

Uninsured Workers— Job Characteristics, 1996

Estimates for U.S. Civilian Noninstitutionalized Workers Ages 16-64

Introduction

For most Americans, health insurance obtained through the workplace is the primary source of private coverage. Data from the 1996 Medical Expenditure Panel Survey (MEPS), conducted by the Agency for Health Care Policy and Research (AHCPR), indicate that nearly two-thirds of Americans under 65 years of age obtained job-related health insurance during the first half of 1996 (data not shown). However, employment does not necessarily lead to health insurance coverage for many working Americans. Nearly a fifth (18.4 percent) of working Americans ages 16-64 (approximately 23 million people) were uninsured during the first half of 1996. These workers represented half (51 percent) of the total uninsured population. MEPS data also indicate that certain job characteristics such as self-employment or wage earning, size of business, hourly wage, and weekly hours of work have significant effects on workers' health insurance status.

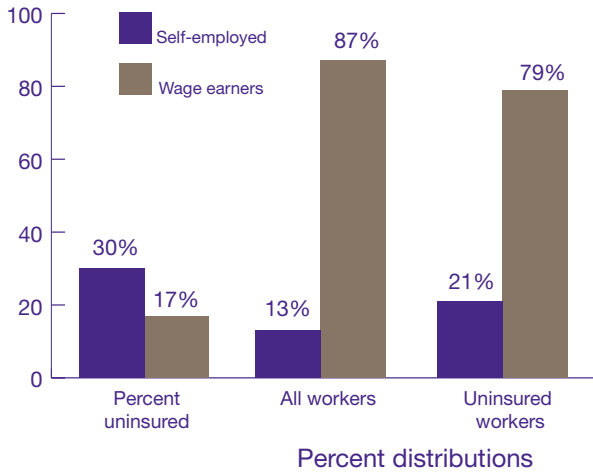
Findings

Self-employed people were nearly twice as likely as wage earners to be uninsured during the first half of 1996. About 30 percent lacked any type of health insurance, compared to 17 percent of wage earners (Figure 1).

Briefly stated:

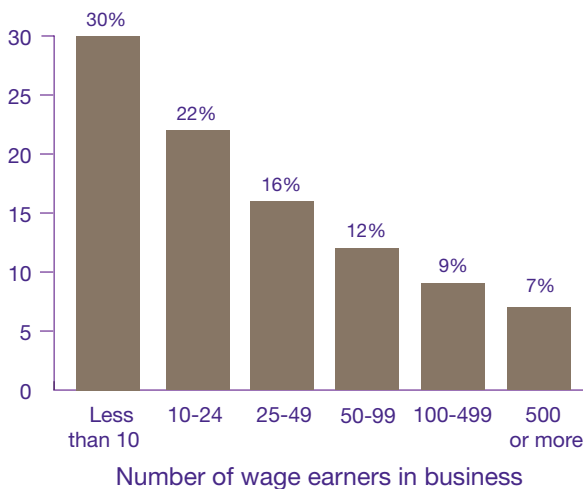
- Workers with the following job characteristics were most likely to be uninsured: the self-employed, those working in small businesses, those earning low wages, and part-time workers.
- Workers who were self-employed were almost twice as likely as wage earners to be uninsured.
- The risk of being uninsured was related to size of business. Wage earners were more likely to be uninsured if they worked for establishments with less than 25 employees.
- Workers earning less than \$10.00 per hour were at substantially greater risk of lacking health insurance than those earning \$10.00 or more per hour.
- Over three-fourths of full-time workers had job-related insurance.

Figure 1. Percent uninsured for workers ages 16-64 and comparison of self-employed workers and wage earners: First half of 1996



▲ Self-employed workers represented just 13 percent of all workers, but they composed 21 percent of all uninsured workers.

Figure 2. Percent uninsured for wage earners ages 16-64 by size of business: First half of 1996



▲ As the establishment size increased, the percentage of uninsured workers declined.

MEPS data also indicate that size of business is a factor in whether or not a worker has health insurance, regardless of whether the worker is self-employed or a wage earner. The self-employed with small businesses of fewer than 10 workers were more than twice as likely to be uninsured as those with businesses of 10 or more workers (31 percent and 15 percent, respectively; data not shown). For wage earners, the contrast is even more striking (Figure 2). Thirty percent of wage earners in businesses with fewer than 10 workers were uninsured, but only 7 percent of those in large establishments (more than 500 workers) were uninsured. Wage earners in businesses with fewer than 10 employees represented 15 percent of all working Americans but accounted for 25 percent of the working uninsured (Figure 3).

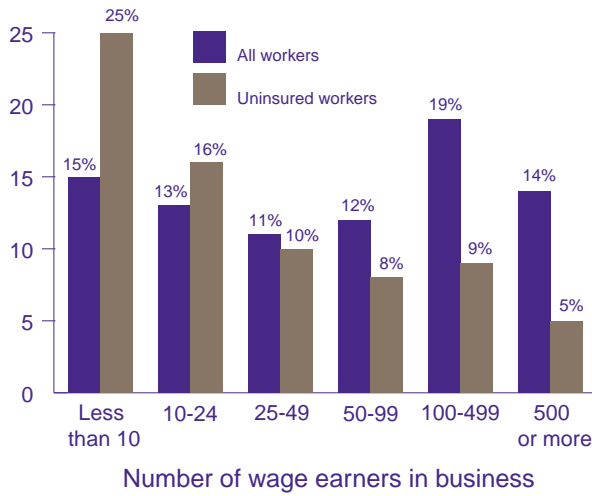
Workers who earned low hourly wages also were at greater risk of being uninsured. Less than half (43 percent) of workers earning less than \$5.00 per hour and only two-thirds (64 percent) of workers earning \$5.00-\$9.99 per hour obtained job-related coverage, in contrast to 95 percent of workers earning \$15.00 or more per hour (data not shown). About 38 percent of workers earning less than \$5.00 per hour and 28 percent of workers earning \$5.00-\$9.99 per hour were uninsured, compared to only 3 percent of workers earning \$15.00 or more per hour (Figure 4).

Part-time workers (those working less than 35 hours per week) were more likely than full-time workers to be uninsured (Figure 5). Approximately 60 percent of part-time workers had job-related insurance, compared to three-quarters (78 percent) of full-time workers.

About MEPS

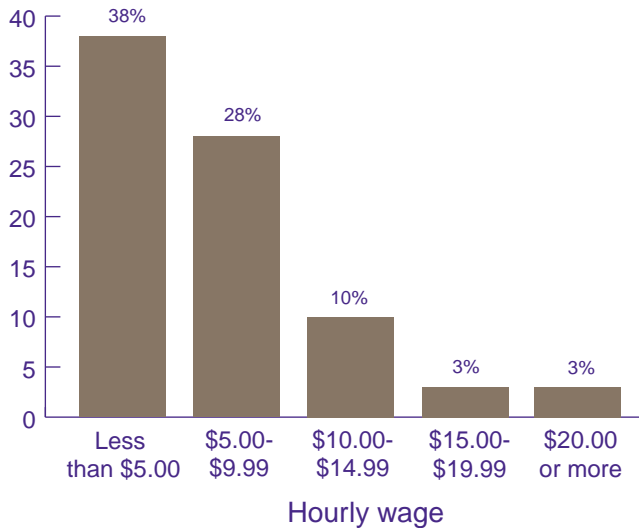
The Medical Expenditure Panel Survey (MEPS) collects nationally representative data on health care use, expenditures, source of payment, and insurance coverage for the U.S. civilian noninstitutionalized population. MEPS is cosponsored by the Agency for Health Care Policy and Research (AHCPR) and the National Center for Health Statistics (NCHS). This *Highlights* summarizes data concerning the characteristics of the working uninsured population in the United States during the first half of 1996, as derived from the MEPS Household Component, Round 1. For more information about MEPS, see the sources listed on the back page.

Figure 3. Comparison of size of business for all workers and uninsured workers ages 16-64: First half of 1996



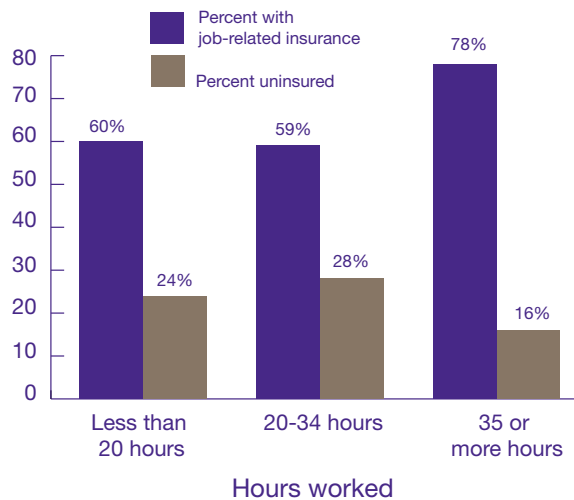
Wage earners in businesses with less than 10 employees represented 15 percent of all workers but 25 percent of uninsured workers.

Figure 4. Percent uninsured for wage earners ages 16-64 by hourly wage: First half of 1996



The likelihood that a worker was uninsured during the first half of 1996 was directly related to level of earnings.

Figure 5. Insurance comparison of workers ages 16-64 by number of hours worked per week: First half of 1996



Part-time workers were less likely to have job-related insurance than full-time workers.

DATA SOURCE: 1996 Medical Expenditure Panel Survey Household Component, Round 1.



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For more information about MEPS, call the MEPS information coordinator at AHCPR (301-594-1406) or visit the MEPS section of the AHCPR Web site at

<http://www.ahcpr.gov/>

For a detailed description of the MEPS survey design, sample design, and methods used to minimize sources of nonsampling error, see the following publications:

Cohen J. Design and methods of the Medical Expenditure Panel Survey Household Component. Rockville (MD): Agency for Health Care Policy and Research; 1997. *MEPS Methodology Report No. 1*. AHCPR Pub. No. 97-0026.

Cohen S. Sample design of the 1996 Medical Expenditure Panel Survey Household Component. Rockville (MD): Agency for Health Care Policy and Research; 1997. *MEPS Methodology Report No. 2*. AHCPR Pub. No. 97-0027.

The estimates in this *Highlights* are based on the following, more detailed publication:

Monheit AC, Vistnes JP. Health insurance status of workers and their families: 1996. Rockville (MD): Agency for Health Care Policy and Research; 1997. *MEPS Research Findings No. 2*. AHCPR Pub. No. 97-0065.

These publications are available from the AHCPR Clearinghouse (800-358-9295) and on the AHCPR web site.



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