

Exploring State Variation in Uninsurance Rates among Low-Income Workers

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Employers are the source of coverage for most people in the U.S. with private insurance, and most of the uninsured in the U.S. are workers or their dependents (Garrett, Nichols, and Greenman 2001). Finding out why some workers have insurance while others do not is key to guiding development of policies that will extend insurance coverage.

Uninsurance rates are particularly high—34.6 percent—among low-income workers (those with incomes below 200 percent of the federal poverty level, or FPL). This group has special policy importance, and all data reported in this brief refer to them. Among low-income workers, certain subgroups of the population are particularly vulnerable to being uninsured (see table 1). Nationally, 63.2 percent of non-citizens of Hispanic origin, 36.3 percent of citizens of Hispanic descent, and 44.8 percent of those in fair or poor health are uninsured. In addition, 56.1 percent of workers in establishments of fewer than 25 employees, 55.7 percent of workers in agriculture, 53.5 percent of workers in construction, and 39.3 percent of workers in retail industries are uninsured. Forty-three percent of those who have been with their employer for less than a year are uninsured as well.

Uninsurance rates for low-income workers also vary dramatically across states. In Massachusetts the uninsurance rate is 20.6 percent, whereas in Texas it is 47.1 percent. In this brief we examine the extent to which variation across states in low-income worker uninsurance rates is related to differences in the proportion of workers who are in groups particularly vulnerable to being uninsured. We also compare rates of uninsurance across states for specific subgroups of the population to determine whether rates are particularly

high for these usually vulnerable groups in states with overall high uninsurance rates.

Understanding the distribution of uninsurance among low-income workers by state and identifying categories of these workers with the highest rates of uninsurance within each state should be helpful to state and federal policymakers. Using this analysis state governments can identify subpopulations at particular risk and can target policies for expanding coverage. Federal policymakers can use this analysis to clarify their understanding of how the uninsurance problem among low-income workers varies across the country, thus further informing their efforts to design coverage expansion mechanisms that are sufficiently flexible to satisfy local needs.

Our results suggest that states with relatively high rates of uninsurance among low-income workers tend to have a disproportionately high representation of workers with some, but not all, high-risk characteristics. In addition, these high-uninsurance rate states have relatively high rates of uninsurance, even within the already high-risk groups.

Data and Methods

The analysis uses the 1999 National Survey of America's Families (NSAF), a household survey that provides information on over 100,000 children and nonelderly adults representing the noninstitutionalized U.S. population under age 65. Low-income populations in 13 states (hereafter referred to as the focal states) are oversampled. Detailed information is collected for adults and up to two children in each family.

For this analysis we select all adults who report that they currently work for an employer (as opposed to being self-

States with relatively high uninsurance rates among low-income workers tend to have disproportionately high numbers of workers with some, but not all, high-risk characteristics.

TABLE 1. Characteristics of Low-Income Workers and Their Uninsurance Rates, 1999

	Low-income workers with this characteristic (%)	Low-income workers with this characteristic who are uninsured (%)
Ethnicity and citizenship		
Hispanic noncitizen	12.1	63.2
Hispanic citizen	10.0	36.3
Non-Hispanic noncitizen	2.7	38.4
White citizen	54.1	28.3
Black/other citizen	21.1	32.8
Health status		
Excellent/very good health	55.2	29.9
Good health	30.2	38.2
Fair or poor health	14.5	44.8
Employer size		
0–24 employees	44.9	56.1
25–249 employees	39.7	34.2
250+ employees	15.4	9.7
Industry		
Agriculture	3.3	55.7
Construction	5.7	53.5
Finance	3.4	33.3
Manufacturing	15.8	28.4
Mining	0.2	26.7
Public utilities	3.2	11.9
Retail	25.1	39.3
Services	36.0	32.6
Transportation	4.4	30.2
Wholesale	2.9	25.1
Employment status		
Works full-time	69.4	34.4
Works part-time	30.6	34.9
Job tenure < 1 year	46.5	42.8
Job tenure > 1 year	53.5	27.4
Total U.S. low-income population	100.0	34.6

Source: 1999 National Survey of America's Families.

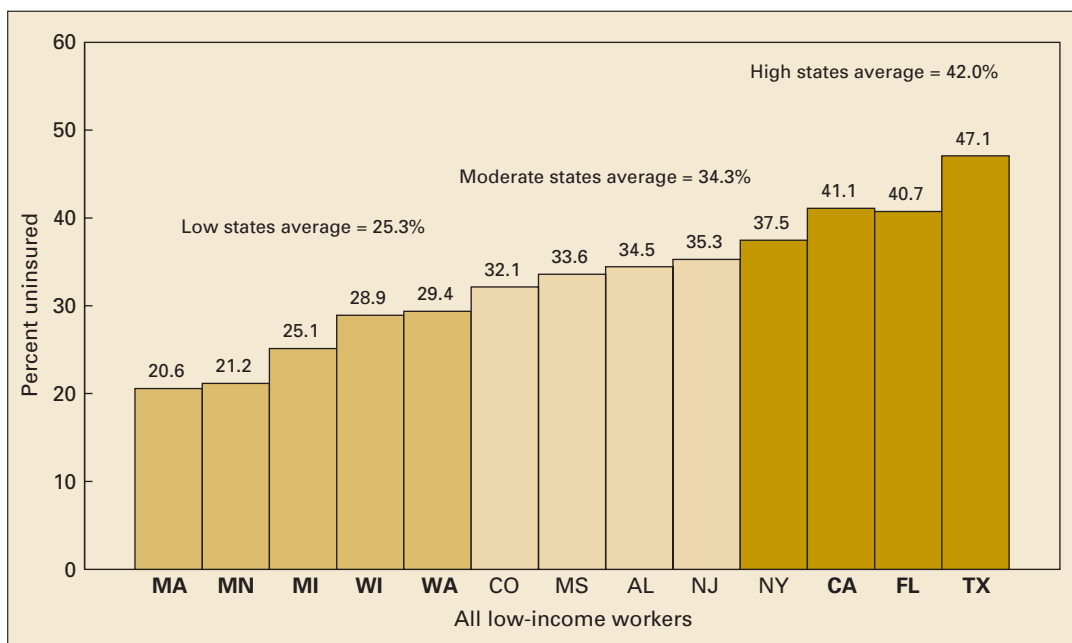
employed or nonworking), regardless of hours worked, and who have family income less than 200 percent of FPL. We identify low-income workers who are uninsured using measures of current insurance coverage.

We compute the proportion of low-income workers who are uninsured nationally and for each of the 13 focal states. Based on the observed distribution of the state-specific uninsurance rates for low-income workers, the states are grouped into those with relatively low uninsurance rates (average of 25.3 percent uninsured, ranging from Massachusetts with 20.6 percent to Washington with 29.4 percent), those with moderate rates (average of 34.3 percent

uninsured, ranging from Colorado with 32.1 percent to New Jersey with 35.3 percent), and those with relatively high uninsurance rates for low-income workers (average of 42.0 percent uninsured, ranging from New York with 37.5 percent to Texas with 47.1 percent). Figure 1 presents the share of low-income workers in each of the 13 focal states and in each of the three groups of states (low, moderate, and high uninsurance rate) who are uninsured.

The analysis presented here focuses on the groups of high- and low-uninsurance rate states, and the nine focal states falling into those two groups. We exclude the moderate uninsurance rate group for ease of exposition, and concentrate on the two

FIGURE 1. Uninsurance Rates of Low-Income Workers, by State, 1999



Source: 1999 National Survey of America’s Families.

Note: States in bold have rates significantly different from the rest of the U.S. High states in bold also have average rates significantly different from the low states’ average.

groups that are most distinct from each other. Where information on the moderate uninsurance rate group is informative, we note it in the text. We characterize the low-income working population by their distribution across groups defined by Hispanic ethnicity and citizenship status, health status, characteristics of employment (employer size and industry), full-time/part-time status, and job tenure.

Distribution and Uninsurance Rates by Hispanic Ethnicity and Citizenship Status

Prior research (Blumberg and Nichols 2001) has found that being of Hispanic ethnicity and being a noncitizen both have negative effects on insurance coverage for low-income workers. According to our estimates, over one-half of all Hispanic low-income workers residing in the U.S. are noncitizens and over 80 percent of noncitizen low-income workers residing in the U.S. are of Hispanic origin. Given the large overlap in the two populations, we interact citizenship status and Hispanic ethnicity so we can examine Hispanic citizens, Hispanic noncitizens, and noncitizens of other origin.

In examining the rate of insurance coverage among either group of noncitizen low-income workers, it is important to consider the likely role of both supply and demand for health insurance. While all low-income workers may have a relatively low demand for employer-sponsored health insurance (preferring cash wages to insurance benefits), noncitizens who want to maximize cash available to send back to family members in their country of origin may value cash compensation even more than other workers of similar incomes. On the other hand, labor markets open to noncitizens may experience relatively less competitive pressure to provide insurance benefits than markets for low-skilled workers that are somewhat closed to noncitizens. In addition, noncitizens are likely to have reduced access to public sources of insurance coverage, particularly those who do not have legal status. The NSAF cannot, however, distinguish between noncitizens by legal status.

With these issues in mind, table 2 presents the share of low-income workers in the nine states in the high- and low-uninsurance rate groups (and the average for each group) who are Hispanic noncitizens, Hispanic citizens, and non-Hispanic

TABLE 2. Distribution of Low-Income Workers by Select Characteristics, 1999 (percent)

	U.S.	Low states								High states				
		MA	MN	MI	WI	WA	Avg.	NY	CA	FL	TX	Avg.		
Ethnicity and citizenship														
Hispanic noncitizen	12.1	7.4**	2.6***	1.1***	3.9***	7.5***	4.0	13.3	35.1***	18.2**	22.9***	25.7§§§		
Hispanic citizen	10.0	10.7	2.3***	4.3***	2.9***	5.7***	5.1	13.9*	22.7***	10.6	27.7***	20.6§§§		
Non-Hispanic noncitizen	2.7	4.9*	3.3	2.0	1.0***	0.8	2.3	11.9***	2.6	5.5**	1.4**	4.3		
Health status														
Excellent/very good	55.2	63.7***	65.6***	59.2*	61.2***	59.2	61.1	50.6	48.1***	57.3	48.8**	50.2§§§		
Good	30.2	24.8*	24.3**	30.6	25.8**	29.1	27.7	30.7	31.6	26.3	33.6	31.1§		
Fair/poor	14.5	11.2*	10.2**	10.2***	13.0	11.7	11.2	18.2	20.3***	16.3	17.6	18.7§§§		
Employer size														
0–24 employees	44.9	44.7	40.0*	46.0	41.8	48.1	44.6	44.1	48.3	43.0	49.7	47.0		
25–249 employees	39.7	42.8	44.2	37.1	40.5	40.4	40.2	42.4	41.2	42.7	37.2	40.6		
250+ employees	15.4	12.5	15.8	16.9	17.7*	11.5*	15.2	13.6	10.6***	14.4	13.1	12.3§		
Industry														
Agriculture	3.3	0.0	1.5***	2.0	2.0*	8.2***	2.8	0.6***	9.7***	3.6	4.1	5.8§§§		
Construction	5.7	5.0	4.8	3.1***	3.0***	2.6***	3.5	3.0***	4.8	7.8	12.2***	6.9§§§		
Manufacturing	15.8	11.1**	19.0	19.0	21.2***	8.4***	16.1	15.2	15.6	7.6***	15.3	14.2		
Retail	25.1	29.1	26.1	29.1	28.6	26.2	28.1	20.4*	24.8	32.5**	23.3	25.0		
Services	36.0	39.9	37.0	35.3	34.4	38.5	36.7	44.0**	31.3*	35.3	29.6***	33.5		
Employment status														
Part-time	30.6	49.4***	50.4***	36.1**	39.8***	41.8***	41.9	34.0	33.2	32.2	18.9***	29.5§§§		
Tenure <1 year	46.5	49.9	47.1**	49.4	51.2**	52.4**	50.0	40.1**	40.9**	55.1**	49.5	45.3§§§		

Source: 1999 National Survey of America's Families.

* Difference between state and the rest of the U.S. is significant at the 0.10 level.

** Difference between state and the rest of the U.S. is significant at the 0.05 level.

*** Difference between state and the rest of the U.S. is significant at the 0.01 level.

§ Difference between high states and low states is significant at the 0.10 level.

§§§ Difference between high states and low states is significant at the 0.01 level.

noncitizens. Figure 2 shows the rate of uninsurance within each subpopulation for the high- and low-uninsurance rate groups of states.¹ Just over 12 percent of low-income workers nationwide are Hispanic noncitizens, 10.0 percent are Hispanic citizens, and 2.7 percent are non-Hispanic noncitizens. An estimated 63.2 percent of all low-income Hispanic noncitizen workers are uninsured, compared with 28.3 percent of low-income white, non-Hispanic citizen workers and 32.8 percent of low-income black/other non-Hispanic citizen workers (data not shown).

The nine focal states vary dramatically in the ethnic and citizenship status mix of the low-income working population. The proportion identified as noncitizens of Hispanic origin is highest in California, at 35.1 percent, with Michigan having only about 1 percent so identified. Focal states with the lowest uninsurance rates have relatively low proportions of Hispanic noncitizens; an average of 4.0 percent, ranging from 1.1 percent in Michigan to 7.5 percent in Washington. Likewise, the high-uninsurance rate states have a higher proportion of the population that is Hispanic noncitizen (an average of 25.7 percent), with a range of 13.3 percent in New York to 35.1 percent in California. The average proportion of the population that is Hispanic noncitizen

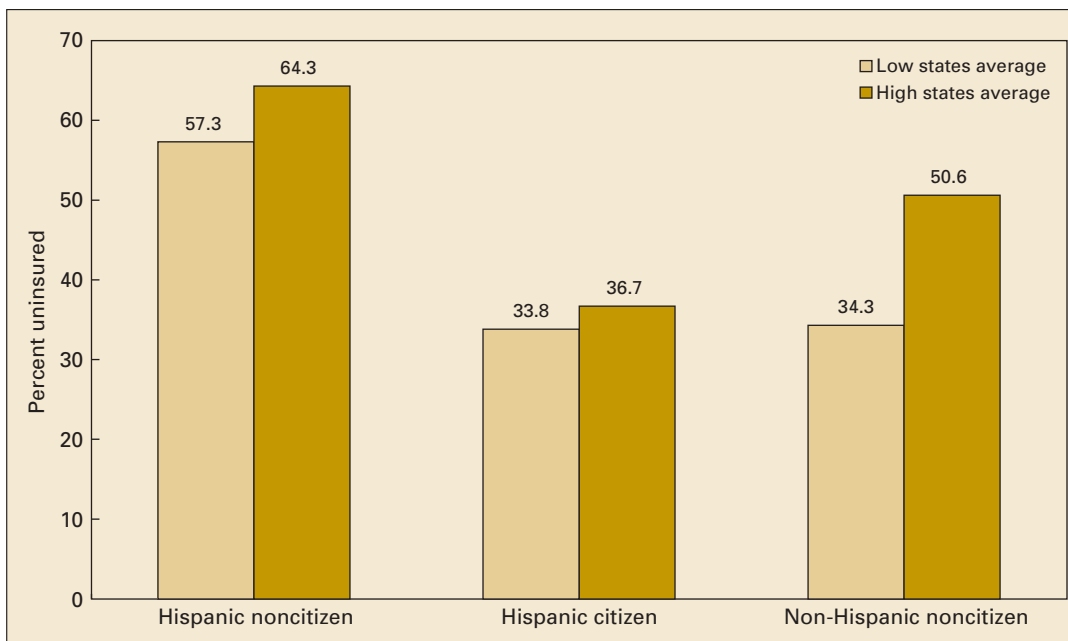
among the moderate uninsurance rate states falls in the middle at 9.3 percent (data not shown), and varies greatly from 0.7 and 0.5 percent in Alabama and Mississippi, respectively, to 13.5 and 13.1 percent, respectively, in New Jersey and Colorado.

Hispanic citizens and other noncitizens make up a larger share of the workforce in the high-uninsurance rate states than in the low-uninsurance rate states. About 5 percent of the low-uninsurance rate states' workforce is Hispanic citizens, and roughly 2 percent is non-Hispanic noncitizens. In contrast, 20.6 percent of the low-income workers in high-uninsurance rate states are Hispanic citizens and 4.3 percent are other noncitizens.

The uninsurance rates for low-income Hispanic noncitizen workers vary across states and within the uninsurance rate groups, revealing a less consistent relationship between the overall uninsurance rates and rates for Hispanic noncitizens. Among the low-uninsurance rate states, 57.3 percent of Hispanic noncitizens are uninsured, compared with 64.3 percent among the high-uninsurance rate states (figure 2). However, the differences between the high and the low states are not statistically significant, in part because of the high degree of variation within each group.²

Hispanic citizens and other noncitizens make up a larger share of the workforce in the high-uninsurance rate states than in the low-uninsurance rate states.

FIGURE 2. Uninsurance Rates of Low-Income Workers, by Ethnicity and Citizenship, 1999



Source: 1999 National Survey of America's Families.

It is interesting that some states with relatively low rates of uninsurance for low-income workers overall have significantly above-average rates of uninsurance for certain subgroups of workers. In other words, states that have low overall uninsurance rates are not necessarily providing insurance uniformly across all workers. Consider, for example, Washington and its Hispanic noncitizen population. Roughly 82 percent of Hispanic noncitizen low-income workers in Washington are uninsured—the highest uninsurance rate for these workers among the focal states. Washington’s overall uninsurance rate among low-income workers is 29.4 percent, placing it in the low-uninsurance rate group of states. Conversely, New York and California, two of the high overall uninsurance rate states, have lower rates of uninsurance among Hispanic citizen low-income workers than the remainder of the U.S.

It appears that the high proportion of the low-income working population that is Hispanic noncitizen helps explain the high rates of uninsurance among low-income workers in Texas, Florida, and California, and the low rates of uninsurance in each of the low-uninsurance rate states. However, the relative size of the Hispanic noncitizen population does not contribute to our understanding of the moderate rates of uninsurance in Mississippi and Alabama (where the noncitizen Hispanic population is small) or the high rate of uninsurance in New York. And while the uninsurance rate among Hispanic noncitizens in Washington is very high, the fact that Hispanic noncitizens make up only a small proportion of its low-income workforce means that the high uninsurance rate for this subgroup does not substantially affect Washington’s overall uninsurance rate.

Health Status

Low-income workers in fair or poor health may have increased access to public health insurance relative to their healthier counterparts if they live in states with medically needy Medicaid programs. Depending upon state insurance market regulations, however, they may have less access to private nongroup health insurance compared with healthier workers. Access to employer-based coverage for the less healthy may also be reduced if these workers are employed in a small firm in states where insurance regulations do not create broad-based premium rating pools.

There are significant differences in distributions of health status in the high- and low-uninsurance rate states (table 2). Nationally, an estimated 14.5 percent of low-income workers are in fair or poor health. States with larger shares of their populations uninsured tend to have higher proportions in fair or poor health (18.7 percent in high-uninsurance rate states versus 11.2 percent in low-uninsurance rate states) and smaller shares of their population in excellent or very good health (50.2 percent versus 61.1 percent). The share in fair or poor health is relatively consistent across states in each group. The low-uninsurance group states range from 10.2 to 13.0 percent of workers in fair or poor health. The high-uninsurance group states range from 16.3 to 20.3 percent in fair or poor health.

But these distributional differences are not the only contributor. Uninsurance rates among workers within a health status category vary across the groups as well. For example, rates of uninsurance for workers in fair or poor health are higher in the high-uninsurance rate states and below the rest of the U.S. in the low-uninsurance rate states (figure 3).³ Uninsurance rates among low-income workers in fair or poor health range from 45.6 to 54.3 percent in the high-uninsurance rate states, compared with 15.3 to 38.6 percent in the low-uninsurance rate states (data not shown). Rates of uninsurance in the high-uninsurance rate states tend to be higher than those in the low-uninsurance rate states across all three health status groups. Consequently, both the distribution of workers by health status and the rates of uninsurance within health status subgroups appear to contribute to differences in uninsurance across states.

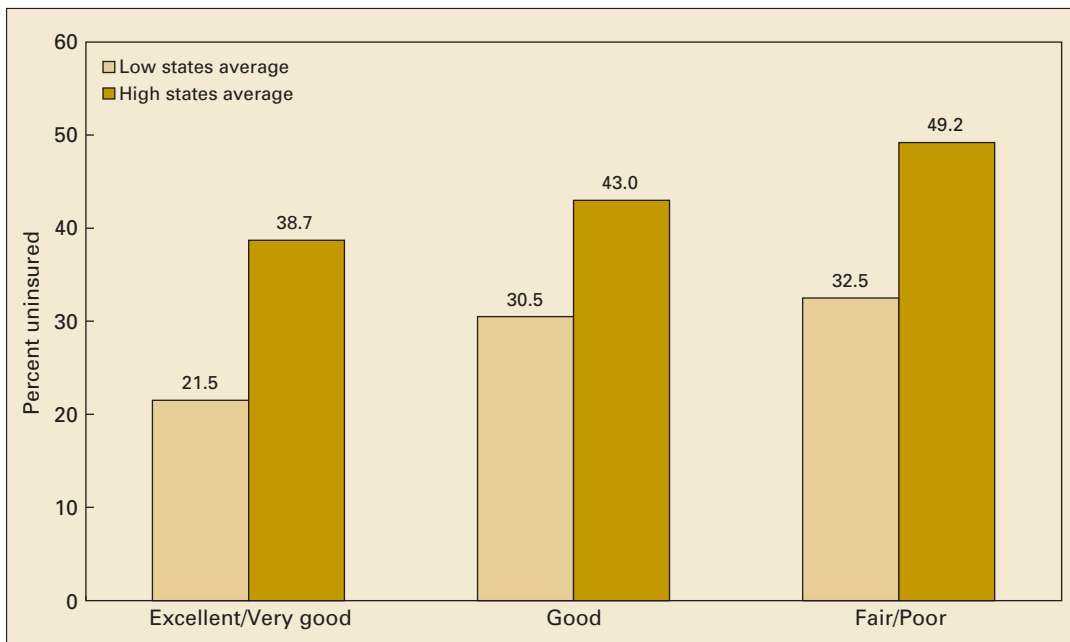
Employer Size

Employer size affects access to the group insurance market as well as premiums. Table 2 presents estimates of the proportion of workers by size of establishment. There does not appear to be any pattern relating the distribution of low-income workers by employer size and the overall state uninsurance rates for low-income workers. Few comparisons are significant.

The important differences between low- and high-uninsurance rate states seem to be in the probability of insurance coverage within any size category (figure 4).⁴ The uninsurance rates for workers in the small-

Both the distribution of workers by health status and the rates of uninsurance within health status subgroups appear to contribute to differences in uninsurance across states.

FIGURE 3. Uninsurance Rates of Low-Income Workers, by Health Status, 1999



Source: 1999 National Survey of America's Families.

est establishments (0–24 employees) are considerably lower in the low-uninsurance group (ranging from 25.5 percent to 40.0 percent, average of 34.1 percent) than in the high-uninsurance group (ranging from 48.9 percent to 59.8 percent, average of 52.5 percent). The differences between the low-uninsurance rate states and the high-uninsurance rate states in the 25–249 employee size category are glaring as well—in the low-uninsurance rate group, 22.4 percent of the workers are uninsured, compared with 39.8 percent in the high-uninsurance rate group. The same general trend persists in the largest employer size category (250+ employees)—the low-uninsurance rate states tend to have lower rates of uninsurance within a particular size category than the high-rate states. Massachusetts and Minnesota, both with low overall uninsurance rates, have uninsurance rates among workers in all employer size categories significantly lower than the national average. Texas has consistently higher rates of uninsurance in all employer size categories compared with the national average.

Overall, differences in the distribution of employer sizes across states does not appear to be related to the uninsurance rate among all low-income workers. Differences in uninsurance rates within size categories appear more important.

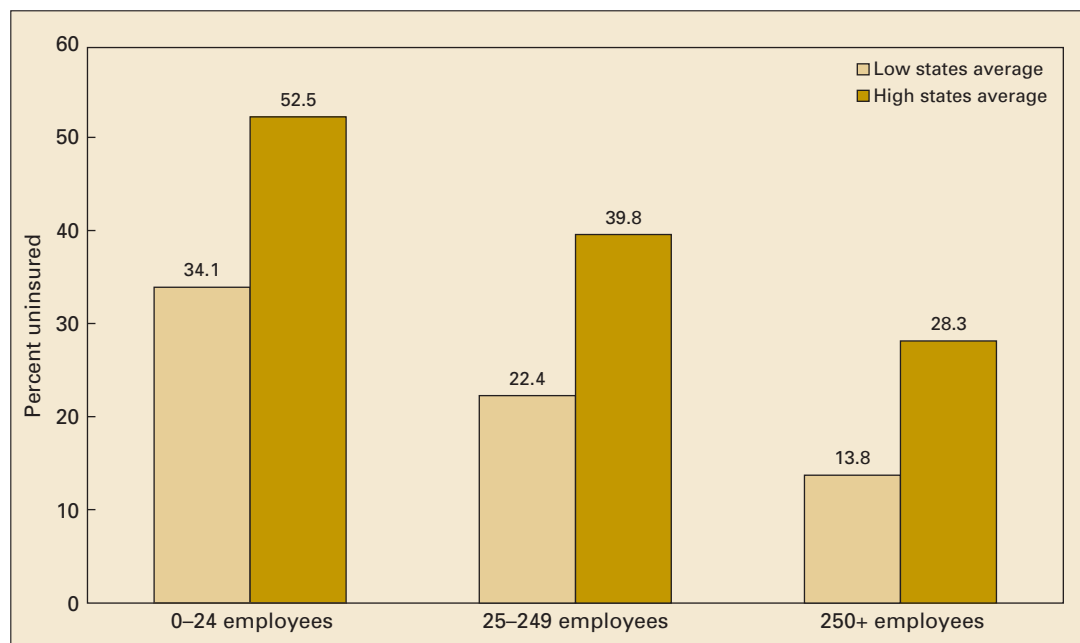
Industry

Industry of employment also has important implications for the probability of a worker receiving an employer-sponsored insurance offer. Variations in offer rates across industries are likely related both to the character of workers attracted to different types of work, and to differences in the extent to which employers find that competition for workers requires providing insurance as a benefit. Table 2 presents the distribution of workers by selected industries and table 3 presents uninsurance rates for workers in those industries.

We focus on the manufacturing, retail, and services industries because they have the highest shares of low-income workers nationally, and on agriculture and construction because they, along with the retail industry, have the highest overall rates of uninsurance among low-income workers (55.7, 53.5, and 39.3 percent, respectively). Industries with relatively low uninsurance rates for low-income workers are government (11.9 percent), wholesale trade (25.1 percent), mining (26.7 percent), manufacturing (28.4 percent), transportation/public utilities (30.2 percent), services (32.6 percent), and finance/insurance/real estate (33.3 percent).

When we examine the relationship between overall uninsurance rates and the

FIGURE 4. Uninsurance Rates of Low-Income Workers, by Employer Size, 1999



Source: 1999 National Survey of America's Families.

Workers in a given industry are more likely to be uninsured if they live in high-uninsurance rate states than if they live in low-uninsurance rate states.

proportion of workers in specific industries, we find some positive correlation between the share of workers in agriculture and construction and the uninsurance rates. However, variance within the groups of states is considerable. For example, the share of low-income workers in agriculture is significantly higher in the high-uninsurance rate group, at 5.8 percent, than in the low-uninsurance rate group, where 2.8 percent of low-income workers are in agriculture. But Washington, which has a relatively low level of uninsurance, has one of the highest concentrations of agricultural workers (8.2 percent), and New York, which has a high level of uninsurance, has very few agricultural workers (0.6 percent) in its low-income workforce. On average, there is a higher concentration of construction workers in high-uninsurance rate states than in low-uninsurance rate states, but there is a large variance among the high uninsurance rate states—3.0 percent of New York's low-income workers are in construction, whereas 12.2 percent of Texas' low-income workers are. No other significant differences were found between the low-rate and high-rate groups in the distribution of workers across industries.

Again, the clearer differences between the three groups of states are the rates of uninsurance within industry categories.

Workers in a given industry are more likely to be uninsured if they live in high-uninsurance rate states than if they live in low-uninsurance rate states. For example, in the manufacturing industry, the uninsurance rate in the high-uninsurance rate states is 37.5 percent, compared with 13.3 percent in the low-uninsurance rate states. The high-uninsurance rate group has higher rates of uninsurance than the low-uninsurance rate group in the construction, finance, manufacturing, retail, service, and transportation industries.

Comparing individual state uninsurance rates within industries with rates for the remainder of the U.S., relatively few states are significantly above or below the rest of the U.S. Texas has higher uninsurance rates for four of the five industries for which we report data, and Minnesota and Massachusetts tend to have lower rates. A few inconsistencies between overall uninsurance rates and uninsurance rates within particular industries are worth noting. Washington, a relatively low uninsurance rate state, has a very high rate of uninsurance within the agriculture industry (73.8 percent), compared with the national average of 55.7 percent.⁵ Alabama, a moderate state in terms of overall uninsurance rates, has a low rate of uninsurance within its agriculture and wholesale industries (data not shown).

TABLE 3. Uninsurance Rates among Low-Income Workers, by Industry and State, 1999 (percent)

	Agriculture	Construction	Manufacturing	Retail	Services
U.S.	55.7	53.5	28.4	39.3	32.6
Low states	66.1	36.5	13.3	31.5	24.2
Massachusetts	—	31.8	12.8***	24.8**	21.0**
Minnesota	22.8**	27.7	8.4***	30.3*	21.3**
Michigan	85.4	37.3	9.1***	27.4***	31.1
Wisconsin	30.8	41.7	22.8	45.5	22.2***
Washington	73.8*	49.5	18.8	34.0	19.1***
High states	59.0	62.2^{sss}	37.5^{sss}	47.3^{sss}	37.5^{sss}
New York	63.9	47.6	38.3	44.0	32.5
California	57.7	55.5	36.0	44.8	35.7
Florida	78.3*	48.8	30.7	47.2	39.1*
Texas	52.7	74.2***	41.7**	53.4**	44.1**

Source: 1999 National Survey of America's Families.

— = insufficient data

* Difference between state and the rest of the U.S. is significant at the 0.10 level.

** Difference between state and the rest of the U.S. is significant at the 0.05 level.

*** Difference between state and the rest of the U.S. is significant at the 0.01 level.

^{sss} Difference between high states and low states is significant at the 0.01 level.

Overall, rates of uninsurance vary across workers in different industries (table 1). However, when we decompose the state level uninsurance rates into the proportion of workers by industry in each state and the uninsurance rate of workers in each industry by state, we fail to find patterns in the separate components that help explain the differential rates of uninsurance across states.

Employment Status

Farber and Levy (2000) have shown that part-time workers and those on the job for less than a year are less likely than full-time or longer tenured workers to have the option of enrolling in employer-sponsored insurance plans. Part-time and short-tenure workers are less likely to work for an employer who offers coverage to any workers, and also less likely to be eligible for an offer even if the employer offers coverage to others. Table 2 shows the distribution of workers and figure 5 shows the uninsurance rates for part-time workers and those with job tenure less than one year.

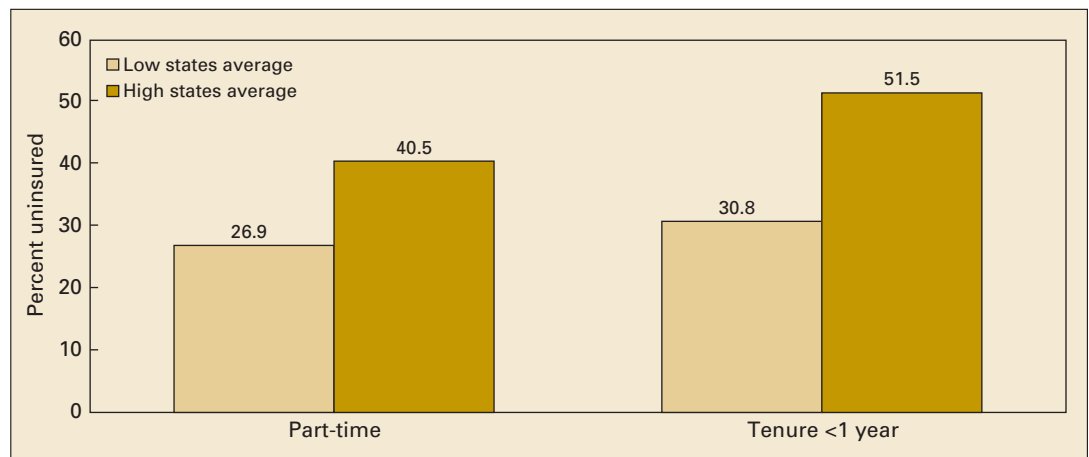
The average share of workers employed part-time is significantly lower (29.5 percent) in the high-uninsurance rate group than in the low uninsurance rate group (41.9 percent). The proportions of

part-time workers in low-uninsurance rate states are all significantly higher than the rest of the U.S, whereas only Texas, in the high uninsurance rate group, is significantly lower. This pattern of more part-time workers in low-uninsurance rate states is the reverse of what we expected to find, if being a part-time worker reduces access to employer-sponsored insurance.

A similar situation is seen with the share of workers who have held their current jobs for less than one year. As a group, the high-uninsurance rate states are more likely to have a lower share of short-tenure workers than low-uninsurance rate states, and the variation within groups is substantial. For example, two high-uninsurance rate states have a proportion of short-tenure workers lower than the rest of the nation, but one high-uninsurance state has a significantly higher share than the rest of the U.S.

The pattern of uninsurance rates within employment status groups is somewhat clearer. Average uninsurance rates for short-tenure workers are higher for the high-uninsurance rate group than for the low-uninsurance rate group. Three of the low-uninsurance rate states have part-time or short-tenure uninsurance rates that are significantly lower than the rest of the U.S. Consequently, uninsurance rates for those

FIGURE 5. Uninsurance Rates of Low-Income Workers, by Employment Status, 1999



Source: 1999 National Survey of America's Families.

with low job tenure appear to be more important in explaining uninsurance rates for low-income workers in a state than does the distribution of workers across employment status groups.

Discussion

The analysis presented here is descriptive, and the comparisons do not simultaneously adjust for all the other characteristics we examine. As a consequence, the results should be interpreted with some caution.⁶ Nonetheless, these patterns highlight important issues for states as they attempt to address the problem of uninsurance among low-income workers, and focus attention on areas for further research.

Nationally, certain subgroups of the low-income working adult population—Hispanic noncitizens; those in fair or poor health; those working for small employers; those working in agriculture, construction, and retail; and those starting their jobs within the past year—are at particularly high risk for being uninsured. This analysis reveals that states with relatively high rates of uninsurance among low-income workers tend to have disproportionately high representations of workers with some of these high-risk characteristics. These states have greater than average proportions of Hispanics (both citizens and noncitizens), people in fair or poor health, and workers in agriculture and construction. However, there is no difference in the distribution by employer size, and differences in the distribution of workers by employment status

are reversed from what would be expected. In addition, these high-uninsurance rate states have disproportionately high rates of uninsurance even within the high-risk groups. Among the focal states, for example, workers in fair or poor health in the high-uninsurance rate states were 17 percent more likely to be uninsured than those in the low-uninsurance rate states. Similar patterns across groups of states were found for low-income workers within each employer size group; within the construction, manufacturing, retail, and service industries; and within employment status groups.

The success of particular strategies for expanding insurance coverage is likely to vary depending on the characteristics of the population of uninsured low-income workers. Once a state is identified as having a disproportionate share of high-risk individuals or a particular high-risk group with higher-than-average uninsurance rates, policy levers tailored to those needs can be considered.

For example, strategies that rely on extension of public insurance coverage may be less successful for populations that are reluctant to work with public agencies to obtain benefits, but would likely work well for populations in poor health. Among Medicaid-eligible adult populations, non-citizen immigrants are less likely to participate in public programs (Davidoff, Garrett, and Yemane 2001), probably because of concerns that enrollment in Medicaid may interfere with future bids for citizenship (Ellwood and Ku 1998). Developing out-

The success of particular strategies for expanding insurance coverage is likely to vary depending on characteristics of the low-income working population.

reach strategies to counteract such concerns or providing state-only programs that are open to noncitizens of any legal status are also options.

Strategies that rely on accessing the private nongroup insurance market may be very successful for younger and healthier populations but are less likely to work well for older adults and those with health problems who would have more difficulty accessing the private nongroup market (Pollitz, Sorian, and Thomas 2001). Those with health problems may be best served by extensions of public insurance eligibility or through improved access to group insurance, where there are implicit subsidies from the healthy to those in poorer health. States may wish to consider adoption or expansion of high-risk pools under scenarios with explicit subsidies of health care costs for both those in poor health and those who are low-income. Such pools might also be attractive as mechanisms for distributing federal funds for expanding coverage.

Endnotes

1. Tables including uninsurance rates for each sub-population in each state are available at <http://www.urban.org>.
2. For example, the uninsurance rates for Hispanic noncitizens within the high-uninsurance rate group ranges from 59.6 percent in California to 77.3 percent in New York. The low-uninsurance rate group ranges from 28.4 percent in Massachusetts to 81.6 percent in Washington.
3. Tables including detail on the individual states are available at <http://www.urban.org>.
4. Individual state detail is available at <http://www.urban.org>.
5. Michigan also has a seemingly high uninsurance rate within the agriculture industry; however, it is not statistically different from the remainder of the U.S., because of a very small sample size.
6. Shen and Zuckerman (2003) have done multivariate analyses on related issues.

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The NSAF is part of *Assessing the New Federalism*, a multiyear project to monitor and assess the devolution of social programs from the federal to the state and local levels. Alan Weil is the project director. The project analyzes changes in income support, social services, and health programs. In collaboration with Child Trends, the project studies child and family well-being.

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