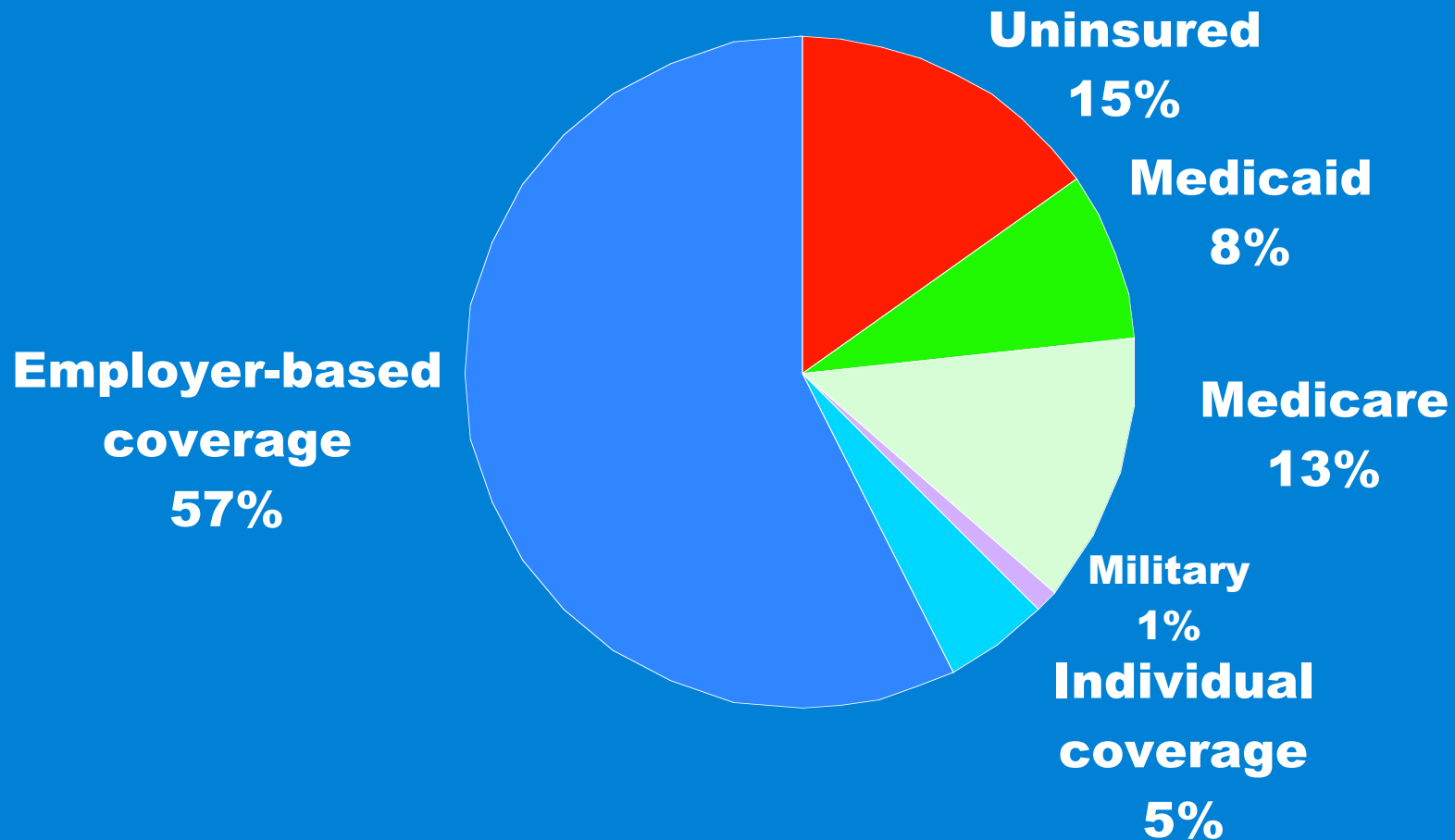


COVERING THE UNINSURED:
What Is The Problem,
Why Care?

Jeanne Lambrew, Dept. of Health Policy
George Washington University

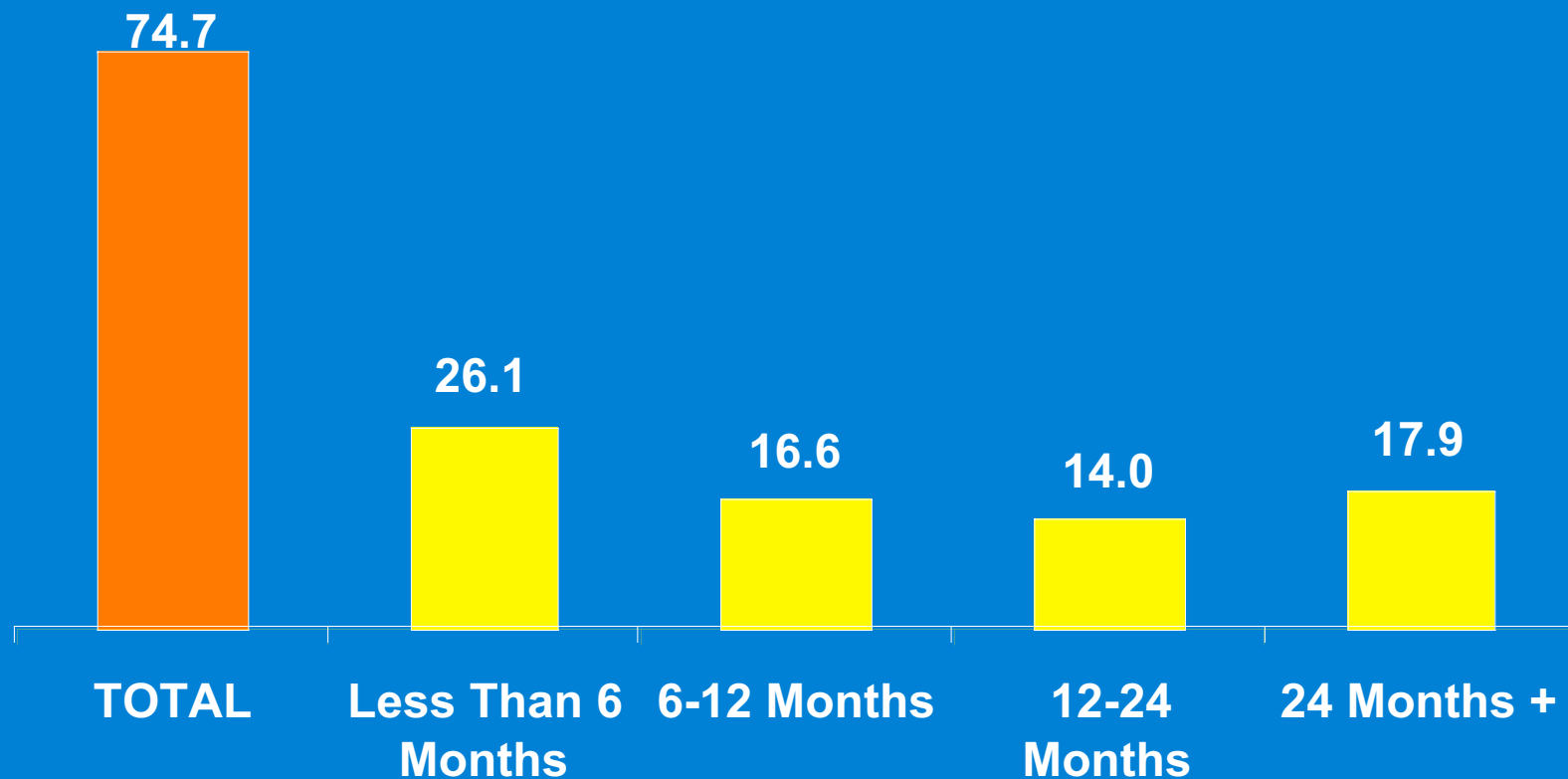
March 11, 2003

41 Million Americans -- About 1 in 7 – Are Uninsured Primary Source of Health Insurance, 2001



Nearly Twice As Many Had A Gap In Coverage Over 2 Years

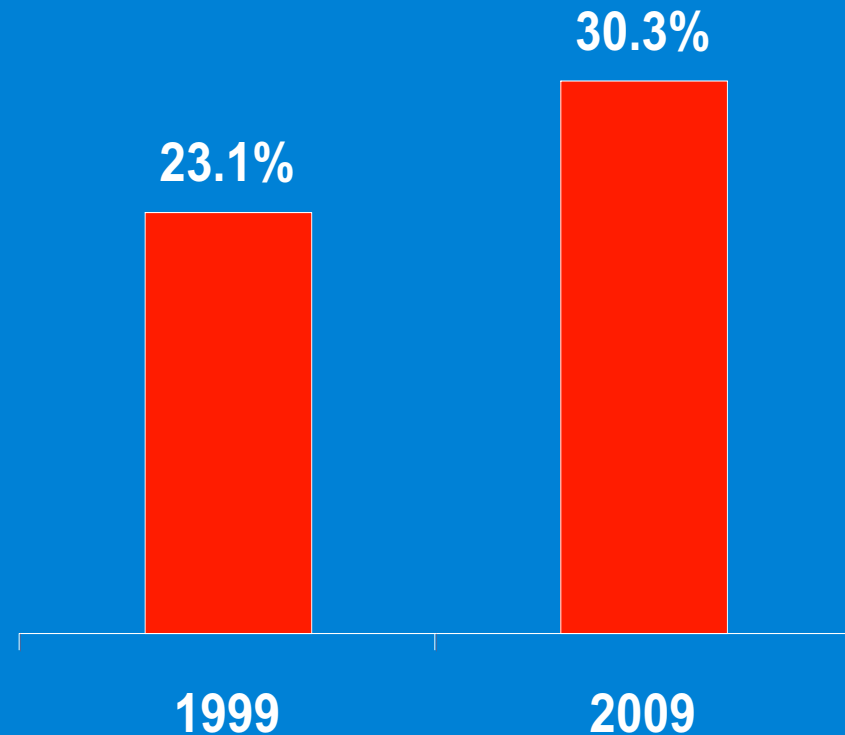
Number of Uninsured in Millions, 2001-02



Number of Uninsured Is Growing

- **Uninsured rose by 1.4 million in 2001**
- **Erosion of employer coverage may worsen problem, even with economic recovery**
- **States are cutting back on public coverage**
 - 1 to 2 million low-income people may lose Medicaid/Children's Health Insurance Program coverage

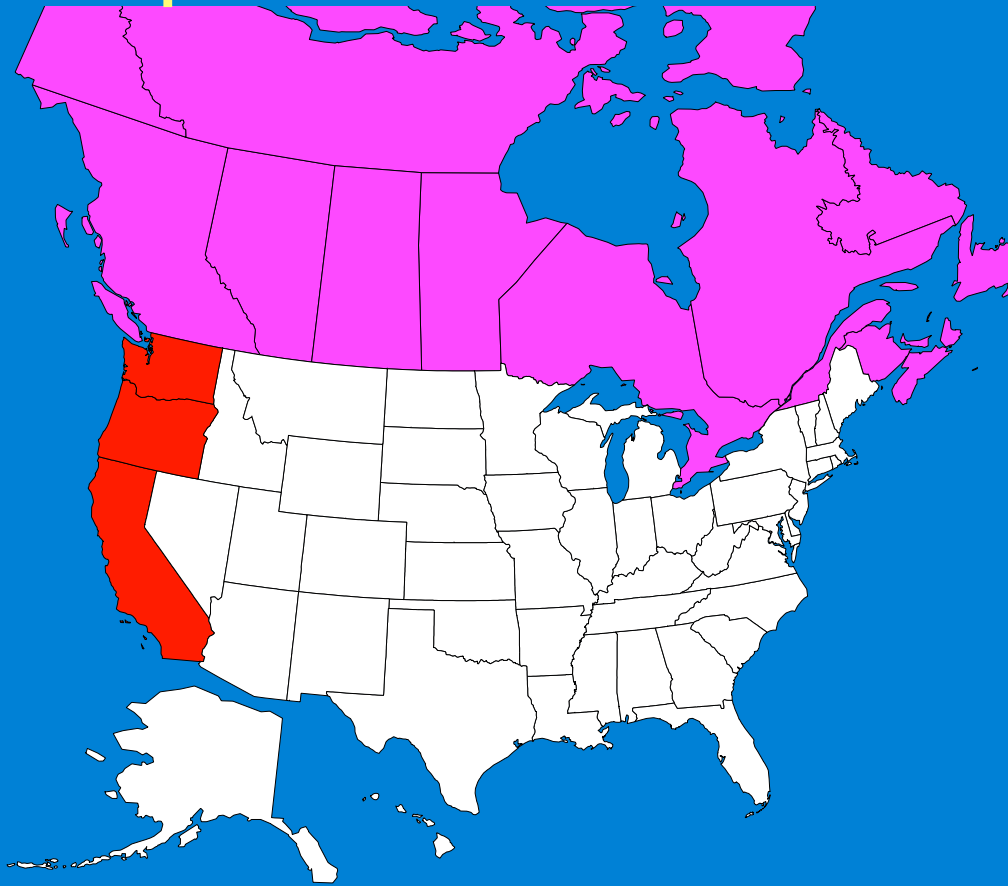
Percent of Uninsured Workers May Increase by 30% Over the Next Decade



Sources: Census Bureau, Gilmer & Kronick, 2001, Center on Budget and Policy Priorities

Is 41 Million Uninsured A Lot?

More Than Canada's Population,
People On The West Coast



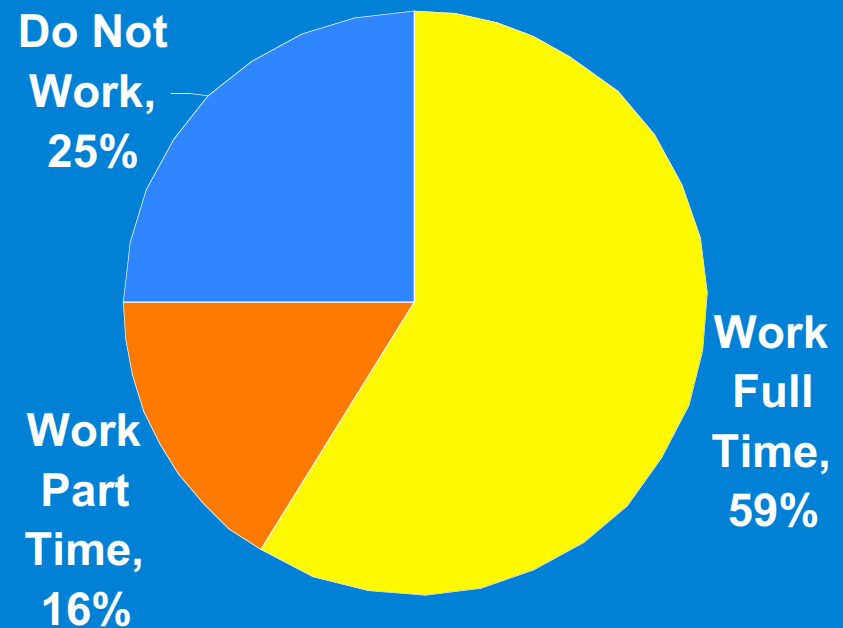
41 Million Is:

- **More than:**
 - All Elderly Americans
 - All African Americans
- **5 times more than the number of Americans with cancer**
- **40 times more than the number of Americans with HIV/AIDS**

Who Are The Uninsured

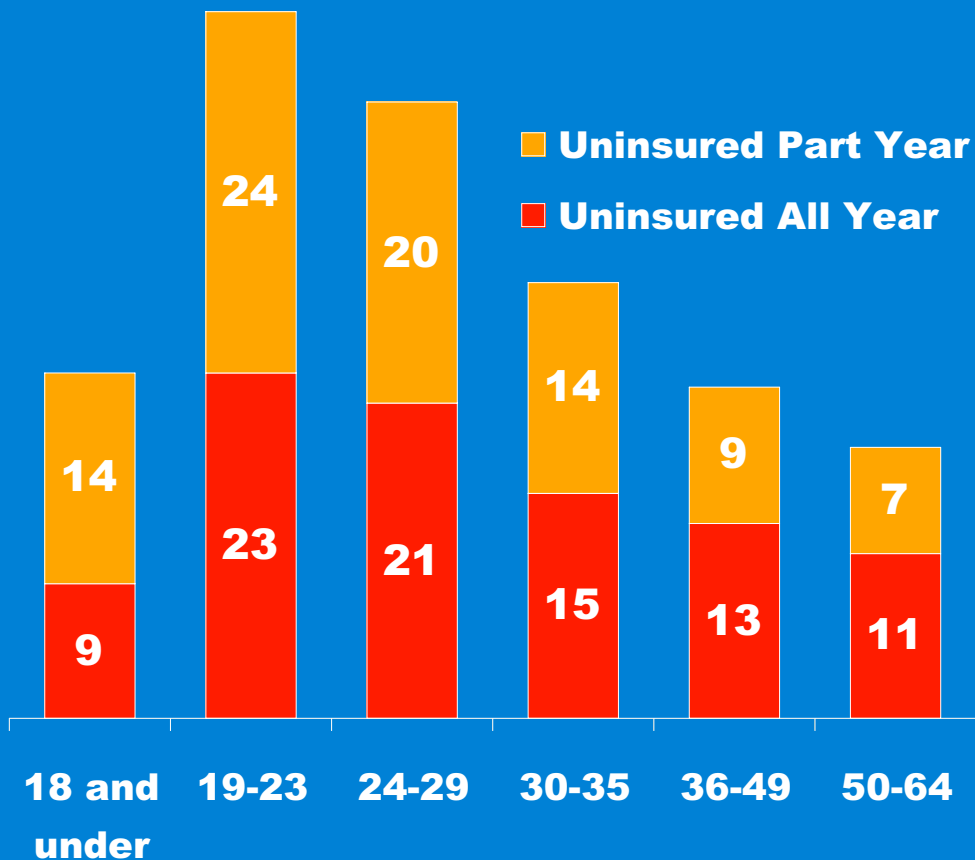
- **Most work**
- **Most have low income -- but fastest growth is among those with higher income**
- **Disproportionately Hispanic**
 - Nearly $\frac{1}{2}$ of all Hispanics uninsured during the year
- **Concentrated in the South, West**

Uninsured Adults (18-64)
By Work Experience, 2001



Young Adults At Greatest Risk

Percent Who Are Uninsured
By Age, 2000

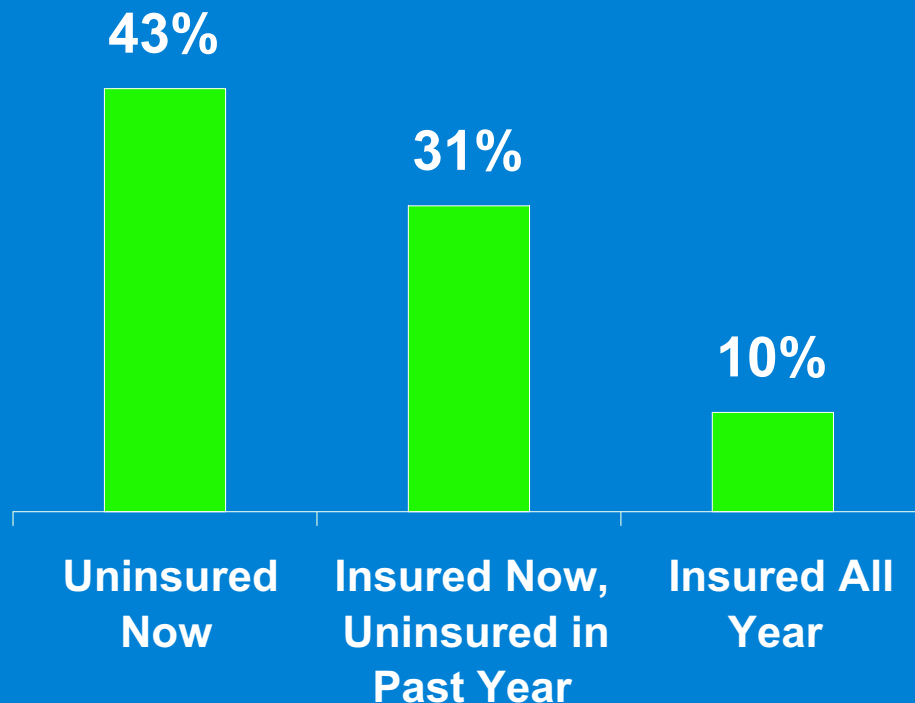


- **Students better off, but still at a higher risk of being uninsured**
 - 18% of full-time students
 - 36% of other young adults
- **Uninsured young adults (ages 19-29) have problems**
 - 53% have access problems due to cost
 - 52% unable to pay medical bill, contacted by collection agency, changed way of life to pay bills

WHY CARE

Affects Health and Access to Health Care

Percent Who Did Not See A Doctor When Sick, 2001

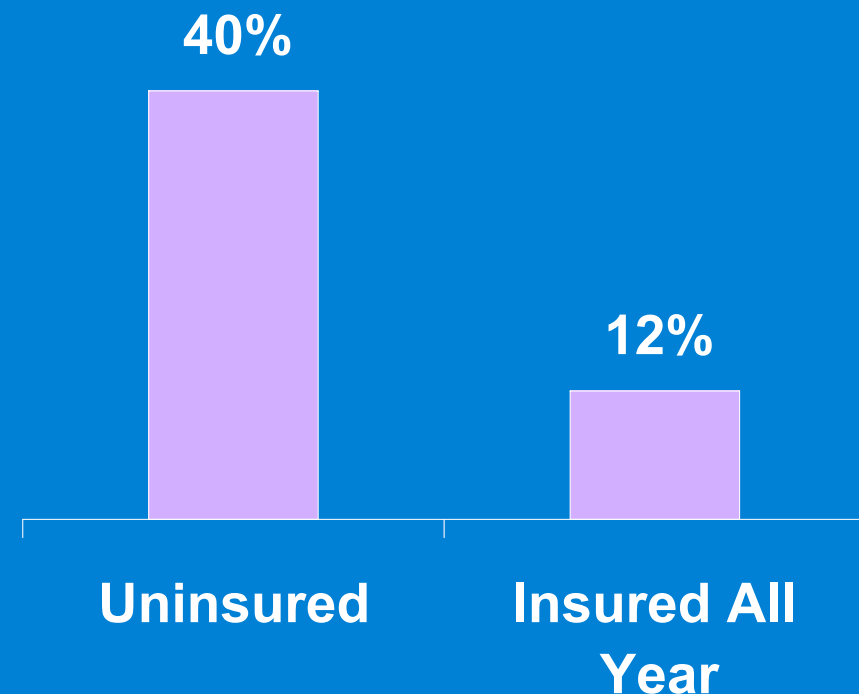


- 18,000 uninsured adults die each year because they didn't get proper care
- Risk of death for uninsured people with cancer is 50% higher

Causes Individual Financial Hardship

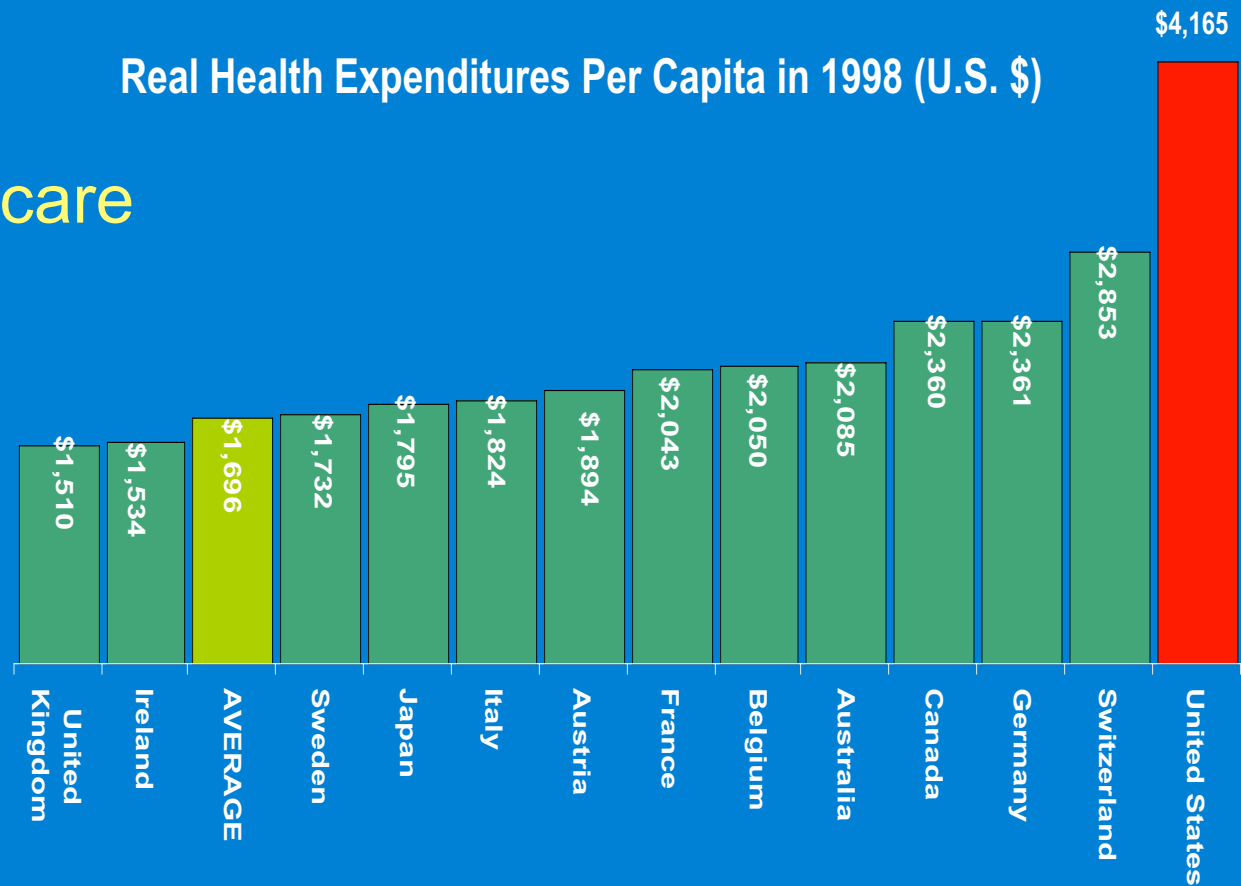
- **Uninsured paid on average \$1,200 for health care in 1999 – a significant proportion of income for some**
- **Health costs are a major source of debt**
 - Medical bills accounted for 40 percent of personal bankruptcy
 - Major source of credit card debt

Percent With Difficulty Paying for Basic Living Costs (e.g., Food, Rent, Heat), 2001



Causes Broader Financial Hardship

- \$35 billion in uncompensated care in the system
- Hurts global competitiveness



Sources: Hadley and Holahan, 2003

Notes: Health expenditure per capita expressed in economy-wide purchasing power parity, United States dollars.
OECD country average, weighted average for 19 OECD countries that have a relatively complete set of data.

Source: *Health at a Glance*, Organization for Economic Cooperation and Development (OECD), Table 4.1, page 83

Affects Society's Potential

Uninsured Workers Are:

- More likely to miss work
- Less likely to use preventive services, exercise regularly
- Less likely to receive appropriate care for chronic illness

Uninsured Children Are:

- 25% more likely to miss school
- 3 times more likely to not get needed medications, glasses or mental health care
- Less likely to play sports

WHAT CAUSES THIS PROBLEM?

- **Lack of Access**

- Not all Americans have access to affordable health insurance

- **Lack of Affordability**

- The cost of insurance is often prohibitive

- **Complexity and Size of the System**

- **Lack of Political Consensus**