



NOVEMBER 2013

INSIDE THIS BRIEF

- **UNINSURED IN THE UNITED STATES**
National statistics
- **UNINSURED IN NEVADA**
Nevada statistics
Children in Nevada
- **CONSEQUENCES OF BEING UNINSURED**

PREPARED BY KIRSTEN COULOMBE
RESEARCH DIVISION
LEGISLATIVE COUNSEL BUREAU

RESEARCH BRIEF ON THE UNINSURED

The United States Census Bureau broadly classifies health insurance coverage into two categories: private health insurance or government health coverage. People are considered “insured” if they are covered by one of these types of health insurance for part or all of the previous year, and “uninsured” if they had no coverage of any type for an entire year.

Private health insurance is coverage by a plan provided through an employer or union, or purchased by an individual from a private company or health insurance exchange, also known as marketplaces. In 2012, over half of the businesses in the U.S. offered coverage for their employees, and monthly costs averaged \$79 for an individual and \$360 for a familyⁱ.

The second category of health insurance is a government plan. These federal or state programs include Medicare, Medicaid, the Children’s Health Insurance Program (CHIP); military health care, such as TRICARE and Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA), or individual state health plans. Eligibility for government programs varies, although the federal poverty level (FPL) is often used as a baseline to determine income eligibility. For example, the poverty level for a family of four in 2011 was \$22,350 in annual incomeⁱⁱ.

Nationally, the number of uninsured remained constant in 2012 at 48 million people or over 15 percent of the population, as in 2011.ⁱⁱⁱ In Nevada, over 470,000 people were uninsured, approximately 23 percent of the population.^{iv}

The following table illustrates the type of coverage in the U.S. in 2012^v. Because individuals can be covered by more than one insurance plan, the percentages exceed 100 percent.

Type of Insurance	Percent
Private Health Insurance	63.9
Employment Based	54.9
Direct Purchase	9.8
Government Health Insurance	32.6
Medicaid	16.4
Medicare	15.7
Military Health Care	4.4
Not Covered by Insurance	15.4

UNINSURED IN THE UNITED STATES

While historically the number of uninsured Americans has increased, the social and economic factors that place a person at risk of being uninsured have not changed substantially over time. The Affordable Care Act (ACA) of 2010 aims to reduce the number of uninsured persons in the U.S. The primary impact will be through the optional expansion of state Medicaid programs, and the establishment of health insurance exchanges. The following is a profile of the uninsured in the U.S.

National statistics^{vi}

- Low-income adult workers (under age 65) predominately lack access to coverage or cannot afford to purchase employer-sponsored insurance. For example, in 2011, more than three-quarters of the uninsured population were working families—62 percent were families with one or more full-time workers and 16 percent were families with part-time workers. The remaining 22 percent of uninsured families had no participation in the workforce.

- Families with low or moderate incomes (below 400 percent of FPL) represent nine out of ten uninsured persons. Most low-income children qualify for Medicaid or CHIP; however, most Medicaid programs do not cover childless adults or parents with incomes under 138 percent of FPL. Beginning in January 2014, states that choose to expand Medicaid through the ACA will be able to cover this segment of the uninsured population.
- Minorities are much more likely to be uninsured. Approximately 32 percent of the Hispanic population and 21 percent of African Americans are uninsured, compared to 13 percent of Caucasians.
- The large majority of the uninsured (80 percent) are American citizens. Noncitizens, both legal and undocumented, are three times more likely to be uninsured although this segment represents less than 20 percent of the overall uninsured population. Factors that contribute to noncitizens being uninsured are similar to citizens with low-wage jobs that do not offer coverage or who cannot afford coverage. Another factor affecting this subset of the uninsured is that federally funded programs, such as Medicaid or CHIP, do not cover noncitizens and health care reform did not change this provision.

UNINSURED IN NEVADA

The uninsured in Nevada are predominantly under the age of 65 because virtually all elderly Americans have insurance coverage through the federal Medicare program. The following table illustrates Nevada's nonelderly uninsured population which can be compared to the national percentages of 84 percent of adults and 16 percent of children.

Distribution of the Uninsured in Nevada by Age (Nonelderly) 2011–2012 ^{vii}		
	Number	Percent
Children 18 and under	134,300	23
Adults 19-64	453,700	77
Total	588,000	100

Nevada statistics^{viii}

- Nevada has the 2nd highest rate of the uninsured in the nation at 22 percent (Texas is at 24 percent).
- Nevada ranks 1st in the number of adults who live under 100 percent of FPL (46 percent) and 139 percent of FPL (44 percent).
- The State has the 2nd highest percentage of full-time working adults who are uninsured (20 percent), is 7th for part-time workers (38 percent), and ranks first in the number of nonworking adults who are uninsured.
- Nevada has the 2nd highest rate of uninsured African Americans (29 percent), ranks 12th for uninsured Hispanics (36 percent), and ranks 4th for uninsured Caucasians.

Children in Nevada:^{ix}

- Nevada ranks 1st in the percentage of uninsured children (19 percent compared to 10 percent nationally).
- Nevada is 47th in the percentage of children covered by Medicaid (22 percent compared to 35 percent nationally).
- Nevada ranks 1st in the number of children living in poverty under 200 percent of FPL (27 percent of uninsured compared to 15 percent nationally).

CONSEQUENCES OF BEING UNINSURED

The impact of not having health insurance coverage can affect a person medically, financially, and even socially. According to a report titled, *The Uninsured: a Primer, Key Facts About Americans Without Health Insurance*, by the Kaiser Commission on Medicaid and the Uninsured, 26 percent of uninsured adults postpone or forgo health care compared to 4 percent of insured adults.

The report indicates that lack of insurance often compromises the health of uninsured persons because they are less likely to receive preventive care resulting in hospitalizations for avoidable health problems, and subsequently more likely to be diagnosed in the late stages of disease. In addition, more than a quarter of uninsured adults do not fill prescriptions or follow through on recommended services due to cost. This can affect a person socially when health needs such as dental care go untreated, potentially impacting one's ability to obtain employment or consume food.

The absence of health coverage also has financial implications. Most uninsured persons do not receive services at reduced or free rates and often must pay prior to services being rendered^x. Moreover, since many of the uninsured also have low incomes, they are three times more likely than persons with higher incomes to struggle with paying for basic monthly expenses like food, rent, and utilities.

ⁱ*The Uninsured: A Primer, Key Facts About Americans Without Health Insurance.* The Kaiser Commission on Medicaid and the Uninsured. October 2012.

ⁱⁱ*Ibid.*

ⁱⁱⁱ*Income, Poverty, and Health Insurance Coverage in the United States: 2012*, U.S. Census Bureau, September 2013.

^{iv}*How the Health Care Law is Making a Difference for the People of Nevada*. U.S. Department of Health and Human Services, August 2013.

^v*Income, Poverty, and Health Insurance Coverage in the United States: 2012*, U.S. Census Bureau, September 2013.

^{vi}*The Uninsured: A Primer, Key Facts About Americans Without Health Insurance*. The Kaiser Commission on Medicaid and the Uninsured. October 2012.

^{vii}*Health Coverage and the Uninsured*. State Health Facts. Urban Institute and Kaiser Commission on Medicaid and the Uninsured estimates based on the Census Bureau's March 2011 and 2012 Current Population Survey.

^{viii}*Ibid*

^{ix}*Ibid*

^x*The Uninsured: A Primer, Key Facts About Americans Without Health Insurance*. The Kaiser Commission on Medicaid and the Uninsured. October 2012