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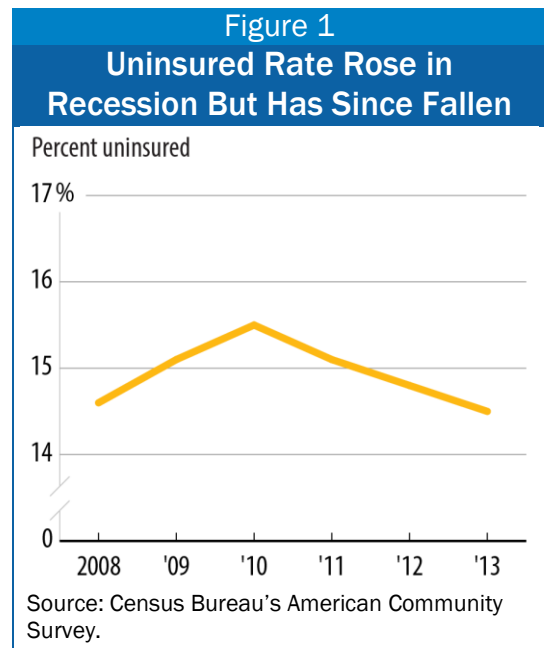
Census Data Show Uninsured Rate Edged Down Slightly in 2013

Other Survey Data Indicate Significant Coverage Gains in 2014

By Matt Broaddus and Edwin Park

The percentage of Americans without health coverage fell slightly in 2013, the Census Bureau announced September 16, marking the third consecutive year of decline from a recent high point in 2010. The *number* of uninsured Americans also declined slightly, to 45.2 million in 2013 from 45.6 million in 2012. No substantial change was expected in 2013 given that the Affordable Care Act’s (ACA) major coverage expansions didn’t take effect until January 2014.

While the Census Bureau data do not include information on health coverage in 2014, an array of surveys and data — including new data from the Centers for Disease Control and Prevention (CDC) — show that the number of Americans without insurance has fallen markedly in 2014 with implementation of health reform.



The Census Bureau’s release included estimates from both its Current Population Survey (CPS) and its American Community Survey (ACS). The Census Bureau revised this year the health coverage questions that it asks Americans, and as a result, its 2013 CPS estimates cannot be compared to data for earlier years. But the ACS questions did *not* change this year, allowing the ACS to be used for historical comparisons such as those reported here.

The uninsured rates for children and for young adults up to age 26 (who benefited from an ACA provision that took effect *before* 2014) remained at historic lows in 2013. Some 7.1 percent of children lacked health coverage in 2013, a decline of more than one-fifth from 2008’s 9.9 percent.

Similarly, 25.5 percent of young adults aged 19 through 25 were uninsured in 2013, down from 29.6 percent in 2010.¹

The share of Americans with private health coverage remained stable in 2013 for a third consecutive year, after several years of decline, reflecting the progress in covering young adults and the improving employment outlook.

The share of Americans enrolled in *public* coverage — Medicare, Medicaid, and the Children’s Health Insurance Program (CHIP) — rose slightly in 2013. The increase primarily reflects the aging of the population, as some previously uninsured near-elderly individuals qualified for Medicare upon turning 65.

Large reductions in the share and number of uninsured Americans are expected in 2014, when health reform’s major coverage expansions took effect. The Congressional Budget Office (CBO) estimates that 26 million people who otherwise would be uninsured will eventually gain coverage as a result of health reform. (The coverage gains will be larger than that if most or all states eventually adopt health reform’s Medicaid expansion.) Other surveys already show large reductions in the number of uninsured Americans in 2014. The CDC finds that the ranks of the uninsured fell in the first quarter of 2014 by 3.8 million people, or 1.3 percentage points. These figures are consistent with four independent surveys from RAND, the Urban Institute, Gallup, and the Commonwealth Fund showing the uninsured rate among non-elderly adults in 2014 down by about a quarter from 2013.

The new Census figures from the American Community Survey show:

- The share of Americans without health coverage fell slightly, from 14.8 percent in 2012 to 14.5 percent in 2013. The *number* of uninsured Americans also declined slightly, from 45.6 million in 2012 to 45.2 million in 2013.
- The share of the population with private coverage remained stable at 65.0 percent in 2013 for the third consecutive year, while the share of the population with Medicaid or CHIP remained stable at 15.3 percent.
- The share of the population enrolled in Medicare rose again in 2013 as another cohort of baby boomers aged into eligibility.
- Some 14.1 percent of those living in states that have expanded Medicaid were uninsured in 2013, compared with 17.3 percent of residents of non-expansion states. These results pre-date, and hence do not reflect, the coverage gains due to the Medicaid expansion. This means that the coverage gap between expansion and non-expansion states will widen further in 2014.

¹ Note, the 2010 estimate reflects the uninsured rate of 18- to 24-year-olds rather than 19- to 25-year-olds. The American Community Survey (ACS) did not publish estimates for 19- to 25-year-olds prior to 2012. The uninsured rate decline for young adults between 2010 and 2013 would only be greater if 2010 data for 19- to 25-year-olds could be used instead of 2010 data for 18- to 24-year-olds.

Uninsured Rate Declined Slightly in 2013, Building on Earlier Progress

The uninsured rate has declined in the last few years, from a recent high of 15.5 percent in 2010. (See Figure 1.) Without progress since 2010 in lowering the uninsured rate, there would have been 48.2 million uninsured people in 2013, as opposed to the actual 45.2 million.

Much of the improvement since 2010 can be attributed to ACA provisions that permitted young adults to enroll in (or remain on) their parents' health insurance plan up to age 26 and ACA provisions that ensured the continuation of coverage gains for children under Medicaid and CHIP. Some 7.1 percent of children lacked coverage in 2013, compared with 7.2 percent in 2012, 8.0 percent in 2010, and 9.9 percent in 2008. Among adults under 26, some 25.5 percent were uninsured in 2013, compared with 26.5 percent in 2012 and 29.6 percent in 2010.

Changes to CPS Health Coverage Questions

Although the Current Population Survey is the most widely used source of health coverage information, changes in its health coverage questions in 2013 – the result of a multi-year Census initiative to improve the reliability and accuracy of the survey's health coverage estimates – mean the 2013 results can't be compared to those for prior years. The CPS estimates for 2013 remain of substantial value, however, because of the high quality of the CPS's survey design and the CPS's wealth of additional information on income and demographics.

Thus, for trend analysis (i.e., comparisons with earlier years), the Census Bureau's American Community Survey (ACS) is the preferred data source this year. Findings in this paper are based on ACS and CPS data as appropriate, with the ACS data used for historical comparisons and the CPS data used to compare 2013 coverage rates across different population groups.

Analysts have long maintained that the CPS estimate of the number of uninsured people has historically been too high for what the survey purportedly measures – the number of people uninsured *for the entire calendar year*. The new survey questions, which ask separately about coverage at the time of the interview and coverage transitions over the course of the previous year, are designed to generate more reliable estimates.

These changes will also strengthen the CPS' ability to accurately measure the effects of recent changes in health care coverage sources, such as the availability (starting in 2014) of subsidies to purchase marketplace (or exchange) coverage under the Affordable Care Act. The Census Bureau believes that the 2013 CPS data on health coverage will provide an improved baseline for accurately measuring the effects of the 2014 ACA coverage expansions when those data become available a year from now.

Private Coverage Rates Remained Stable

For the third straight year, the share of Americans with private coverage remained stable at 65.0 percent in 2013. Some 77.3 percent of those who were employed had private coverage in 2013, statistically unchanged from 2012. Meanwhile, the share of non-elderly adults who are employed edged up from 69.7 percent in 2012 to 70.2 percent in 2013. Employed people are much more likely to have private coverage than are unemployed people (35.6 percent of whom had private coverage in 2013) or non-elderly adults not in the labor force (of whom 49.9 percent had private coverage).

Even so, the share of Americans who had private coverage remained well below its 2008 level of 69.6 percent. This longer-term decline reflects both the employment losses during the recent recession and a long-term decline in private coverage rates among employed individuals. (See Table 1.)

Table 1						
Share of Population with Private Coverage Has Fallen Due to Employment Losses and Drop in Share of Workers with Private Coverage						
	2008	2009	2010	2011	2012	2013
Total population, share with private health coverage	69.6%	67.4%	65.8%	65.2%	65.1%	65.0%
Share of working-age adults (18-64) employed	73.7%	70.4%	68.9%	69.0%	69.7%	70.2%
Share of employed adults (18-64) with private coverage	79.2%	78.6%	77.7%	77.5%	77.4%	77.3%
Source: CBPP analysis of Census Bureau data.						

Some 7.3 million people had enrolled in a private, health reform marketplace plan as of March 31, 2014, according to initial reports of administrative data.² These gains in private coverage are not reflected in this year’s Census Bureau survey. Next year’s estimates will include them.

Public Program Coverage, Particularly Medicare, Rose in 2013

The share of Americans covered by programs like Medicare, Medicaid, and CHIP rose from 31.1 percent in 2012 to 31.6 percent in 2013. Enrollment in public health programs has grown each year since the ACS started collecting health coverage data in 2008. The 2013 growth, like that in 2012, primarily reflects an increase in Medicare enrollment as the share of the population aged 65 or older reached a historic high. Nearly 2 million more people were enrolled in Medicare in 2013 than in 2012.

Medicaid and CHIP also continue to play a significant coverage role, particularly for children. Some 77.3 percent of children in families with incomes below the poverty line were enrolled in Medicaid or CHIP in 2013, as were 54.1 percent of children in families with incomes between 100 percent and 200 percent of poverty, according to the CPS data. Medicaid and CHIP are a critical source of coverage for such children, given the low *private* coverage rates among children at these income levels. (Only 41.4 percent of children in families with incomes between 100 percent and 200 percent of poverty had private coverage in 2013, compared with 82.7 percent of children in families above twice the poverty line.)³

² Jennifer Haberkorn, “7.3 Million in Obamacare plans, beats CBO forecast,” Politico, September 18, 2014, <http://www.politico.com/story/2014/09/obamacare-enrollment-numbers-111097.html>.

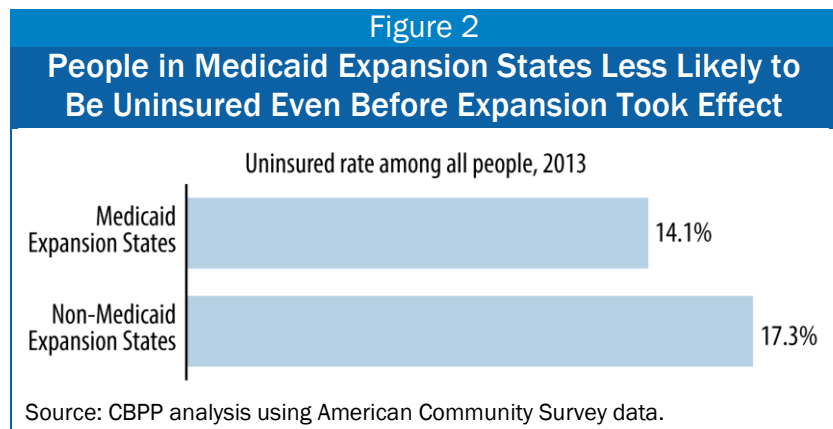
³ Based on Center on Budget and Policy Priorities’ analysis of the Annual Social and Economic Supplement to the Census Bureau’s 2014 Current Population Survey.

Many near-poor children have coverage through CHIP, which requires renewed federal funding after fiscal year 2015. Nearly 2 million children currently covered by CHIP will lack access to subsidized coverage if Congress fails to renew CHIP funding, according to the Government Accountability Office.⁴

Medicaid and CHIP enrollment rose by 7.3 million, or 12.4 percent, between the third quarter of 2013 and *June 2014*, according to initial reports of administrative data. This growth primarily reflects states' implementation of health reform's Medicaid expansions; more than 85 percent of the Medicaid growth in the first half of 2014 occurred in expansion states. This growth and its impact on reducing the ranks of the uninsured should be evident in next year's Census data.

States That Didn't Expand Medicaid in 2014 Had High Uninsured Rates in 2013

The uninsured rate last year was higher in states that have declined to implement the ACA's Medicaid expansion than in states that have adopted it. Some 17.3 percent of people in the 24 non-expansion states lacked coverage in 2013, compared with 14.1 percent of those in the 27 states (including the District of Columbia) that expanded Medicaid in 2014.⁵ (See Figure 2.)



These results strongly suggest that the Census data for 2014 will show significant further widening in the coverage disparity between these two groups of states, an outcome that is already showing up in other survey data. For example, the Urban Institute's Health Reform Monitoring Survey finds that the uninsured rate fell in the expansion states from 16.2 percent in the third quarter of 2013 to 10.1 percent in the second quarter of 2014. By contrast, the uninsured rate declined by a much smaller amount — from 20.0 percent to 18.3 percent — in the *non*-expansion states over this period.⁶

In addition, the CDC issued preliminary data on September 16 showing significant coverage gains in 2014 among states that adopted the Medicaid expansion. The CDC data show the uninsured rate

⁴ Government Accountability Office, "Children's Health Insurance: Opportunities Exist for Improved Access to Affordable Insurance," June 2012, <http://www.gao.gov/assets/600/591797.pdf>.

⁵ Pennsylvania has expanded Medicaid coverage but will not begin enrolling adults in the expansion until January 1, 2015. Thus, our count of Medicaid expansion states does not include Pennsylvania.

⁶ Sharon Long *et al.*, "Taking Stock at Mid-Year: Health Insurance Coverage Under the ACA as of June 2014," Urban Institute, July 29, 2014, <http://hrms.urban.org/briefs/taking-stock-at-mid-year.pdf>.

for non-elderly adults in expansion states declining from 18.4 percent in 2013 to 15.7 percent in the first quarter of 2014, as compared with a decline from 22.7 percent to 21.5 percent in non-expansion states.⁷ That gap should widen further when CDC issues data for subsequent quarters of 2014, as many people who gained coverage under the ACA didn't begin to receive it until after the first quarter of the year.

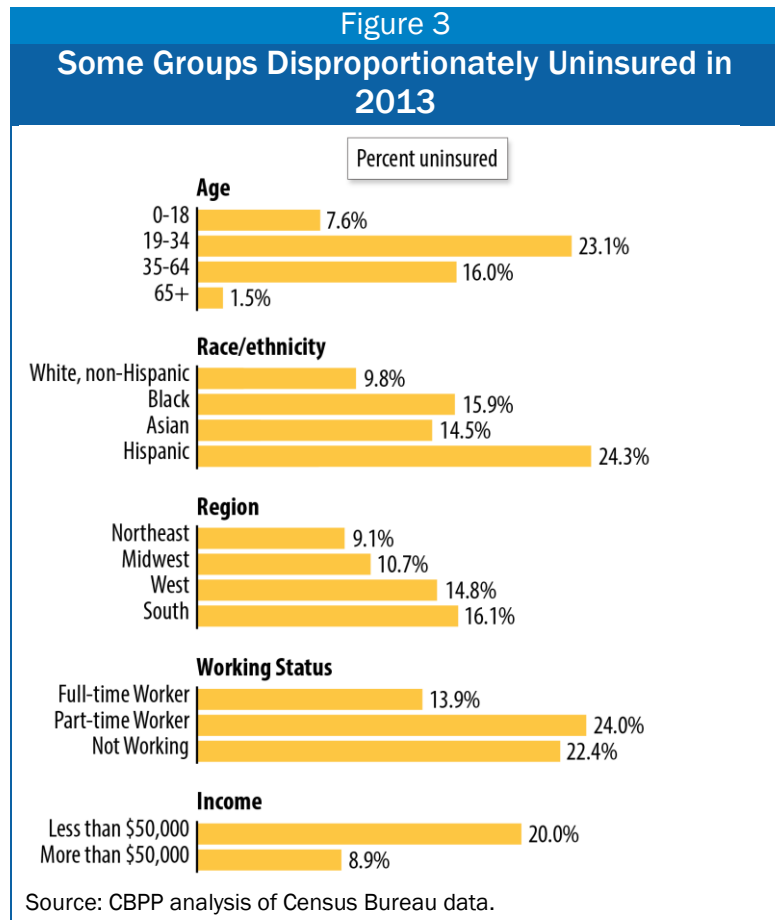
Certain Groups Remain Disproportionately Uninsured

Certain groups of Americans continue to be uninsured at very high rates, the Current Population Survey (CPS) data show. (See Figure 3.)

- 26- to 34-year-olds.** Some 23.5 percent of this group was uninsured in 2013, making it the age cohort with the highest uninsured rate. Implementation of the ACA's young adult provision, which took effect in September 2010 and allows adult children to remain on their parents' private health insurance plans until age 26, has been a major factor in lowering the share of adults under 26 who are without coverage, to 22.6 percent in 2013. Adults under 26 used to be the age cohort with the highest uninsured rate, but in 2013, that distinction went to people aged 26-34.

- Hispanics.** Some 24.3 percent of Hispanics were uninsured in 2013, compared with 15.9 percent of African Americans, 14.5 percent of Asian Americans, and 9.8 percent of non-Hispanic whites.

- Residents of the South and West.** Some 16.1 percent of those living in the South and 14.8 percent of those living in the West were uninsured in 2013, well above the comparable figures for the Northeast (9.1 percent) and Midwest (10.7 percent).



⁷ Robin Cohen and Michael Martinez, "Health Insurance Coverage: Early Release of Estimates from the National Health Interview Survey, January-March 2014," Centers for Disease Control and Prevention, September 2014, <http://www.cdc.gov/nchs/data/nhis/earlyrelease/insur201409.pdf>.

- **Unemployed or underemployed.** Some 22.4 percent of those who were unemployed for at least one week in 2013, and 24.0 percent of those who worked less than full time, were uninsured. Among those who had a full-time job throughout the year, 13.9 percent were uninsured.
- **People in low-income households.** The uninsured rate among people in households with incomes below \$50,000 stood at 20.0 percent, more than twice the 8.9 percent rate among people in households with incomes of \$50,000 or more.

Surveys Show ACA's Early Impact on Health Coverage in 2014

The CPS and ACS data do not show the coverage gains in 2014 that have resulted from the ACA's Medicaid expansion and subsidized marketplace coverage. Separate from the Census Bureau's release of official health coverage figures for 2013, however, the CDC issued preliminary data last week showing that the ranks of the uninsured fell in the first quarter of 2014 by 3.8 million people (or 1.3 percentage points).⁸ The CDC data provide the first government survey data that reflect the early impact of health reform's major coverage expansions, which took effect in January 2014. Some 13.1 percent of the population was uninsured in the first quarter of 2014, the lowest figure on record since the CDC began collecting these data in 1997.

Coverage gains were greatest among the population groups historically least likely to have coverage. The uninsured rate for adults under 26 plummeted from 26.5 percent in 2013 to 20.9 percent in the first quarter of 2014. People in families under 200 percent of the poverty line, Latinos, African Americans, and people with less than a high school education all experienced disproportionately large coverage gains.

The CDC figures are consistent with four independent surveys that similarly show major gains in health coverage for adults in 2014, with the uninsured rate down from 2013 by about a quarter in each of the studies. (Three of the studies examined non-elderly adults; the fourth examined all adults.) Some of these studies reflect data gathered *after* the first quarter of 2014 and consequently show substantially larger coverage gains than those reflected in the CDC data. The CDC data were collected in January-March and don't fully capture the significant enrollment growth in state Medicaid programs and health reform marketplaces that took place toward the end of this period (as the March 31 deadline for enrolling in marketplace coverage approached) or in April (the month in which many who enrolled in March first had coverage.) Each of these surveys indicates that the Medicaid expansion and subsidized marketplace coverage are contributing to large reductions in the ranks of the uninsured.

- The April 2014 results from RAND's Health Reform Opinion Study show that the share of adults aged 18-64 without insurance fell from 20.5 percent to 15.8 percent between September 2013 and March 2014. The number of uninsured adults aged 18-64 fell from 40.7 million to 31.4 million, a decline of 9.3 million.⁹

⁸ Cohen and Martinez.

⁹ Katherine Grace Carman and Christine Eibner, "Changes in Health Insurance Enrollment Since 2013: Evidence from the RAND Health Reform Opinion Study," RAND Corporation, April 2014, http://www.rand.org/content/dam/rand/pubs/research_reports/RR600/RR656/RAND_RR656.pdf.

- Data from the Urban Institute’s Health Reform Monitoring Survey show the uninsured rate among adults aged 18-64 fell from 17.9 percent to 13.9 percent between the third quarter of 2013 and the second quarter of 2014. That would translate into a decline in the number of uninsured non-elderly adults of 8 million, based on Census population estimates.¹⁰
- Results from the Gallup-Healthways Well-Being Index show that the share of adults (including those aged 65 and above) without coverage fell from 18.0 percent to 13.4 percent between the third quarter of 2013 and the second quarter of 2014, falling to the lowest level since Gallup and Healthways began tracking this information in 2008.¹¹ (This would mean the number of uninsured adults fell from 42.6 million to 31.7 million, based on Census population estimates.)
- July 2014 results from the Commonwealth Fund’s Affordable Care Act Tracking Survey show that the share of adults aged 19-64 without coverage fell from 20 percent in July-September 2013 to 15 percent in April-June 2014. As a result, an estimated 9.5 million fewer adults lack coverage, including 5.7 million people aged 19-34. The survey also found that new enrollees are using their coverage; the majority had already visited a doctor or had a prescription filled by the April-June period.¹²

¹⁰ Sharon Long *et al.*

¹¹ Dan Witters, “Arkansas, Kentucky Report Sharpest Drops in Uninsured Rate: Medicaid Expansion, State Exchanges Linked to Faster Reduction in Uninsured Rate,” Gallup, August 5, 2014, http://www.gallup.com/poll/174290/arkansas-kentucky-report-sharpest-drops-uninsured-rate.aspx?utm_source=alert&utm_medium=email&utm_campaign=syndication&utm_content=morelink&utm_term=All%20Gallup%20Headlines#1.

¹² Sara Collins, Petra Rasmussen, and Michelle Doty, “Gaining Ground: Americans’ Health Insurance Coverage and Access to Care After the Affordable Care Act’s First Open Enrollment Period,” Commonwealth Fund, July 2014, http://www.commonwealthfund.org/~media/files/publications/issue-brief/2014/jul/1760_collins_gaining_ground_tracking_survey.pdf.