

# Current Population Reports

Consumer Income

## Health Insurance Coverage: 1997

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C E N S U S B U R E A U

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### The Haves and Have-Nots

An estimated 43.4 ( $\pm 0.5$ ) million people in the United States or 16.1 ( $\pm 0.2$ ) percent of the population were without health insurance coverage during the entire 1997 calendar year. This number was up 1.7 million from the previous year; statistically, the proportion was also higher than the previous year.

### Other highlights are:

- The status of children's health care coverage was unchanged in 1997. The number of uninsured children under 18 years of age was 10.7 ( $\pm 0.2$ ) million in 1997, 15.0 ( $\pm 0.3$ ) percent of all children; both the number and percent were not significantly different from the previous year.
- Despite the Medicaid program, 11.2 ( $\pm 0.3$ ) million poor people had no health insurance in 1997, nearly one-third of all poor people, or 31.6 ( $\pm 0.7$ ) percent.
- The highest uninsured rate was among people of Hispanic origin: Over one-third or 34.2 ( $\pm 0.6$ ) percent of Hispanics were uninsured in 1997, compared with 12.0 ( $\pm 0.2$ ) percent for non-Hispanic Whites.
- Among the general population 18 to 64 years old, workers (full- and part-time) were more likely to be insured than nonworkers, but among the poor, workers were less likely to be insured than nonworkers. About one-half, or 49.2 ( $\pm 2.0$ ) percent, of poor full-time

workers were uninsured in 1997.

- A higher proportion of the foreign-born population in the U.S. was without health insurance in 1997, compared with natives, 34.3 ( $\pm 0.8$ ) percent versus 14.2 ( $\pm 0.2$ ) percent. Poor immigrants were even worse off; 51.7 ( $\pm 2.0$ ) percent were without health insurance.
- Young adults between the ages of 18 to 24 were more likely than other age groups to not have coverage; 30.1 ( $\pm 0.7$ ) percent were without coverage in 1997. Because of Medicare, the elderly were at the other

extreme; only 1.0 ( $\pm 0.1$ ) percent lacked coverage.

Note: The figures above in parentheses denote the 90-percent confidence intervals.

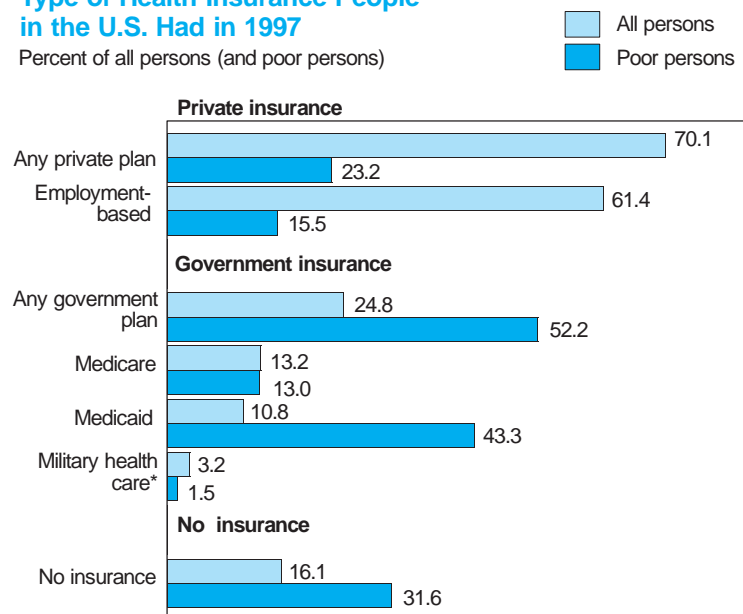
### Employment is the leading source of health insurance coverage.

Most people (70.1 percent) were covered by a private insurance plan for some or all of 1997. A private plan is one that is offered through employment (either one's own or a relative's) or privately purchased. Most private insurance was obtained through a current or former employer or union (employment-based), (Figure 1).

The government also provides health care coverage (24.8

Figure 1.  
**Type of Health Insurance People in the U.S. Had in 1997**

Percent of all persons (and poor persons)



\*Military health care includes CHAMPUS (Comprehensive Health and Medical Plan for Uniformed Services)/Tricare, CHAMPVA (Civilian Health and Medical Program of the Department of Veteran's Affairs), Veteran's and military health care.

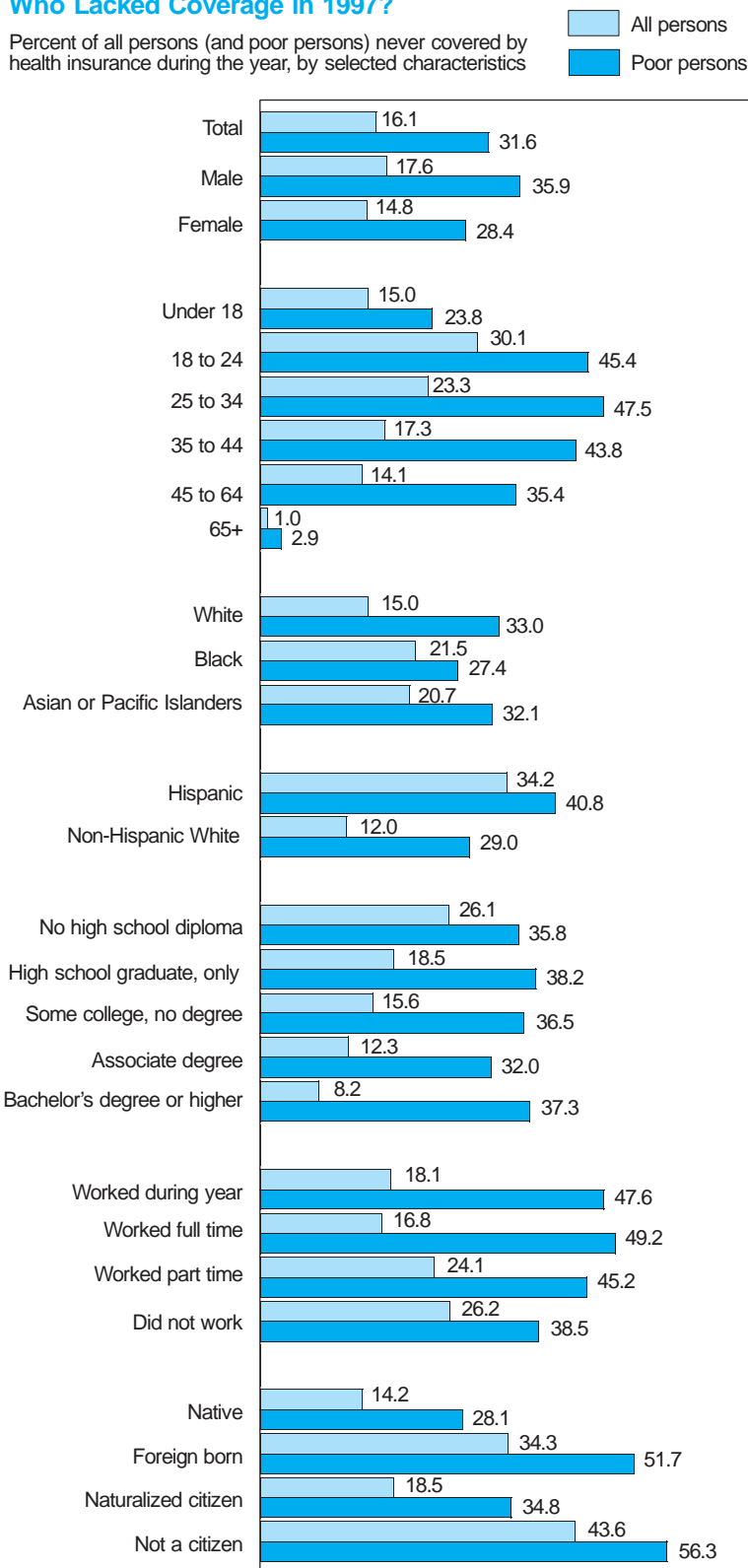
Note: The percentages by type of coverage are not mutually exclusive; in other words, persons can be covered by more than one type of health insurance during the year.

Source: U.S. Census Bureau, March 1998 Current Population Survey.

Figure 2.

**Who Lacked Coverage in 1997?**

Percent of all persons (and poor persons) never covered by health insurance during the year, by selected characteristics



Note: Persons of Hispanic origin may be of any race. The percent is derived by dividing the number of uninsured people in a particular category by the total number of people in that category.

Source: U.S. Census Bureau, March 1998 Current Population Survey.

percent of people have government insurance)—Medicare (13.2 percent), Medicaid (10.8 percent), and military health care (3.2 percent). Many people carry coverage from more than one plan during the year; for example, 7.9 percent were covered by both private insurance and Medicare.

### The poor and near poor are more likely not to have coverage.

Despite the Medicaid program, 31.6 percent of the poor (11.2 million) had no health insurance of any kind during 1997. This percentage—which was double the rate for all people—was statistically unchanged from the previous year. Poor people comprised 25.9 percent of all uninsured people.

Medicaid was the most widespread type of coverage among the poor. About 43.3 percent of all poor people were covered by Medicaid at some time during the year.

Among the near poor, 30.8 percent were without health insurance (3.8 million). (The near poor are those with a family income greater than the poverty level but less than 125 percent of the poverty level.)

### Key factors influencing the chances of not having health insurance coverage are: (See Figure 2.)

**Age** — Young adults between the ages of 18 to 24 were more likely than other age groups to lack coverage during all of 1997 (30.1 percent). Because of Medicare, the elderly were at the other extreme (only 1.0 percent lacked coverage). Among the poor, adults aged 18 to 64 had much higher noncoverage rates than either children or the elderly.

**Race and Hispanic origin** — People of Hispanic origin had the highest chance of not having health insurance coverage in 1997. The uninsured rate for

Hispanics was 34.2 percent, compared with 12.0 percent for non-Hispanic Whites. Among the poor, African Americans and non-Hispanic Whites had the lowest uninsured rates (27.4 percent and 29.0 percent, respectively);<sup>1</sup> many poor African Americans were covered by Medicaid.

**Educational attainment** — Among all adults, the likelihood of being uninsured declined as the level of education rose. Among those who were poor in 1997, there were few differences across the education groups.

**Work experience** — Of those 18 to 64 years old who worked, part-time workers had a higher noncoverage rate (24.1 percent) than full-time workers (16.8 percent).<sup>2</sup> Among the general population 18 to 64, workers (full- and part-time) were more likely to be insured than nonworkers, but among the poor, workers were less likely to be insured than nonworkers. About one-half of poor full-time workers were uninsured in 1997 (49.2 percent).

**Foreign born** — In 1997, a higher proportion of the foreign-born population in the U.S. was without health insurance (34.3 percent), compared with natives<sup>3</sup> (14.2 percent). Of the foreign born, noncitizens had a noncoverage rate more than twice as high as naturalized citizens, 43.6 percent versus 18.5 percent. Poor immigrants were even

<sup>1</sup> The uninsured rate for poor African Americans was not significantly different from that of poor non-Hispanic Whites.

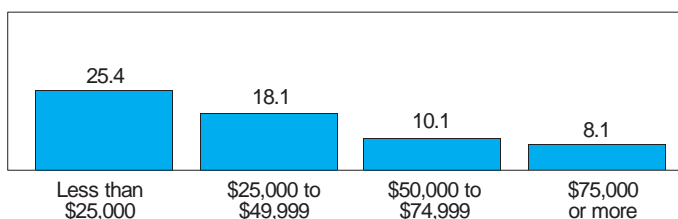
<sup>2</sup> Workers were classified as part-time if they worked less than 35 hours per week in the majority of the weeks they worked in 1997.

<sup>3</sup> "Natives" are people born in the United States, Puerto Rico, or an outlying area of the U.S., such as Guam or the U.S. Virgin Islands, and people who were born in a foreign country but who had at least one parent who was a U.S. citizen. All other people born outside the U.S. are "foreign born."

Figure 3.

### As Income Rises, Chances of Having No Insurance Generally Decline

Percent of persons never covered by health insurance during the year, by household income: 1997

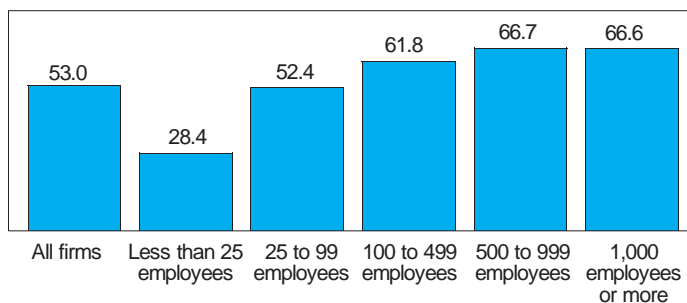


Source: U.S. Census Bureau, March 1998 Current Population Survey.

Figure 4.

### Workers in Large Firms Are the Most Likely to Have Employment-Based Insurance

Percent of workers (aged 15 and over) with employment-based health insurance policies in their own name, by size of firm they worked for: 1997

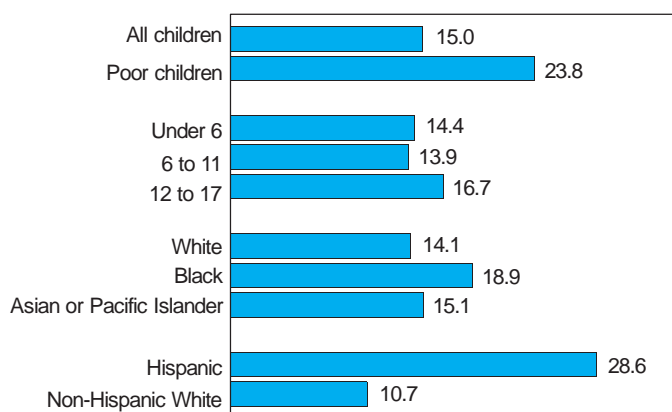


Source: U.S. Census Bureau, March 1998 Current Population Survey.

Figure 5.

### Who Are the Uninsured Children?

Percent of children without health insurance in 1997



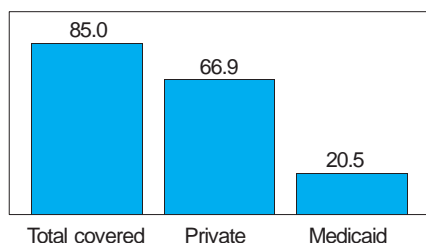
Note: Persons of Hispanic origin may be of any race.

Source: U.S. Census Bureau, March 1998 Current Population Survey.

Figure 6.

### About One-Fifth of Children Were Covered by Medicaid in 1997

Percent of children covered in 1997

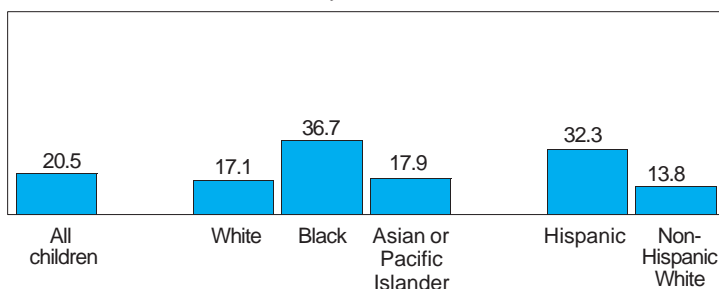


Source: U.S. Census Bureau, March 1998 Current Population Survey.

Figure 7.

### Black and Hispanic Children Were Much More Likely to Have Medicaid Coverage Than White or Asian/Pacific Islander Children

Percent of children never covered by Medicaid in 1997



Note: Persons of Hispanic origin may be of any race.

Source: U.S. Census Bureau, March 1998 Current Population Survey.

worse off; 51.7 percent were without health insurance.

### Income and firm size play important roles.

Noncoverage rates fall as household income rises. In 1997, the percent of people without health insurance ranged from 8.1 percent (among those in households with incomes of \$75,000 or more) to 25.4 percent (among those in households with incomes less than \$25,000), (Figure 3).

Of the 144.6 million workers, 53.0 percent had employment-based health insurance policies in their own name. The proportion varied widely by size of employing firm; workers employed by small firms (less than 25 employees) were the least likely to have employment-based health insurance policies in their own name (Figure 4). These estimates do not reflect the fact that some workers are covered by employment-based coverage through another family member.

### Children's health care coverage status was unchanged in 1997.

The number of uninsured children less than 18 years of age was 10.7 million (15.0 percent of all children) in 1997;

both the number and percent were not significantly different from the previous year.

Among poor children, 3.4 million (23.8 percent) were uninsured in 1997, statistically unchanged from the previous year. Poor children comprised 31.3 percent of all uninsured children in 1997.

### Other findings concerning children are—

- Older children (12 to 17 years of age) were less likely to have health care coverage than younger children (those less than 12 years of age). Uninsured rates for children by age group were—14.4 percent of children less than 6, 13.9 percent of children 6 to 11, and 16.7 percent of children 12 to 17 (Figure 5).<sup>4</sup>
- Children of Hispanic origin were far more likely to be uninsured (28.6 percent) than non-Hispanic White children (10.7 percent); and African-American children were more likely to go uninsured (18.9 percent) than White children (14.1 percent) or Asian and Pacific Islander children (15.1 percent).<sup>5</sup>

<sup>4</sup> Statistically, there was no significant difference between the uninsured rates for children under 6 and those 6 to 11.

- While most children were covered by a private health insurance plan (privately purchased or employment-based) in 1997, about one-fifth were covered by Medicaid: 66.9 percent were covered by a private plan and 20.5 percent (14.7 million) were covered by Medicaid in 1997 (Figure 6).
- Significantly higher proportions of African-American and Hispanic children, than of White or Asian and Pacific Islander children, were covered by Medicaid in 1997—36.7 percent of African-American children, 17.1 percent of White children and 17.9 percent of Asian and Pacific Islander children; 32.3 percent of Hispanic children and 13.8 percent of non-Hispanic White children (Figure 7).

### Some states have higher noncoverage rates than others. (See Table 1.)

Using 3-year averages between 1995 and 1997, state uninsured rates ranged from 7.9 percent in Wisconsin to 24.4

<sup>5</sup> Statistically, there was no difference between the uninsured rates for White children and for Asian and Pacific Islander children.

Table 1.

**Percent of Persons Without Health Insurance Coverage Throughout the Year,  
by State and Two Largest Metropolitan Areas (CMSA): 1995 to 1997**

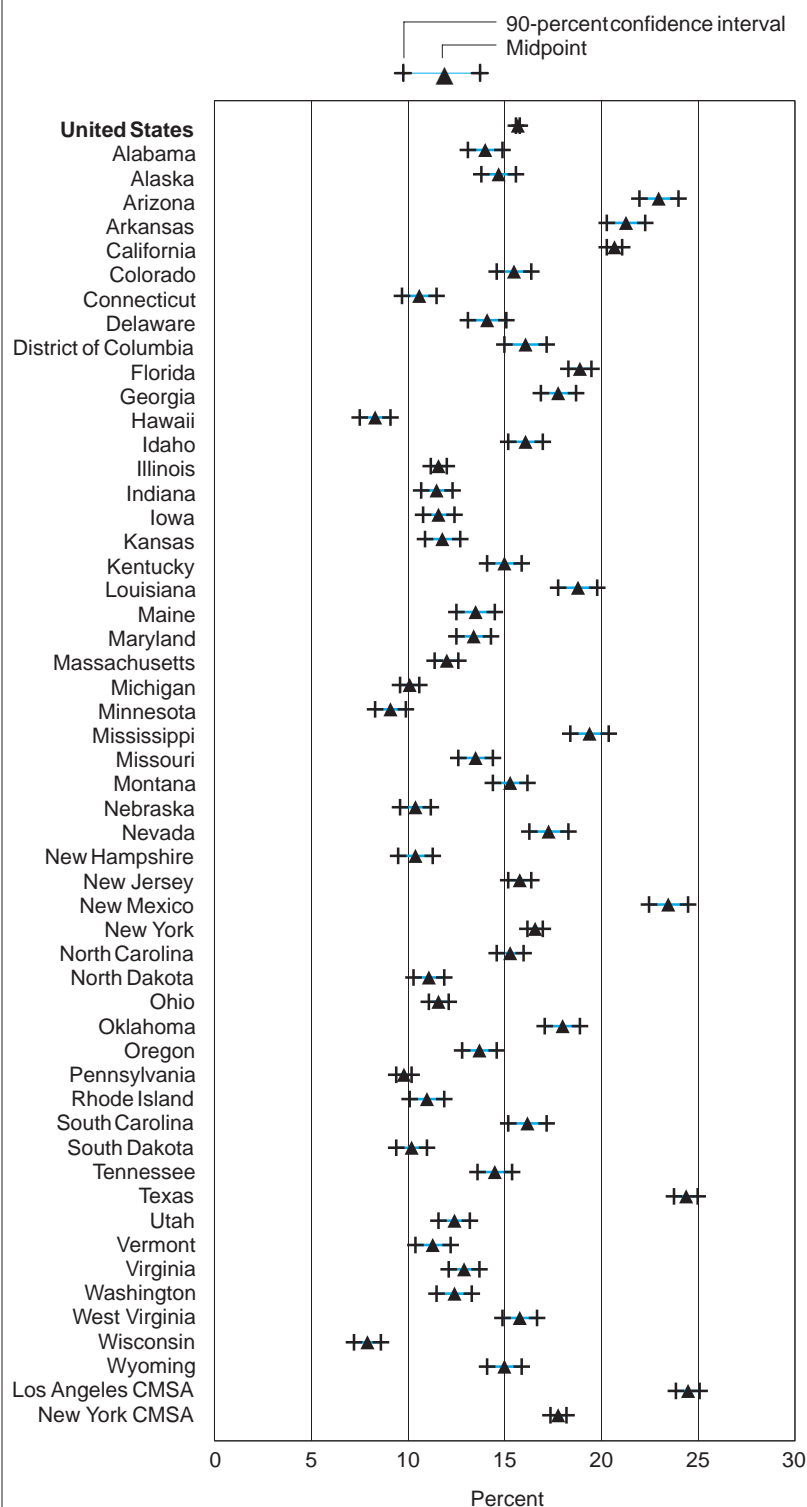
State/CMSA	1997		1996		1995		3-year average 1995-1997		Average 1996-1997		Average 1995-1996		Difference in 2-year moving averages 1996-97 less 1995-96	
	Percent	Stand- ard error	Percent	Stand- ard error	Percent	Stand- ard error	Percent	Stand- ard error	Percent	Stand- ard error	Percent	Stand- ard error	Percent	Stand- ard error
<b>United States</b>	<b>16.1</b>	<b>0.1</b>	<b>15.6</b>	<b>0.1</b>	<b>15.4</b>	<b>0.1</b>	<b>15.7</b>	<b>0.1</b>	<b>15.9</b>	<b>0.1</b>	<b>15.5</b>	<b>0.1</b>	<b>* 0.4</b>	<b>0.1</b>
Alabama	15.5	0.8	12.9	0.8	13.5	0.8	14.0	0.5	14.2	0.6	13.2	0.6	* 1.0	0.6
Alaska	18.1	0.9	13.5	0.8	12.5	0.8	14.7	0.6	15.8	0.7	13.0	0.6	* 2.8	0.6
Arizona	24.5	0.9	24.1	0.9	20.4	0.9	23.0	0.6	24.3	0.7	22.3	0.7	* 2.0	0.6
Arkansas	24.4	1.0	21.7	0.9	17.9	0.9	21.3	0.6	23.1	0.8	19.8	0.7	* 3.3	0.7
California	21.5	0.4	20.1	0.4	20.6	0.4	20.7	0.3	20.8	0.3	20.4	0.3	0.4	0.3
Colorado	15.1	0.8	16.6	0.9	14.8	0.8	15.5	0.6	15.9	0.7	15.7	0.7	0.1	0.6
Connecticut	12.0	0.8	11.0	0.8	8.8	0.7	10.6	0.5	11.5	0.6	9.9	0.6	* 1.6	0.5
Delaware	13.1	0.9	13.4	0.9	15.7	0.9	14.1	0.6	13.3	0.7	14.6	0.7	-1.3	0.6
District of Columbia	16.2	1.0	14.8	0.9	17.3	1.0	16.1	0.7	15.5	0.8	16.1	0.8	-0.5	0.7
Florida	19.6	0.5	18.9	0.5	18.3	0.5	18.9	0.3	19.3	0.4	18.6	0.4	* 0.7	0.4
Georgia	17.6	0.8	17.8	0.8	17.9	0.8	17.8	0.5	17.7	0.6	17.9	0.6	-0.1	0.6
Hawaii	7.5	0.7	8.6	0.7	8.9	0.7	8.3	0.5	8.1	0.6	8.8	0.6	-0.7	0.5
Idaho	17.7	0.8	16.5	0.8	14.0	0.8	16.1	0.5	17.1	0.6	15.3	0.6	* 1.9	0.6
Illinois	12.4	0.4	11.3	0.4	11.0	0.4	11.6	0.3	11.9	0.3	11.2	0.3	0.7	0.3
Indiana	11.4	0.7	10.6	0.7	12.6	0.8	11.5	0.5	11.0	0.6	11.6	0.6	-0.6	0.5
Iowa	12.0	0.8	11.6	0.7	11.3	0.7	11.6	0.5	11.8	0.6	11.5	0.6	0.3	0.5
Kansas	11.7	0.8	11.4	0.7	12.4	0.8	11.8	0.5	11.6	0.6	11.9	0.6	-0.4	0.6
Kentucky	15.0	0.8	15.4	0.8	14.6	0.8	15.0	0.5	15.2	0.6	15.0	0.6	0.2	0.6
Louisiana	14.9	0.8	20.9	0.9	20.5	0.9	18.8	0.6	17.9	0.7	20.7	0.7	* 2.8	0.6
Maine	14.9	0.9	12.1	0.8	13.5	0.9	13.5	0.6	13.5	0.7	12.8	0.7	0.7	0.6
Maryland	13.4	0.8	11.4	0.8	15.3	0.9	13.4	0.6	12.4	0.6	13.4	0.7	-1.0	0.6
Massachusetts	12.6	0.6	12.4	0.6	11.1	0.5	12.0	0.4	12.5	0.5	11.8	0.4	0.8	0.4
Michigan	11.6	0.5	8.9	0.4	9.7	0.4	10.1	0.3	10.3	0.4	9.3	0.3	* 1.0	0.3
Minnesota	9.2	0.7	10.2	0.7	8.0	0.6	9.1	0.5	9.7	0.6	9.1	0.5	0.6	0.5
Mississippi	20.1	0.9	18.5	0.9	19.7	0.9	19.4	0.6	19.3	0.7	19.1	0.7	0.2	0.6
Missouri	12.6	0.8	13.2	0.8	14.6	0.9	13.5	0.6	12.9	0.6	13.9	0.7	* -1.0	0.6
Montana	19.5	0.9	13.6	0.8	12.7	0.7	15.3	0.5	16.6	0.7	13.2	0.6	3.4	0.6
Nebraska	10.8	0.7	11.4	0.7	9.0	0.7	10.4	0.5	11.1	0.6	10.2	0.6	* 0.9	0.5
Nevada	17.5	0.9	15.6	0.9	18.7	1.0	17.3	0.6	16.6	0.7	17.2	0.8	-0.6	0.7
New Hampshire	11.8	0.8	9.5	0.8	10.0	0.8	10.4	0.5	10.7	0.6	9.8	0.6	0.9	0.6
New Jersey	16.5	0.6	16.7	0.6	14.2	0.5	15.8	0.4	16.6	0.5	15.5	0.4	* 1.1	0.4
New Mexico	22.6	0.9	22.3	0.9	25.6	1.0	23.5	0.6	22.5	0.7	24.0	0.8	* -1.5	0.7
New York	17.5	0.4	17.0	0.4	15.2	0.4	16.6	0.3	17.3	0.3	16.1	0.3	* 1.1	0.3
North Carolina	15.5	0.6	16.0	0.6	14.3	0.6	15.3	0.4	15.8	0.5	15.2	0.5	0.6	0.4
North Dakota	15.2	0.8	9.8	0.7	8.3	0.6	11.1	0.5	12.5	0.6	9.1	0.5	* 3.5	0.5
Ohio	11.5	0.5	11.5	0.4	11.9	0.5	11.6	0.3	11.5	0.4	11.7	0.4	-0.2	0.4
Oklahoma	17.8	0.8	17.0	0.8	19.2	0.9	18.0	0.6	17.4	0.6	18.1	0.7	-0.7	0.6
Oregon	13.3	0.8	15.3	0.9	12.5	0.8	13.7	0.6	14.3	0.7	13.9	0.7	0.4	0.6
Pennsylvania	10.1	0.4	9.5	0.4	9.9	0.4	9.8	0.3	9.8	0.3	9.7	0.3	0.1	0.3
Rhode Island	10.2	0.8	9.9	0.8	12.9	0.9	11.0	0.6	10.1	0.6	11.4	0.7	* -1.4	0.6
South Carolina	16.8	0.9	17.1	0.9	14.6	0.9	16.2	0.6	17.0	0.7	15.9	0.7	* 1.1	0.6
South Dakota	11.8	0.7	9.5	0.7	9.4	0.7	10.2	0.5	10.7	0.6	9.5	0.6	* 1.2	0.5
Tennessee	13.6	0.8	15.2	0.8	14.8	0.8	14.5	0.5	14.4	0.6	15.0	0.6	-0.6	0.6
Texas	24.5	0.5	24.3	0.5	24.5	0.5	24.4	0.3	24.4	0.4	24.4	0.4	-	-
Utah	13.4	0.7	12.0	0.7	11.7	0.7	12.4	0.5	12.7	0.6	11.9	0.6	* 0.8	0.5
Vermont	9.5	0.8	11.1	0.8	13.2	0.9	11.3	0.6	10.3	0.6	12.2	0.7	* -1.8	0.6
Virginia	12.6	0.7	12.5	0.7	13.5	0.8	12.9	0.5	12.6	0.6	13.0	0.6	-0.4	0.5
Washington	11.4	0.8	13.5	0.8	12.4	0.8	12.4	0.5	12.5	0.6	13.0	0.6	-0.5	0.6
West Virginia	17.2	0.8	14.9	0.8	15.3	0.8	15.8	0.5	16.1	0.6	15.1	0.6	* 0.9	0.6
Wisconsin	8.0	0.6	8.4	0.6	7.3	0.6	7.9	0.4	8.2	0.5	7.9	0.5	0.3	0.4
Wyoming	15.5	0.8	13.5	0.8	15.9	0.9	15.0	0.6	14.5	0.6	14.7	0.7	-0.2	0.6
Los Angeles CMSA	24.9	0.5	23.9	0.5	24.8	0.5	24.5	0.3	24.4	0.4	24.4	0.4	0.1	0.4
New York CMSA	18.8	0.4	18.6	0.4	16.1	0.3	17.8	0.3	18.7	0.3	17.4	0.3	* 1.4	0.3

\*Statistically significant at the 90-percent confidence level.  
-Represents or rounds to zero.

SOURCE: U.S. Census Bureau, March 1996, 1997, and 1998 Current Population Surveys.



Figure 8.  
**Percent of Persons Without Health Insurance, by State and Two Largest Metropolitan Areas: 1995 to 1997, Three-Year Average**



percent in Texas. However, we advise against using these estimates to rank the states. Results from different samples could easily show different estimates and rankings because of small sample sizes. For example, the high noncoverage rate for Texas was not statistically different from that in New Mexico (23.5 percent), while the rate for Wisconsin was not statistically different from Hawaii (8.3 percent), (Figure 8).

Based on comparisons of 2-year averages (1996-97 versus 1995-96), noncoverage rates fell in five states: Louisiana, Missouri, New Mexico, Rhode Island, and Vermont. Meanwhile, noncoverage rates rose in sixteen states: Alabama, Alaska, Arizona, Arkansas, Connecticut, Florida, Idaho, Michigan, Nebraska, New Jersey, New York, North Dakota, South Carolina, South Dakota, Utah, and West Virginia.

#### Technical Note

This report presents data on the health insurance coverage of people in the United States during the 1997 calendar year. The data, which are shown by selected demographic and socioeconomic characteristics, as well as by state, were collected by the March 1998 Supplement to the Current Population Survey (CPS).

In the Current Population Survey (CPS), Medicare and Medicaid coverage estimates are underreported, compared with enrollment and participation data from the Health Care Financing Administration (HCFA).<sup>6</sup> A major reason for the lower CPS estimates is the fact that CPS is not designed to specifically collect health insurance data. Instead, it is largely a labor force survey, with minimum interviewer training on health insurance concepts.

<sup>6</sup> HCFA is the federal agency primarily responsible for administering the Medicare and Medicaid program at the national level.

Data from HCFA represent the actual number of people who were enrolled or participated in these programs and is therefore a more accurate source of data on levels of coverage. Also, it is believed that many people are not aware that they or their children are covered by a health insurance program, and therefore do not report coverage.

Since the publication of last year's CPS health insurance report, as a result of consultation with health insurance experts, the Census Bureau has made a modification in its definition of the population without health insurance. Previously, people with no coverage other than access to Indian Health Service were considered to be part of the insured population. Beginning with this report, that is no longer true; instead, these people are considered to be uninsured. The

effect of this change on the overall estimates of health insurance coverage is negligible.

### Accuracy of the Estimates

All statistics are subject to sampling error, as well as non-sampling error such as survey design flaws, respondent classification and reporting errors, data processing mistakes and under-coverage. The Census Bureau has taken steps to minimize errors in the form of quality control and edit procedures to reduce errors made by respondents, coders, and interviewers. Ratio estimation to independent age-race-sex-Hispanic population controls partially corrects for bias attributable to survey undercoverage. However, biases exist in the estimates when missed people have characteristics different from those of interviewed people in the same age-race-sex-Hispanic group.

Analytical statements in this report have been tested and meet statistical standards. However, because of methodological differences, use caution when comparing these data with data from other sources. Contact Andrew Zbikowski, Demographic Statistical Methods Division, at 301-457-4214 or via E-mail at [azbikows@census.gov](mailto:azbikows@census.gov) for information on (1) the source of the data, (2) the accuracy of the estimates, (3) the use of standard errors, and (4) the computation of standard errors.

### Contact:

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