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Job-Based Coverage Insures Less Than Half of Nonelderly Californians in 2011

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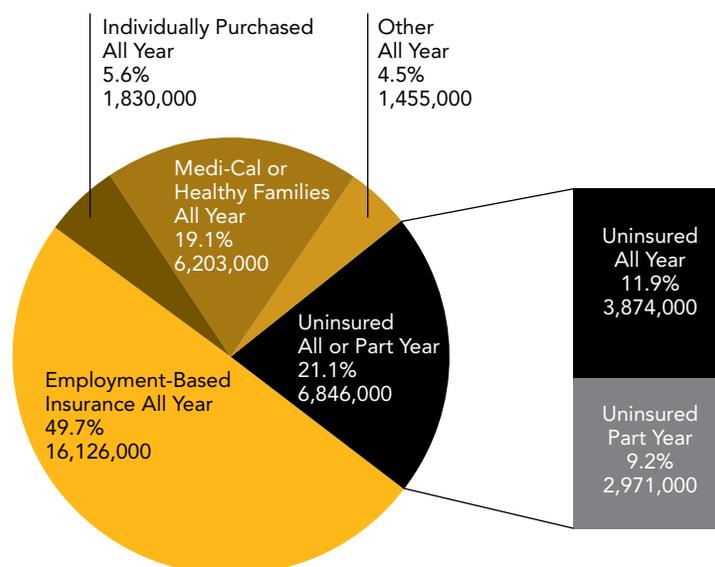
The distribution of health insurance in California changed dramatically after two years of high unemployment, from 2009 to 2011. According to data from the new annual California Health Interview Survey, just under half of all nonelderly Californians in 2011 were insured through their own or a family member's job-based coverage (49.7%; Exhibit 1). Nearly seven million children and adults were uninsured for all or part of the prior year (21.1%), and almost four million

of those had no insurance at all for the entire year or longer (11.9%). The Medi-Cal and Healthy Families programs picked up much of the slack for private insurance, covering one in five nonelderly Californians (19.1%).

Just under two million people purchased insurance on their own directly from an insurance company (5.6%) and slightly less than that were insured through some other government program (4.5%; Exhibit 1).

Exhibit 1

Health Insurance Coverage During the Past 12 Months Among Nonelderly Persons, Ages 0–64, California, 2011



Source: 2011 California Health Interview Survey (annual)

Comparing these rates to 2009 and earlier in the prior decade shows the impact of two additional years of the unemployment rate hovering at or above 12% in California. When the unemployment rate more than doubled from 2007 (5.4%) to 2009 (12.3%), the drop in job-based coverage was dramatic, falling from 55.6% to 52.1% statewide (Exhibit 2). Employment has yet to recover, and with these additional two years of high unemployment, job-based coverage has declined even further to 49.7% for all nonelderly adults and children.

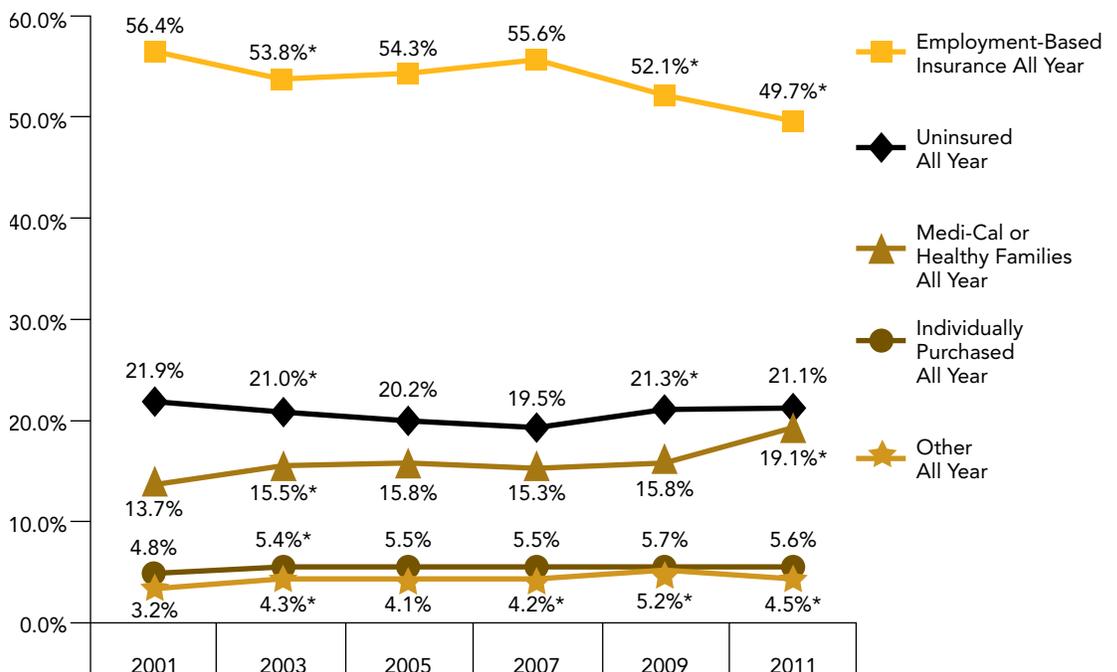
In contrast to the time period between 2007 and 2009, Medi-Cal and Healthy Families coverage rates surged between 2009 and 2011. This trend occurred as incomes dropped for many households to a point so low that parents were qualified to enroll in these public programs along with their children. Between 2007 and 2009, enrollment in these public programs for all nonelderly persons essentially remained

flat at 15.8%, although the coverage rate for children did increase significantly (data not shown).¹ By 2011, however, nearly one in five of all nonelderly Californians (19.1%) were enrolled in Medi-Cal or Healthy Families. And these gains in coverage are prior to the implementation of the Medi-Cal expansion that will occur in January 2014.

The number of uninsured during all or part of the year dipped slightly to 6.8 million nonelderly Californians in 2011, and the uninsurance rate remained flat at 21.1%, even as the rate of employment-based coverage declined dramatically. This pattern illustrates the importance of the public health insurance safety net in difficult times (Exhibit 2). Similarly, the individually purchased market also remained flat at 5.6%. Clearly, those that lost their job-based coverage could not afford to buy insurance in the private market, as their household

Exhibit 2

Health Insurance Coverage During the Past 12 Months Among Nonelderly Persons, Ages 0–64, California, 2001–2011



* Data are significantly different from previous year at the 95% confidence level.

Source: 2001–2009 California Health Interview Surveys (biennial) and 2011 California Health Interview Survey (annual)

income dropped to below the federal poverty level (the restriction for non-disabled parents to enroll in Medi-Cal along with their children).²

Still, even with the surge in public health insurance coverage, nearly seven million Californians remained without health insurance during all or part of 2011, a sobering reminder of the need for the upcoming health insurance expansions and consumer subsidies under the Affordable Care Act of 2010.

Methods and Data Source

This fact sheet presents new annual data from the 2011 California Health Interview Survey (CHIS), which includes about 23,000 households in California. It also includes data from the biennial 2001–2009 California Health Interview Surveys, which each contained about 50,000 households. For more information on CHIS, please see www.chis.ucla.edu.

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Endnotes

- 1 Lavarreda SA, Cabezas L, Jacobs K, Roby DH, Pourat N, Kominski GF. *The State of Health Insurance in California: Findings from the 2009 California Health Interview Survey*. Los Angeles, CA: UCLA Center for Health Policy Research, 2012.
- 2 The Federal Poverty Guidelines in 2011 were \$14,710 for a two-person household; \$18,530 for a three-person household; and \$22,350 for a four-person household.



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This publication contains data from the California Health Interview Survey (CHIS), the nation's largest state health survey. Conducted by the UCLA Center for Health Policy Research, CHIS data give a detailed picture of the health and health care needs of California's large and diverse population. Learn more at: www.chis.ucla.edu



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