

## KEY FACTS ABOUT THE UNINSURED

### Who Is Uninsured?

- Despite a recent modest decline in the number of uninsured Americans—the first such decline after 12 years of steady increases—there are now nearly 43 million uninsured Americans.<sup>1</sup>
- Contrary to popular perception, more than eight out of 10 of those who lack insurance are in working families.<sup>2</sup>
- Private insurance is very expensive: The average cost of a family health plan purchased by an employer is \$6,351 per year.<sup>3</sup>
- 91 percent of those who have private insurance coverage get that insurance through the workplace.<sup>4</sup>
- Low-wage workers are less likely to be offered coverage at work than are higher paid workers:
  - Nine out of 10 workers whose wages are \$15 an hour or more are *offered* coverage by their employer, but
  - Only half of those whose wages are \$7 an hour or less are *offered* coverage.<sup>5</sup>
- Even when low-wage workers are *offered* coverage, they often have to pay more to take advantage of the offer. In fact, workers in low-wage firms, if offered coverage, usually must pay higher premiums than workers in high-wage firms—even though low-wage workers have fewer resources to pay those premiums.
- Medicaid may not be an option, either. Adults must have extremely low incomes to qualify for Medicaid and generally are not eligible if they are single adults or childless couples—no matter how poor they are. Parents may qualify for Medicaid, though the income limit is much lower than for children.

### Why Insurance Matters

- The uninsured often delay or forgo needed medical care:
  - The uninsured are more likely to be hospitalized for conditions that could have been avoided, such as pneumonia and uncontrolled diabetes, than people with insurance.<sup>7</sup>
  - Uninsured cancer patients are more likely to be diagnosed with late-stage cancer.<sup>8</sup> Mortality rates for uninsured women with breast cancer are significantly higher than rates for women with insurance.<sup>9</sup>
  - Uninsured adults and children are less likely to receive preventive care. Uninsured adults are more than 30 percent less likely than people with insurance to have had a check-up in the past year.<sup>10</sup>
  - Nearly forty percent of uninsured adults skipped a recommended medical test or treatment, and 20 percent say they needed care—but did not get it—for a serious problem in the past year.<sup>11</sup>
  - Uninsured people suffering from common chronic conditions like heart disease, hypertension, high cholesterol, and arthritis receive fewer lab tests, fewer ambulatory health care visits, and fewer prescription medicines than those covered by insurance.<sup>12</sup>
- Surprisingly, the uninsured—when they receive needed care—are often charged more than the rest of us. Because major insurers, including Medicare and Medicaid, negotiate big discounts with hospitals and other providers, providers often compensate by raising the prices to uninsured individuals.<sup>13</sup>

# Endnotes

- <sup>1</sup> Mills, R. J., *Health Insurance Coverage: 1999* (Washington: U.S. Census Bureau, September 2000).
- <sup>2</sup> Fronstein, P., *Sources of Health Insurance and Characteristics of the Uninsured* (Washington: Employee Benefits Research Institute, January 2000).
- <sup>3</sup> Kaiser Family Foundation and Health Research and Educational Trust, *Employer Health Benefits: 2000 Annual Survey* (Menlo Park, CA: Kaiser Family Foundation, 2000).
- <sup>4</sup> Mills, op. cit.
- <sup>5</sup> Cooper, P. F. and B. S. Schone, "More Offers, Fewer Takers for Employment-Based Health Insurance: 1987 and 1996," *Health Affairs* (Nov/Dec 1997).
- <sup>6</sup> Cunningham, P. J. et al., *Who Declines Employer-Sponsored Health Insurance and Is Uninsured?* Issue Brief (Washington: Center for Studying Health System Change, October 1999).
- <sup>7</sup> Weissman, J. S., C. Gastonia, and A. M. Epstein, "Rates of Avoidable Hospitalization by Insurance Status in Massachusetts and Maryland," *Journal of the American Medical Association*, 1992, 268 (17) 2388-94.
- <sup>8</sup> Roetzheim, R. G. et al., "Effects of Health Insurance and Race on Early Cancer Detection," *Journal of the National Cancer Institute*, 91:1409-15 as cited in *Uninsured in America: A Chart Book* (Washington: Kaiser Family Foundation, May 2000).
- <sup>9</sup> Ayanian, John Z., Betsy A. Kohler, Toshi Abe, and Arnold Epstein, "The Relationship Between Health Insurance Coverage and Clinical Outcomes Among Women with Breast Cancer," *New England Journal of Medicine*, 1993, Vol. 329, No. 5, pp. 326-331.
- <sup>10</sup> *The NewsHour with Jim Lehrer/Kaiser Family Foundation National Survey on the Uninsured*, 2000 ([www.pbs.org/newshour/health/uninsured](http://www.pbs.org/newshour/health/uninsured)).
- <sup>11</sup> Ibid.
- <sup>12</sup> Families USA, *Getting Less Care: The Uninsured with Chronic Health Conditions* (Washington: Families USA, February 2001).
- <sup>13</sup> Wielawski, Irene, "Gouging the Medically Uninsured: A Tale of Two Bills," *Health Affairs*, September/October 2000, Vol. 19, No. 5, pp. 180-185; Kolata, Gina, "Medical Fees Are Often Higher for Patients Without Insurance," *New York Times*, April 2, 2001.