



Health Insurance Coverage of Ohio Adults and Children, 1999-2001

The Ohio Department of Health

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To protect and improve the health of all Ohioans

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Health Insurance Coverage of Ohio Adults and Children, 1999-2001

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Health Insurance Coverage of Ohio Adults and Children, 1999-2001

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Health Insurance Coverage of Ohio Adults and Children, 1999-2001

Key Findings

All Ohio

- More than one in 10 Ohio residents (1.25 million) were without health insurance coverage in 2001. Ohio's uninsured rate increased significantly from 10 percent in 1999 to 11 percent in 2001.
- The uninsured rate for Ohio has remained below the national average due to a higher rate of job-based coverage. In 2001, more than two-thirds (70 percent) of Ohioans had job-based coverage, about one-quarter (24 percent) had government coverage and 8 percent directly purchased insurance. Ohio's coverage rates were close to the average for Midwestern states.

Adults

- From 1999 to 2001, the number of Ohio adults reported to be uninsured for the entire year increased from about 900,000 to more than 1 million.
- The percentage of Ohio adults without coverage increased from 13 percent in 1999 to 15 percent in 2001. This increase was due to a decline in job-based coverage

Adults by Income, Race, Age Group, Gender and Urbanization

- Nearly one-third (32 percent) of low-income adults under age 65 were uninsured in 2001. Only about one-third (35 percent) of these adults had job-based coverage.
- Nearly one-fourth (23 percent) of black adults under age 65 were uninsured in 2001, compared to 13 percent of white non-elderly adults. Black adults were much less likely to have job-based coverage, but more likely to be insured by Medicaid.
- Nearly three-quarters (73 percent) of uninsured adults were under age 45, and about half (49 percent) were between the ages of 18 and 34. One-fourth (25 percent) of adults under age 25 were without coverage in 2001.
- From 1999 to 2001, the uninsured rate for non-elderly men increased significantly due to erosion of job-based coverage, while the rate for women did not change.
- In 1999 and 2001, one-fifth (20 percent) of Ohio adults under age 65 who lived in central city areas were uninsured. Central city residents were less likely to have job-based coverage compared to adults in other urban and rural areas.

Adults by Health Status, Work Status, Educational Attainment and Marital Status

- The percentage of uninsured adults who reported poor or fair health decreased from 17 percent in 1999 to 10 percent in 2001. From 1999 to 2001, the uninsured rate for adults in poor or fair health declined from 20 percent to 15 percent, while the uninsured rate for adults reporting good to excellent health increased significantly.
- In 2001, 86 percent of uninsured adults lived in a family with at least one worker.
- The uninsured rate for adults under age 65 with no high school diploma increased from 25 percent in 1999 to 33 percent in 2001. One-quarter (25 percent) of uninsured adults had no high school diploma in 2001.
- Nearly half (46 percent) of uninsured Ohio adults had never been married, and nearly one-fourth (23 percent) were divorced, separated or widowed. About one-fourth of unmarried adults under age 65 were uninsured in 2001, compared to 8 percent of their married counterparts.

Adult Workers Ages 18 to 64 by Income and Age Group

- One-third (34 percent) of low-income workers were uninsured, and only one of three low-income workers (33 percent) had coverage through their work.
- In 2001, most uninsured workers (58 percent) lived in families with income of more than 200 percent of the Federal Poverty Level. Nearly one-half million Ohio workers from middle-income and high-income families were uninsured in 2001.
- The uninsured rate for adult workers under age 25 increased from 20 percent in 1999 to 25 percent in 2001. The percentage of workers under age 25 who were covered through their work declined from 31 percent to 21 percent.

Adult Workers Ages 18 to 64 by Employment Characteristics

- More than one-fourth (28 percent) of self-employed workers were uninsured in 2001. The percentage of self-employed workers who directly purchased insurance declined from 21 percent in 1999 to 13 percent in 2001.
- From 1999 to 2001, job-based coverage declined significantly for private industry workers, but not for government workers.
- Nearly one-fifth (19 percent) of part-time workers were without coverage in 2001. Only 17 percent of part-time workers obtained insurance through their job. Most part-time workers are not eligible to participate in a health plan through their work.
- In 2001, uninsured rates varied widely by industry group from 33 percent of construction workers to 8 percent of workers employed by manufacturers. Most construction and retail workers did not obtain coverage through their work.

- Nearly half (47 percent) of uninsured Ohio workers were employed by firms with fewer than 25 employees in 2001. Many small business employees lost health coverage between 1999 and 2001. Among workers in firms with fewer than 10 employees, the percentage without coverage increased from 22 percent to 29 percent.
- In 2001, one-fifth (20 percent) of workers in firms of 10 to 24 employees were uninsured.

Children

- In 1999 and 2001, 8 percent of Ohio children were reported to be without coverage for the entire year. There were 201,000 uninsured children in 2001. Children are less likely than non-elderly adults to be without coverage because a much higher percentage of children are eligible for and enrolled in Medicaid.
- From 1999 to 2001, Medicaid coverage for children increased while job-based coverage declined.

Children by Income, Race and Age Group

- In 2001, two-thirds (67 percent) of uninsured children lived in low-income families. Children from low-income families were about four times more likely than other children to be uninsured (15 percent versus 4 percent). Although many low-income children gained Medicaid coverage from 1999 to 2001, the uninsured rate for low-income children did not decline because of a sharp decrease in job-based coverage.
- From 1999 to 2001, the estimated number of uninsured children living in families with income of \$50,000 or more increased from 28,635 to 57,231.
- The uninsured rate for black children declined from 15 percent in 1999 to 10 percent in 2001 due to a large increase in Medicaid coverage.
- In 2001, nearly half (45 percent) of Ohio's uninsured children were ages 12 to 17. From 1999 to 2001, Medicaid coverage rates increased significantly for children under age 12, but not for children ages 12 to 17.

Children by Family Work Status, Family Type and Urbanization

- In 1999-2001, 89 percent of Ohio's uninsured children lived with at least one worker. However, children from non-working families were almost twice as likely as children from working families to be uninsured (14 percent versus 8 percent).
- Despite much higher Medicaid coverage rates in 2001, children in single-adult families were more likely to be uninsured than children living with married adults.
- In 2001, Ohio children living in central city areas were no more likely to be uninsured than children living in other areas of Ohio. Central city children were much more likely to have Medicaid, but much less likely to have job-based insurance.

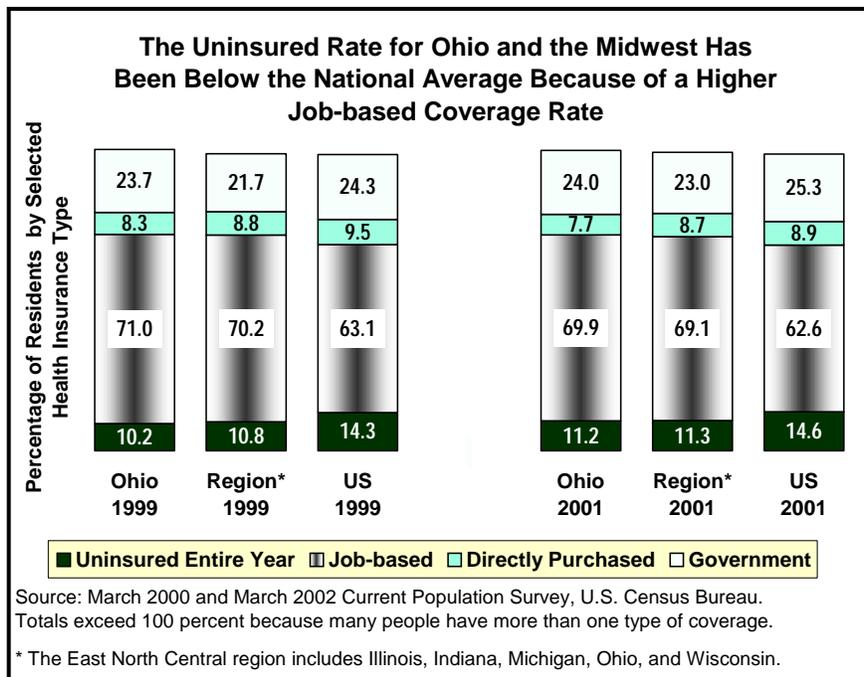
Health Insurance Coverage of Ohio Adults and Children, 1999-2001

I. Introduction

Health insurance coverage substantially increases the likelihood of receiving adequate health care. Even after controlling for demographic, socioeconomic and other population characteristics, uninsured Ohioans have more unmet health needs, are less likely to have a usual source of care and are less likely to receive preventive care.¹ National studies have shown that the uninsured also experience lower quality care, are diagnosed at later stages of disease and die sooner.² Lack of health insurance also has wide-ranging economic consequences. Uninsured persons rely heavily on relatively costly emergency rooms. Health care providers shift the uncompensated costs of caring for the uninsured to others. Lack of insurance also causes lost productivity and contributes to the spread of contagious diseases.³

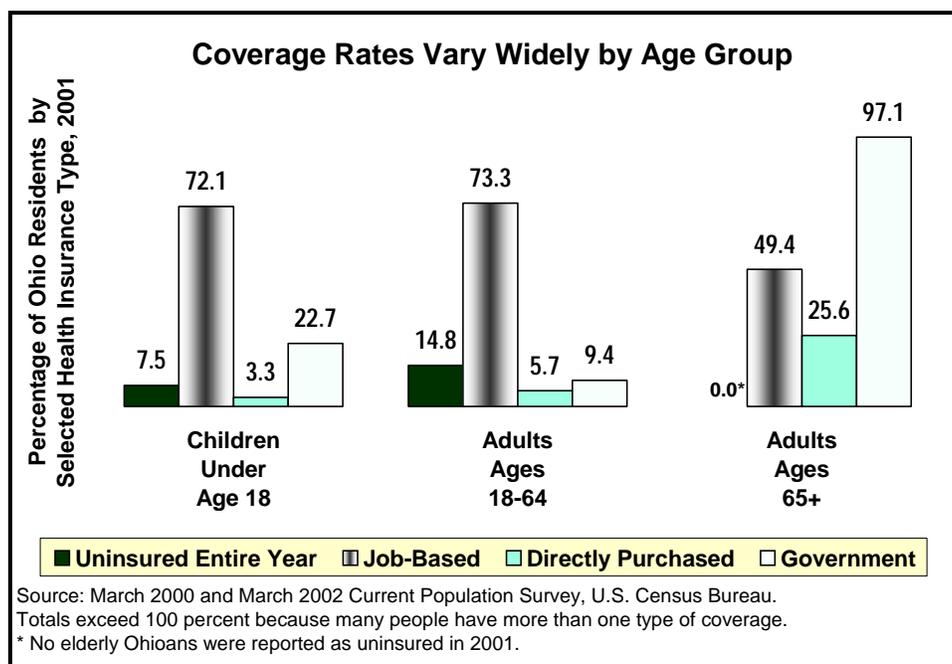
Most Americans obtain health insurance coverage through their own or a family member's job. About one-quarter obtain insurance through government programs, mostly through Medicare and Medicaid. Medicare is the federal government program that covers nearly all elderly and some disabled Americans, while Medicaid is a partnership between the federal government and the states that provides insurance to low-income and disabled Americans. The federal government pays for about two-thirds of the cost of Medicaid. There are also federal government programs for military personnel, military retirees and their families.

More than one in 10 Ohio residents (1.25 million) were without health insurance coverage in 2001. More than two-thirds (70 percent) of Ohioans had job-based coverage, about one-quarter (24 percent) had government coverage and 8 percent directly purchased insurance. Ohio's uninsured rate increased significantly from 1999 to 2001, but remained below the national average due to a higher rate of job-based coverage. However, Ohio's coverage rates have been close to the average for Midwestern states.



Health insurance coverage patterns vary widely by age group. Uninsured rates are lowest for the elderly due to near-universal Medicare enrollment. However, many Americans age 65 and older are underinsured because the traditional Medicare program has substantial cost sharing and significant gaps, such as the lack of prescription drug coverage. Most seniors obtain other coverage to supplement Medicare. For additional information about the health insurance coverage of Ohio seniors, see the Ohio Department of Health Data Bulletin *Health Insurance Coverage for Elderly Ohioans, 1999-2001*.

Adults under age 65 are most likely to be uninsured because they are least likely to be eligible for government programs. To qualify for government-sponsored insurance, non-elderly adults generally must be disabled, pregnant, a member of a military family or living in poverty. Children are less likely than non-elderly adults to be uninsured because a much higher percentage of children are eligible for and enrolled in Medicaid. In Ohio, most children in families with income of up to 200 percent of the Federal Poverty Level are eligible for Medicaid, while eligibility for most adults is limited to those who live in families with income at or below poverty level.^a



Uninsured rates also vary widely by other demographic, socioeconomic and population characteristics. Despite higher enrollment in government-sponsored insurance programs, low-income persons and members of many minority groups are more likely to be uninsured because of much lower rates of job-based coverage. Persons who work for the types of employers less likely to offer insurance, such as small businesses, retail establishments, and construction companies also have relatively high uninsured rates.

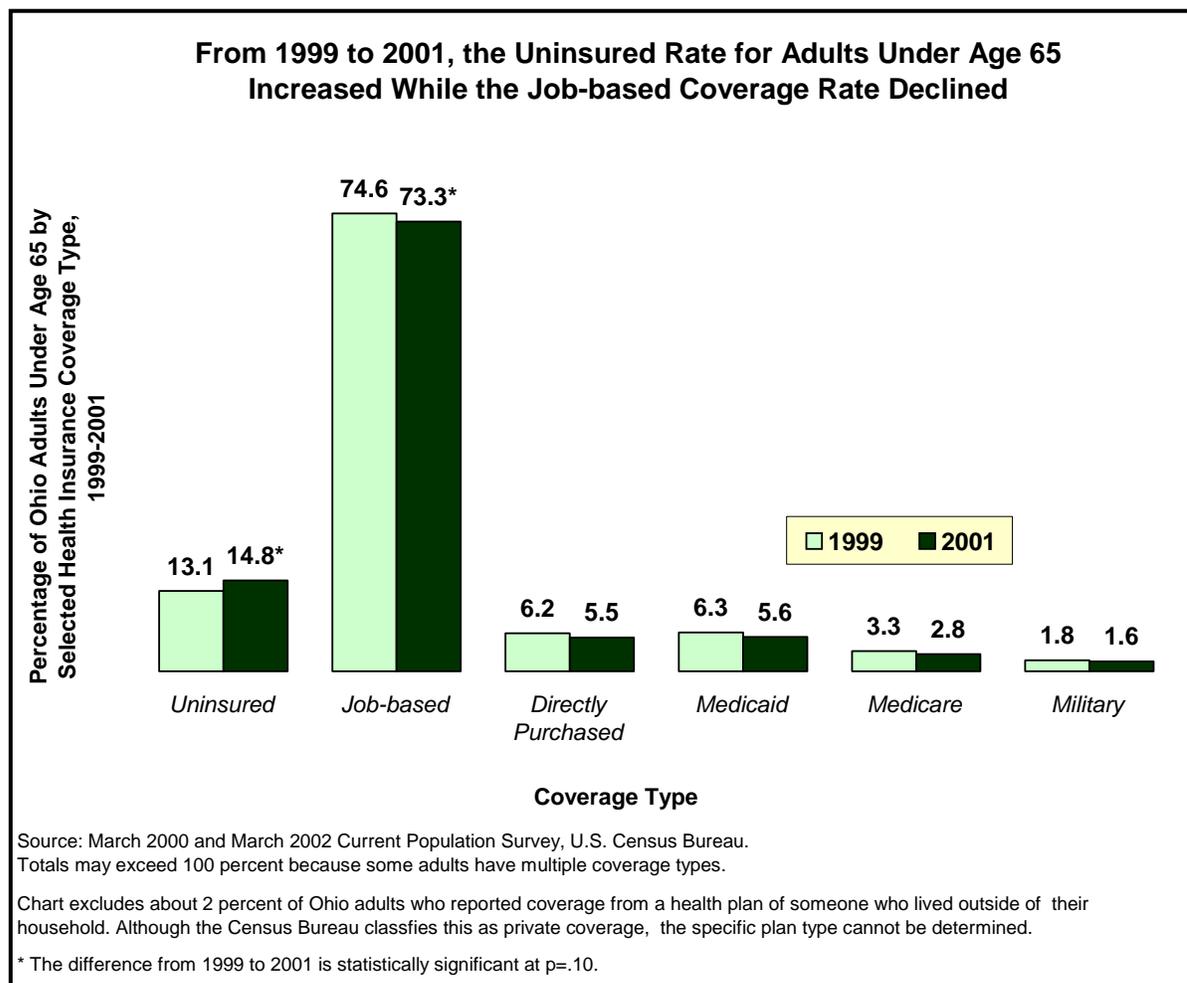
This report summarizes the health insurance coverage of Ohio residents by several sociodemographic and population characteristics. The first major section concentrates on non-elderly adults, while the second major section is devoted to children. The primary focus of the report is on 2001, the most recent year of data available from the Census Bureau. For areas where recent significant change has occurred, 1999 data is also presented.

^a The Federal Poverty Level varies by family size and \$17,650 for a family of four in 2001.

II. Adults Ages 18 to 64

A. Coverage Overview

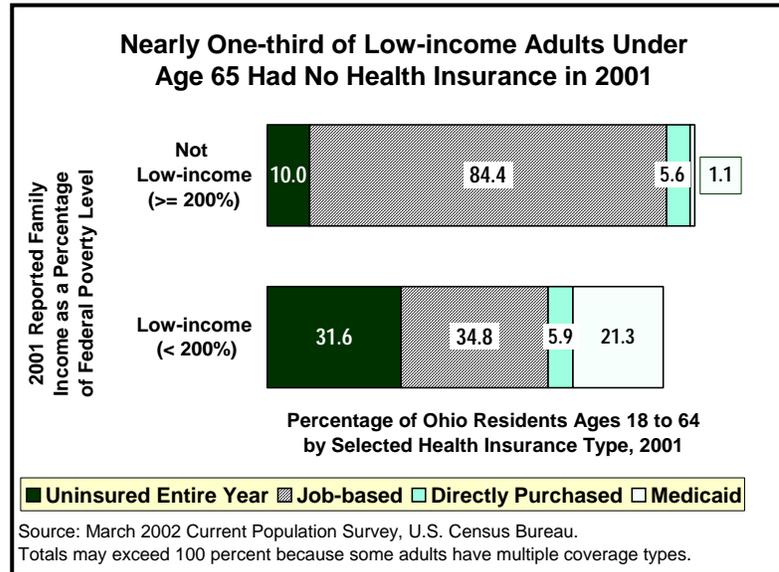
- From 1999 to 2001, the number of Ohio adults reported to be without coverage for the entire year increased from about 900,000 to more than 1 million.
- One of seven Ohio adults under the age of 65 were without health coverage in 2001. The uninsured rate for this population increased significantly from 13 percent in 1999 to 15 percent in 2001.
- From 1999 to 2001, the percentage of non-elderly Ohio adults with job-based coverage declined significantly from 75 percent to 73 percent. Reported coverage rates for several other types of insurance also fell slightly, but these differences were not statistically significant.



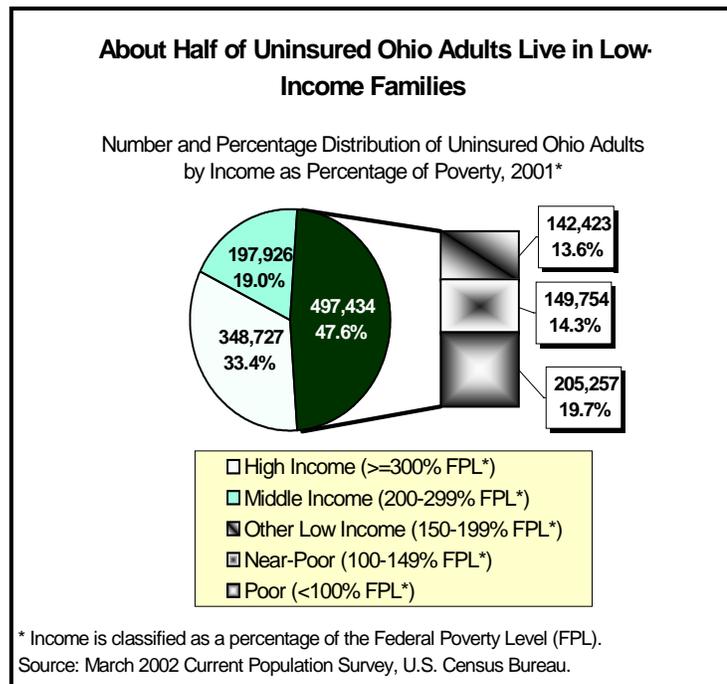
B. Uninsured Adults Under Age 65 by Population Characteristics

1. Low-income Adults Were Much More Likely to be Without Coverage^a.

- Nearly one-third (32 percent) of low-income Ohio adults under age 65 were uninsured in 2001, compared to only 10 percent of adults in higher income families.
- Only about one-third (35 percent) of non-elderly low-income adults had job-based coverage, versus 84 percent of higher income adults under age 65.



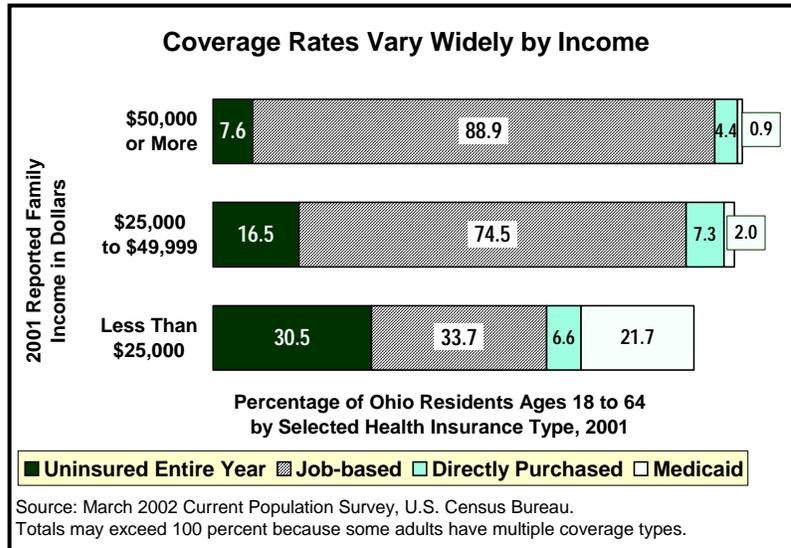
- About half (48 percent) of uninsured adults lived in low-income families.
- One-fifth (20 percent) of uninsured adults were living in poverty, while one-seventh (14 percent) were near poverty.
- One-third (33 percent) of uninsured lived in families with income between 200 percent and 299 percent of poverty, while nearly one-fifth (19 percent) were in families with income of 300 percent or more of poverty.



^a "Low-income" refers to persons living in families with annual income of less than 200 percent of the Federal Poverty Level. The Federal Poverty Level varies by family size and was \$17,650 for a family of four in 2001.

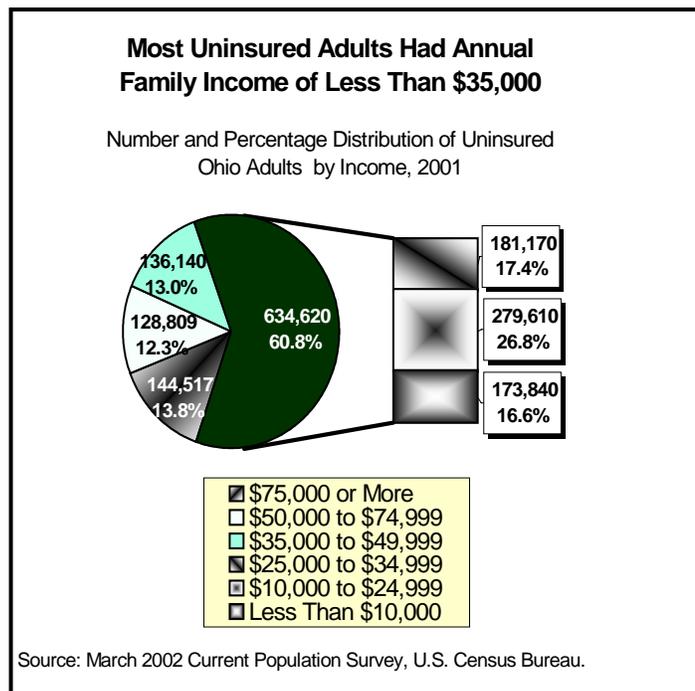
2. Nearly One-third of Non-elderly Adults in Families with Income of Less Than \$25,000 Were Uninsured.

- Nearly one-fourth (22 percent) of non-elderly adults living in families with annual income of less than \$25,000 were covered by Medicaid. However, adults in this income group were about four times as likely to be uninsured as adults living in families with annual income of \$50,000 or more.



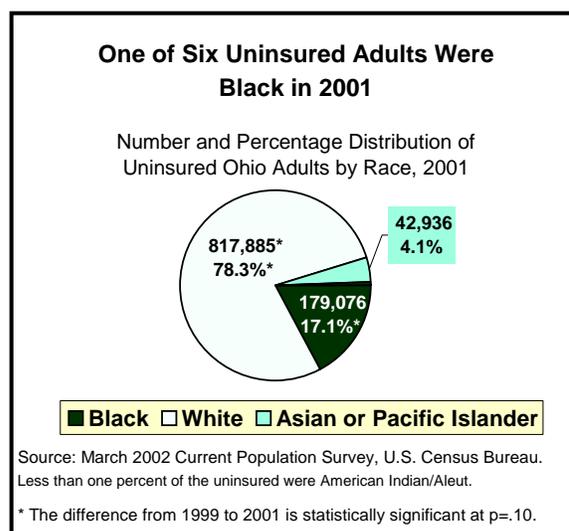
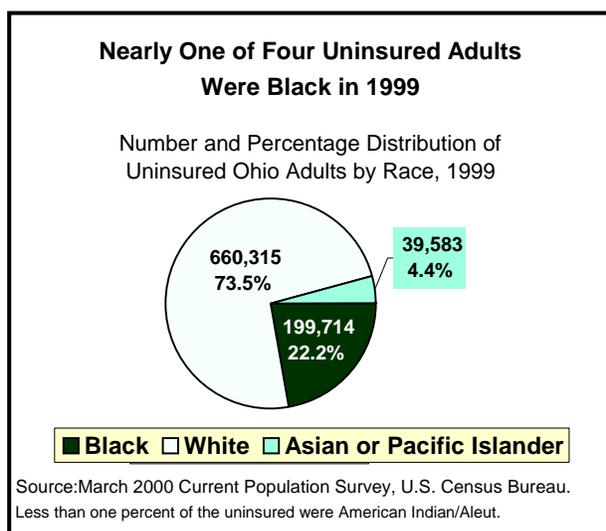
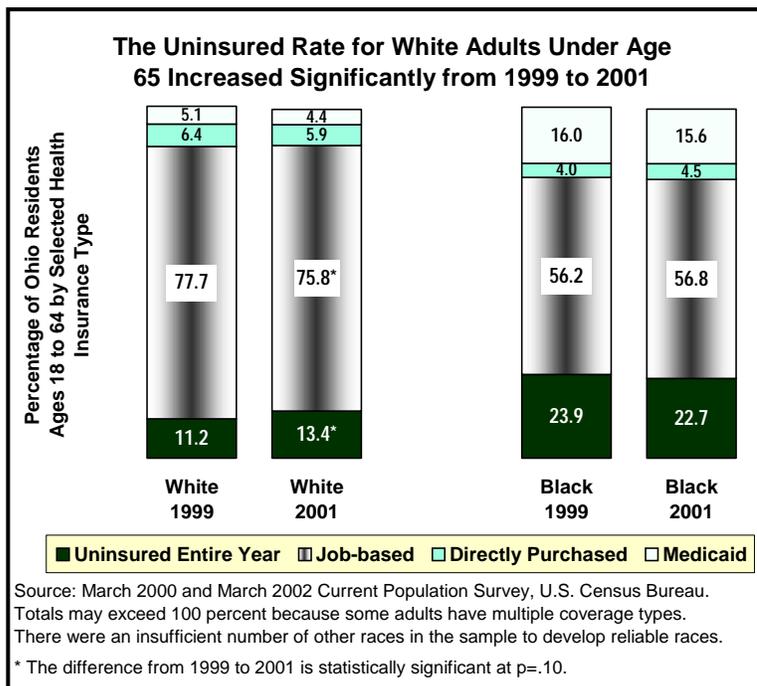
- Non-elderly adults in families with annual income of \$25,000 to \$49,999 were twice as likely to be uninsured as adults in families with income of \$50,000 or more.

- Most uninsured adults (61 percent) lived in families with annual income of less than \$35,000. One-sixth (17 percent) reported income of less than \$10,000, about one-quarter (27 percent) reported income of \$10,000 to \$24,999, and one-sixth (17 percent) reported income of \$25,000 to \$34,999.
- One of seven uninsured adults under age 65 (14 percent) reported family income of \$75,000 or more.



3. Nearly One of Four Black Adults Under Age 65 Were Without Coverage.

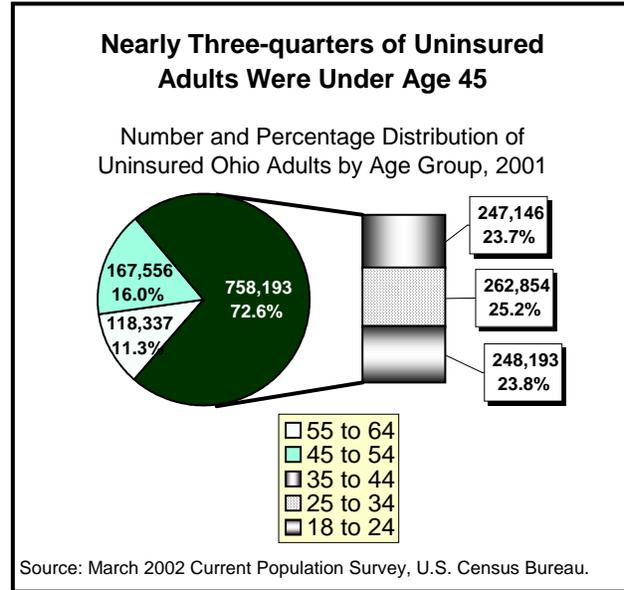
- In 1999 and 2001, black non-elderly adults in Ohio were about twice as likely to be uninsured as white adults under age 65.^a
- Black adults under age 65 were less likely than white adults to have job-based coverage. Some of this disparity is compensated for by a higher Medicaid coverage rate among black adults.
- From 1999 to 2001, the uninsured rate for white non-elderly adults increased significantly from 11 percent to 13 percent due to erosion of job-based coverage. However, the percentage of black adults without coverage did not change significantly.
- One-sixth of uninsured adults (17 percent) were black in 2001, down from 22 percent in 1999. The proportion of uninsured adults who were white increased from 74 percent to 78 percent.



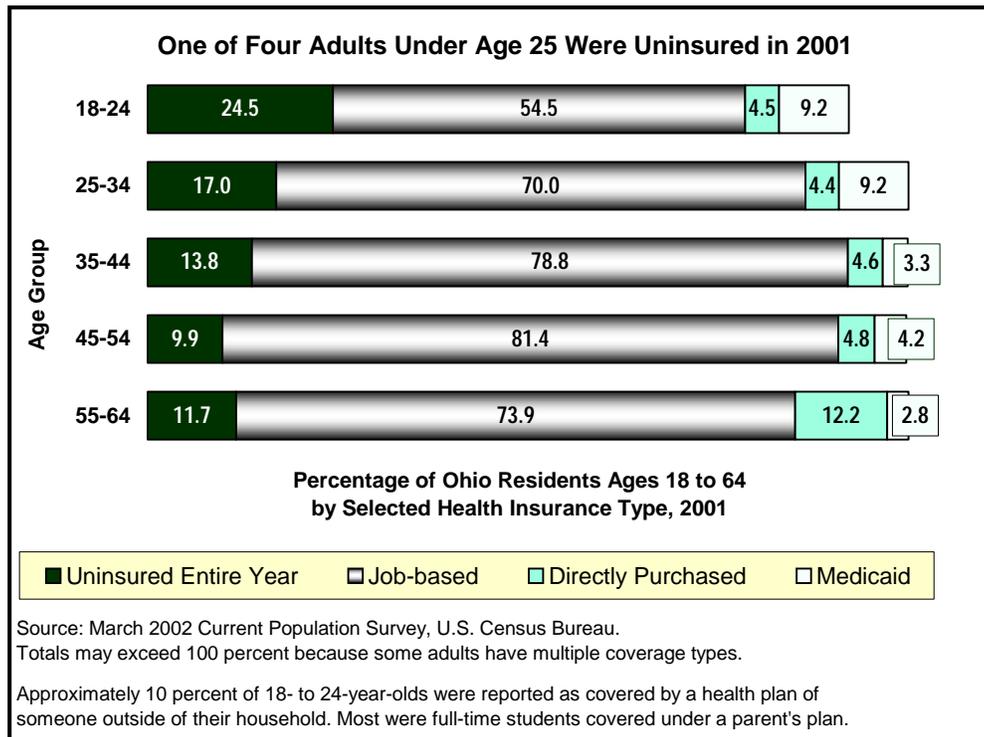
^a Uninsured rates exclude Asian, Hispanic, and other race and ethnic groups due to insufficient sample size.

4. Most Uninsured Adults Were Under the Age of 45.

- In 2001, nearly three of four uninsured Ohio adults (73 percent) were between the ages of 18 and 44. About half (49 percent) were between 18 and 34.
- More than one in 10 uninsured adults (11 percent) were between the ages of 55 and 64. Some near-elderly adults lose job-based coverage when they or a family member retires early. Premiums for directly purchased health insurance also can increase substantially for this age group because of their relatively high medical expenses.



- One of four adults between the ages of 18 and 24 (25 percent) were without health coverage in 2001, as were one-sixth of adults ages 25 to 34 (17 percent). Young adults have relatively low rates of job-based coverage because they are more likely to have jobs that have low wages and do not offer health insurance. Young adults also are less likely to perceive a need for health insurance compared to older adults.



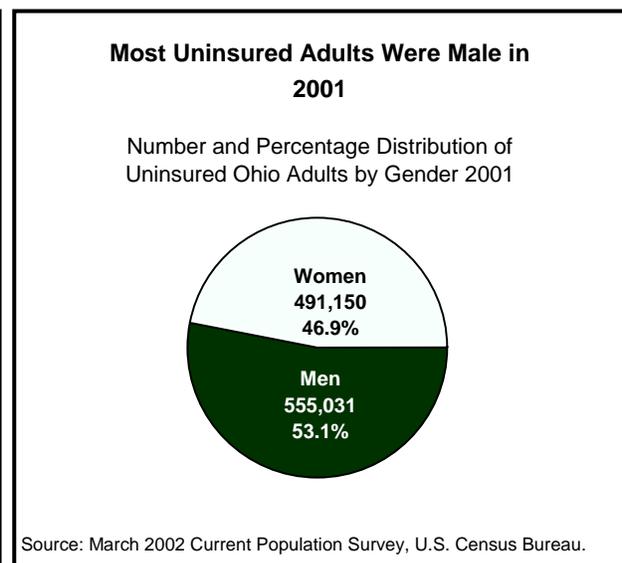
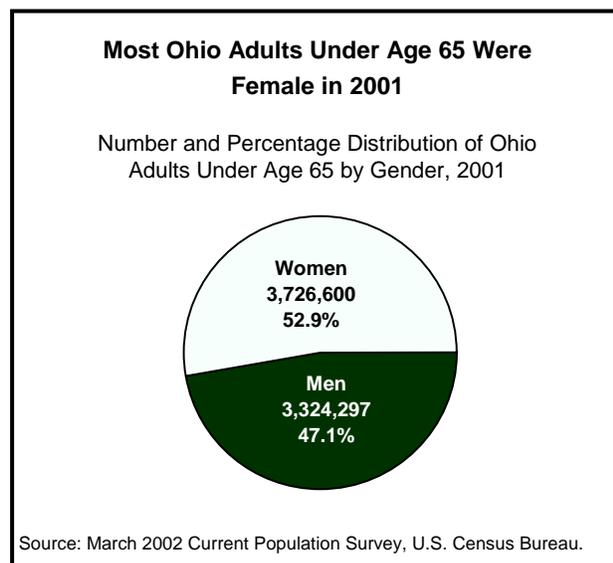
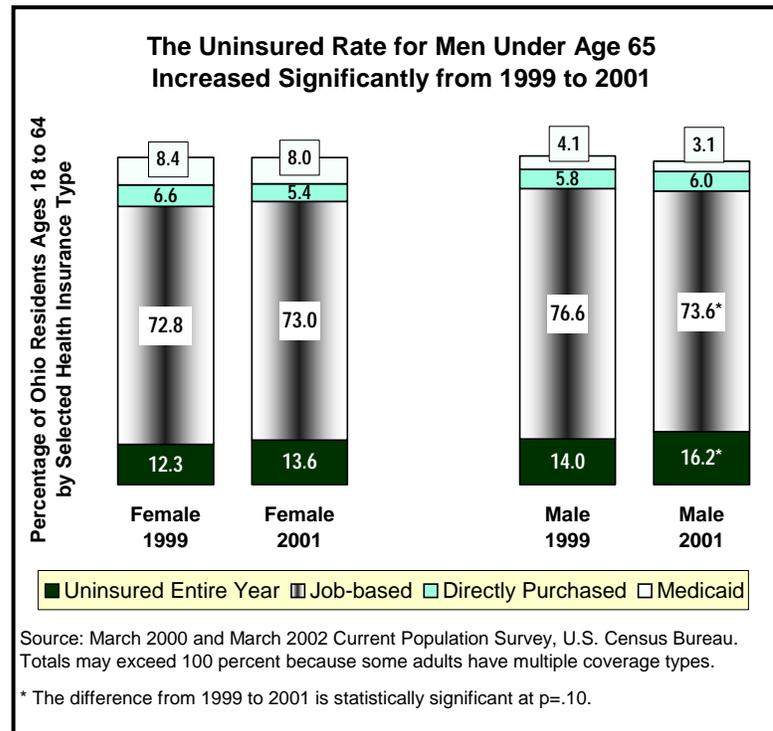
5. Men Were More Likely to be Uninsured Than Women.

- In 2001, one out of every six Ohio men under the age of 65 (16 percent) were without health coverage, versus one of seven non-elderly women (14 percent).

- From 1999 to 2001, the uninsured rate for men under age 65 increased significantly due to an erosion of job-based coverage. The uninsured and job-based coverage rates for women did not change significantly.

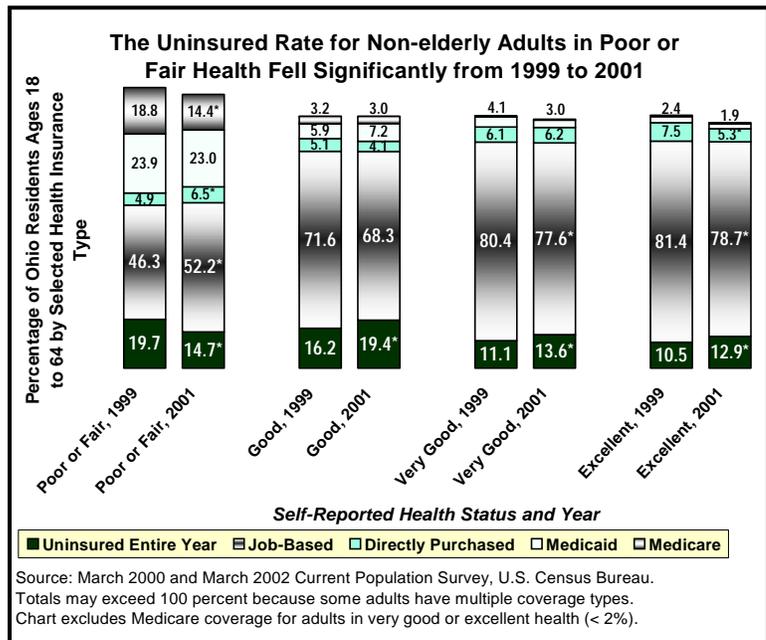
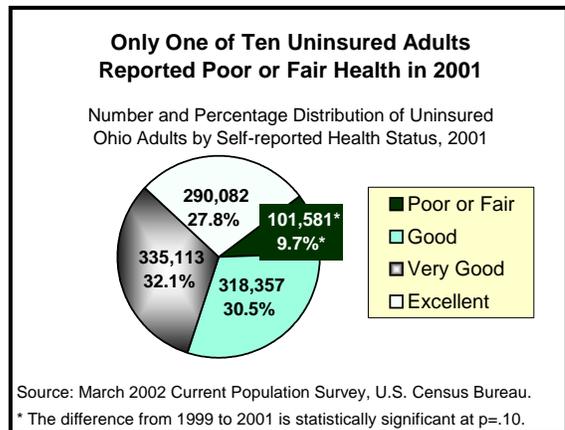
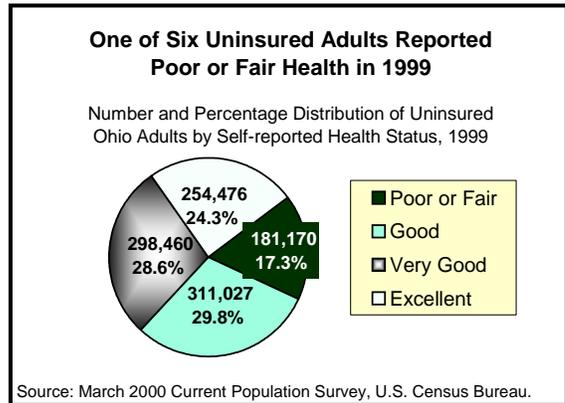
- In 2001, women were about as likely as men to report being covered by a job-based or directly purchased plan. In 1999, men were significantly more likely to report having job-based coverage.

- Although most Ohio adults under age 65 are female, most uninsured adults in this age group were male in 2001.



6. From 1999 to 2001, the Percentage of Uninsured Adults in Poor or Fair Health Declined Substantially.

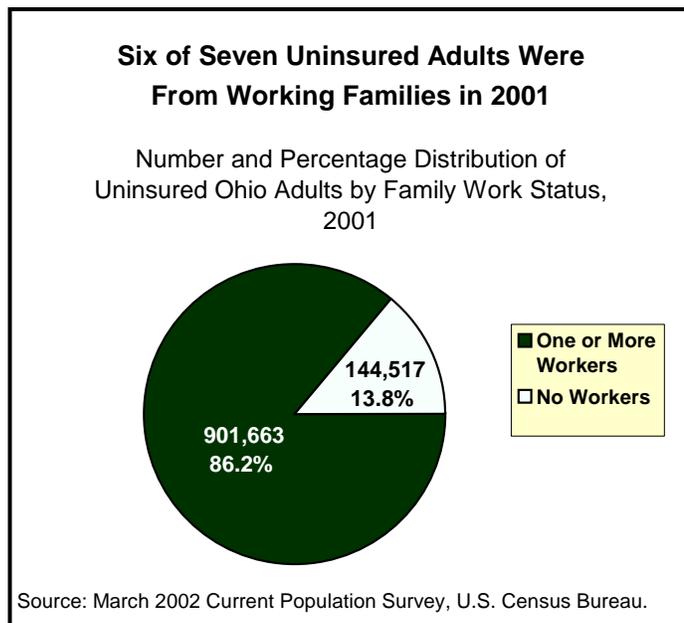
- The percentage of uninsured adults who reported poor or fair health decreased from 17 percent in 1999 to 10 percent in 2001.
- From 1999 to 2001, the uninsured rate for adults in poor or fair health declined from 20 percent to 15 percent, while the uninsured rate for adults reporting good to excellent health increased significantly. The reported rate of job-based coverage declined for those in very good or excellent health, but increased for adults reporting poor or fair health.^a
- Nearly one-fifth (19 percent) of non-elderly adults who reported good health were uninsured in 2001, versus 15 percent of those who reported poor or fair health, 14 percent who reported very good health and 13 percent who reported excellent health.
- Compared to their healthier counterparts, non-elderly adults who reported poor or fair health had a much lower rate of job-based coverage, but much higher rates of Medicaid and Medicare coverage.
- Adults who reported good health had the highest uninsured rate. They were much less likely than those reporting very good or excellent health to have job-based coverage, but only slightly more likely to report being covered by Medicare or Medicaid.



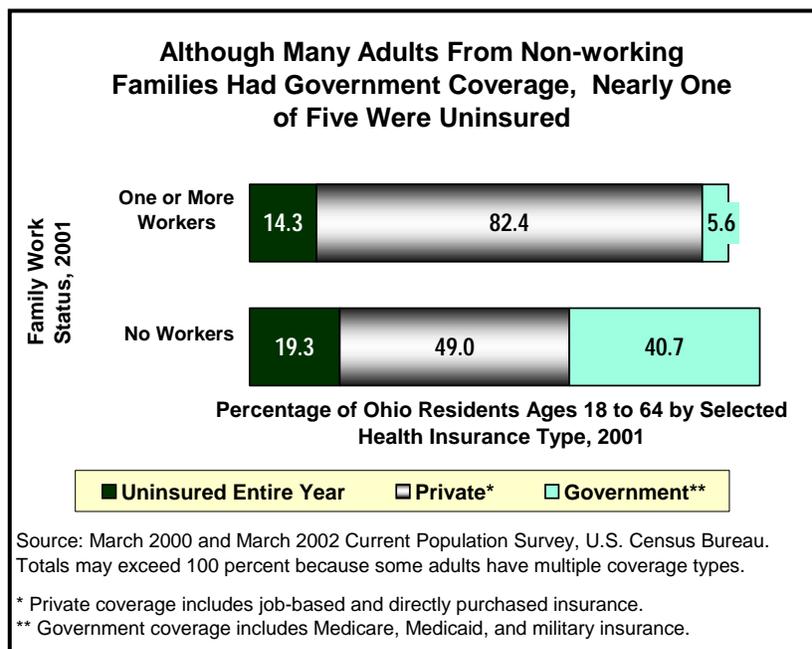
^a It is not clear why the reported job-based coverage rate increased for Ohioans in poor or fair health. This was not a regional or national trend. Most of the change occurred from 1999 to 2000. Analysis of a bridge file for the latter year that included the prior year's weighting controls and sample design ruled out a change in weighting or sampling design as an explanation for the increase.

7. Most Uninsured Adults are from Working Families.

- In 2001, only one of seven uninsured Ohio adults (14 percent) lived in a family with no workers. Six of seven uninsured adults (86 percent) lived in a family with at least one worker.



- Approximately one-fifth (19 percent) of adults under age 65 from non-working families were uninsured, versus one-seventh (14 percent) of non-elderly adults from working families.

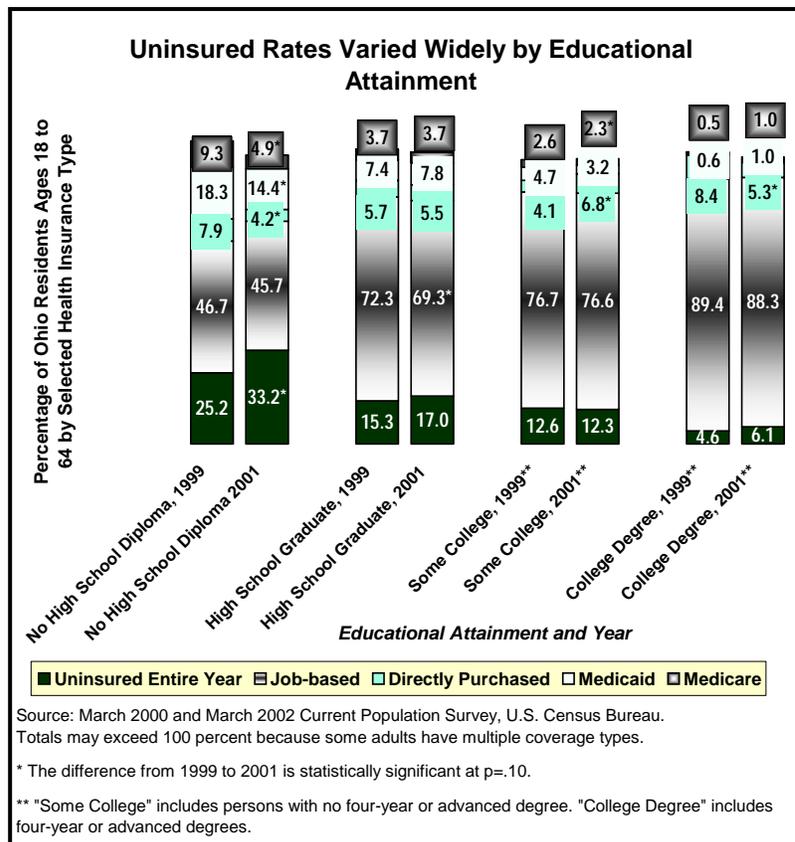
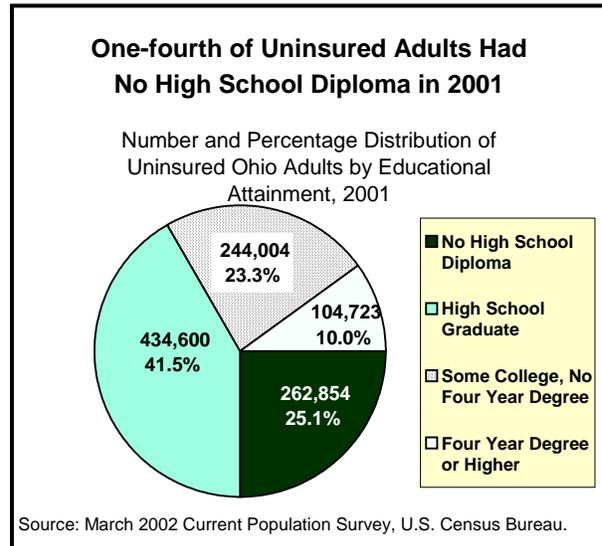


- Only about half (49 percent) of adults under age 65 from non-working families had private job-based or individually purchased health coverage, versus more than four of five adults (82 percent) from working families.

- Among adults under age 65 from non-working families, 41 percent were covered through government health insurance programs. Only 6 percent of adults under age 65 from working families obtained coverage through government programs.

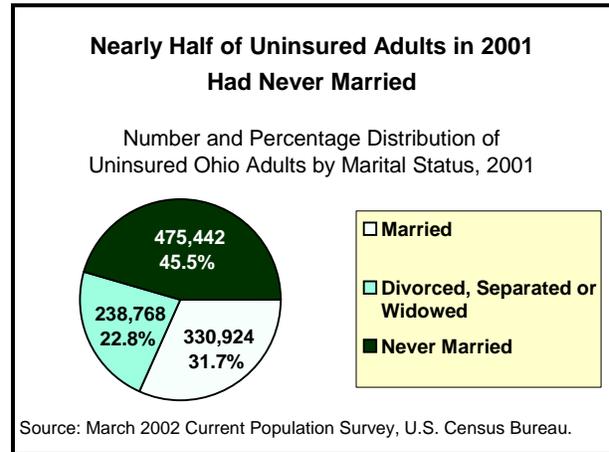
8. Many Uninsured Adults Have Less Than a High School Education.

- One-quarter (25 percent) of uninsured adults had no high school diploma in 2001.
- Nearly half (42 percent) of uninsured adults had a high school diploma but no college education, 23 percent had some college but no four-year degree and 10 percent had a four-year or advanced college degree.
- From 1999 to 2001, the percentage of non-elderly adults with no high school diploma who were uninsured increased from 25 percent to 33 percent. Directly purchased coverage, Medicaid, and Medicare all declined significantly for this population.
- In 2001, non-elderly adults with no high school diploma were about twice as likely as high school graduates to be without coverage. However, from 1999 to 2001 job-based coverage declined significantly for high school graduates.
- Only 6 percent of adults with four-year or advanced college degrees were without health coverage in 2001, compared to 12 percent of adults who completed some college but had no four-year or advanced degree.
- Less than half (46 percent) of adults without a high school diploma had job-based coverage in 2001, compared to about two-thirds (69 percent) of high school graduates and 88 percent of four-year college graduates.

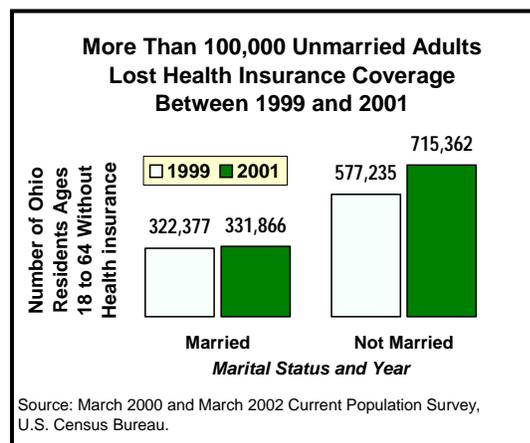
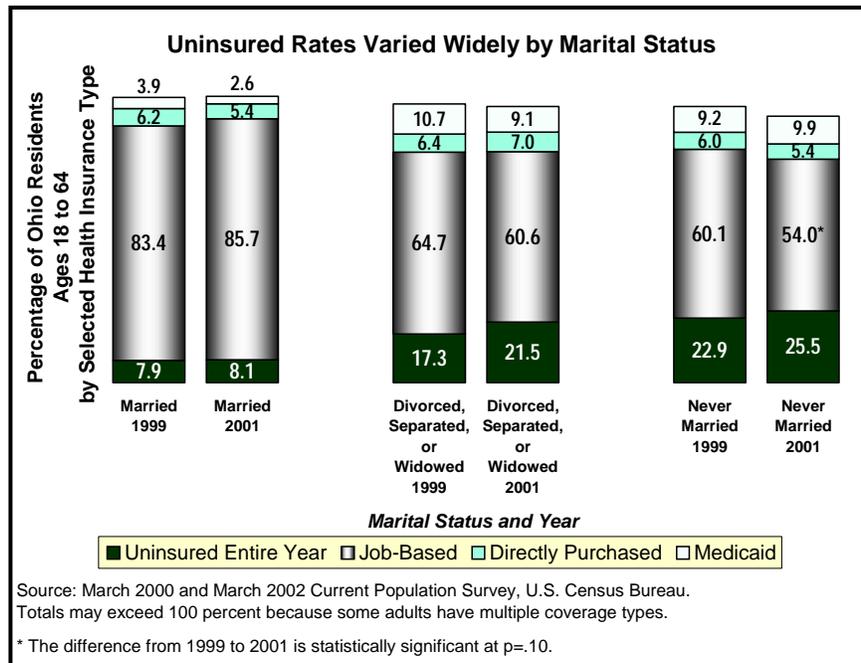


9. Most Uninsured Adults Were Not Married.

- Nearly half (46 percent) of uninsured Ohio adults had never married, and nearly one-fourth (23 percent) were divorced, separated or widowed.
- About one-third (32 percent) of Ohio adults without health insurance were married.



- About one-fourth of unmarried Ohio adults under age 65 were uninsured in 2001, compared to 8 percent of their married counterparts.
- From 1999 to 2001, the percentage of never married adults with job-based coverage declined from 60 percent to 54 percent.

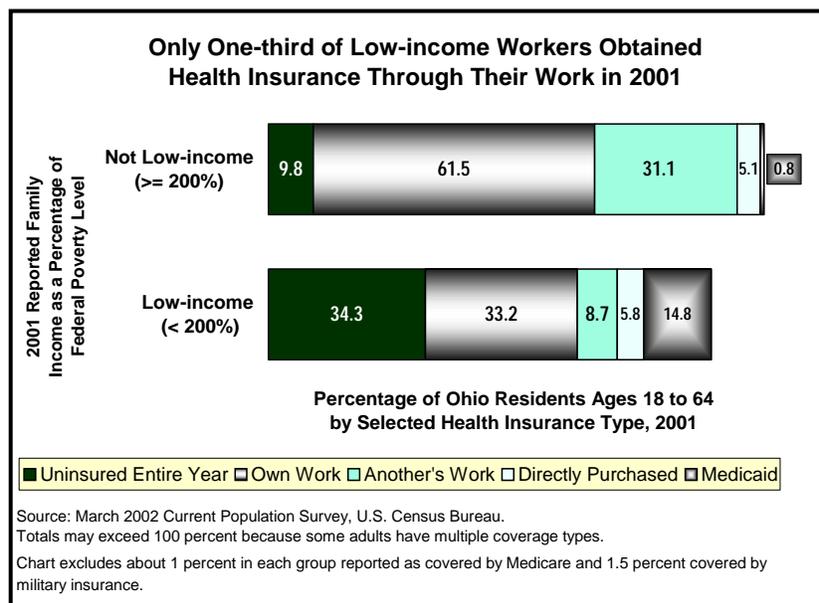


- Most of the increase in the number of uninsured occurred among unmarried Ohioans. From 1999 to 2001, the number of unmarried adults who reported not having health coverage increased by 138,127. There was little change in the number of married adults without coverage.

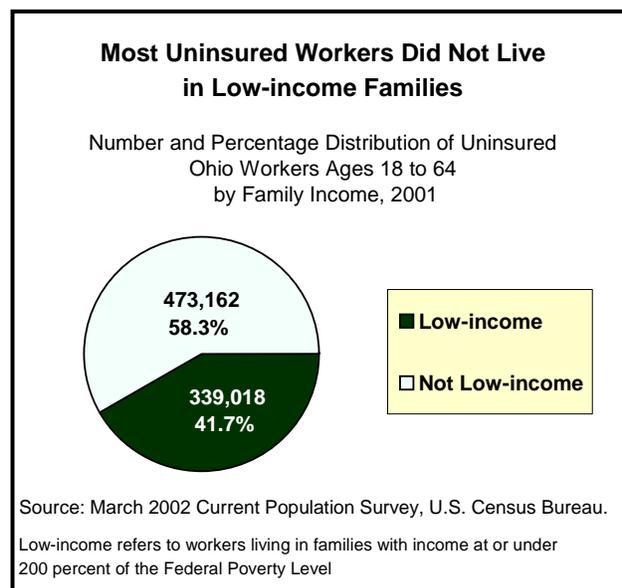
C. Uninsured Workers by Population and Employment Characteristics^a

1. One-third (34 Percent) of Low-income Workers Were Uninsured in 2001.^b

- Low-income workers were more than three times as likely as higher-income workers to be without coverage.
- Only one-third (33 percent) of low-income workers had coverage through their own work, compared to nearly two-thirds (62 percent) of higher income workers.



- In 2001, most uninsured workers (58 percent) lived in families with income of more than 200 percent of the Federal Poverty Level.
- Nearly one-half million workers from middle-income and high-income families were uninsured in 2001.

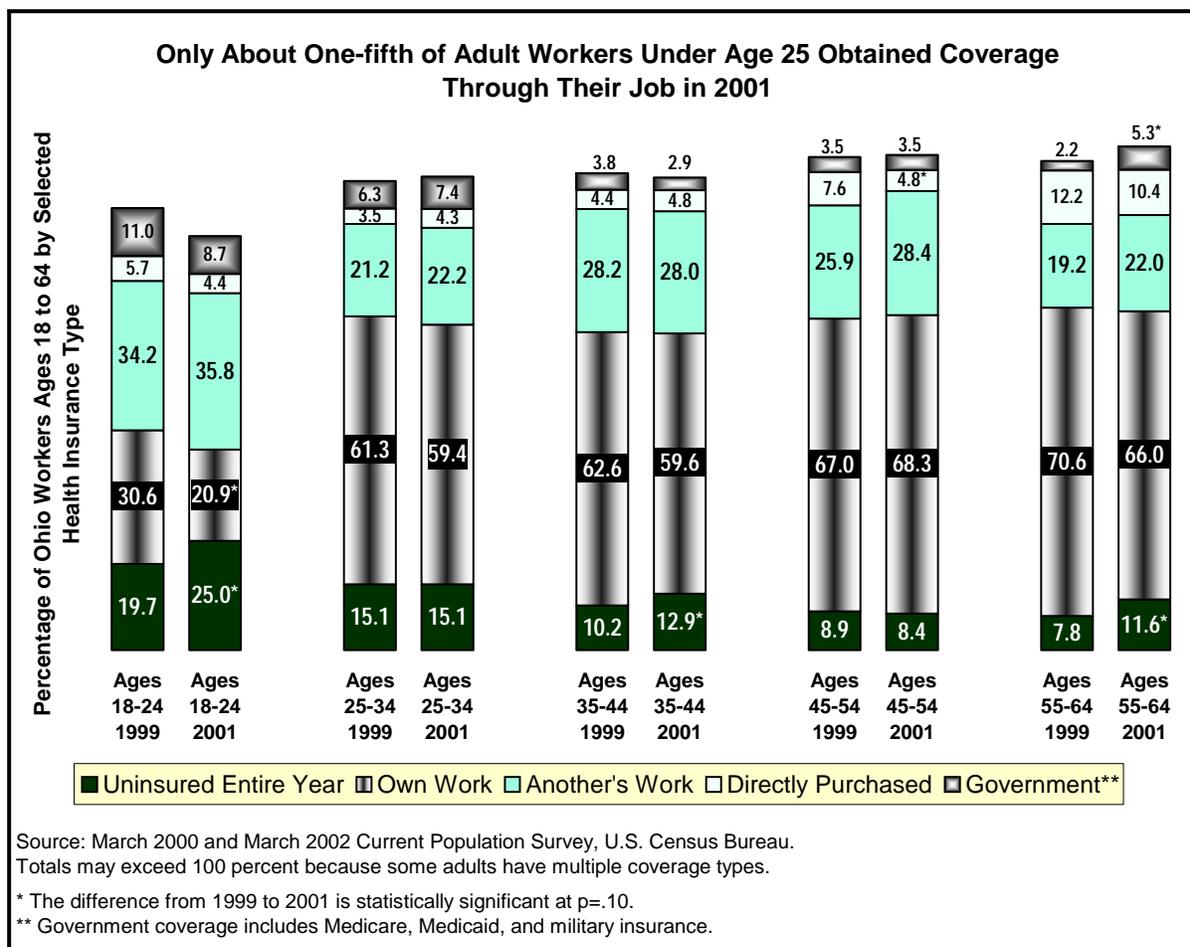


^a Unless otherwise stated, all statistics in this section refer to workers between the ages of 18 and 64.

^b "Low-Income" refers to persons living in families with annual income of less than 200 percent of the Federal Poverty Level. The Federal Poverty Level varies by family size and was \$17,650 for a family of four in 2001.

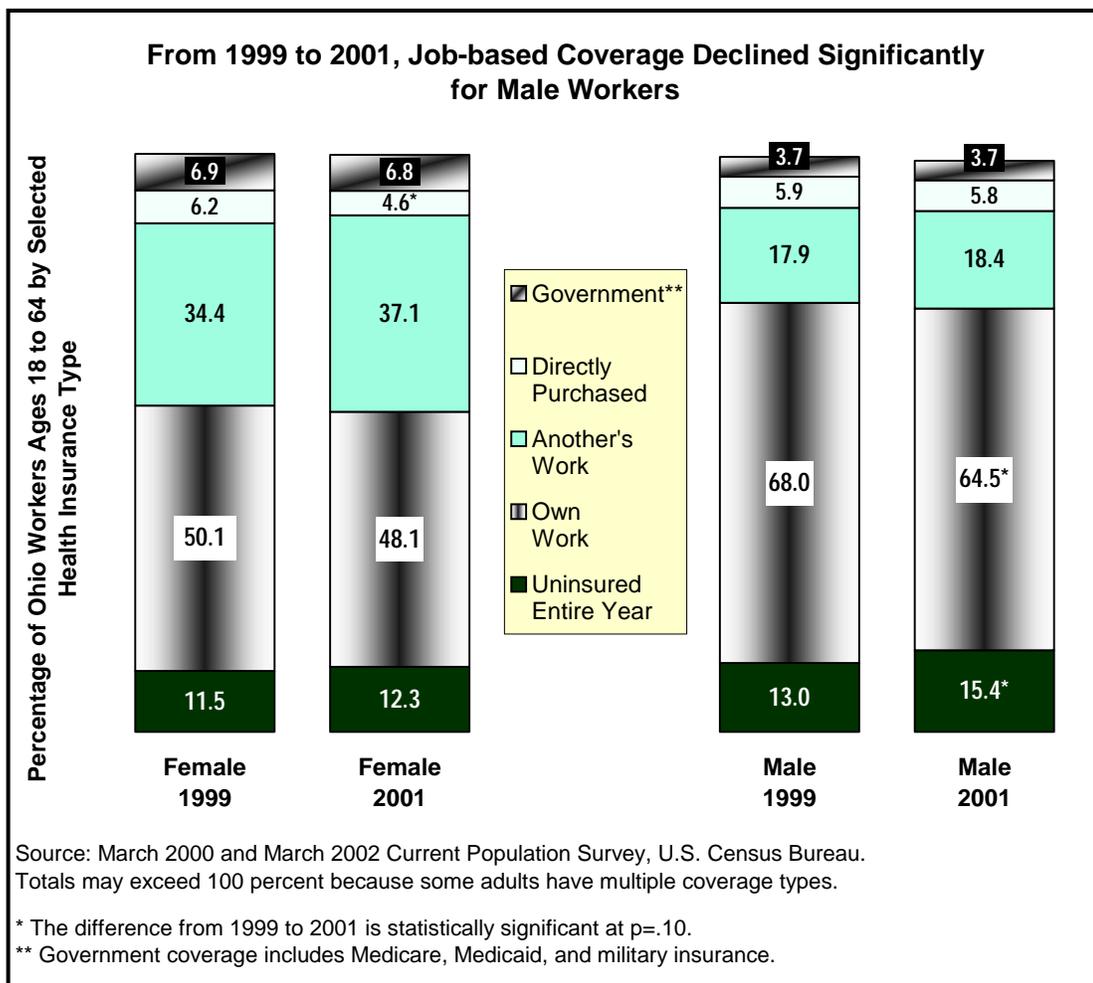
2. One-fourth of Adult Workers Under Age 25 Were Uninsured in 2001.

- The percentage of workers under age 25 without health insurance increased from 20 percent in 1999 to 25 percent in 2001. The uninsured rate for workers ages 35-44 and 55-64 also increased significantly.
- From 1999 to 2001, the percentage of workers under age 25 who were covered through their own work declined from 31 percent to 21 percent. Job-based coverage for older workers did not change significantly. Most older workers had coverage through their own work in 1999 and 2001.



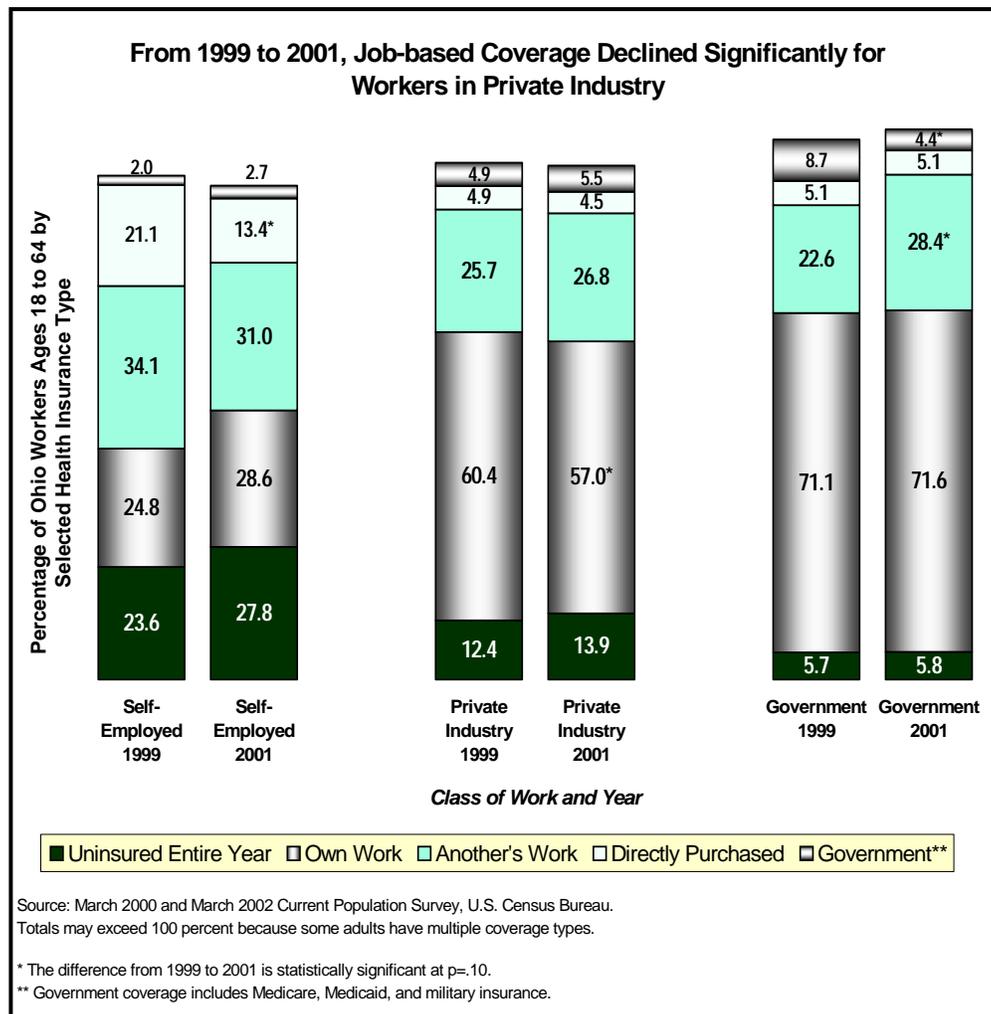
3. Male Workers Were More Likely Than Female Workers to be Without Health Coverage.

- From 1999 to 2001, the uninsured rate for male workers increased significantly from 13 percent to 15 percent due to erosion of job-based coverage.
- About two-thirds (65 percent) of male workers were covered through their own work in 2001, versus about half (48 percent) of female workers. However, the gap between male and female workers declined from 1999 to 2001 because of a greater loss of coverage for men.
- In 1999 and 2001, female workers were about twice as likely as male workers to be covered through the work of a family member.



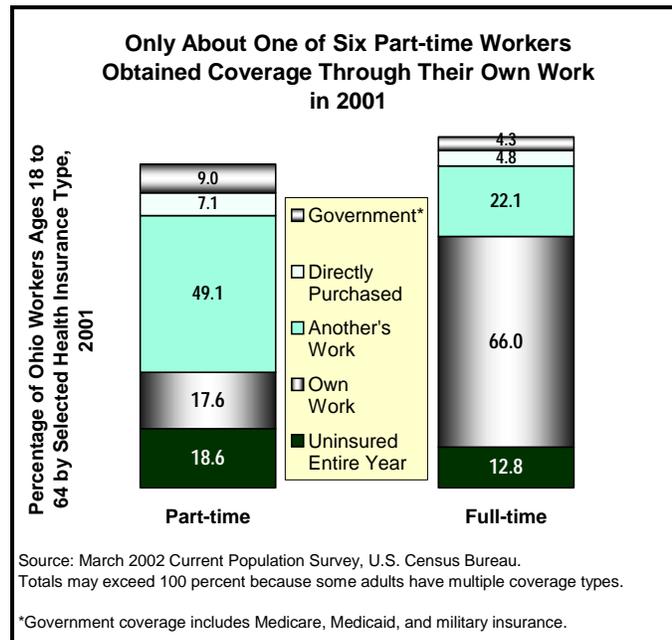
4. More Than One-fourth of Self-employed Workers Were Uninsured in 2001.

- In 1999 and 2001, self-employed workers were twice as likely to be without coverage as compared to other workers in private industry.
- Only 6 percent of government workers were without coverage in 2001. Nearly three-quarters (72 percent) of government workers obtained coverage through their own work, versus 57 percent of private industry workers and 29 percent of self-employed workers.
- From 1999 to 2001, job-based coverage declined significantly for private industry workers but not for government workers.
- The percentage of self-employed workers with directly purchased coverage declined from 21 percent in 1999 to 13 percent in 2001. Decreasing affordability of coverage may have been a factor influencing this trend. Only 5 percent of private industry and government workers directly purchased coverage in 1999 and 2001.



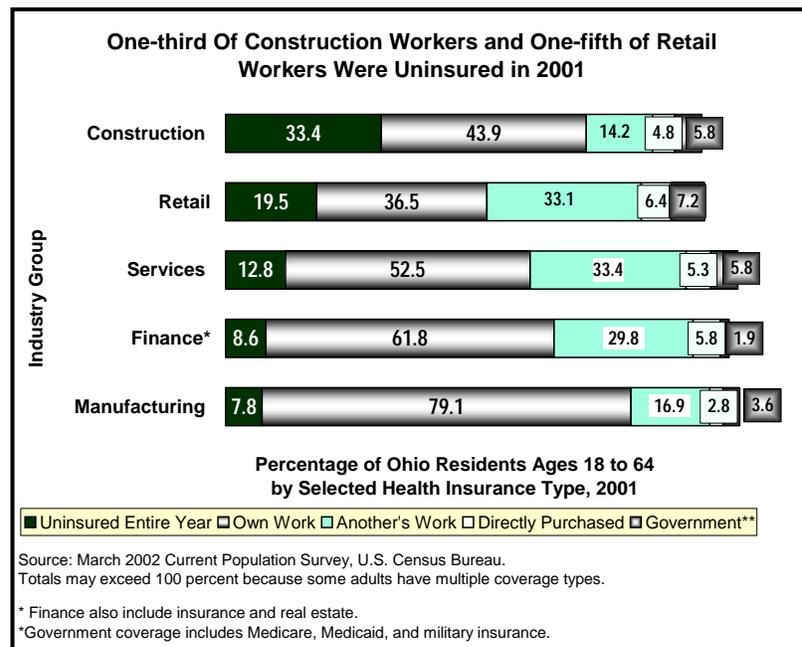
5. Nearly One of Five Part-time Workers Were Without Health Coverage in 2001.

- Part-time workers were significantly more likely than full-time workers to be without coverage (19 percent versus 13 percent).
- Only about one of six part-time workers (17 percent) obtained coverage through their own work, compared to two-thirds (66 percent) of full-time workers. Most part-time workers are not eligible to participate in a health plan through their work.
- About half (49 percent) of part-time workers were covered through a family member's work.



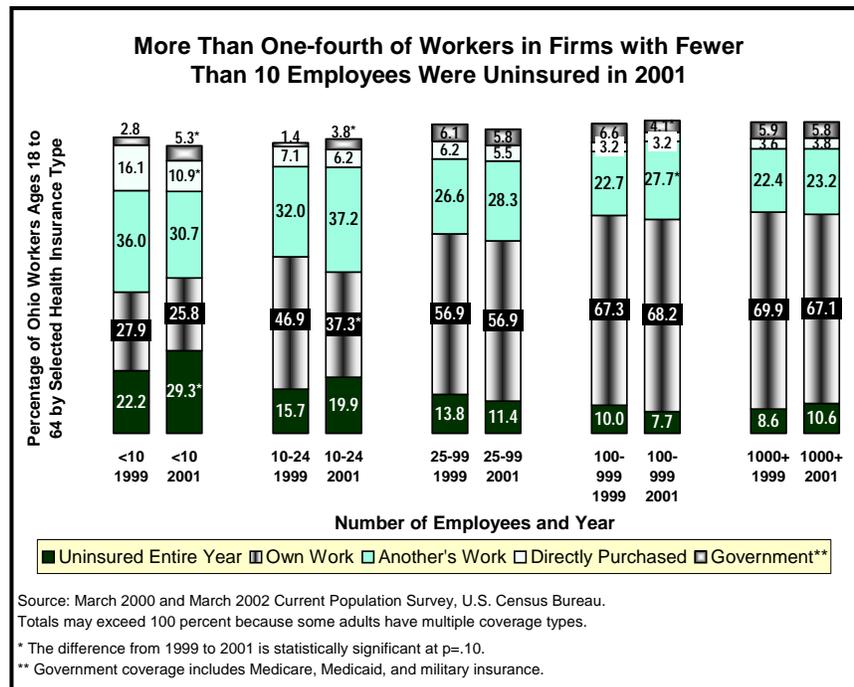
6. Uninsured Rates Vary Widely by Industry Group

- In 2001, one-third (33 percent) of construction workers and one-fifth (20 percent) of retail workers were uninsured, compared to 13 percent of service workers, 9 percent of workers in finance, insurance and real estate, and 8 percent of workers employed by manufacturers.
- Only 37 percent of retail workers and 44 percent of construction workers obtained health coverage through their own work in 2001. However, most workers in manufacturing, services and real estate obtained coverage through work.



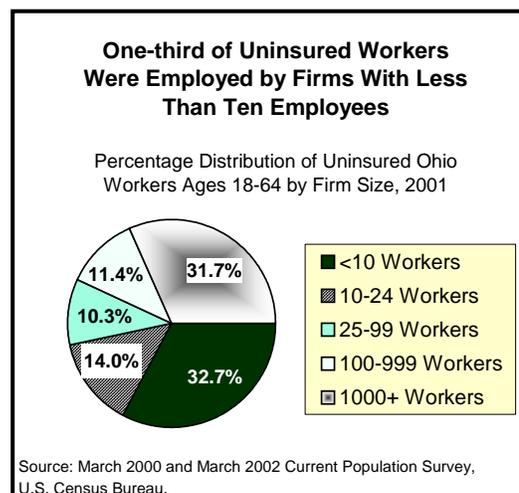
7. Many Small Business Employees Lost Health Coverage Between 1999 and 2001.

- From 1999 to 2001, the uninsured rate for workers in firms with less than 10 employees increased from 22 percent to 29 percent. Rates of job-based and directly purchased coverage both decreased significantly for these workers.^a



- One-fifth (20 percent) of workers in firms of 10 to 24 employees were uninsured in 2001. The percentage of workers in firms of this size who had coverage through their own work declined from 47 percent in 1999 to 37 percent in 2001.
- The uninsured rate for workers in firms with 25 or more employees did not change significantly from 1999 to 2001. These workers were more than twice as likely as small-firm workers to obtain health coverage through their own work.

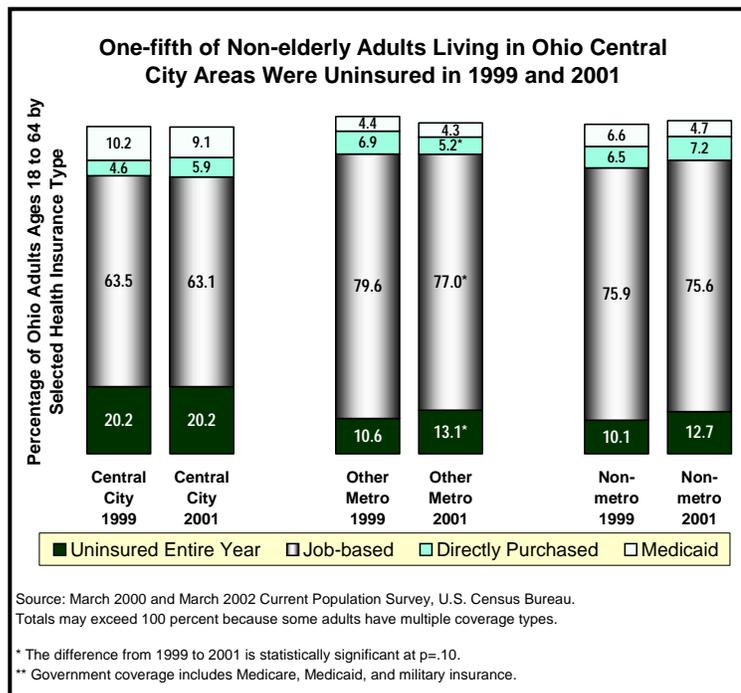
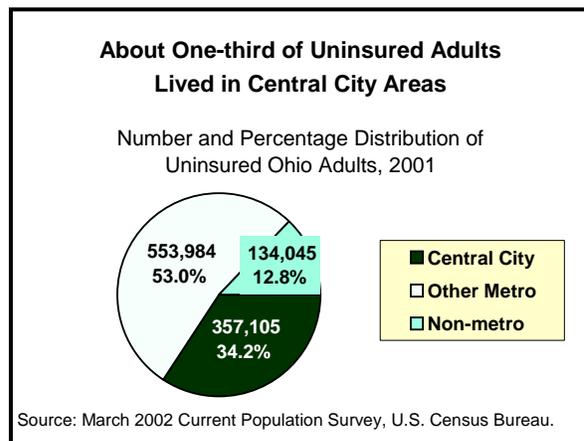
- In 2001, nearly half (47 percent) of uninsured Ohio workers were employed by firms with less than 25 employees. One-third (33 percent) worked in businesses with less than 10 employees, and one of seven (14 percent) were employed by firms of 10 to 24 workers.
- Nearly one-third (32 percent) of uninsured workers were employed by firms with 1,000 or more employees.



^a Although the reported declines in coverage through own work and through another person's work were each not statistically significant, the overall decline in job-based coverage from 62 percent to 55 percent was statistically significant.

D. Geographic Distribution of Uninsured Adults

- In 2001, about one-third (34 percent) of uninsured Ohio adults lived in central city areas and about half (53 percent) lived in other metropolitan areas. One of eight uninsured adults (13 percent) lived in non-metropolitan areas.
- In 1999 and 2001, one of five Ohio adults under age 65 who lived in central city areas were uninsured.
- Central city residents ages 18 to 64 were much less likely to have job-based coverage compared to non-elderly residents of other Ohio areas. However, central city residents were about twice as likely to be insured by Medicaid.
- Metropolitan residents outside of central cities and non-metropolitan residents were equally likely to be without health insurance coverage in 1999 and 2001.^a
- From 1999 to 2001, the uninsured rate for metropolitan residents who did not live in central city areas increased significantly due to declines in job-based coverage and directly purchased coverage.^b The uninsured and job-based coverage rates for central city residents did not change significantly.



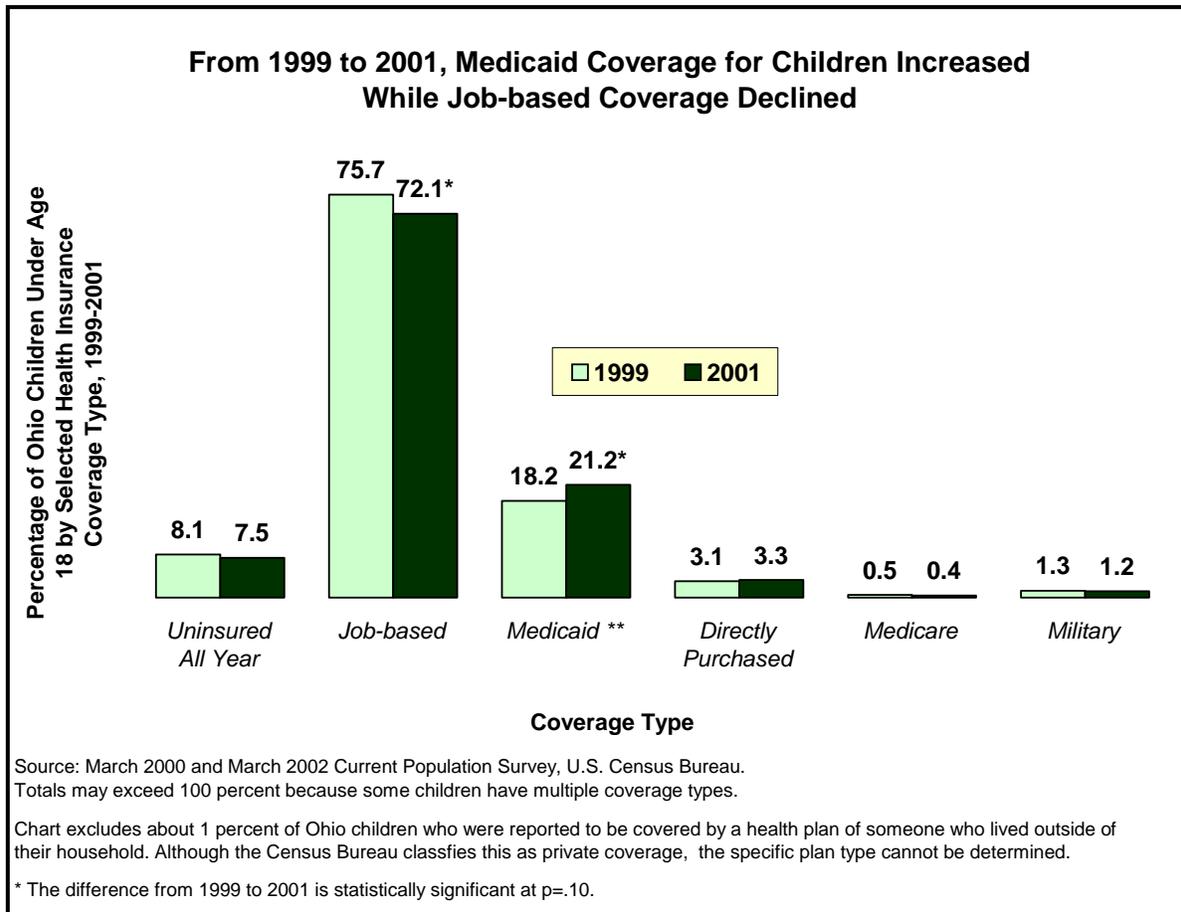
^a Other sources such as the 1998 Ohio Family Health Survey have revealed significant disparities between Appalachian and rural non-Appalachian areas. Ohio residents living in Appalachia were significantly more likely to be without coverage compared to rural non-Appalachian residents. See [Uninsured Rates in Ohio by County, 1998](#) for further details.

^b The reported uninsured rate for rural residents also increased slightly, but the difference was not statistically significant. A relatively small rural sample resulted in less precise estimates, limiting the ability to assess change over time.

III. Children Under Age 18

A. Coverage Overview

- In 1999 and 2001, 8 percent of Ohio children were reported to be without health insurance coverage for the entire year. There were 201,000 uninsured children in 2001.
- From 1999 to 2001, the percentage of children reported to be insured by Medicaid increased from 18 percent to 21 percent.^a However, the uninsured rate for children did not decline significantly because the percentage of children insured through employers fell from 76 percent to 72 percent.
- Less than 5 percent of Ohio children were covered by directly purchased insurance, Medicare or military coverage.

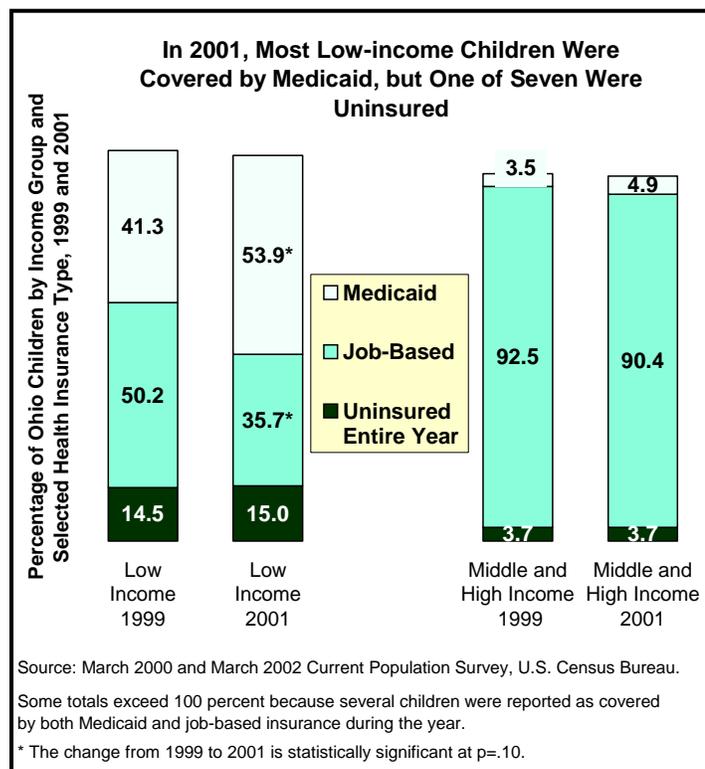
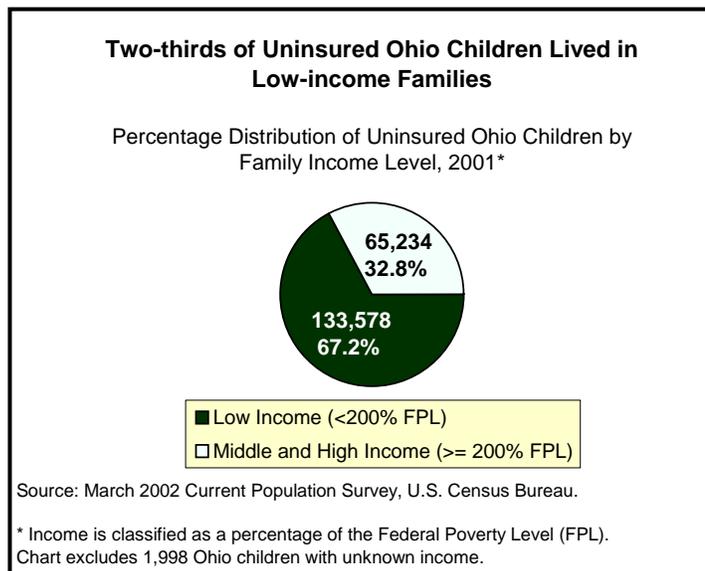


^a Medicaid includes the Children’s Health Insurance Program (CHIP). Ohio Medicaid participation as reported in this survey is lower than administrative records from the Ohio Department of Job and Family Services. Underreporting of Medicaid coverage is a common problem in household surveys. See the Notes section at the end of this report for further details.

B. Uninsured Children by Population Characteristics

1. Most Uninsured Children Are From Low-income Families.^a

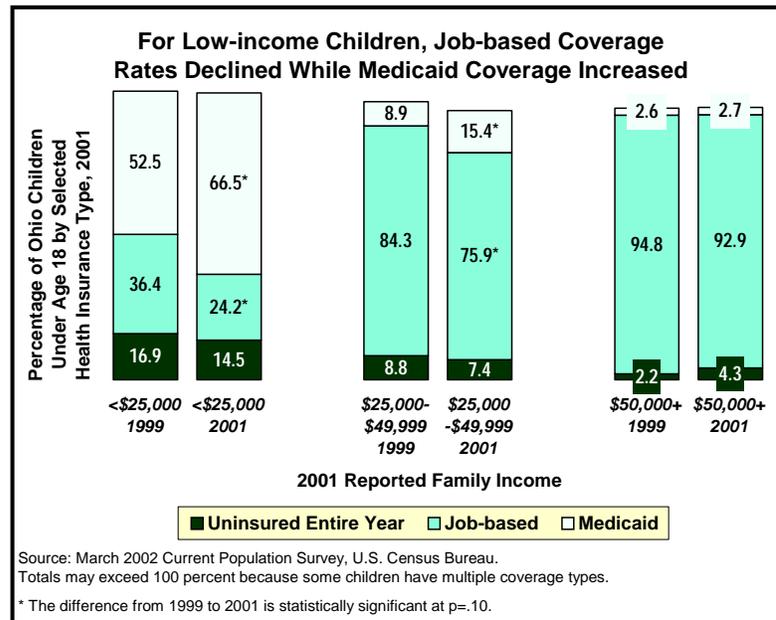
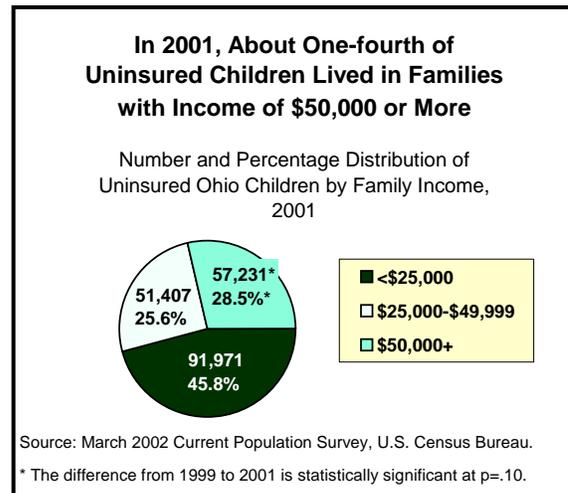
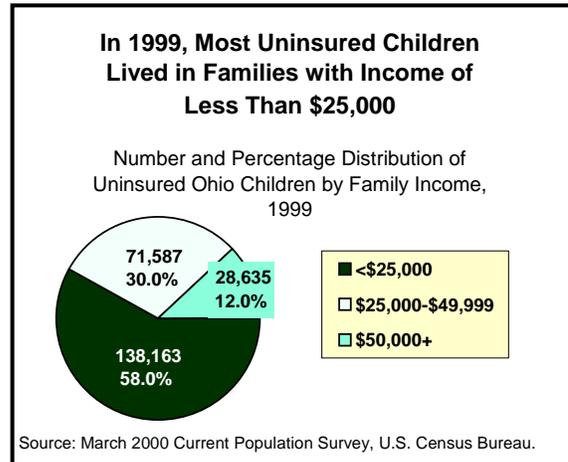
- In 2001, two-thirds of uninsured Ohio children (67 percent) lived in low-income families. Most of these uninsured children were eligible to participate in Medicaid.
- Low-income children were about four times more likely than other children to be uninsured (15 percent versus 4 percent).
- From 1999 to 2001, the reported rate of Medicaid coverage for low-income children increased from 41 percent to 54 percent. This was due in part to an eligibility expansion and increased outreach efforts. However, the increase in Medicaid coverage was offset by a similar decline in job-based insurance from 50 percent to 36 percent.
 - Nine of 10 children from middle and high-income families were covered by an employer plan in 2001, compared to about one-third (36 percent) of low-income children.
- Only 4 percent of children from middle and high-income families were uninsured in 1999 and 2001.



^a Low-income children are defined as living in families with income of less than twice the Federal Poverty Level (FPL). The FPL varies by family size and was \$17,650 for a family of four in 2001. Middle and high-income children were from families with income at or above twice the FPL.

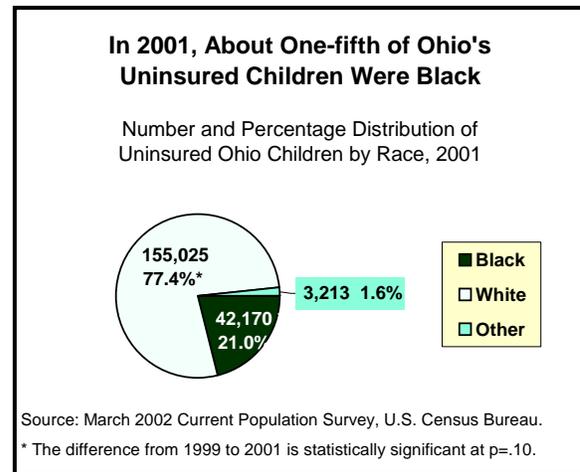
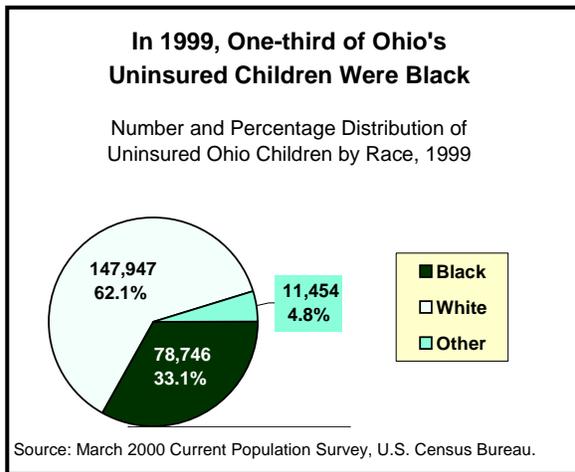
2. From 1999 to 2001, the Distribution of Ohio's Uninsured Children by Income Changed Significantly.

- The percentage of uninsured children who lived in families with income of \$50,000 or more increased from 12 percent in 1999 to 29 percent in 2001.
- From 1999 to 2001, the estimated number of uninsured children living in families with income of \$50,000 or more increased from 28,635 to 57,231.
- Although the proportion of uninsured children from higher-income families increased in 2001, only 4 percent of children in families with income of \$50,000 or more were uninsured.
- In 2001, 15 percent of children in families with income of less than \$25,000 were uninsured, versus 7 percent of children in families with income between \$25,000 and \$49,999.
- The percentage of children in families with income of less than \$25,000 who were reported as covered by Medicaid increased from 53 percent in 1999 to 67 percent in 2001. However, this coverage gain was offset by a decline in job-based coverage from 36 percent to 24 percent.
- Among children in families with income between \$25,000 and \$49,999, the reported Medicaid coverage rate increased from 9 percent to 15 percent while the job-based coverage rate declined from 84 percent to 76 percent.



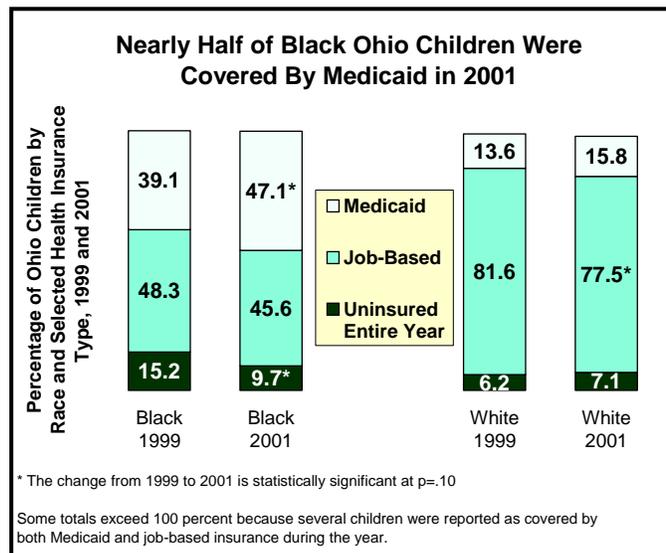
3. From 1999 to 2001, the Racial Distribution of Ohio's Uninsured Children Changed Significantly.

- The percentage of uninsured children who were black declined from 33 percent in 1999 to 21 percent in 2001.
- The percentage of uninsured children who were white increased from 62 percent in 1999 to 77 percent in 2001.



- The uninsured rate for black children declined from 15 percent in 1999 to 10 percent in 2001, but the uninsured rate for white children did not change significantly.^a

- From 1999 to 2001, the reported Medicaid coverage rate for black children increased from 39 percent to 47 percent, but there was no significant change in the reported Medicaid coverage rate for white children. In 2001, Black children were about three times more likely than white children to be reported as covered by Medicaid (47 percent versus 16 percent).

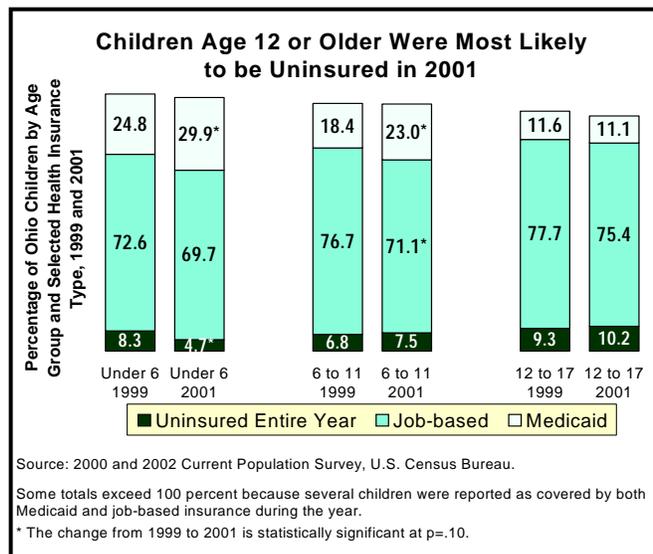
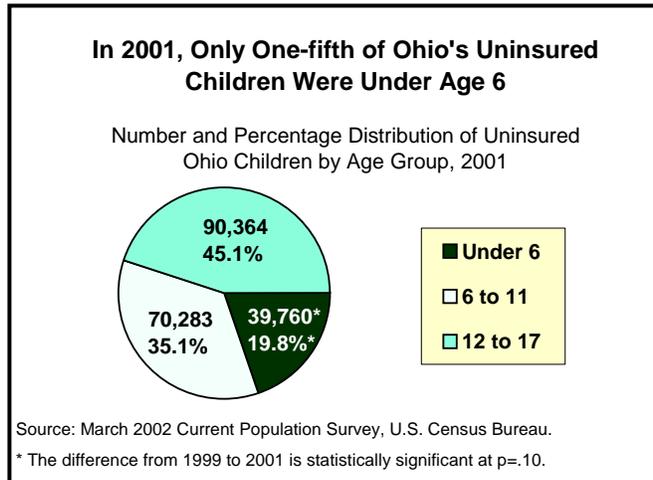
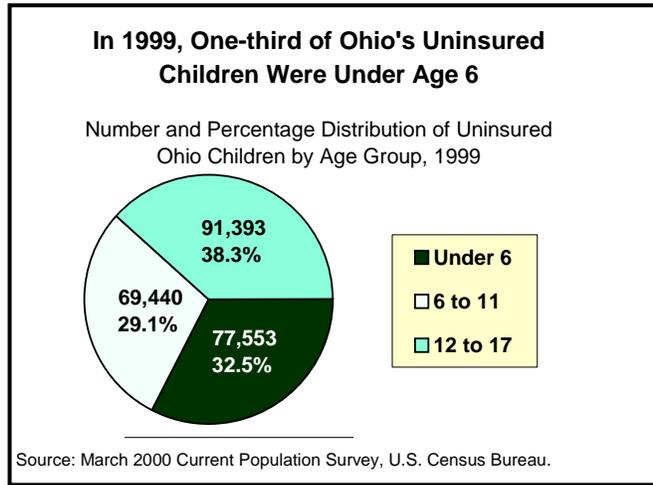


- Job-based coverage declined from 82 percent to 78 percent for white children, but did not change significantly for black children.

^a The sample size for other racial and ethnic minority groups was too small to produce reliable estimates.

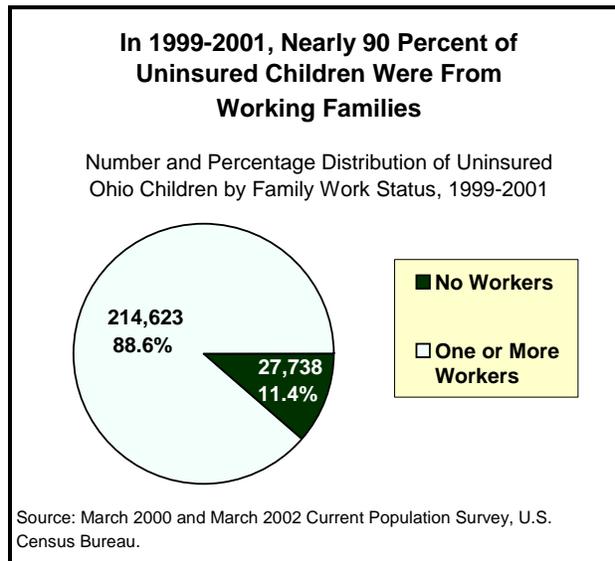
4. In 2001, Nearly Half (45 Percent) of Ohio's Uninsured Children Were Over Age 11.

- The percentage of uninsured children who were under age 6 declined from 33 percent in 1999 to 20 percent in 2001. The number of uninsured children under age 6 declined from 77,553 to 39,760 during this time period.
- In 1999 and 2001, about one-third of Ohio's uninsured children were between the ages of 6 and 11.
- From 1999 to 2001, the uninsured rate for children under age 6 fell from 8 percent to 5 percent. The reported Medicaid coverage rate for this group increased from 25 percent to 30 percent.
- For children between the ages of 6 and 11 the reported Medicaid coverage rate increased from 18 percent in 1999 to 23 percent in 2001. However, the gain in Medicaid coverage for this group was offset by a decline in job-based coverage from 77 percent in 1999 to 71 percent in 2001. As a result, the uninsured rate for children ages 6 to 11 did not change significantly from 1999 to 2001.
- From 1999 to 2001, coverage rates did not change significantly for children between the ages of 12 and 17.
- In 2001, 10 percent of children ages 12 to 17 were uninsured. About three-quarters (75 percent) had job-based coverage while 11 percent were reported as covered by Medicaid.

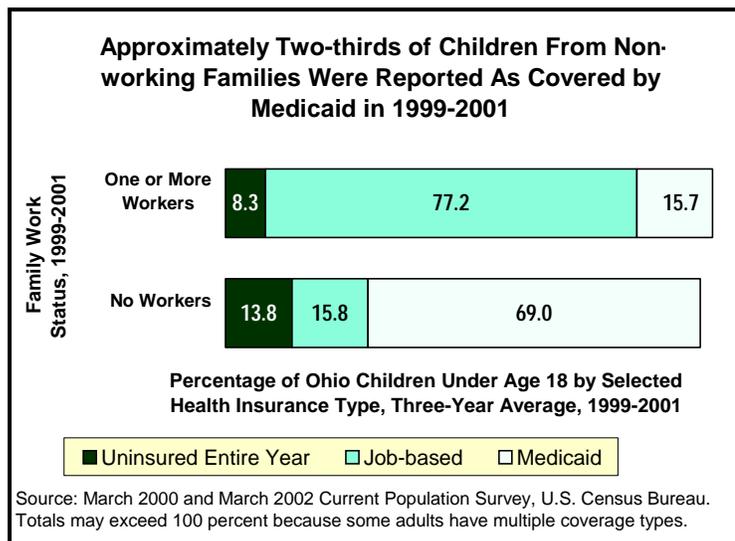


5. Most Uninsured Children Live in Working Families.

- In 1999-2001, nearly nine in 10 (89 percent) of Ohio's uninsured children lived in a family with at least one worker.^a
- Only 11 percent of Ohio's uninsured children lived in a family with no workers in 1999-2001.



- In 1999-2001, 14 percent of children living in families with no workers were uninsured, compared to 8 percent of children from families with at least one worker.
- About two-thirds (69 percent) of children who lived in families with no workers were reported as covered by Medicaid in 1999-2001, versus about one-sixth (16 percent) of children in families with a least one worker.



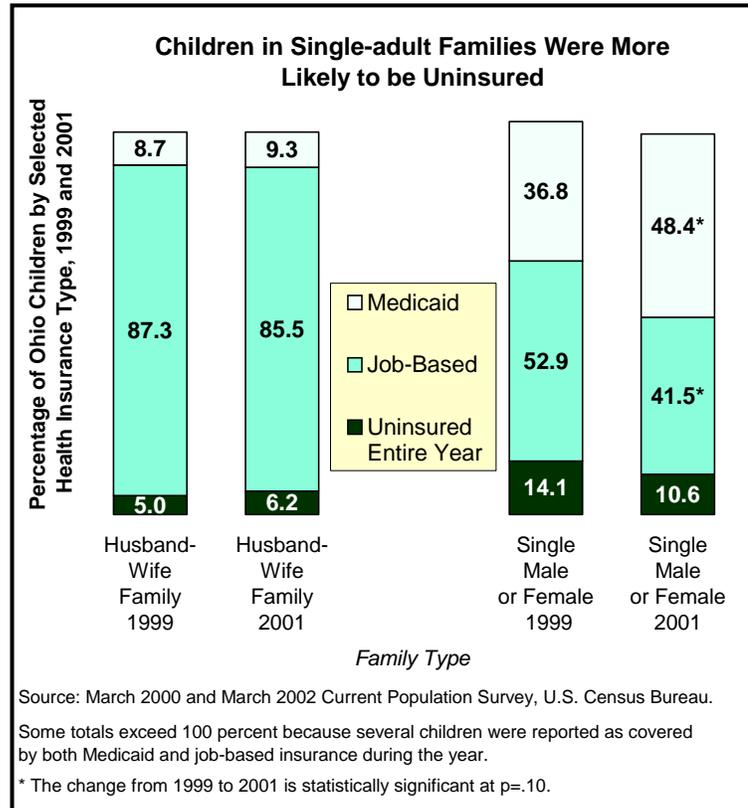
- In 1999-2001, approximately three-quarters (77 percent) of children who lived in families with one or more workers had job-based coverage. Among children living in families with no workers, about one-sixth (16 percent) had job-based coverage.^b

^a Three-year averages are used for this section because the sample size for non-working families was not large enough to calculate single-year rates with reasonable precision.

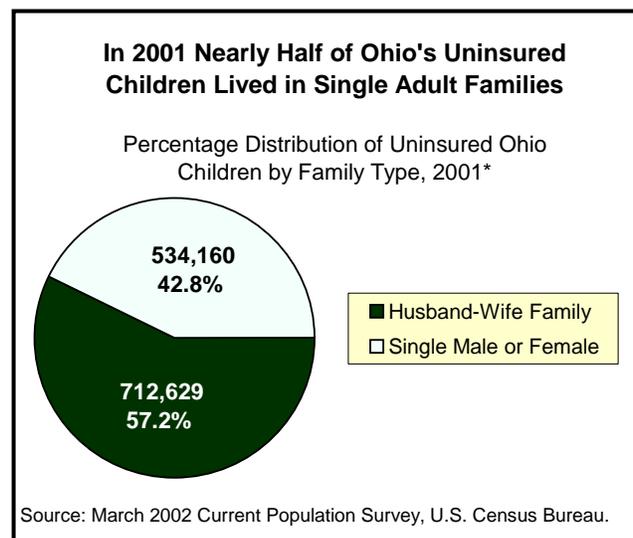
^b These children obtained coverage through a family member's past work or through the work of a family member not living in their household.

6. From 1999 to 2001, Children in Single-adult Families Gained Medicaid Coverage But Lost Job-based Insurance.^a

- The percentage of children in single-adult families who were reported as covered by Medicaid increased significantly from 37 percent in 1999 to 48 percent in 2001. However, this gain in coverage was largely offset by a decline in job-based coverage from 53 percent to 42 percent.
- In 1999 and 2001, children from single adult families were more likely to be uninsured than children who lived with married adults.
- From 1999 to 2001, coverage rates for children who lived with married adults did not change significantly. In 2001, 6 percent of these children were uninsured, 86 percent were covered by an employer, and 9 percent were covered by Medicaid.



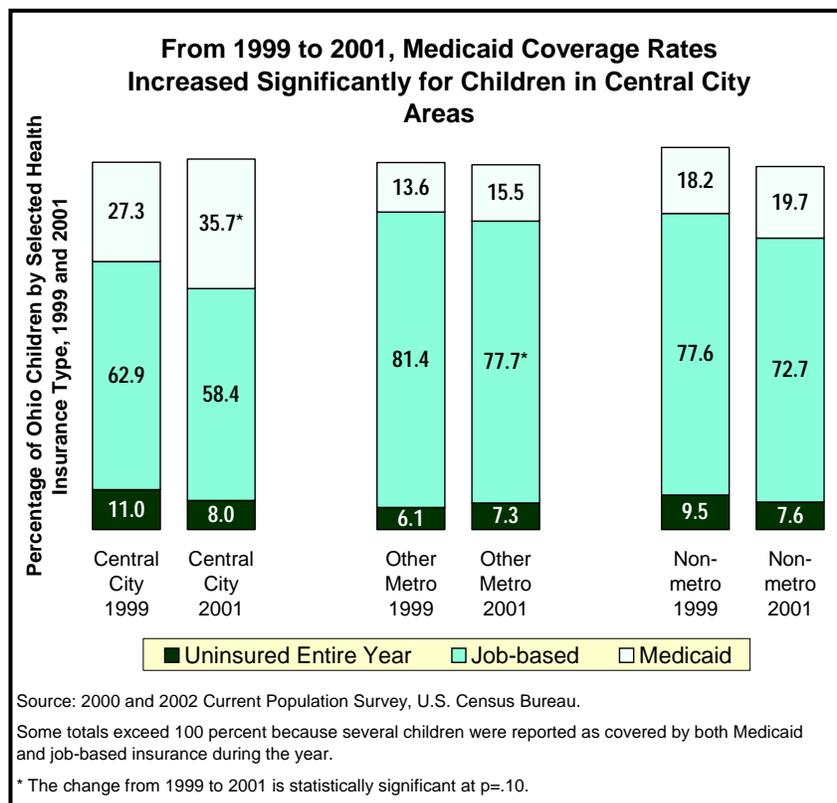
- In 2001, 43 percent of Ohio's uninsured children lived in single-adult families, while the remaining 57 percent lived with married adults.



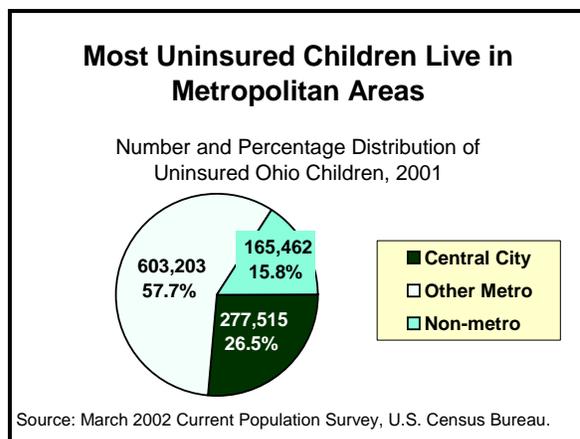
^a "Single-adult families" refers to families maintained by an unmarried male or female.

7. In 2001, Ohio Children Living in Central City Areas Were No More Likely to be Uninsured Than Ohio Children in Other Areas of the State.^a

- From 1999 to 2001, the percentage of Ohio central city children who were reported as covered by Medicaid increased from 27 percent to 36 percent.
- Among children living in Ohio metropolitan areas outside of central cities, the job-based coverage rate declined from 81 percent in 1999 to 78 percent in 2001.



- In 2001, 83 percent of Ohio's uninsured children lived in metropolitan areas. About one-quarter (27 percent) were in central city Areas, while more than half (58 percent) were in other metropolitan areas.
- Approximately one-sixth (16 percent) of uninsured children lived in non-metropolitan areas.



^a Other sources such as the 1998 Ohio Family Health Survey have revealed significant disparities between Appalachian and rural non-Appalachian areas. Ohio children living in Appalachia were significantly more likely to be without coverage compared to rural non-Appalachian residents. See [Uninsured Rates in Ohio by County, 1998](#) for further details.

IV. Discussion

Nearly one-third of low-income Ohio adults under age 65 were uninsured in 2001. Non-elderly adults who were black, under age 25, without a high school diploma, unmarried, and living in central city areas also are at high risk for being uninsured. In 2001, these groups had uninsured rates between 20 percent and 33 percent. The coverage disparities were much smaller for children due to substantially higher Medicaid eligibility and participation rates. However, uninsured rates were relatively high for children who were low-income (15 percent), between the ages 12 and 17 (10 percent) or from single-adult families (11 percent).

Although most Ohioans are covered through their own or a family member's work, having a job does not guarantee having health coverage. More than three-quarters of uninsured adults and two-thirds of uninsured children were from working families in 2001. Many employers do not offer insurance to any workers, while some offer coverage only to certain workers such as those who work full-time or in management. Among employers that do offer insurance, most require a premium contribution from employees. Some workers decline coverage rather than pay the premium.

Job-based coverage rates and eligibility for job-based coverage varies widely by worker and employer characteristics. In 2001, only one-third of low-income workers between age 18 and 64 were covered through their job. Low-income workers are disadvantaged in several ways. They are less likely to work for an employer that offers insurance, less likely to be eligible for an employer plan when one is offered and more likely to have a higher required premium contribution when coverage is offered. In 2000, half of Ohio workers at low-wage firms either worked for an employer that did not offer insurance or were not eligible for their employer's health plan. Another 19 percent were eligible for their employer's plan, but did not enroll. The average required premium contribution for family coverage at low-wage firms in Ohio was \$2,005 in 2000, nearly double the required amount for workers at other firms.⁴

Job-based insurance and eligibility rates also vary widely by hours of work, class of work, size of employer and industry. Workers who were part-time, self-employed, working in small businesses or working in the retail or construction industries were least likely to have access to coverage. In 2000, only one-fifth (20 percent) of Ohio's part-time workers were eligible to participate in a health plan through their employer, and only about half (52 percent) of Ohio businesses with less than 50 employees offered coverage to any workers. In addition, only 55 percent of workers in retail or other service industries and two-thirds (67 percent) of workers in agriculture, fishing, forestry and construction had access to coverage through their employer.⁵ In 2001, most non-elderly adult workers who were part-time, self-employed, working in firms of less than 25 employees or employed in retail or construction did not obtain coverage through their work. The uninsured rate for these groups ranged from 19 percent to 33 percent.

Trends in Health Insurance Coverage

From 1999 to 2001, more than 100,000 adult Ohioans lost health insurance coverage. The percentage of adults under age 65 with job-based coverage declined significantly during this period. Many children also lost job-based insurance, but this decline was offset by an increase in Medicaid coverage. A major eligibility expansion of Ohio's Healthy Start program in July 2000 and increased outreach efforts to enroll children in the program helped to counteract job-based coverage losses, resulting in no significant change in the number or percentage of Ohio children without insurance.

The economic recession and sharply rising health insurance costs are two major causes of the decline in job-based coverage. However, the findings in this report may understate the harmful effects of these factors on health insurance coverage. Ohioans who lost coverage during 2001 because of a job loss, discontinuation of a health plan by an employer or inability or unwillingness to pay a higher insurance premium were classified as insured if they reported having coverage for at least part of 2001.

In addition, double-digit premium increases during each of the last two years may have caused further erosion of job-based coverage. Health insurance premiums increased by 15 percent in 2003 alone, the largest jump in at least a decade.⁶ Employees of small businesses are especially vulnerable to losing access to job-based coverage when premiums increase sharply. Among U.S. firms with less than 200 employees, the percentage offering health insurance decreased from 65 percent in 2001 to 61 percent in 2002.⁷ In addition, one out of every six small businesses (17 percent) reported in a 2002 national survey that they were likely to respond to continued double-digit premium increases by no longer offering coverage.⁸

Low-income families are also at high risk for losing job-based coverage because they are more likely to have difficulty paying higher premiums. Many employers respond to premium increases by passing along part of the cost to their employees. From 2001 to 2002, average required employee contributions for family coverage in the U.S. increased by 16 percent.⁹ Recent evidence suggests that employers are continuing to shift more costs to employees.¹⁰ Premium increases averaging 15 percent are again expected in 2004.¹¹ This would be the fourth consecutive year of double-digit premium advances.

Rising health insurance premiums are also making coverage less affordable for middle-income families. From 1999 to 2001, the uninsured rate for adults with family income of 200 percent of poverty or greater increased significantly. The only available option to most middle-income families without access to job-based coverage is directly purchased insurance. Since this coverage is generally not subsidized, families must pay the full cost. Such insurance may be prohibitively expensive or unavailable for many individuals with health conditions that insurers classify as high risk.

Despite the erosion of job-based coverage statewide, there were some positive trends in Ohio's health insurance coverage from 1999 to 2001. The significant expansion of Medicaid coverage for children offset the erosion of job-based coverage and prevented a rise in the uninsured rate for children. Furthermore, the uninsured rates for children under age 6 and black children declined significantly from 1999 to 2001 because the percentage gaining Medicaid coverage was greater than the percentage who lost job-based coverage. In addition, the uninsured and job-based coverage rates for Black adults under age 65 did not change significantly. The uninsured rate for non-elderly adults in poor or fair health also declined significantly from 1999 to 2001. Rates of job-based and directly purchased insurance both increased significantly for this group.^a

However, these population groups may be having less success maintaining coverage given recent economic trends. During the past two years, the economy has continued to struggle, health insurance premiums have increased by an average of more than 25 percent and there have been no new major expansions of public health insurance programs. These trends suggest that today there may be fewer Ohioans with job-based coverage and more Ohio residents without health insurance.

^a The actual number of non-elderly adults with these coverages did not change significantly. The percentage increase in coverage was due to a decline in the total number of adults reporting poor or fair health.

V. Notes and Data Limitations

All statistics unless otherwise stated are based on tabulations of the March 2000, 2001 and 2002 Annual Demographic Supplements to the Current Population Survey (CPS) conducted by the U.S. Census Bureau.

CPS respondents were asked whether they had any kind of health insurance coverage at any time in the previous calendar year. "Uninsured" refers to respondents who reported not having any health coverage during the entire year. This means that the 2002 CPS may have understated the effect of the economic recession in 2001 because respondents who lost coverage during 2001 would have been classified as insured if they reported having coverage at any time during the year. However, several studies have suggested that there is significant recall error for these questions because some respondents do not remember coverage that they had in the previous year. Recall error is more likely for respondents who had coverage for a short time period early in the year. The CPS also underreports Medicare and Medicaid coverage compared to enrollment and participation data from the Centers for Medicare and Medicaid Services (CMS). According to the CPS, 1,060,000 Ohioans participated in Medicaid during 2001. However, the Ohio Department of Job and Family Services reported 1,676,000 Medicaid beneficiaries during Fiscal Year 2001.¹²

Medicaid coverage in this report refers to both the traditional Medicaid program and the Children's Health Insurance Program (CHIP). Ohio's CHIP program offers Medicaid benefits to children from low-income families who would not otherwise qualify for Medicaid. Children in families with income up to 200 percent of poverty are potentially eligible for coverage. However, some persons in families with reported annual income above this level are also eligible for Medicaid because of income disregards, changes in income during the year and transitional coverage that provides for a temporary extension of benefits if income rises above standard eligibility limits.

Health insurance coverage information in this report may vary slightly from previously published Census Bureau statistics. This is because the Census Bureau recently released an expanded sample for the 2001 CPS and revised weights based on the 2000 Census for the 2000 and 2001 CPS. This report includes the expanded sample and weighting updates that were not included in earlier Census Bureau reports and tabulations.

References to statistical significance refer to 90 percent confidence intervals. In general, this means that the reported difference has a 90 percent or better chance of reflecting an actual difference between populations. Standard errors and tests for statistical significance were based on tables and calculations recommended by the Census Bureau at www.bls.census.gov/cps/ads/adsmain.htm.

The information in this report is not directly comparable to health insurance coverage estimates for earlier years. In 2000, the CPS included a new verification question that significantly increased the reported rate of private health coverage while reducing reported uninsured rates. 1998 Ohio Family Health Survey (OFHS) results were based on different sampling frames and different sets of health insurance coverage questions than the CPS. For example, most of the published information about insurance coverage from the OFHS was based on reported insurance status the week before the survey, while the CPS attempts to measure insurance status during the previous calendar year. Estimates prior to the 2000 CPS also were based on Census Bureau population projections from the 1990 census enumeration, while estimates from the 2000-2002 CPS were based on the 2000 census enumeration and projections.

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¹¹ *2003 Health Care Cost Survey: Report of Key Findings*, Towers Perrin.

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