

Access to, Affordability of, and Enrollment in Employer-Sponsored Insurance among Texas Workers in Low-Income Families in 2018

Using 2018 information from the Medical Expenditure Panel Survey Insurance Component, this appendix documents the state landscape of employer-sponsored insurance (ESI) for people working in private-sector establishments who are likely to be in families with low incomes. We compare estimates for each state and the US and test whether patterns in each state differ from those in the rest of the country.

We measure access to ESI as the share of employees in private-sector establishments eligible for ESI (table 1). We present estimates separately for full- and part-time employees and for full-time employees by firm size (i.e., fewer than 50 employees; 50 or more employees) and the share of establishment employees who receive low wages (i.e., less than 50 percent low-wage employees; 50 percent or more low-wage employees). We consider these characteristics because they affect access to and affordability of ESI, and because workers paid low wages are more likely to be employed part time and may be more likely to work in establishments with a higher share of low-wage employees.

Our affordability measures (tables 2 and 3) include annual employee premium contributions for single coverage, employee-plus-one coverage, and family coverage in absolute dollars and relative to annual income (1) at the federal poverty level; (2) for a worker employed full time at the state's minimum wage; and (3) for a worker employed part time at the state's minimum wage. We also measure the share of employees enrolled in ESI with a deductible, the share with an out-of-pocket maximum, and the average deductible and out-of-pocket maximum amounts for single and family coverage. We present these estimates for all employees in private-sector establishments in the state and separately by firm size.

We measure enrollment as the percentage of employees in private-sector establishments enrolled in ESI. These estimates are not limited to employees eligible for an ESI offer.

These estimates indicate that many workers with low incomes nationwide, particularly those working part time or for a small firm, do not have access to ESI, and that those with such access likely face affordability barriers because of the magnitude of the premiums and deductibles for ESI coverage. The ESI coverage available at many private-sector establishments would require significantly higher employee premium contributions and include higher deductibles relative to what is available to low-income people who qualify for Marketplace coverage under the Affordable Care Act.

For information on data and methods, along with the full 50-state analysis of ESI among workers in families with low incomes, see the accompanying report, *Employer-Sponsored Insurance Access, Affordability, and Enrollment in 2018: State and National Estimates and Implications for Low-Income Working Families*.

TABLE 1

Share of Employees in Private-Sector Establishments Eligible for ESI in Texas and the US by Employment Status, Firm Size, and Establishment Share of Low-Wage Employees, 2018

	All Private-Sector Establishments		Firm Size		Establishment Share of Low-Wage Employees	
	Full-time employees	Part-time employees	< 50 Employees	50+ Employees	< 50%	50+%
			Full-time employees	Full-time employees	Full-time employees	Full-time employees
United States	80.0	15.5	51.2	88.7	82.7	64.7
Texas	80.3	12.5	46.9	89.2	84.8	58.7

Source: Urban Institute analysis of 2018 Medical Expenditure Panel Survey Insurance Component (MEPS-IC) Summary Data Tables.

Notes: P-values are adjusted using the Benjamini-Hochberg procedure for multiple comparisons. Percentage of employees eligible for a health insurance offer in all private-sector establishments is calculated by multiplying the percentage of employees in private-sector establishments that offer health insurance by the percentage of employees eligible for health insurance in private-sector establishments that offer health insurance.

* difference between estimates for Texas and the US average is statistically significant at $p < .05$.

^ unreliable estimate; + suppressed estimate, excluded from significance testing

TABLE 2

Average Annual Employee Contributions to ESI for Single, Employee-Plus-One, and Family Coverage among Employees in Private-Sector Establishments Enrolled in ESI in Texas and the US Overall and by Firm Size and Establishment Share Low-Wage Employees, 2018

	All private-sector establishments	Firm Size		Establishment Share of Low-Wage Employees	
		< 50 employees	50 + employees	< 50%	50% +
Single coverage					
<i>Average annual employee premium contribution (\$)</i>					
United States	1,427	1,351	1,443	1,405	1,583
Texas	1,413	1,605	1,382	1,412	1,421
<i>Average annual employee premium contribution (as % of annual income at FPL)</i>					
United States	11.8	11.1	11.9	11.6	13.0
Texas	11.6	13.2	11.4	11.6	11.7
<i>Average annual employee premium contribution (as % of annual income at full-time minimum wage)</i>					
United States	10.8	10.2	10.9	10.6	12.0
Texas	10.7	12.2	10.5	10.7	10.8
<i>Average annual employee premium contribution (as % of annual income at part-time minimum wage)</i>					
United States	21.6	20.5	21.9	21.3	24.0
Texas	21.4	24.3	20.9	21.4	21.5
Family coverage					
<i>Average annual employee premium contribution (\$)</i>					
United States	5,431	5,854	5,372	5,360	6,441
Texas	5,964	9,189 *	5,668	5,910	6,756
<i>Average annual employee premium contribution (as % of annual income at FPL)</i>					
United States	21.6	23.3	21.4	21.4	25.7
Texas	23.8	36.6 *	22.6	23.5	26.9

	All private-sector establishments	Firm Size		Establishment Share of Low-Wage Employees	
		< 50 employees	50 + employees	< 50%	50% +
<i>Average annual employee premium contribution (as % of annual income at full-time minimum wage)</i>					
United States	41.2	44.4	40.7	40.6	48.8
Texas	45.2	69.6 *	43.0	44.8	51.2
<i>Average annual employee premium contribution (as % of annual income at part-time minimum wage)</i>					
United States	82.3	88.7	81.4	81.2	97.6
Texas	90.4	139.3 *	85.9	89.6	102.4
Employee-plus-one coverage					
<i>Average annual employee premium contribution (\$)</i>					
United States	3,634	4,017	3,584	3,621	3,780
Texas	4,271 *	6,090 *	4,080	4,271 *	4,272
<i>Average annual employee premium contribution (as % of annual income at FPL)</i>					
United States	22.1	24.4	21.8	22.0	23.0
Texas	25.9 *	37.0 *	24.8	25.9 *	26.0
<i>Average annual employee premium contribution (as % of annual income at full-time minimum wage)</i>					
United States	27.5	30.4	27.2	27.4	28.6
Texas	32.4 *	46.2 *	30.9	32.4 *	32.4
<i>Average annual employee premium contribution (as % of annual income at part-time minimum wage)</i>					
United States	55.1	60.9	54.3	54.9	57.3
Texas	64.7 *	92.3 *	61.8	64.7 *	64.8

Source: Urban Institute analysis of 2018 Medical Expenditure Panel Survey Insurance Component (MEPS-IC) Summary Data Tables.

Notes: P-values are adjusted using the Benjamini-Hochberg procedure for multiple comparisons. Full-time is 35 hours a week; part-time is 17.5 hours a week.

FPL = federal poverty level. FPL for a family of one is used for single coverage (\$12,140), FPL for a family of two is used for employee-plus-one coverage (\$16,460), and FPL for a family of four is used for family coverage (\$25,100). Texas's minimum wage is \$7.25. In 2018, the national average premium contribution for single Marketplace coverage represented 2.0% of income at 100% of FPL and 6.3% of income at 200% of FPL.

* difference between estimates for Texas and the US average is statistically significant at $p < .05$.

^ unreliable estimate; + suppressed estimate, excluded from significance testing

TABLE 3

Share of Employees in Private-Sector Establishments Enrolled in ESI with a Deductible or Out-of-Pocket Maximum and Average Deductible and Out-of-Pocket Maximum (in Dollars) for Single Coverage and Family Coverage in Texas and the US Overall and by Firm Size, 2018

	All private-sector establishments	Firm Size	
		< 50 employees	50 + employees
All coverage types			
<i>Share in a plan with a deductible (%)</i>			
United States	87.3	83.0	88.1
Texas	93.6 *	87.9	94.3 *
Single coverage			
<i>Share in a plan with an out-of-pocket maximum (%)</i>			
United States	92.3	87.3	93.4
Texas	94.4	92.6	94.7
<i>Average out-of-pocket maximum among employees with a maximum (\$)</i>			
United States	4,416	4,730	4,357
Texas	4,537	5,143 *	4,439
<i>Average deductible among employees with a deductible (\$)</i>			
United States	1,846	2,327	1,754
Texas	1,982	3,032 *	1,817
Family coverage			
<i>Share in a plan with an out-of-pocket maximum (%)</i>			
United States	93.3	83.6	94.7
Texas	93.9	88.6	94.3
<i>Average out-of-pocket maximum among employees with a maximum (\$)</i>			
United States	8,375	9,025	8,294
Texas	8,778	9,824	8,688
<i>Average deductible among employees with a deductible (\$)</i>			
United States	3,392	4,364	3,263
Texas	3,547	5,422	3,393

Source: Urban Institute analysis of 2018 Medical Expenditure Panel Survey Insurance Component (MEPS-IC) Summary Data Tables.

Notes: P-values are adjusted using the Benjamini-Hochberg procedure for multiple comparisons. In 2018, the deductibles for Marketplace plans typically available to low-income individuals, ranged by state from \$0 to just over \$600 for those with incomes at 100% of FPL and from \$0 to just over \$1,600 for those with incomes at 200% of FPL. The national average out-of-pocket maximum for single Marketplace coverage was \$1,020 for the 94 actuarial value cost sharing reduction variant (100-150% of FPL) and \$2,218 for the 87 actuarial value cost sharing reduction variant (151-200% of FPL).

* difference between estimates for Texas and the US average is statistically significant at $p < .05$.

^ unreliable estimate; + suppressed estimate, excluded from significance testing

TABLE 4

Share of Employees in Private-Sector Establishments Enrolled in ESI in Texas and the US by Employee Full-Time Status, Firm Size, and Establishment Share of Low-Wage Employees, 2018

	All Private-Sector Establishments		Firm Size		Establishment Share of Low-Wage Employees	
			< 50 Employees	50 + Employees	< 50%	50% +
	Full-time employees	Part-time employees	Full-time employees	Full-time employees	Full-time employees	Full-time employees
United States	59.1	6.9	37.1	65.8	62.7	39.0
Texas	60.6	6.0	34.0	67.8	66.4 *	32.9

Source: Urban Institute analysis of 2018 Medical Expenditure Panel Survey Insurance Component (MEPS-IC) Summary Data Tables.

Notes: P-values are adjusted using the Benjamini-Hochberg procedure for multiple comparisons. Share of employees enrolled in health insurance in all private-sector establishments is calculated by multiplying the share of employees enrolled in health insurance in private-sector establishments that offer health insurance by the share of employees in private-sector establishments that offer health insurance.

* difference between estimates for Texas and the US average is statistically significant at $p < .05$.

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