

More Americans Experiencing Gaps in Health Coverage

Further erosion of private insurance could boost the ranks of the uninsured



By Karen Pallarito
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WEDNESDAY, April 22 (HealthDay News) -- The number of Americans going without health insurance for a period of time is greater today than it was two decades ago, a new survey has found.

These gaps in coverage, however, are shorter than they used to be because people are getting insurance through public programs, such as Medicaid.

"The bad news is the continuing reduction of private health insurance," said a co-author of the survey, David Cutler, an applied economics professor at Harvard University and a research associate at the National Bureau of Economic Research, both in Cambridge, Mass. "It's like a one-way revolving door. And it isn't just the poor who are losing coverage; it's everyone."

"The good news is that government has, in fits and starts, stepped in to provide some help," added Cutler, who was an adviser to Barack Obama during the presidential campaign. "Without government insurance expansions, we would be facing a huge disaster."

The survey results are in the April 23 issue of the *New England Journal of Medicine*.

An estimated 45.7 million Americans were uninsured in 2007, according to the latest data from the U.S. Census Bureau. That's down from 47 million in 2006, due in part to an increase in the number of people enrolled in government health programs.

From 2006 to 2007, the number of people covered by government health insurance rose to 83 million, up from 80.3 million, the Census Bureau reported. Meanwhile, the percentage of people with private health insurance slipped to 67.5 percent from 67.9 percent.

Cutler's analysis assesses changes in health insurance coverage over time by comparing two four-year periods: 1983 through 1986 and 2001 through 2004. The findings do not reflect the current recession, which has resulted in significant job losses.

"Things have changed a lot since then," noted Carol Pryor, policy director at the Access Project, a nonprofit health advocacy group in Boston. "I imagine that they've gotten worse."

Using Census Bureau data, Cutler found the incidence of coverage gaps has been rising over time. The percentage of people who lost coverage in a 12-month period rose to 21.8 percent in the 2001 to 2004 time period from 19.8 percent in the earlier span.

People with the lowest educational level -- no high school diploma or equivalency (GED) -- appear to be especially vulnerable. Their likelihood of losing health insurance rose to 40.3 percent in the 2001 to 2004 period, an increase of 8.3 percentage points from the earlier period. In the latter period, only 10.2 percent of people with at least a college degree were likely to lose coverage, an increase of 0.3 percentage points from the earlier years.

Among people in fair or poor health, the probability of losing coverage rose 11.2 percentage points between the two survey periods, to 30.5 percent. That compares with an increase of just 3.3 percentage points, to 17.7 percent, among those who said they were in excellent, very good or good health.

However, uninsured periods grew shorter. The percentage of people who were uninsured for two or more years, for example, declined to 20.3 percent in the latter period, a 5.9 percentage-point improvement. Cutler noted that the shorter uninsured periods are not surprising given the enormous increase in Medicaid coverage that has occurred over time.

Chances of being uninsured and landing private insurance within two years dropped 6 percentage points between the two survey periods.

Cutler said that policymakers need to act now to ensure that coverage is expanded to everyone and that people who lose insurance don't have to rely on a patchwork of public programs. He predicted serious problems ahead if more people lose employer-based coverage.

"The fallout would be enormous pressure on already-taxed public programs, increases in the number of people who are uninsured and huge budgetary problems," he said.

To Pryor, the study underscores the important role that public health programs play. "It really shows the need to provide some coverage that's available to people who don't have a lot of resources, who move between jobs frequently, who often don't have very good coverage," she said.

More information

The Kaiser Family Foundation has more on [health insurance coverage](#) in the United States.

SOURCES: David Cutler, Ph.D., Otto Eckstein Professor of Applied Economics, economics department and Kennedy School of Government, Harvard University, and research associate, National Bureau of Economic Research, Cambridge, Mass.; Carol Pryor, policy director, Access Project, Boston; April 23, 2009, *New England Journal of Medicine*

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