured are less likely to have a usual source of care outside of the emergency room:

- Uninsured adults are five times less likely to have a regular source of care than the insured.<sup>27</sup>
- Uninsured children are nearly 13 times less likely to have a regular source of care than insured children.<sup>28</sup>
- Uninsured adults are almost seven times more likely than insured adults to consider the emergency room their usual source of care (19 percent compared to 3 percent).<sup>29</sup>
- Two-thirds of all care provided to uninsured Americans is provided by hospitals.<sup>30</sup>

### 2 The uninsured often go without screenings and preventive care:

- Uninsured adults are almost 30 percent less likely than insured adults to have had a checkup in the past year.<sup>31</sup>
- Uninsured women are two times less likely than insured women to have had a Pap test in the last year.<sup>32</sup>
- Uninsured adults are more likely to be diagnosed with a disease in an advanced stage. For example, uninsured women are substantially more likely to be diagnosed with advanced stage breast cancer than women with private insurance.<sup>33</sup>
- Even when uninsured adults do receive preventive care and know they have a chronic condition, they are less likely to receive proper follow-up care. For example, uninsured patients with high blood pressure are less likely to have their blood pressure monitored and controlled, and they are less likely to receive disease management services.<sup>34</sup>

### 3 The uninsured often delay or forgo needed medical care:

- Uninsured Americans are up to three times more likely to report having problems getting needed medical care.<sup>35</sup> Uninsured adults are more than three times as likely as insured adults to delay seeking medical care (47 percent versus 15 percent).<sup>36</sup> And uninsured children are nearly five times more likely than insured children to have at least one delayed or unmet health care need.<sup>37</sup>
- Cancer patients without health insurance are more than five times more likely to delay or forgo cancer-related care because of medical costs than insured patients (27 percent versus 5 percent).<sup>38</sup>
- Nearly 70 percent of uninsured adults who are in poor health, and nearly 50 percent of uninsured adults who are in fair health, report that when they needed care in the past year, they were unable to see a physician because of cost.<sup>39</sup>
- One in four uninsured adults could not afford to fill a drug prescription in the past year, and the same proportion went without recommended tests or treatment due to cost.<sup>40</sup>
- Previously uninsured adults report greater use of health services and require more costly care once they obtain Medicare coverage at age 65 compared to those who were previously insured.<sup>41</sup>

## 4 Uninsured Americans are sicker and die earlier than those who have insurance:

- The uninsured consistently report that they are in poorer health than people with private insurance. Lower levels of self-reported health status, in turn, are a powerful predictor of future illness and premature death.<sup>42</sup>
- Uninsured adults are 25 percent more likely to die prematurely than adults with private health coverage.<sup>43</sup>
- Every year, the deaths of 18,000 people between the ages of 25 and 64 can be attributed to a lack of health insurance. This makes uninsurance the sixth leading cause of death, ahead of HIV/AIDS and diabetes.<sup>44</sup>
- Uninsured Americans between 55 and 64 years of age are at much greater risk of premature death than their insured counterparts. This makes uninsurance the third leading cause of death for the near-elderly, following heart disease and cancer.<sup>45</sup>
- Uninsured children who were admitted to the hospital due to injuries were twice as likely to die while in the hospital as their insured counterparts.<sup>46</sup>
- Uninsured patients are more likely to receive lower-quality care and suffer from the adverse consequences of this gap in quality. For example, uninsured patients with traumatic injuries are 50 percent more likely to die in the hospital than insured patients;<sup>47</sup> and uninsured patients with colorectal carcinoma (a type of colon cancer) were found to have worse postoperative outcomes, such as complications of surgery, and a greater risk of dying after surgery.<sup>48</sup>

## 5 The uninsured pay more for care—and so do the rest of us:

- Uninsured patients are unable to negotiate the discounts on hospital and doctor charges that insurance companies do. As a result, uninsured patients are often charged more than 2.5 times what insured patients are for hospital services.<sup>49</sup>
- Almost half (46 percent) of uninsured cancer patients used up all or most of their savings on their medical care.<sup>50</sup>
- Uninsured Americans received approximately \$56 billion in “uncompensated care”—care for which the provider was not paid—in 2008.<sup>51</sup> Although the uninsured struggle to pay as much as they can, the average premium for family health insurance provided by an employer was \$922 higher in 2005 due to the cost of health care for the uninsured that they could not afford to pay themselves.
- The estimated economic loss to the U.S. economy due to the poorer health and shorter life spans of the uninsured is in the range of \$100 to \$200 billion annually.<sup>52</sup>

## CONCLUSION

This study sheds more light on one of the worst predicaments facing our country today: 86.7 million Americans went without health insurance at some point in the last two years, and nearly three-quarters of these people were uninsured for six months or more. With one out of three Americans uninsured, and with the weakening economy making job-based health insurance increasingly difficult to hold on to, American families are at risk.

People who go without health insurance—even for brief periods of time—can face devastating consequences to their health and economic security. The data in this report demonstrate the magnitude of this crisis and document the consequences of inaction. Ensuring that health coverage is available and affordable for all must become a national priority.

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## ENDNOTES

- <sup>1</sup> Kaiser Commission on Medicaid and the Uninsured, *The Uninsured: A Primer, Key Facts about Americans without Health Insurance* (Washington: Kaiser Family Foundation, October 2008).
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- <sup>5</sup> Carmen DeNavas Walt, Bernadette Proctor, and Jessica Smith, *Income, Poverty, and Health Insurance Coverage in the United States: 2007* (Washington: U.S. Census Bureau, August 2008).
- <sup>6</sup> Elaine Ditsler, Peter Fisher, and Colin Gordon, op. cit.
- <sup>7</sup> Calculation by Families USA based on data in U.S. Department of Labor, Bureau of Labor Statistics, *The Employment Situation: December 2008*, available online at <http://www.bls.gov/news.release/pdf/empisit.pdf>, accessed on February 5, 2009.
- <sup>8</sup> Paul Fronstin, op. cit.; Michelle Doty and Alyssa Holmgren, *Health Care Disconnect: Gaps in Coverage and Care for Minority Adults* (New York: The Commonwealth Fund, August 2006); Michelle Doty and Alyssa Holmgren, *Unequal Access: Insurance Instability among Low-Income Workers and Minorities* (New York: The Commonwealth Fund, April 2004).
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## TECHNICAL APPENDIX

### People without Health Insurance at Some Time in 2007-2008: National and State-Level Estimates

Prepared by

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*Available on request from Families USA*



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