Blue Ribbon Commission on Health Care Costs and Access
October 27, 2006

Vicki Wilson, Ph.D., Director,
Washington State Planning Grant
Access to Health Insurance Project
To Be Covered

- Who Has The “Real” Numbers?
- Washington’s Uninsured in 2006
- Why Coverage Matters
- The Link to Strategies

**To Keep In Mind:**

- As frustrating as it is, there is no one number that serves all purposes. *All estimates are wrong, some are useful*
- A tremendous amount is known about the uninsured *The story hasn’t changed much – at least from what we’ve seen so far*
- Opportunities to reduce the number of uninsured exist *Both structural and stop-gap measures are needed*
## A Look at the New Estimates:

### 2006 Uninsured:

<table>
<thead>
<tr>
<th>For the total population</th>
<th>Children: 72,572</th>
<th>Children: 97,519</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adults: 520,813</td>
<td>Adults: 508,271</td>
<td></td>
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### 2004 Uninsured:

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<th>Children: 72,572</th>
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<td>Adults: 517,442</td>
<td>Adults: 505,210</td>
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Why You See Different Numbers

Lost in a sea of measures:
WSPS, CPS, SIPP, BRFSS, MEPS, NHIS, NSAF, CTS

- How surveys get structured
- How data are prepared
- How numbers get used or misused
Two Primary Data Sources

  - Biennial household survey (Spring 2006)
  - Most reliable and valid source of data for point-in-time estimates of Washington’s uninsured (e.g., sample size [7,000], adjustments for undercounted public coverage, elimination of recall bias)
  - Drawback: does not allow comparisons to other states; national surveys (CPS) used for ranking.

- **CPS: Current Population Survey**, U.S. Census Bureau
  - Annual household supplement (March 2006)
  - Focus on measuring uninsured for entire previous calendar year, for the nation as a whole.
  - Precision issues: Recall bias leads experts to believe it more closely captures a point-in-time; small sample size for each state (1,300 for WA); no standardized adjustment for undercounted public coverage

WSPS has more precise rates and counts for policy discussions.

CPS is best barometer of where we are relative to other states.
Washington’s Coverage History

- We’ve gotten back to our “better self” for children. Can we do it for adults?
- While most of us continue to have employer coverage, we know the “big picture” masks some important underlying trends.

  (e.g., significant decline in employer coverage and significant increase in uninsurance for 19-34 year olds)
Overview of Washington's Uninsured 1993-2006

(Adjustments made to account for Medicaid underreporting are described in http://www.ofm.wa.gov/sps/index.htm)
Primary Source of Insurance for those Under Age 65, 1993-2006

(Adjustments made to account for Medicaid underreporting are described in http://www.ofm.wa.gov/sps/index.htm)
Changing Coverage Dynamics

2006

0-64

Employer 66.7%
Public 17.7%
Indiv. 5.2%
Unins. 10.4%
(N=5.65m)

Children (0-18)

Employer 57.5%
Public 34.8%
Indiv. 3.3%
Unins. 4.4%
(N=1.64m)

Adults (19-64)

Employer 70.4%
Public 10.7%
Indiv. 5.9%
Unins. 12.9%
(N=4.0m)

2000 - 2006

Children: Growth in public program coverage
Almost 2/3 from lower private coverage
Just over 1/3 from lower uninsurance

Adults: Growth in uninsured
Just over 3/4 from lower private coverage
Almost 1/4 from lower public coverage

Washington’s Story in 2006: Who Are the Uninsured?

While there are some modest changes taking place in 2006, the picture we see (at least so far) is not much different from that of the past. The uninsured are generally...

- Young adults
- Quite low-income
- Part of working families
- Without dependent children
- Lacking the benefit of higher education

And unfortunately for these groups, not only do they make up the bulk of today’s uninsured, they are likely to make up the bulk of tomorrow’s uninsured (their risks of being uninsured are among the fastest growing).

We also know that disparities among racial/ethnic groups continue in 2006: Hispanic and American Indian/Alaskan Natives are more at risk of being uninsured than any other race/ethnic group.
Many of Washington's Uninsured (age 0-64) are Young Adults

WHO MAKES UP THE UNINSURED?

- Adults (19-25): 29.8%
- Adults (19-34): 50.7%
- Adults (35-54): 29.3%
- Adults (55-64): 7.7%
- Children (0-18): 12.3%
(N=590K)

WHO'S AT GREATEST RISK OF BEING UNINSURED?

<table>
<thead>
<tr>
<th>Age Group</th>
<th>0-18</th>
<th>19-34</th>
<th>35-54</th>
<th>55-64</th>
<th>19-25</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ages</td>
<td>4.4%</td>
<td>22.0%</td>
<td>8.9%</td>
<td>6.3%</td>
<td>29.0%</td>
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WHICH GROUPS ARE GROWING/DECLINING AT THE FASTEST RATE? (2000 - 2006)

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<tbody>
<tr>
<td>Change</td>
<td>-20.3%</td>
<td>38.4%</td>
<td>25.0%</td>
<td>20.8%</td>
<td>57.4%</td>
</tr>
</tbody>
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Most of Washington's Uninsured (age 0-64) are Poor or Near-Poor

WHO MAKES UP THE UNINSURED?

<table>
<thead>
<tr>
<th>Income Level</th>
<th>Percentage</th>
</tr>
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<tbody>
<tr>
<td>Up to 100% of FPL</td>
<td>39.6%</td>
</tr>
<tr>
<td>100-200% of FPL</td>
<td>26.1%</td>
</tr>
<tr>
<td>200-300% of FPL</td>
<td>13.4%</td>
</tr>
<tr>
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<td>8.8%</td>
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<td>20.2%</td>
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<td>9.4%</td>
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Most of Washington's Uninsured (age 0-64) are Members of Working Families

WHO MAKES UP THE UNINSURED?

- No Workers in Family: 27.5%
- 1 or More Workers in Family: 72.5%

(N=590K)

WHO'S AT GREATEST RISK OF BEING UNINSURED?

<table>
<thead>
<tr>
<th></th>
<th>No Workers</th>
<th>1 or More Workers</th>
<th>No Workers &lt; 200% FPL</th>
<th>No Workers &gt; 200% FPL</th>
<th>1 + Workers &lt; 200% FPL</th>
<th>1 + Workers &gt; 200% FPL</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Workers in Family</td>
<td>18.6%</td>
<td>9.0%</td>
<td>21.5%</td>
<td>13.0%</td>
<td>22.9%</td>
<td>4.5%</td>
</tr>
<tr>
<td>1 or More Workers</td>
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<td></td>
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<tr>
<td>No Workers in Family</td>
<td>12.9%</td>
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<td>5.8%</td>
<td>27.6</td>
<td>6.9%</td>
</tr>
<tr>
<td>1 or More Workers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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Most Uninsured Adults (age 19-64) Have No Education Beyond High School

WHO MAKES UP THE UNINSURED?

- College Degree: 14.4%
- Less than High School: 16.8%
- High School: 44.1%
- Some College: 24.7%

(N=517K)

WHO'S AT GREATEST RISK OF BEING UNINSURED?

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Less than High School</th>
<th>High School</th>
<th>Some College</th>
<th>College Degree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage</td>
<td>36.1%</td>
<td>21.8%</td>
<td>10.5%</td>
<td>4.9%</td>
</tr>
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WHICH GROUPS ARE GROWING AT THE FASTEST RATE? (2000 - 2006)

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<th>Some College</th>
<th>College Degree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage</td>
<td>30.3%</td>
<td>73.1%</td>
<td>18.9%</td>
<td>19.1%</td>
</tr>
</tbody>
</table>

Most of Washington's Uninsured (age 0-64) are White or Hispanic

WHO MAKES UP THE UNINSURED?

WHO'S AT GREATEST RISK OF BEING UNINSURED?

<table>
<thead>
<tr>
<th></th>
<th>White, Non-Hispanic</th>
<th>Native Hawaiian</th>
<th>Hispanic</th>
<th>Black, Non-Hispanic</th>
<th>Asian</th>
<th>Am. Indian/AK. Native</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>9.0%</td>
<td>9.3%</td>
<td>23.3%</td>
<td>13.2%</td>
<td>4.4%</td>
<td>23.8%</td>
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WHICH GROUPS ARE GROWING/DECLINING AT THE FASTEST RATE? (2004\(^1\) - 2006)

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</thead>
<tbody>
<tr>
<td>2004</td>
<td>-10.7%</td>
<td>-44.8%</td>
<td>31.3%</td>
<td>33.5%</td>
<td>-60.5%</td>
<td>44.9%</td>
</tr>
</tbody>
</table>


\(^1\) Data quality issues were suspected with 2000 race/ethnicity data, therefore we use 2004 for comparison with 2006.
Most of Washington's Uninsured (age 0-64) are Adults Without Children

WHO MAKES UP THE UNINSURED?

- Adults without Children: 51.0%
- Adults with Children: 36.7%
- Children: 12.3%

(N=590K)

WHO'S AT GREATEST RISK OF BEING UNINSURED?

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Children</td>
<td>4.4%</td>
</tr>
<tr>
<td>Adults with Children</td>
<td>11.6%</td>
</tr>
<tr>
<td>Adults without Children</td>
<td>14.0%</td>
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WHICH GROUPS ARE GROWING/DECLINING AT THE FASTEST RATE? (2000-2006)

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Canary in the Mine-Shaft

Are middle-income and middle-age people at higher risk of being uninsured today than they were yesterday?

(Middle-Income = 200-400% of Federal Poverty and Middle-Age = 35-54)

Simple Probability of Being Uninsured in 2000

7.6%

Simple Probability of Being Uninsured in 2006

9.5%

2000: Middle-income/middle-age adults made up 9.5% of Washingtonians age 0-64 (N=495K)
2006: Middle-income/middle-age adults made up 8.5% of Washingtonians age 0-64 (N=482K)
Why Insurance Matters

- The uninsured don’t get the care they need, when they need it. (E.g., uninsured cancer patients are diagnosed in later stages of disease and die earlier.)
- Population mortality could be reduced 5%-15% if the uninsured had continuous health coverage.
- Lack of insurance for even short periods results in lower rates of preventive service use.
- Despite our minimum standard of access to care (EMTALA), hospital access is different, and the outcomes are different:
  - Uninsured are less likely to be admitted to the ICU, mainly because they are less likely to be admitted to the hospital. Differences persist irrespective of age, gender, ethnicity, or reason for admission;
  - BUT if admitted, the uninsured are more likely to receive intensive care (ICU) (because they are sicker); and hospital mortality rates for them nearly double.*

*Source: Critical Care Medicine, Aug 2006; National Institutes of Health, Department of Clinical Bioethics, Warren G. Magnuson Clinical Center,
Why Knowing the Uninsured Matters

When asking the policy questions, knowing the uninsured can help us focus (where to put energy/what to solve for):

- The largest numbers of uninsured?
- The most vulnerable uninsured (e.g., least likely to be able to address the issue on their own; health impacts are greatest)?
- The highest rates/disparities?
- The groups requiring structural changes or stop-gap measures?
- The fastest growing?
- The easiest to tackle?
- Where the highest cost uncompensated care is occurring?
- Where ‘new’ dollars might be found?
- What gets people’s attention?
Two Examples of Matching Profiles to Policy Intent

- Low-income children & adults (e.g., large numbers, vulnerable due to affordability, infrastructure in place)
- Small business (e.g., fast growing problem, possibly new dollars, on people’s minds)
WASHINGTON STATE PLANNING GRANT ON ACCESS TO HEALTH INSURANCE
2006 Adults Age 19-64 Years

TOTAL Adults
4,000,291

Up to 200% Federal Poverty
27.8% of all Adults
1,144,894

Over 200% Federal Poverty
72.2% of all Adults
2,855,397

Public Coverage
36.8% of Adults in families with income up to 200% FPL
2,290,879

Employer Coverage
37.8% of Adults in families with income up to 200% FPL
420,955

Individual Coverage
37.7% of Adults in families with income up to 200% FPL
41,043

Uninsured
31.7% of Adults in families with income up to 200% FPL
352,017

Public Coverage
6.5% of Adults in families with income over 200% FPL
130,247

Employer Coverage
93.0% of Adults in families with income over 200% FPL
2,402,755

Uninsured
5.7% of Adults in families with income over 200% FPL
164,625

Individual Coverage
6.8% of Adults in families with income over 200% FPL
190,570

Up to 100% FPL
41.9% of all uninsured adults
217,437

100-200% FPL
21.2% of all uninsured adults
135,780

UNINSURED
12.3% of all Adults
517,442

200-250% FPL
7.3% of all uninsured adults
37,440

250-400% FPL
13.1% of all uninsured adults
67,773

Over 400% FPL
11.5% of all uninsured adults
59,412

69.2% of all uninsured adults are potentially eligible for public coverage primarily through Basic Health.

1 Source: 20062007 Washington State Population Survey
2 Income for 2006 was collected during the 2006 survey. Poverty level for a family of four in 2006 was defined as $19,350.
For more information see the Department of Health and Human Services website: http://aspe.hhs.gov/socialindicators/fed-eps.htm
WASHINGTON STATE PLANNING GRANT ON ACCESS TO HEALTH INSURANCE
2006 Children Age 0-18 Years

TOTAL CHILDREN
1,843,019

Up to 250% Federal Poverty
44.3% of all children
727,267

Over 250% Federal Poverty
55.7% of all children
915,752

Public Coverage
67.6% of children in families with income up to 250% FPL
491,617

Employer Coverage
25.7% of children in families with income up to 250% FPL
180,981

Individual Coverage
5.4% of children in families with income up to 250% FPL
3,201

Uninsured
6.3% of children in families with income up to 250% FPL
45,468

Public Coverage
82.7% of children in families with income over 250% FPL
79,600

Employer Coverage
82.7% of children in families with income over 250% FPL
757,294

Uninsured
3.0% of children in families with income over 250% FPL
27,104

Individual Coverage
5.5% of children in families with income over 250% FPL
51,888

Uninsured
4.4% of all children
72,572

Up to 100% FPL
22.8% of all uninsured children
16,550

100-200% FPL
25.4% of all uninsured children
18,433

200-250% FPL
14.4% of all uninsured children
10,485

250-400% FPL
20.7% of all uninsured children
15,054

Over 400% FPL
15.8% of all uninsured children
12,050

62.7% of all uninsured children are potentially eligible for public coverage through the current Medicaid, SCHIP, and Basic Health programs.

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1 Source: 2006x2N2, Washington State Population Survey
2 Income for 2006 was collected during the 2006 survey - poverty level for a family of four in 2005 was defined as $19,350.
For more information see the Department of Health and Human Services website http://aspe.hhs.gov/povertyfigures-fed-rep.shtml
Targeting Small Business

Distribution of Washington Uninsured (0-64)
By 2004 Work Force Attachment
(approx. 603,000 people in 2004)

- Smaller-of-small employers (2-24) 18%
- Small Employers (25-49) 7.0%
- Self-Employed 32.9%
- Large Employers 13.4%
- Unemployed / Not in Work Force 28.6%
- Full-time and low-income 7.2% (About 43,000 people)
- Full-time and not low-income 5.9% (About 36,000 people)
- Part-time (Low income and not low-income) 2.7% (About 16,000 people)
- Part-time (Low income and not low-income) 2.2% (About 13,000 people)


Note: Above is an "order of magnitude" best guess intended to demonstrate what portion or subgroup of the uninsured population is included through a focus on small business assistance.
Percentage Change in Employment in Major Industries

H = High Employer-Sponsored Insurance (ESI) industries
L = Low ESI industries

Major Industry

Information Sector (L)
Professional-Business Svcs (L)
Leisure-Hospitality (L)
Construction (L)
Education-Health Services (H-Ed, L-Health)
Other Services (L)
Transportation, Warehousing, Utilities (Mixed H&L)
Manufacturing & Mining (H)
Wholesale and Retail Trade (L)
Federal/State/Local Government (H)
Financial Activities (H)
Trade (L)
Transportation, Warehousing, Utilities (Mixed H&L)
Manufacturing & Mining (H)

What Else Can We Say...

CANDORVILLE | Darrin Bell

NOW I LAI ME DOWN TO SLEEP; I PRAY THE LORD MY SOUL TO KEEP.

IF I SHOULD DIE BEFORE I WAKE...

IT'LL BE BECAUSE I DIDN'T HAVE HEALTH INSURANCE AND COULDN'T AFFORD PREVENTIVE TREATMENT!

THAT DOESN'T RHYME.