

Why Did the Number of Uninsured Continue to Increase in 2005?

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**K A I S E R C O M M I S S I O N O N
Medicaid and the Uninsured**

Key Findings: 2004-2005

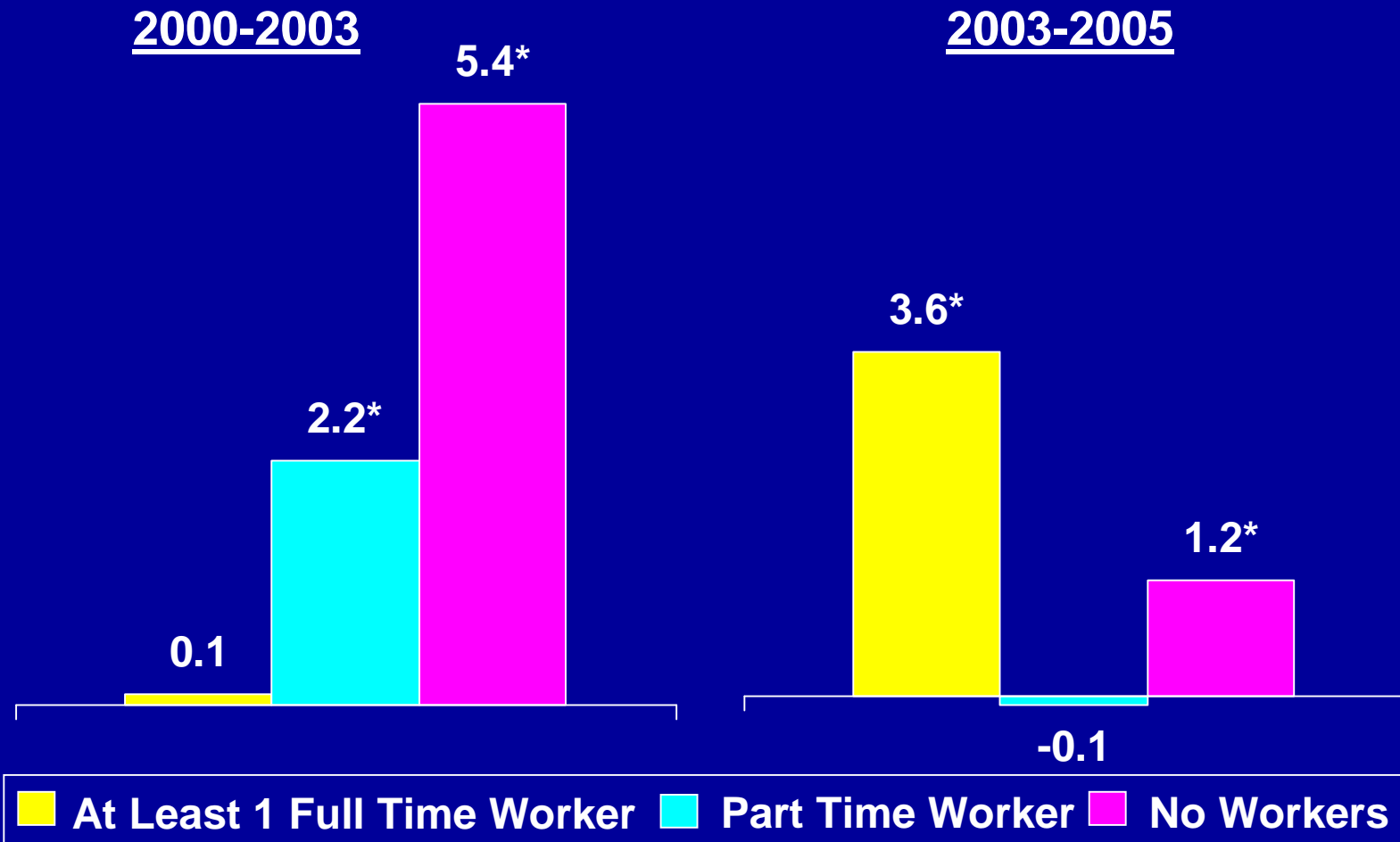
- **The number of uninsured increased in 2005 by 1.3 million: 44.8 → 46.1 million**
 - **Adults accounted for 1.0 million of the increase**
 - **1.1 million were from low-income families (less than 200% FPL)**
- **The uninsured grew in 2005 primarily because of the continued decline in employer-sponsored insurance (ESI)**

Key Findings: 2004-2005 (cont.)

- Unlike previous years, there was no increase in Medicaid/SCHIP coverage to offset the ESI decline → both the uninsured rate and the number of uninsured increased
- ESI decreases were greatest among children from low and middle-income families
- These changes created an increase of 300,000 uninsured children, reversing the small gain (400,000) in coverage among children between 2000 and 2004

Figure 3

Economic Conditions Improved in 2003-2005 vs. 2000-2003: Changes in Family Work Status (in millions of people)

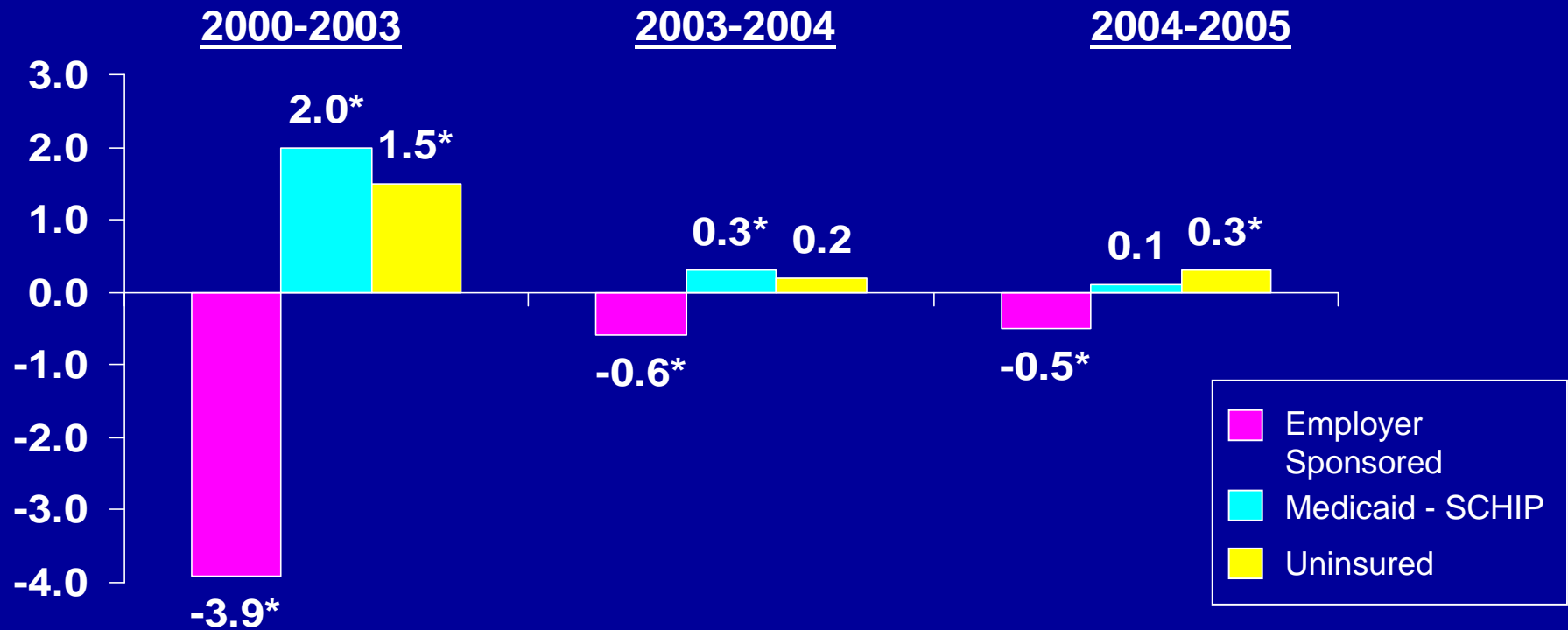


* Statistically significant change ($p < .10$).

Figure 4

Changes in Health Insurance Coverage of the Nonelderly

-- Percentage Point Changes --



Change in Population
Change in Uninsured

7.6 Million*

5.1 Million*

2.4 Million*

0.8 Million*

2.4 Million*

1.3 Million*

- Employer Sponsored
- Medicaid - SCHIP
- Uninsured

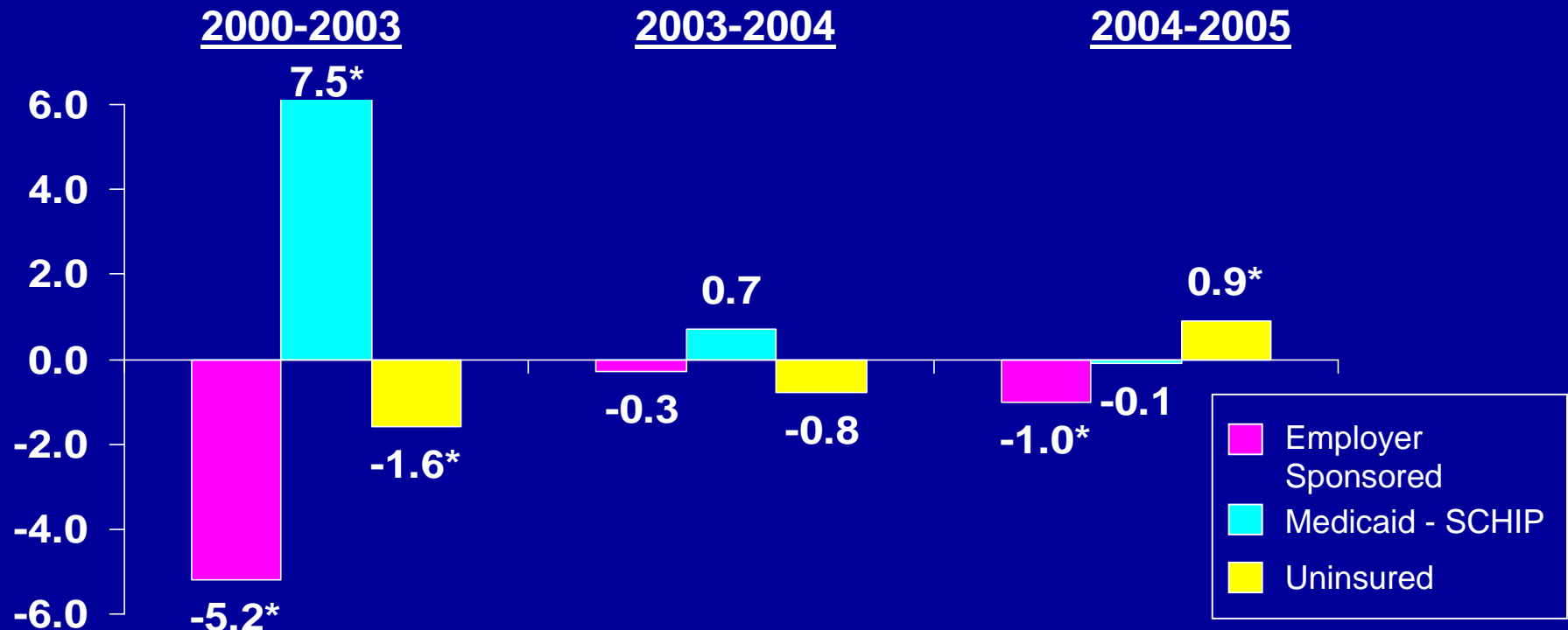
* Statistically significant change (p<.10). Medicaid also includes SCHIP, other state programs.

Figure excludes changes in CHAMPUS/Medicare and private nongroup insurance for ease of presentation because changes in coverage are generally small. Source: Urban Institute

Figure 5

Changes in Health Insurance Coverage of Low Income (<200% FPL) Children

-- Percentage Point Changes --



Change in Population

2.0 Million*

0.0 Million

-0.2 Million

Change in Uninsured

-0.1 Million

-0.3 Million

0.3 Million

- Employer Sponsored
- Medicaid - SCHIP
- Uninsured

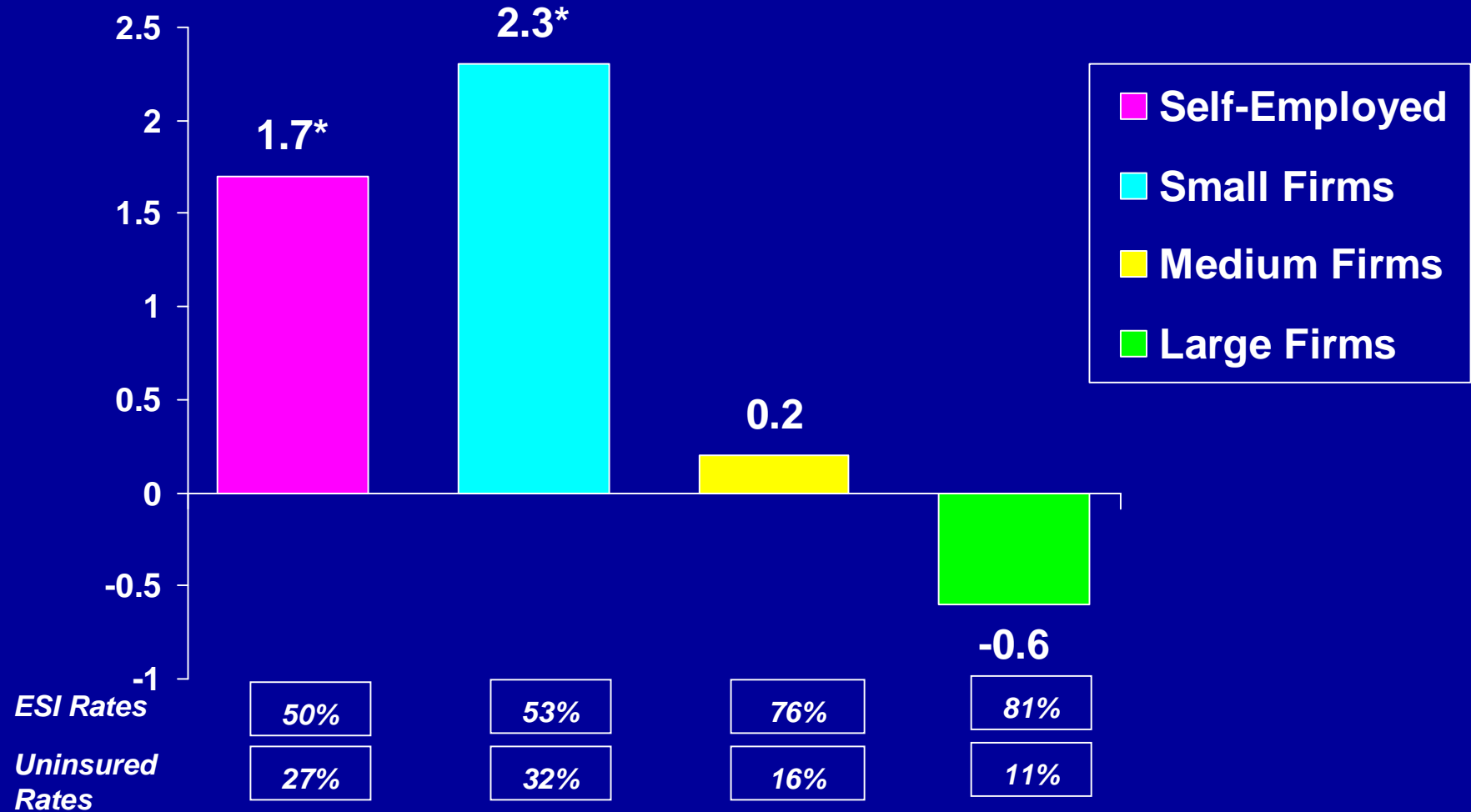
* Statistically significant change ($p \leq .10$). Medicaid also includes SCHIP, other state programs.

Figure excludes changes in CHAMPUS/Medicare and private nongroup insurance for ease of presentation because changes in coverage are generally small. **Source: Urban Institute**

Figure 6

Changes in Employment of Nonelderly Workers, By Firm Size, 2000-2005

In Millions of People

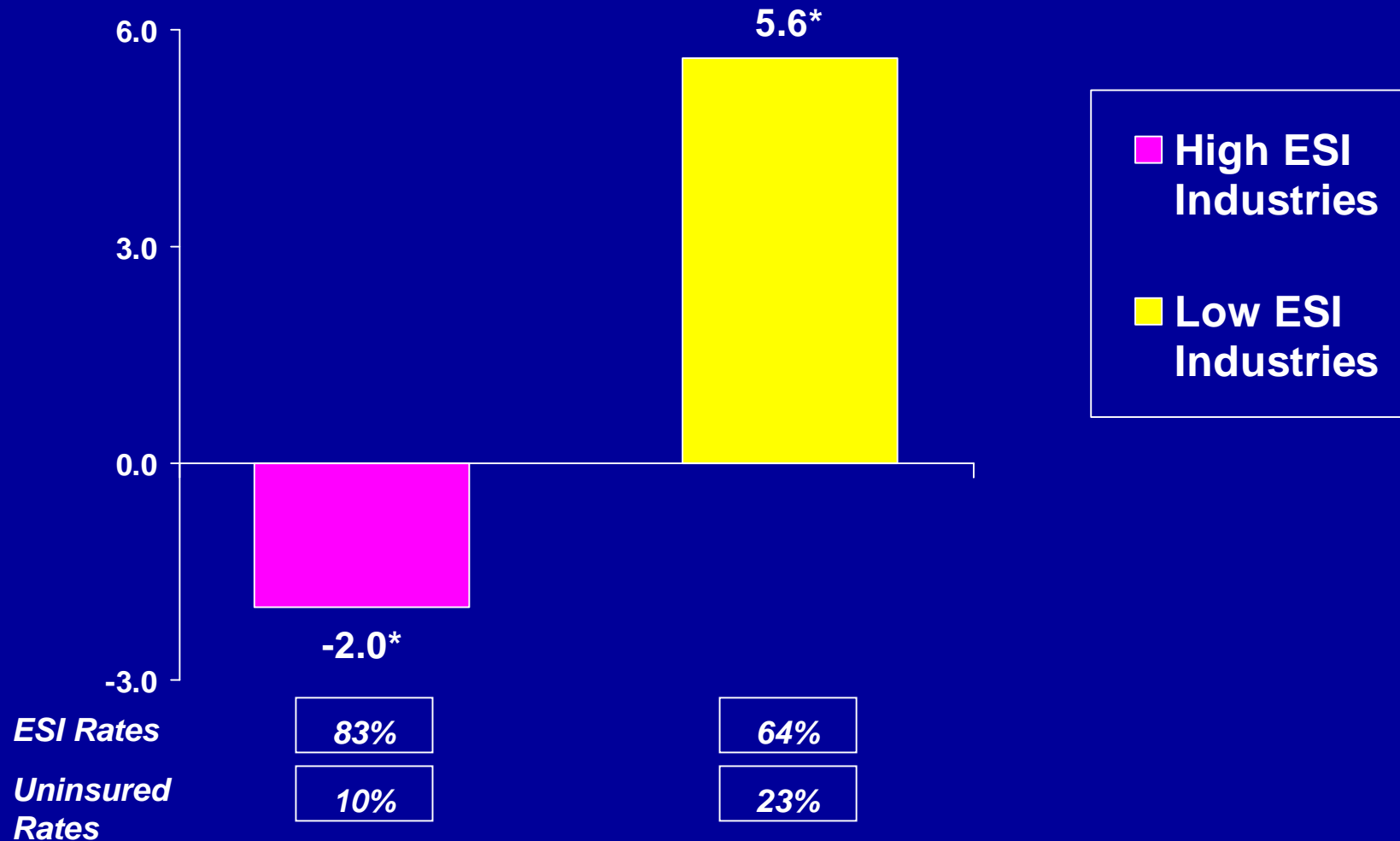


* Statistically significant change (p<.10).

Figure 7

Changes in Employment of Nonelderly Workers, By Industry, 2000-2005

In Millions of People



* Statistically significant change ($p < .10$).

Summary

- **Despite an improving economy after 2003, the share of Americans with job-based insurance continued to decline**
- **By 2005, Medicaid and SCHIP were no longer growing to fill this gap**
- **The large majority of the 1.3 million growth in the uninsured between 2004 and 2005 were adults and most were from low-income families**
- **New development: the number of uninsured children grew slightly in 2005, where declines in ESI were deep—among low and middle income children**