

# Snapshots of America's Families



## Health

### Health Insurance Coverage of Children

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**A** large number of children in the United States lack health insurance and may therefore have difficulty obtaining the health care services they need.

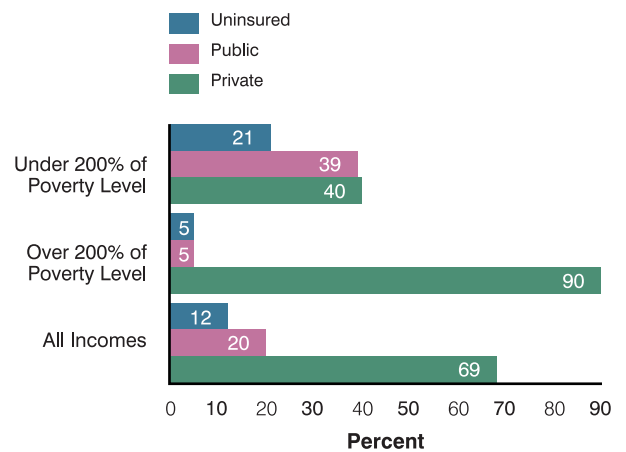
The State Children's Health Insurance Program (CHIP), enacted in 1997 in response to concerns about this situation, gives grants to states to initiate and expand health insurance programs for children in low-income families.

To examine health insurance coverage of children immediately prior to the implementation of CHIP, parents were asked a series of questions about their family's health insurance coverage at the time of the survey, including whether it was private or public. The rates of uninsurance reported here are lower than those commonly reported, based on the Census Bureau's Current Population Survey (CPS), because of differences in the questions asked (see Appendix).

Nationally, 12 percent of children were uninsured. The rate of uninsurance differed dramatically by family income: 21 percent of children in low-income families (below 200 percent of the federal poverty level) were uninsured, compared to 5 percent of children in families with higher incomes, a statistically significant difference. The type of health insurance coverage also varied significantly by family income: 39 percent of children in low-income families had some form of public coverage (primarily Medicaid and other state programs), versus 5 percent of children in families with higher incomes. Moreover, only 40 percent of low-income children had some form of private coverage (either employer-sponsored or privately purchased), compared to 90 percent of higher-income children, a statistically significant difference.

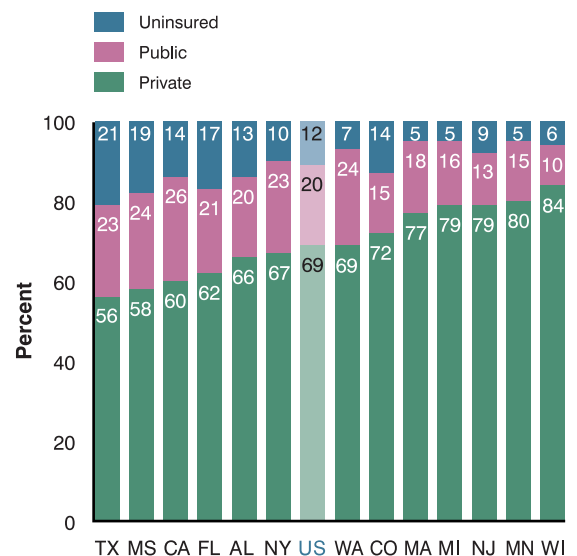
The likelihood of being uninsured varied considerably among the 13 states surveyed. Texas had the highest rate of uninsurance, 21 percent, and Massachusetts, Michigan, and Minnesota had the lowest, 5 percent. In the three states with the highest rates of

**Health Insurance Coverage of Children, by Family Income, 1997**



Source: Urban Institute

**Health Insurance Coverage of Children, by State, 1997**



Source: Urban Institute

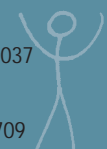


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This *Snapshot* presents findings from the National Survey of America's Families (NSAF), a 1997 survey of 44,461 households with and without telephones that are representative of the nation as a whole and of 13 states. As in all surveys, the data are subject to sampling variability and other sources of error.

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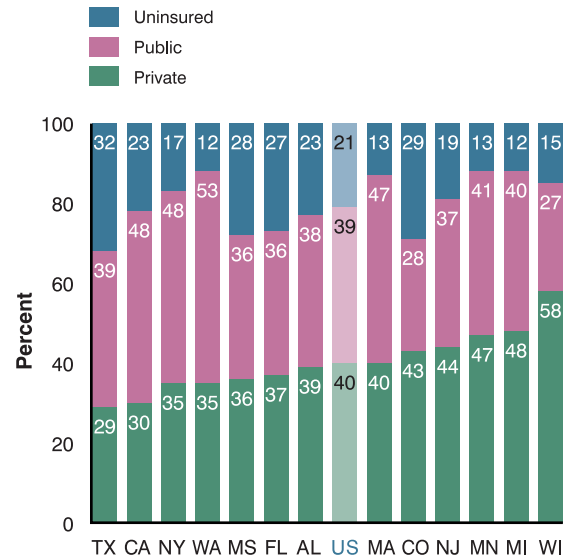


uninsurance—Florida, Mississippi, and Texas—private coverage was below the national average of 69 percent. In contrast, the four states with the lowest uninsurance rates—Massachusetts, Michigan, Minnesota, and Wisconsin—had private coverage rates above the national average. Among low-income children, the rate of uninsurance varied from 32 percent in Texas to 12 percent in Michigan and Washington.

While private plans are the leading source of health insurance coverage for all Americans, public insurance plays an important role, particularly for low-income children. Public coverage for these children varied from a high of 53 percent in Washington to lows of 27 percent and 28 percent in Wisconsin and Colorado, respectively. In some states, broad public coverage offset low rates of private coverage. For example, both California and Texas had below-average rates of private coverage, but California's public coverage was above the national average, whereas Texas's was not. As a result, the 23 percent uninsurance rate for low-income children in California was similar to the national average of 21 percent, while the 32 percent uninsurance rate in Texas was well above the national average.

Washington and New York were further examples: Both had below-average rates of private coverage for low-income children but above-average rates of public coverage. As a result, both had below-average rates of uninsurance. In contrast, Colorado, with private coverage similar to the national average and public coverage considerably below, had an uninsurance rate that was higher than the national average.

### Health Insurance Coverage of Low-Income Children, by State, 1997



Source: Urban Institute

### Children (%) Covered by Health Insurance, 1997

Type of Insurance	AL	CA	CO	FL	MA	MI	MN	MS	NJ	NY	TX	WA	WI	US
<b>Under 200% of poverty level</b>														
Private	39.2	29.8	42.5	37.1	39.9	47.9	46.8	35.8	44.1	35.0	28.6	34.9	58.0	39.7
Public	37.5	47.5	28.4	35.8	47.3	40.0	40.6	36.1	37.0	48.3	39.4	53.0	27.4	39.0
Uninsured	23.3	22.7	29.1	27.0	12.8	12.2	12.6	28.1	18.9	16.8	32.0	12.1	14.6	21.3
<b>Over 200% of poverty level</b>														
Private	91.2	90.3	87.4	84.1	93.1	94.8	94.3	87.8	92.9	91.3	83.4	88.3	95.9	90.1
Public	4.4	5.0	7.2	8.1	4.6	3.2	3.3	6.5	2.7	3.9	6.1	7.5	1.7	5.0
Uninsured	4.4	4.7	5.3	7.8	2.3	2.0	2.4	5.7	4.4	4.8	10.5	4.2	2.4	4.9
<b>All incomes</b>														
Private	66.2	60.0	71.9	61.5	77.1	78.8	80.0	57.9	78.8	66.8	56.2	69.2	83.7	68.6
Public	20.3	26.3	14.6	21.4	17.5	15.7	14.5	23.6	12.6	23.2	22.6	23.8	10.0	19.5
Uninsured	13.5	13.7	13.5	17.0	5.4	5.5	5.5	18.6	8.6	10.0	21.2	7.0	6.4	11.9

Figures in color represent statistically significant differences from the national average at the .05 confidence level. Figures in black are not statistically significantly different from the national average. All figures in text, charts, and table are rounded.

Source: Urban Institute