

Health Insurance and the Uninsured in Kansas

Updates from the March 2007 Current Population Survey

Rachel J. Smit, M.P.A.

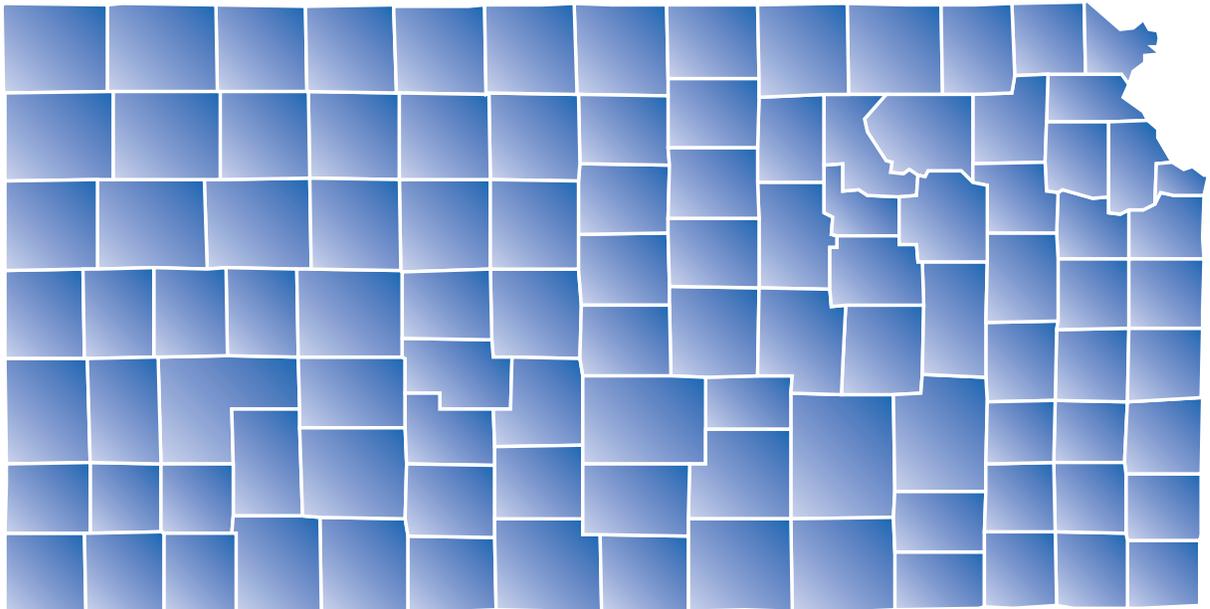
Cheng-Chung Huang, M.P.H.

Sarah Carkhuff Fizell

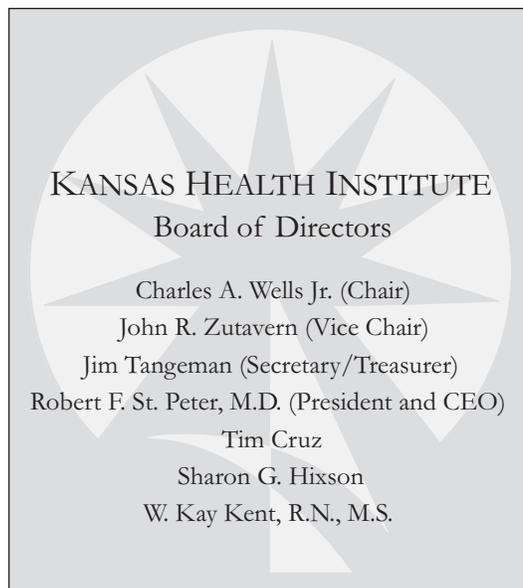
Robert F. St. Peter, M.D.

February 2008

KHI/08-02



KANSAS HEALTH INSTITUTE



The Kansas Health Institute is an independent, nonprofit health policy and research organization based in Topeka, Kansas.

Established in 1995 with a multi-year grant from the Kansas Health Foundation, the Kansas Health Institute conducts research and policy analysis on issues that affect the health of Kansans.

Copyright© Kansas Health Institute 2008.
Materials may be reprinted with written permission.

Table of Contents



Acknowledgments	2
Introduction	3
Key Findings	4
Important Trends	4
Who are the Uninsured in Kansas?	5
Profile of Health Insurance Coverage in Kansas	6
Employment-Based Insurance	8
Medicaid and SCHIP	10
The Uninsured	11
Major Trends	12
Age	14
Race & Ethnicity	16
Poverty Level	17
Work Status	20
Employer Size	21
Conclusion	22
About the Data	23
Quick Facts	24
Endnotes	26
References	27



Acknowledgments



Sunflower Foundation
HEALTH CARE FOR KANSANS

The authors wish to thank R. Andrew Allison, Ph.D., Medicaid director and deputy director of the Kansas Health Policy Authority; Michael Davern, Ph.D., co-principal investigator and research director of the State Health Access Data Assistance Center (SHADAC) at the University of Minnesota; Cheryl Hill Lee at the U.S. Census Bureau; and Hannah Yang Moore at Kaiser Family Foundation. These individuals provided insight, information and other expertise that substantially enhanced this report.

Additionally, we wish to thank members of the Kansas Health Institute staff for their support and assistance with this publication. We acknowledge Jim McLean; Gina Maree, LSCSW; Ron Liebman, M.Eng.; and Candace Ayars, Ph.D., for their time and attention in reviewing drafts of this document. We thank Cathy McNorton for formatting the final report.



Funding for this project was provided in part by the Sunflower Foundation: Health Care for Kansans, a Topeka-based philanthropic organization with the mission to serve as a catalyst for improving the health of Kansans. Funding was also provided by the United Methodist Health Ministry Fund, a foundation based in Hutchison with the following mission: "Healthy Kansans through cooperative and strategic philanthropy guided by Christian principles." We are grateful to our funders for their commitment to helping policymakers better understand health insurance coverage in Kansas. The Kansas Health Institute also provided funding for this report.



**KANSAS
HEALTH
INSTITUTE**

The authors alone are responsible for the accuracy of the contents of this report.

Introduction



As Kansas policymakers consider ways to expand access to health care, it is important to understand the state of health insurance coverage in Kansas. Drawing on the most recent data from the U.S. Census Bureau's Current Population Survey (CPS), this report provides an overview of important trends in coverage as well as a portrait of the uninsured.

In general, the most recent data indicate a continuation of trends that have characterized health insurance in Kansas in recent years. But they also indicate that some of those trends may be changing. The data show that poverty is on the rise as is the percentage of Kansas adults who are uninsured. Also, a steady decline in the percentage of uninsured children has been interrupted. Future surveys will show whether the percentage of children who lack coverage is increasing.

DEFINITIONS FOR TERMS USED IN THIS REPORT

AGE

Child ~ Any individual who is age 0–18 (under 19)

Adult ~ Any individual who is age 19–64

Young Adult ~ Any individual who is age 19–34

Elderly ~ Any individual who is age 65 or older

EMPLOYMENT

Full-time work ~ Work for 35 hours or more per week, not necessarily in a “full-time” position or for one employer

Year-round work ~ Work for 50 or more weeks out of the year, not necessarily for the same employer

INCOME

Poor ~ Family income below 100 percent of poverty

Low-income ~ Family income below 200 percent of poverty





Key Findings

Important Trends

Employment-Based Insurance

- The percentage of children covered through a parent's or guardian's employment-based insurance appears to have declined from 66.6 percent in 2004–2005 to 63.0 percent in 2005–2006.

Medicaid & SCHIP

- Children's enrollment in Medicaid and the State Children's Health Insurance Program (SCHIP) declined in State Fiscal Year 2007 (SFY07) after steadily increasing for several years. According to the Kansas Health Policy Authority (KHPA), enrollment was dampened by new citizenship documentation required by the federal Deficit Reduction Act of 2005.

The Uninsured

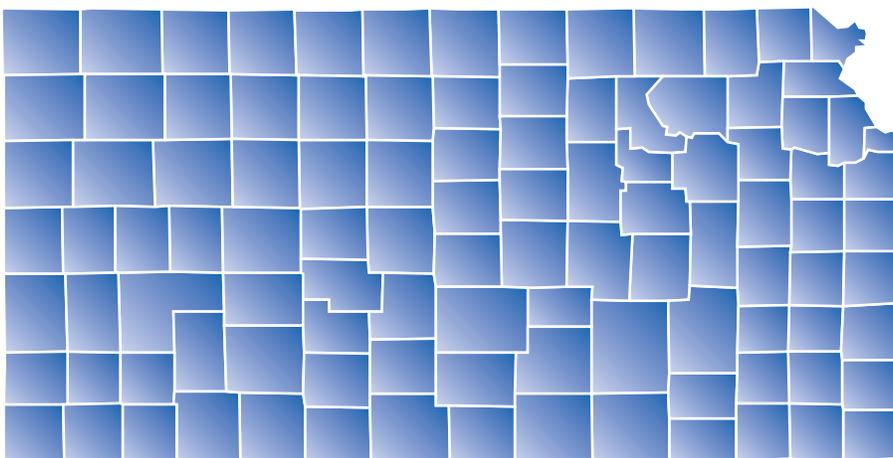
- The percentage of all Kansans who are uninsured increased from 10.5 percent in 2004–2005 to 11.3 percent in 2005–2006, after five years of relative stability. Although this increase is important to note because it may signal a developing trend, it is not statistically significant.
- The percentage of Kansas children who are uninsured increased slightly from 6.5 percent in 2004–2005 to 7.0 percent in 2005–2006. Although this increase is not statistically significant, it provides further evidence that the decline in uninsured children in the early part of the decade has ended.
- The percentage of adult Kansans who are uninsured increased significantly to 15.5 percent in 2005–2006, up from a six-year low of 13.5 percent in 2002–2003.
- Poverty is on the rise in Kansas. The number of uninsured Kansans living in poverty is also on the rise, increasing significantly to 95,140 in 2005–2006, up from 68,602 in 2000–2001.

Key Findings



Who are the Uninsured in Kansas?

- Approximately 307,000 Kansans are uninsured.
- 17 percent of the uninsured in Kansas are children under the age of 19, about 51,000 children.
- Almost half (47 percent) of the uninsured in Kansas are young adults age 19–34.
- Most of the 251,000 uninsured adults in Kansas are workers, with 80 percent working at least part of the year. Forty-four percent of uninsured adults work full-time, year-round.
- About one-fourth of the 251,000 uninsured adults in Kansas work for employers with fewer than 10 employees and one-fourth work for employers with 500+ employees.
- Most uninsured Kansans (about 60 percent) are low-income, but the remaining 40 percent are middle-income or above, with family incomes at or above 200 percent of poverty.
- Most uninsured Kansans (almost 70 percent) are non-Hispanic whites. However, minorities are disproportionately represented among the uninsured. For example, 18 percent of uninsured Kansans are Hispanic, but only 7 percent of all Kansans are Hispanic.



*~ Approximately
307,000 Kansans from
all walks of life are
uninsured.~*



Profile of Health Insurance Coverage in Kansas

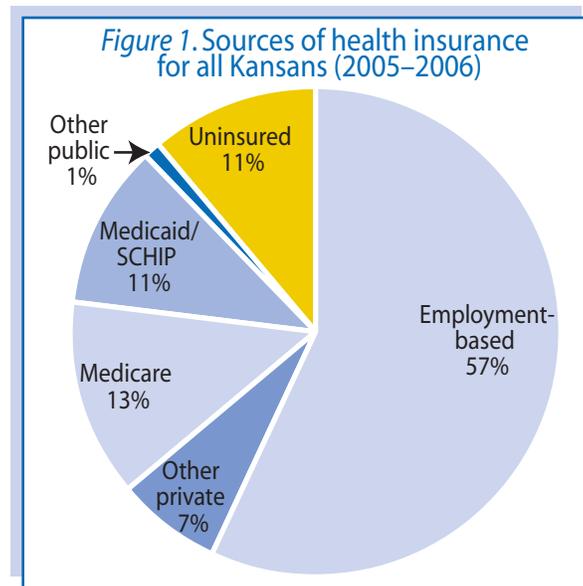
The health care system in the United States is structured around the voluntary provision of health insurance by employers, but employment-based insurance leaves a sizable gap that is only partially filled by individual private plans and publicly sponsored insurance.

In Kansas, about 57 percent of all Kansans rely on employment-based insurance (Figure 1).¹ That leaves 43 percent of Kansans either uninsured or covered primarily by non-employment-based sources of insurance.

Approximately 11 percent of all Kansans are uninsured, which equates to more than 300,000 uninsured Kansans.

Publicly sponsored insurance programs such as Medicare, Medicaid and SCHIP provide coverage to about one-fourth of all Kansans. Additionally, some Kansans purchase individual insurance through the private market (reflected in the “other private” category in Figure 1).

Most Kansans rely on health insurance through an employer, but more than 40 percent do not.



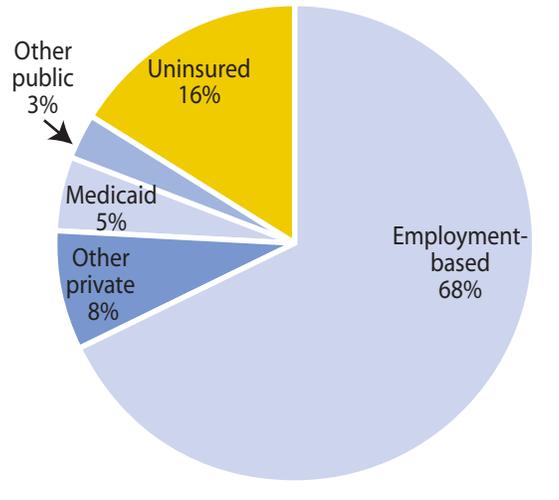
Source: KHI estimates are two-year averages based on the March Current Population Survey, 2006 and 2007.
Notes: All Kansans = 2.7 million. Because CPS respondents can report more than one type of insurance coverage for the calendar year, a standard rule was used to assign coverage status.²

A greater percentage of adult Kansans age 19–64 are covered by employment-based insurance than the general population. A smaller percentage are covered by publicly sponsored insurance in the form of Medicaid (Figure 2). A higher percentage of adult Kansans (16 percent) are uninsured than the general population.

Profile of Health Insurance Coverage in Kansas



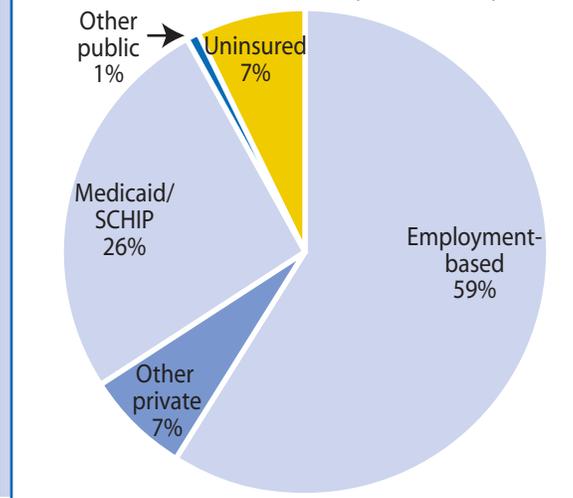
Figure 2. Sources of health insurance for nonelderly Kansas adults (2005–2006)



Source: KHI estimates are two-year averages based on the March Current Population Survey, 2006 and 2007.
Notes: All nonelderly Kansas adults = 1.6 million. Because CPS respondents can report more than one type of insurance coverage for the calendar year, a standard rule was used to assign coverage status.³

Publicly sponsored insurance covers a much larger percentage of Kansas children than adults. A little more than one-fourth of Kansas children are covered by Medicaid and SCHIP (Figure 3). A much smaller share of children (7 percent) are uninsured than adults.

Figure 3. Sources of health insurance for Kansas children (2005–2006)



Source: KHI estimates are two-year averages based on the March Current Population Survey, 2006 and 2007.
Notes: All Kansas children = 729,000. Because CPS respondents can report more than one type of insurance coverage for the calendar year, a standard rule was used to assign coverage status.⁴

ADULTS

Only a small proportion of nonelderly Kansas adults are covered by Medicaid.

CHILDREN

Medicaid and SCHIP are important sources of coverage for Kansas children.



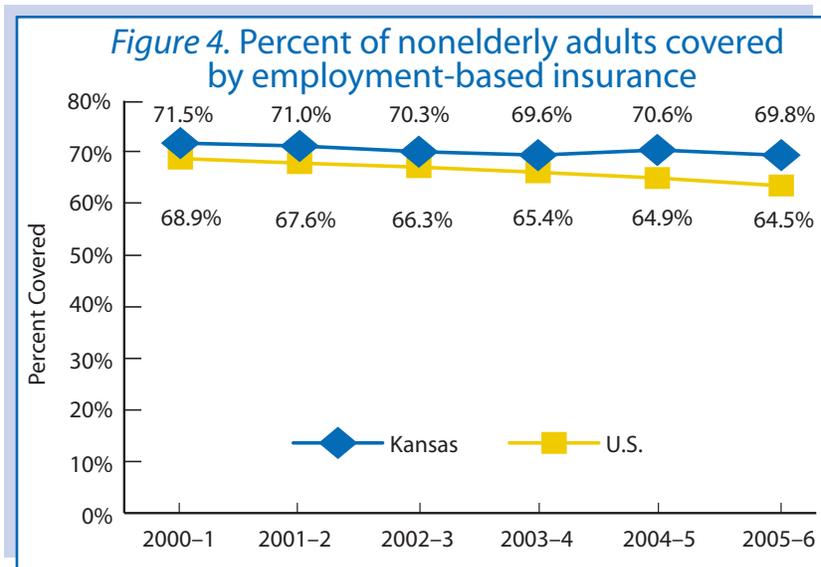
Employment-Based Insurance

One option that policymakers looking to expand health insurance coverage may want to consider is to build on the existing system of employment-based insurance. Options range from reform of the private insurance market to premium assistance and reinsurance programs. The success of these strategies will depend in part on the availability of affordable insurance products that also offer sufficient coverage.

Major Trends

Among adults age 19–64 (working-age adults), employment-based insurance coverage at the national level has steadily declined over the past six years. In Kansas, however, employment-based insurance coverage has been relatively stable (Figure 4).

ADULTS
Employment-based insurance coverage for nonelderly adult Kansans remained relatively stable over the past six years.



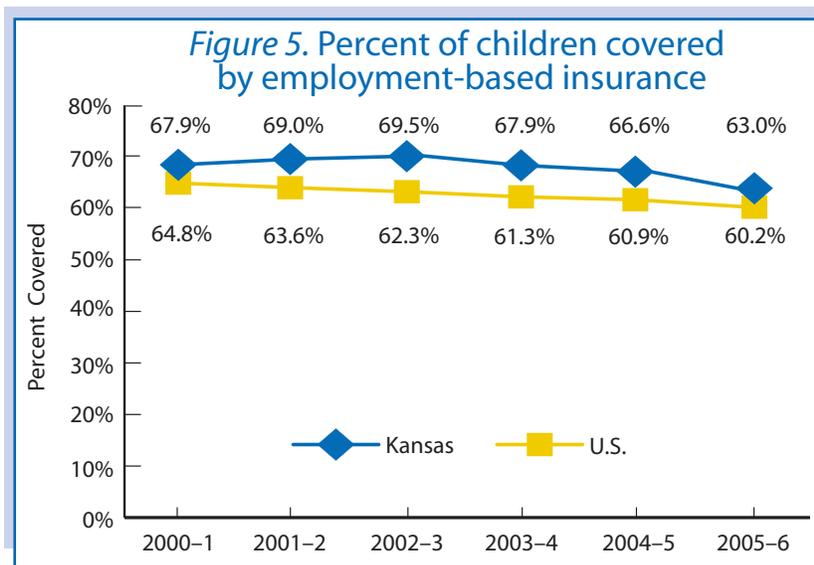
Source: KHI estimates are two-year averages based on the March Current Population Survey, 2001 to 2007.

Note: These estimates of employment-based insurance coverage include those respondents who also reported some other form of insurance coverage during the year.

Employment-Based Insurance



Among children in Kansas, insurance coverage through a parent's or guardian's employer reached a six-year high in 2002–2003 of 69.5 percent (Figure 5). Since then, a downward trend appears to have developed. Between 2004–2005 and 2005–2006, employment-based insurance coverage of children dropped significantly from 66.6 percent to 63.0 percent. This is consistent with findings at the national level that recent decreases in employment-based insurance coverage are greater for children than adults, at all income levels, possibly due to premium increases for dependent coverage. However, at least part of the recent decline might be explained by changes in reporting on the CPS survey as opposed to actual changes in coverage.⁵



Source: KHI estimates are two-year averages based on the March Current Population Survey, 2001 to 2007.

Note: These estimates of employment-based insurance coverage include those respondents who also reported some other form of insurance coverage during the year.

CHILDREN

Health insurance coverage through a parent's or guardian's employer appears to have declined for Kansas children.



Medicaid and SCHIP

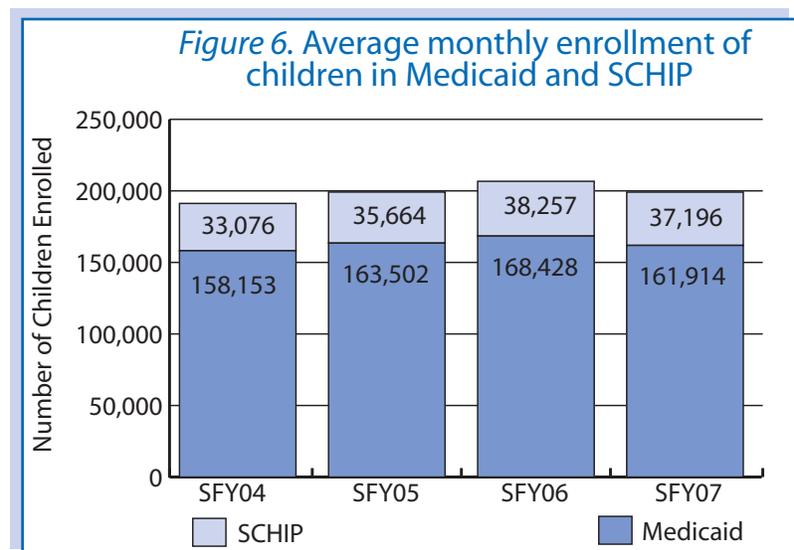
Medicaid and SCHIP are two publicly sponsored health insurance programs that together form an important safety net for low-income children and families, many of whom would otherwise be uninsured. Nationwide, expansions of Medicaid and SCHIP have been responsible for reducing the percentage of children who are uninsured.

Major Trends

Figure 6 below, using administrative data from the Kansas Health Policy Authority, demonstrates that average monthly enrollment in Medicaid and SCHIP among children increased through State Fiscal Year (SFY) 2006, and then declined in SFY07. In SFY07, average monthly enrollment in both Medicaid and SCHIP was 199,110.⁶

CHILDREN

Children's enrollment in Medicaid and SCHIP increased through SFY06 and then declined in SFY07.



Source: KHPA administrative data.
Note: SFY07 was July 2006 to June 2007.

The decline in Medicaid enrollment in Kansas may be explained, in large part, by the federal Deficit Reduction Act of 2005, which imposed new requirements on Medicaid beneficiaries for documentation of citizenship status. These new requirements took effect in July of 2006. The Kansas Health Policy Authority estimates that at any given point in time throughout SFY07 about 14,000 eligible children lacked coverage because of the new documentation requirements. The new Medicaid documentation requirements also may have dampened enrollment in SCHIP.

The Uninsured



The lack of health insurance is not only a problem for uninsured individuals — it affects the entire health care system.

Often, uninsured individuals go without needed care and are more likely to report being in poorer health than those with insurance. Poor health is associated with lower productivity and reduced quality of life. Children without health insurance may not receive necessary care for certain childhood conditions, which could result in a lifetime of chronic illness and disability.

The uninsured are less likely than the insured to receive preventive care and are more likely than the insured to be hospitalized for health problems that could have been avoided. Furthermore, the uninsured may be burdened by high medical bills which they cannot fully pay. This adds to the uncompensated care burden on hospitals, safety net clinics and other providers, diminishing the capacity of the entire system.

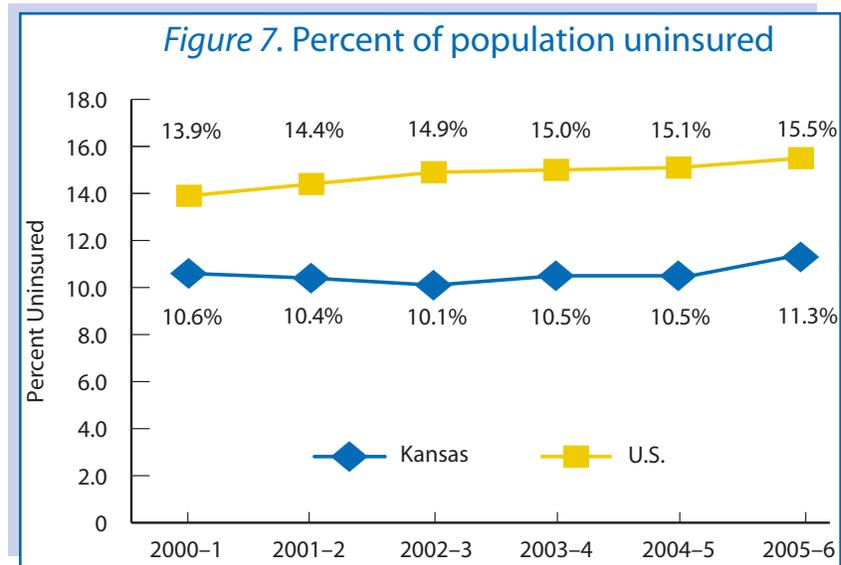


The Uninsured

Major Trends

Over the past six years, the percentage of Kansans who are uninsured has been relatively stable (Figure 7). However, in 2005–2006, the percentage rose to 11.3 percent, up from a six-year low of 10.1 percent in 2002–2003. Although this increase is not statistically significant, it is consistent with a steady nationwide increase over the same period.

The percentage of all Kansans who are uninsured crept upward to 11.3 percent in 2005–2006.



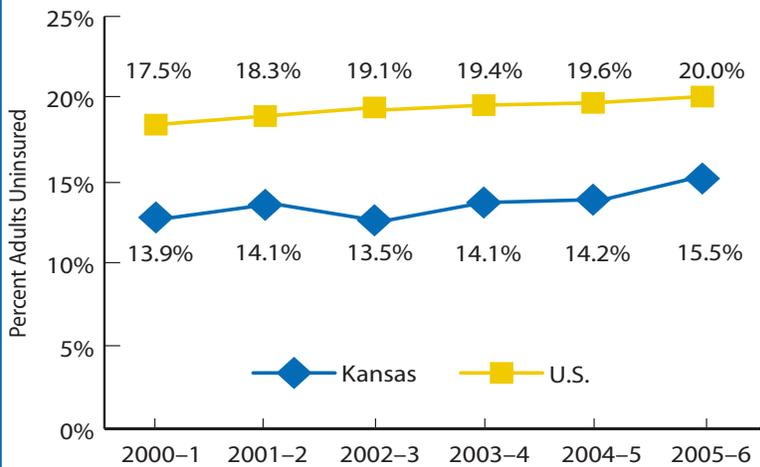
Source: KHI estimates are two-year averages based on the March Current Population Survey, 2001 to 2007.

The percentage of Kansas adults who are uninsured was relatively stable from 2000–2001 to 2002–2003, reaching a six-year low of 10.1 percent in 2002–2003 (Figure 8). Since then the percentage has increased by two percentage points to 12.3 percent in 2005–2006. This increase is statistically significant.

The Uninsured



Figure 8. Percent of nonelderly adults uninsured



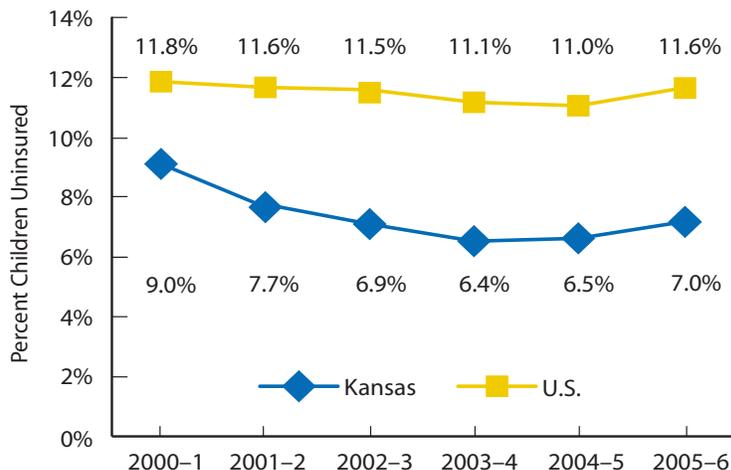
Source: KHI estimates are two-year averages based on the March Current Population Survey, 2001 to 2007.

ADULTS

The percentage of adult Kansans who are uninsured has increased.

From 2000–2001 to 2003–2004, the percentage of children who are uninsured dropped significantly from 9.0 percent to 6.4 percent (Figure 9). However, this trend appears to have ended. The latest data indicate that the percentage of Kansas children without insurance increased slightly to 7 percent. While this increase is not statistically significant, policymakers should continue to monitor CPS data for signs of a sustained upward trend.

Figure 9. Percent of children uninsured



Source: KHI estimates are two-year averages based on the March Current Population Survey, 2001 to 2007.

CHILDREN

The decline in the percentage of Kansas children who are uninsured appears to have ended.

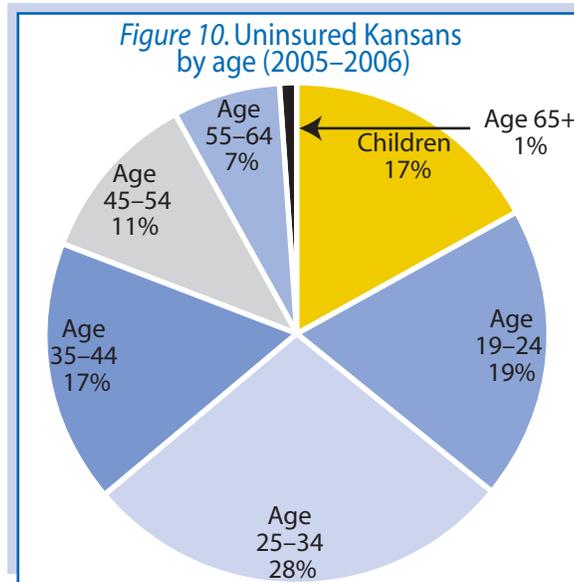


The Uninsured

Age

Almost half of the uninsured in Kansas (47 percent) are young adults age 19–34 (Figure 10). Young adults age 19–24 comprise 19 percent of the uninsured, while young adults age 25–34 comprise 28 percent of the uninsured. Young adults tend to be healthier than older adults, but also typically have fewer financial resources. Young adults who work are less likely than older workers to have access to health insurance through their employers. It is also true that some Kansans in this age group may choose to forego health insurance, exposing themselves to the risk of catastrophic health care expenses. Others may not be able to afford health insurance. Only a small proportion of this age group is eligible for publicly sponsored insurance programs such as Medicaid.

Almost half of uninsured Kansans are young adults age 19–34.



Source: KHI estimates are two-year averages based on the March Current Population Survey, 2006 and 2007.
Note: Uninsured Kansans = 307,000

The Uninsured



Another way to look at uninsurance by age is to examine the percentage of Kansans in each age group who are uninsured. For example, in 2005–2006, there were 251,684 young adults age 19–24 living in Kansas (Table 1). Of those, about 23 percent — 58,222 — were uninsured. Young adults age 19–24 and age 25–34 are more likely to be uninsured than other Kansans.

In contrast, 7 percent of all children in Kansas — about 51,000 — are uninsured (Table 1). Children are less likely to be uninsured than young adults, presumably because they are more likely to be eligible for publicly sponsored insurance through Medicaid and SCHIP. While children are less likely than young adults to be uninsured, children still comprise a notable 17 percent of the uninsured (Figure 10).

Only 1 percent of the elderly are uninsured. This is because almost all Kansans age 65 and over are covered by Medicare, a federally funded public insurance program.

In recent years, the percentage of adults age 25–34 who are uninsured increased significantly to 23 percent in 2005–2006, up from a six-year low of 17 percent in 2003–2004. The percentage of adults age 35–44 who are uninsured also increased significantly to 16 percent, up from a six-year low of 10 percent in 2002–2003.

Table 1. Percent of Kansans in each age group who are uninsured (2005-2006)

	All Kansans	Children	Age 19–24	Age 25–34	Age 35–44	Age 45–54	Age 55–64	Age 65+
# Uninsured	306,626	51,044	58,222	84,980	52,270	—	—	—
Total #	2,708,719	729,297	251,684	377,651	333,311	375,377	281,690	359,709
% Uninsured	11%	7%	23%	23%	16%	9%	8%	1%

Source: KHI estimates are two-year averages based on the March Current Population Survey, 2006 and 2007.

Note: Estimates of the number uninsured that are based on small sample sizes of fewer than 100 respondents are not reported.

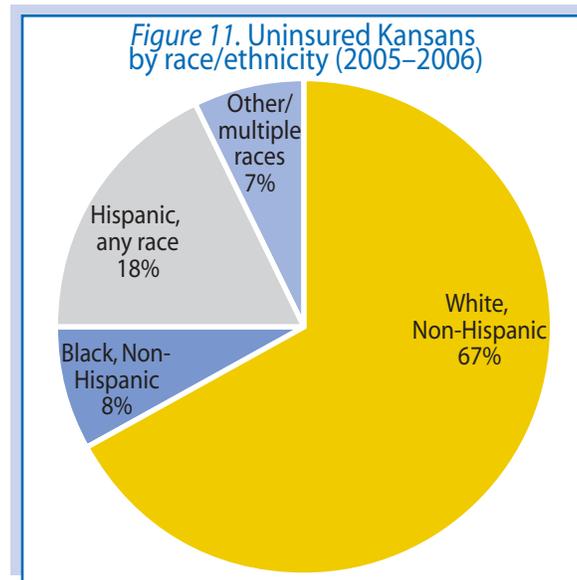


The Uninsured

Race & Ethnicity

Most uninsured Kansans (almost 70 percent) are non-Hispanic whites (Figure 11). However, minorities are disproportionately represented among the uninsured. For example, 18 percent of uninsured Kansans are Hispanic (Figure 11), but only 7 percent of all Kansans are Hispanic.

Most uninsured Kansans are non-Hispanic whites.



Source: KHI estimates are two-year averages based on the March Current Population Survey, 2006 and 2007.
 Note: Uninsured Kansans = 307,000

Table 2 below displays the percentage of each racial/ethnic category who are uninsured. Non-Hispanic whites are least likely to be uninsured.

Hispanics in Kansas are more likely to be uninsured than other groups. One reason may be that Hispanics, especially recent immigrants, are more likely to work in low-wage jobs that do not provide health insurance.

Table 2. Percent of Kansans in racial/ethnic categories who are uninsured (2005–2006)

	All Kansans	White, non-Hispanic	Black, non-Hispanic	Hispanic, any race	Other/multiple races
# Uninsured	306,626	205,822	—	54,819	—
Total #	2,708,719	2,232,190	147,205	193,202	136,121
% Uninsured	11%	9%	16%	28%	17%

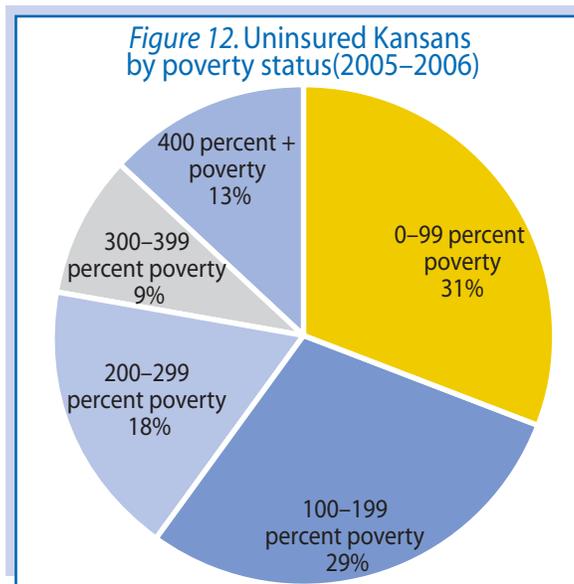
Source: KHI estimates are two-year averages based on the March Current Population Survey, 2006 and 2007.
 Note: Estimates of the number uninsured that are based on small sample sizes of fewer than 100 respondents are not reported.

The Uninsured



Poverty Level

Most uninsured Kansans (about 60 percent) are low-income, but the remaining 40 percent are middle-income or above, with family incomes at or above 200 percent of poverty (Figure 12).⁷



Source: KHI estimates are two-year averages based on the March Current Population Survey, 2006 and 2007.
 Note: Uninsured Kansans = 307,000

Most uninsured Kansans are low-income, but a sizable share of the uninsured are middle-income or above.

2008 Federal Poverty Level guidelines⁸

# of people in family	Annual family income:			
	100% FPL	200% FPL	300% FPL	400% FPL
1	\$10,400	\$20,800	\$31,200	\$41,600
2	\$14,000	\$28,000	\$42,000	\$56,000
3	\$17,600	\$35,200	\$52,800	\$70,400
4	\$21,200	\$42,400	\$63,600	\$84,800

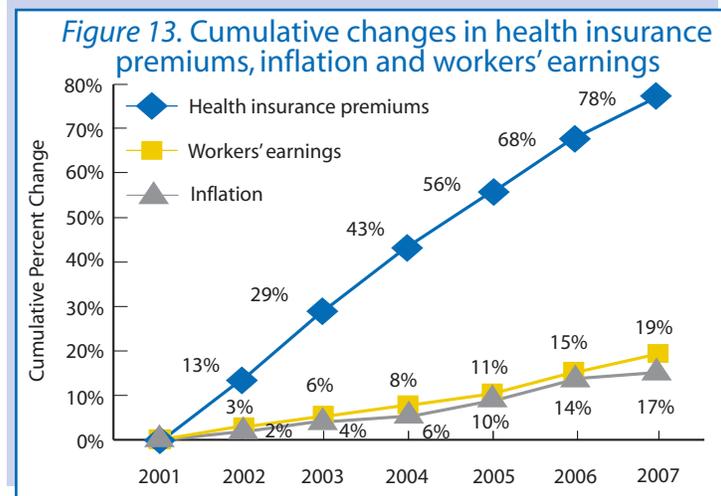
Source: Federal Register, Vol. 73, No. 15, January 23, 2008, pp. 3971–3972.



The Uninsured

Rising premiums over the past six years mean that paying for health insurance, even if it is available through an employer, may be difficult not just for low-income families, but also for many middle-income families (Figure 13). The increasing cost of insurance may also influence decisions by some employers about whether to offer health benefits.

Increases in health insurance premiums have outpaced inflation and workers' earnings.



Sources: Kaiser Family Foundation/HRET Survey of Employer-Sponsored Health Benefits, 2007, and Bureau of Labor Statistics.

Table 3 below displays the percentage of Kansans in each poverty category who are uninsured. Kansans with family incomes below 100 percent of poverty are most likely to be uninsured. Almost 30 percent of poor Kansans are uninsured. The likelihood of being uninsured decreases as family income increases.

Because poverty is on the rise in Kansas, the number of Kansans living in poverty who are uninsured also has increased significantly over the past six years, from 68,602 in 2000–2001 to 95,140 in 2005–2006.

Table 3. Percent of Kansans in poverty categories who are uninsured (2005–2006)

	All Kansans	0–99% poverty	100–199% poverty	200–299% poverty	300–399% poverty	400% + poverty
# Uninsured	306,626	95,140	87,652	54,289	—	—
Total #	2,708,719	345,161	458,498	483,550	414,171	1,007,339
% Uninsured	11%	28%	19%	11%	7%	4%

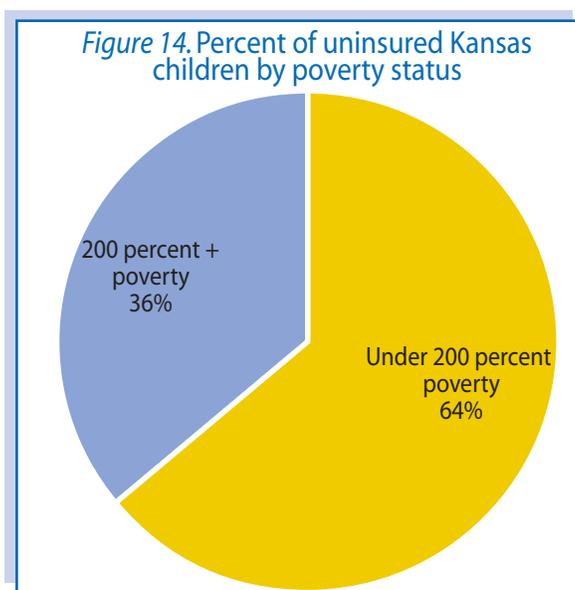
Source: KHI estimates are two-year averages based on the March Current Population Survey, 2006 and 2007.

Note: Estimates of the number uninsured that are based on small sample sizes of fewer than 100 respondents are not reported.

The Uninsured



In Kansas, one of the major criteria for a child's eligibility in Medicaid or SCHIP is that family income must be at or below 200 percent of the Federal Poverty Level (FPL). A key policy question is how many uninsured children are eligible for Medicaid or SCHIP, but are not enrolled. Strictly on the basis of income, about 64 percent of uninsured Kansas children, or 32,500 children, are eligible for Medicaid or SCHIP (Figure 14). However, these estimates are based on small sample sizes and the true value could be as low as 53 percent or as high as 76 percent.⁹



Source: KHI estimates are two-year averages based on the March Current Population Survey, 2006 and 2007.
Note: Uninsured Kansas children = 51,000

CHILDREN

About two-thirds of uninsured Kansas children are income-eligible for Medicaid or SCHIP.



The Uninsured

Work Status

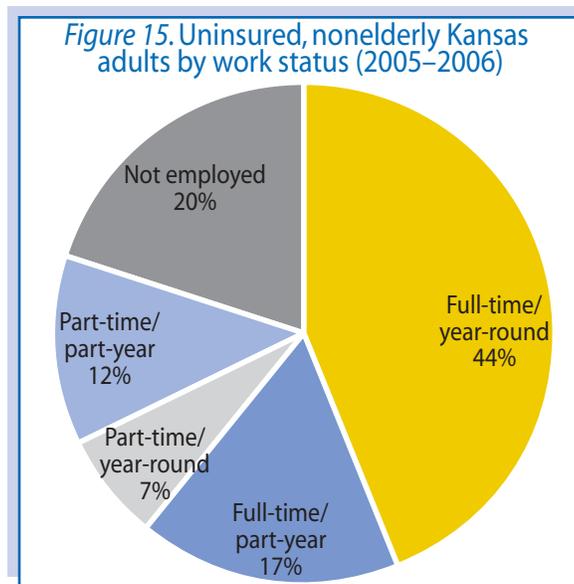
Only 20 percent of uninsured adults in Kansas are not employed at any point during the calendar year. This 20 percent could include students, stay-at-home parents, and other adults out of the labor force, as well as those who are unemployed for the full year but are seeking employment (Figure 15).

Most uninsured adults, about 80 percent, are employed at some point during the year. Despite their work status, these uninsured Kansans do not have health insurance through their own employers or the employers of a spouse or family member. National data indicate that 70 percent of uninsured employees are not offered health insurance by their own employer and do not have access through a family member's employer either. Employees who do have access to health insurance through an employer may not choose to purchase or be able to afford the available insurance.

About half of all uninsured adults in Kansas are employed year-round, and 44 percent work full-time, year-round. (Full-time work is defined as 35 hours or more per week, not necessarily for one employer.) This demonstrates that the employment-based system of health insurance coverage fails to cover some workers and their families in Kansas.

ADULTS

A large share of uninsured Kansas adults work full-time, year-round.



Source: KHI estimates are two-year averages based on the March Current Population Survey, 2006 and 2007.

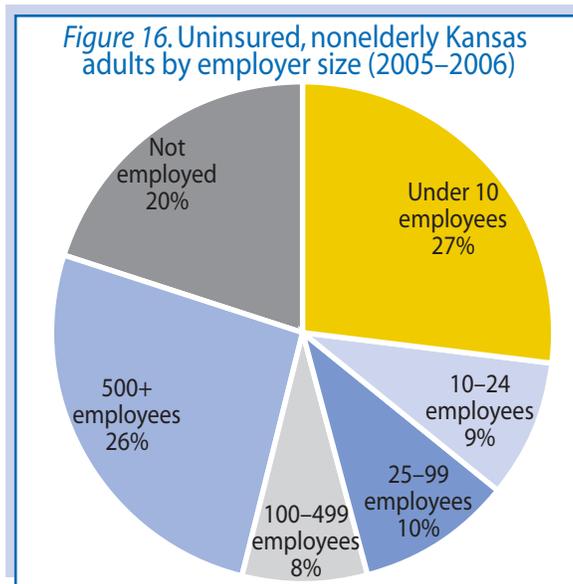
Note: Uninsured adults = 251,000.

The Uninsured



Employer Size

About one-fourth of all uninsured adults work for an employer with fewer than 10 employees, a category that includes most of the self-employed who are uninsured (Figure 16). However, policymakers should not ignore the one-fourth who work for large employers with 500 or more employees.



Source: KHI estimates are two-year averages based on the March Current Population Survey, 2006 and 2007.
 Note: Uninsured adults = 251,000

ADULTS

About one-fourth of uninsured Kansas adults work for employers with fewer than 10 employees and one-fourth work for employers with 500+ employees.

Table 4 below demonstrates that adults who work for small employers with fewer than 25 employees are more likely to be uninsured than adults who work for larger employers.¹⁰ Many small employers find it difficult to offer health insurance to their workers. Insurance premiums in the small group market are typically more volatile than in the large group market. Additionally, the administrative burdens associated with setting up health plans are barriers for some small employers.

Table 4. Percent of adults in each employer size category who are uninsured (2005–2006)

	All adult Kansans	Under 10 employees	10 to 24 employees	25 to 99 employees	100 to 499 employees	500+ employees	Not employed
# Uninsured	251,261	68,120	—	—	—	64,526	49,906
Total #	1,619,713	269,871	108,848	189,312	215,768	590,552	245,361
% Uninsured	16%	25%	21%	14%	9%	11%	20%

Source: KHI estimates are two-year averages based on the March Current Population Survey, 2006 and 2007.
 Note: Estimates of the number uninsured that are based on small sample sizes of fewer than 100 respondents are not reported.



Conclusion

The most recent data from the CPS indicate that the percentage of Kansans who are uninsured — particularly adults — may be on the rise. They also indicate two potential trends in children’s insurance coverage that policymakers should continue to monitor. First, it appears that the percentage of children covered by insurance through a parent’s or guardian’s employer is declining. Second, the number of children covered by Medicaid and SCHIP declined in the most recent fiscal year.

The CPS data also paint a picture of the uninsured in Kansas that should continue to inform health policy discussions:

- Almost half of uninsured Kansans are young adults age 19–34.
- 17 percent of uninsured Kansans are children.
- About two-thirds of uninsured children could be eligible for but not enrolled in either Medicaid or SCHIP.
- Most uninsured adults are employed, demonstrating that the employment-based system fails to cover some workers and their families.
- Most uninsured Kansans are low-income but a sizable number are middle-income. Rising health insurance premiums mean that paying for health insurance, even if it is available through an employer, may be difficult not just for low-income families, but also for many middle-income families.

More than 300,000 Kansans lack health insurance. Understanding who the uninsured are is essential to crafting effective policies to expand access to care and reform the health care system.

About the Data



The Current Population Survey (CPS) is a monthly survey conducted by the Census Bureau in order to gather the information used to calculate the nation's unemployment rate. The Census Bureau expands the CPS every year in March and includes a questionnaire called the Annual Social and Economic Supplement to gather additional information, including information about health insurance coverage in the previous year. Approximately 3,000 Kansans from the civilian, noninstitutionalized population were surveyed in the 2007 March CPS.

The March CPS asks respondents about their health insurance coverage at any point in the prior year. Respondents are allowed to report that they were covered by more than one form of health insurance. Only those respondents who reported that they were never covered by any form of health insurance during the past year are categorized as uninsured.

Therefore, the CPS estimate of uninsurance should represent full-year uninsurance. However, because some respondents may misreport their health insurance status, the CPS estimates of full-year uninsurance tend to be higher than other surveys. Generally, the CPS estimates of uninsurance tend to be more similar to point-in-time estimates of uninsurance. Some researchers treat both the CPS uninsurance estimates and the CPS estimates of particular types of insurance coverage as point-in-time estimates.

While the CPS is the only annual source of health insurance estimates at the state level, the sample sizes within each state are small enough that state estimates are considerably less reliable than national estimates. For this reason, the Census Bureau recommends that researchers use two-year averages to evaluate state trends over time. This report uses two-year averages.

In 2007, the Census Bureau released revised estimates of health insurance coverage for previous years. Due to a programming error by the Census Bureau, some individuals who should have been coded as insured were instead coded as uninsured. As a result, estimates of the number of uninsured in the new historical series are lower than previously reported in the KHI publication, *Understanding Health Insurance in Kansas: Who Has It, and Where Do They Get It?* (2007). The error was corrected prior to the 2007 survey. This report uses the revised estimates for all years.

WHAT IS STATISTICAL SIGNIFICANCE?

In Kansas, about 3,000 individuals were surveyed in the 2007 March CPS. Because these individuals represent the entire population in Kansas, the CPS estimates of the population's characteristics are all associated with some sampling error. In general, estimates of population characteristics that are based on smaller sample sizes are associated with larger sampling error. This means that the estimate is less reliable.

Policymakers often wish to compare two different estimates, such as the percentage of children who are uninsured in one year and another. However, two estimates that appear to be different may not be statistically different from each other, due to the sampling error. The authors concluded that the difference between two estimates was statistically significant if one could say with 90 percent confidence that the difference was greater than zero.



Quick Facts

Table 5. Uninsured Kansans by age (2005–2006)

Age	# Uninsured	Total #	% Uninsured	% of all uninsured
Children	51,044	729,297	7%	17%
Age 0–5	—	238,842	6%	5%
Age 6–18	—	490,455	7%	12%
Adults	251,261	1,619,713	16%	82%
Age 19–24	58,222	251,684	23%	19%
Age 25–34	84,980	377,651	23%	28%
Age 35–44	52,270	333,311	16%	17%
Age 45–54	—	375,377	9%	11%
Age 55–64	—	281,690	8%	7%
Elderly	—	359,709	1%	1%
All Kansans	306,626	2,708,719	11%	100%

Source: KHI estimates are two-year averages based on the March Current Population Survey, 2006 and 2007.

Note: Estimates of the number uninsured that are based on small sample sizes of fewer than 100 respondents are not reported.

Table 6. Uninsured Kansans by poverty level (2005–2006)

Poverty	# Uninsured	Total #	% Uninsured	% of all uninsured
0–99% Poverty	95,140	345,161	28%	31%
100–199% Poverty	87,652	458,498	19%	29%
200–299% Poverty	54,289	483,550	11%	18%
300–399% Poverty	—	414,171	7%	9%
400%+ Poverty	—	1,007,339	4%	13%
All Kansans	306,626	2,708,719	11%	100%

Source: KHI estimates are two-year averages based on the March Current Population Survey, 2006 and 2007.

Note: Estimates of the number uninsured that are based on small sample sizes of fewer than 100 respondents are not reported.

Table 7. Uninsured Kansans by race/ethnicity (2005–2006)

Race/ethnicity	# Uninsured	Total #	% Uninsured	% of all uninsured
White, Non-Hispanic	205,822	2,232,190	9%	67%
Black, Non-Hispanic	—	147,205	16%	8%
Hispanic, Any Race	54,819	193,202	28%	18%
Other/Multiple Race	—	136,121	17%	7%
All Kansans	306,626	2,708,719	11%	100%

Source: KHI estimates are two-year averages based on the March Current Population Survey, 2006 and 2007.

Note: Estimates of the number uninsured that are based on small sample sizes of fewer than 100 respondents are not reported.

Quick Facts



Table 8. Uninsured Kansas adults by work status (2005–2006)

Work status	# Uninsured	Total #	% Uninsured	% of all uninsured
Full-time/year-round	111,374	969,177	11%	44%
Full-time/part-year	—	173,872	24%	17%
Part-time/year-round	—	111,531	16%	7%
Part-time/part-year	—	119,772	25%	12%
Not employed	49,906	245,361	20%	20%
All Kansas Adults	251,261	1,619,713	16%	100%

Source: KHI estimates are two-year averages based on the March Current Population Survey, 2006 and 2007.

Note: Estimates of the number uninsured that are based on small sample sizes of fewer than 100 respondents are not reported.

Table 9. Uninsured Kansas adults by employer size (2005–2006)

Employer size	# Uninsured	Total #	% Uninsured	% of all uninsured
Under 10 Employees	68,120	269,871	25%	27%
10 to 24 Employees	—	108,848	21%	9%
25 - 99 Employees	—	189,312	14%	10%
100 - 499 Employees	—	215,768	9%	8%
500+ Employees	64,526	590,552	11%	26%
Not Employed	49,906	245,361	20%	20%
All Kansas Adults	251,261	1,619,713	16%	100%

Source: KHI estimates are two-year averages based on the March Current Population Survey, 2006 and 2007.

Note: Estimates of the number uninsured that are based on small sample sizes of fewer than 100 respondents are not reported.



Endnotes

- ¹ CPS respondents can report more than one type of insurance coverage for the calendar year. This estimate of employment-based insurance coverage excludes those respondents who were also covered by Medicare or Medicaid at some point during the year. In the “Employment-Based Insurance” section of this report, the estimates of employment-based insurance include those respondents who were also covered by Medicare or Medicaid at some point during the year.
- ² A hierarchical rule was used whereby individuals with multiple forms of coverage were assigned to one insurance category. At the top of the hierarchy was Medicaid, followed by Medicare, employment-based coverage, “other public,” and “other private.” Other public insurance includes military coverage. Other private insurance includes private direct purchase as well as those who are covered primarily by an insurance policy held by someone outside the household. The CPS does not ask about the type of insurance coverage held in this latter case.
- ³ Nonelderly adults covered by Medicare were assigned to the “other public” category.
- ⁴ The small number of children covered by Medicare were assigned to the “other public” category.
- ⁵ Part of the recent decline in employment-based insurance among children in Kansas might be explained by increasingly accurate self-reports of Medicaid and SCHIP coverage. Researchers have long noted that Medicaid participation tends to be underreported in the CPS. Studies indicate that some survey respondents who are actually enrolled in Medicaid instead report that they have private insurance. More accurate self-reports could create the appearance of increases in Medicaid and SCHIP participation and decreases in employment-based coverage. This hypothesis is supported by the fact that increases in the number of Kansas children reported to be covered by Medicaid and SCHIP in recent CPS surveys are much larger than increases documented by administrative records. However, the extent to which this might explain the apparent trend in employment-based coverage is unknown.
- ⁶ In SFY06, the average monthly enrollment of children in both Medicaid and SCHIP was 206,685, based on administrative records. The 2005–2006 CPS estimate, which is based on a two-year time frame that includes SFY06, was approximately 190,000. Underreporting of Medicaid/SCHIP coverage is quite common in the CPS survey, but the discrepancy between administrative figures and CPS figures in Kansas appears to have diminished in recent years. Recent CPS estimates of Medicaid and SCHIP coverage for children are much closer to administrative average monthly enrollment figures, as opposed to annual “ever-enrolled” figures.
- ⁷ Other sources of health statistics, such as Kaiser Family Foundation’s www.statehealthfacts.org, may use a “health insurance unit” instead of the family unit as defined by the Census Bureau to determine poverty status, which results in higher poverty rates. For example, using the health insurance unit, the percentage of nonelderly uninsured Kansans who are below 100 percent of poverty is 37 percent, whereas using the Census Bureau family unit the percentage of nonelderly uninsured Kansans who are below 100 percent of poverty is 31 percent.
- ⁸ In this report, the Census Bureau poverty thresholds are used to determine family poverty. The Federal Poverty Guidelines (FPL) are a simplification of the poverty thresholds.
- ⁹ This estimate uses the family unit as defined by the Census Bureau to determine poverty status, which may undercount the number of children who are income-eligible for Medicaid and SCHIP in Kansas. Using the health insurance unit as opposed to the family unit when determining a child’s poverty status, approximately 68 percent of uninsured children, about 34,500 children, are income-eligible for Medicaid or SCHIP. Source: Urban Institute and Kaiser Commission on Medicaid and the Uninsured estimates based on the March Current Population Survey, 2006 and 2007.
- ¹⁰ Some of these estimates are based on small sample sizes. The difference in estimates of Kansas adults who are uninsured between “under 10 employees” (25 percent) and “10 to 24 employees” (21 percent) is not statistically significant. The differences in estimates between the employer size categories with 25 or more employees are not statistically different from one another.

References



Call, K. T., Davidson, G., Sommers, A. S., Feldman, R., Farseth, P. & Rockwood, T. (2001/2002). Uncovering the missing Medicaid cases and assessing their bias for estimates of the uninsured. *Inquiry* 38(4), 396–408.

Clemans-Cope, L., Garrett, B. (2006). *Changes in employer-sponsored health insurance sponsorship, eligibility, and participation: 2001 to 2005*. Washington, DC: Kaiser Commission on Medicaid and the Uninsured.

Collins, S., Schoen, C., Kriss, J. L., Doty, M. M., & Mahato, B. (2006). *Rite of passage? Why young adults become uninsured and how new policies can help*. New York: Commonwealth Fund.

DeNavas-Walt, C., Proctor, B. D., & Smith, J. (2007). Income, poverty, and health insurance coverage in the United States: 2006. In U.S. Census Bureau, *Current population reports*. (pp. 60-233). Washington, DC: U.S. Government Printing Office.

Dubay, L. (2007). *Making sense of recent estimates of eligible but uninsured children*. Washington, DC: Kaiser Commission on Medicaid and the Uninsured.

Ellis, E., & Duchon, L. (2007). *The Deficit Reduction Act's (DRA) citizenship documentation requirements for Medicaid through the eyes of state officials in December 2006 and January 2007*. Washington, DC: Health Management Associates.

Hadley, J., & Holahan, J. (2004). *The cost of care for the uninsured: What do we spend, who pays, and what would full coverage add to medical spending?* Washington, DC: Kaiser Commission on Medicaid and the Uninsured.

Holahan, J., & Cook, A. (2007). *What happened to the insurance coverage of children and adults in 2006?* Washington, DC: Kaiser Commission on Medicaid and the Uninsured.

Institute of Medicine. (2003). *Hidden costs, value lost: Uninsurance in America*. Washington, DC: National Academies Press.

Kaiser Commission on Medicaid and the Uninsured. (2005). *Early and periodic screening, diagnostic, and treatment services*. Washington, DC: Kaiser Family Foundation.

Kaiser Commission on Medicaid and the Uninsured. (2007). *The uninsured: A primer*. Washington, DC: Kaiser Family Foundation.

Kaiser Commission on Medicaid and the Uninsured. (2007). *Health coverage of children: The role of Medicaid and SCHIP*. Washington, DC: Kaiser Family Foundation.

Kochhar, R. (2005). *The occupational status and mobility of Hispanics*. Washington, DC: Pew Hispanic Center.

Lee, C. H., & Stern, S. M. (2007). *Health insurance estimates from the U.S. Census Bureau: Background for a new historical series*. Washington, DC: Poverty and Health Statistics Branch, Housing and Household Economic Statistics Division, U.S. Census Bureau.

Lee, J. (2002). *Are health insurance premiums higher for small firms?* Princeton, NJ: Robert Wood Johnson Foundation.



KANSAS HEALTH INSTITUTE

212 SW Eighth Avenue., Suite 300

Topeka, Kansas 66603-3936

785.233.5443

www.khi.org