



September 11, 2009 - Topic: Insurance and Uninsured

## New Census Data Show More Relying on Public Health Care

A growing number of U.S. residents turned to the government for health insurance last year during the recession, as job losses and other factors contributed to an increase in the number of uninsured, according to data the Census Bureau released on Thursday, *USA Today* reports (Wolf, *USA Today*, 9/11).

According to the figures, the number of uninsured U.S. residents of all ages increased from 45.7 million in 2007 to 46.2 million in 2008. The percentage of uninsured residents stayed statistically the same from 2007 to 2008 at 15.4%. That change coincided with a rise in the poverty rate -- from 12.5% in 2007 to 13.2% last year -- and a drop in median household income by 3.6% to \$50,303 (Norman, *CQ HealthBeat*, 9/10).

The poverty rate is now at its highest level since 1997 (Eckholm, *New York Times*, 9/11).

The data show that 58.5% of U.S. residents received employer-provided health insurance in 2008, down from 64% in 2000. Meanwhile, about 34% of people with insurance receive it through the government, and last year saw the biggest one-year increase in Medicaid and Medicare use in more than 20 years (*USA Today*, 9/11). The number of people enrolled in Medicaid increased to 42.6 million, while Medicare beneficiaries increased to 43 million in 2008.

In addition, the data show that about 20% of adults ages 18 to 64 were uninsured in 2008 and that the number of people who received employer-sponsored coverage decreased by about one million.

The Census figures also show that the number of uninsured children decreased from 8.1 million to 7.3 million, underscoring the role of Medicaid and the recently expanded CHIP, *CQ HealthBeat* reports. The figure marks the lowest rate of uninsured children since 1987.

Because the data were collected in March of this year, the actual number of uninsured in the U.S. likely is higher. The Census Bureau counted anyone who had insurance at any time in 2008 as insured. People who subsequently lost their jobs and employer-sponsored insurance might not be counted as uninsured in the latest figures (*CQ HealthBeat*, 9/10). Unemployment rates increased this year -- going from 7.2% in December 2008 to 9.7% last month (*USA Today*, 9/11).

However, some say the study might overstate the problem because some of the uninsured can afford coverage but choose not to buy it, the *Wall Street Journal* reports. Also, about 25% of uninsured people are eligible for Medicaid or children's insurance programs, according to the Kaiser Family Foundation (Adamy, *Wall Street Journal*, 9/11).

The survey also showed that:

- Among the states, Texas had the highest rate of uninsured residents at 25.1%;
- Among children, Hispanics had the highest rate of uninsurance at 17.2% (*CQ HealthBeat*, 9/10);
- Almost one-third of all Hispanics did not have insurance, the lowest rate of any ethnicity (*USA Today*, 9/11); and
- 29% of the population was insured by the federal government in 2008, up from 27.8% in 2007 (*Wall Street Journal*, 9/11).

### Obama Reaction

At an American Nurses Association event Thursday, President Obama said that the survey underscores the need for health insurance reform. "Because they're subject to the whims of health insurance companies, many people fear that they'll lose their health insurance if they move or if they lose their job, they change jobs, or that insurance just won't cover them when they need it most," Obama said (*CQ HealthBeat*, 9/10).

© 1998 - 2009. All Rights Reserved. California Healthline is published daily for the **California HealthCare Foundation** by **The Advisory Board Company**.