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Churn, Churn, Churn: How Instability of Health Insurance Shapes America's Uninsured Problem

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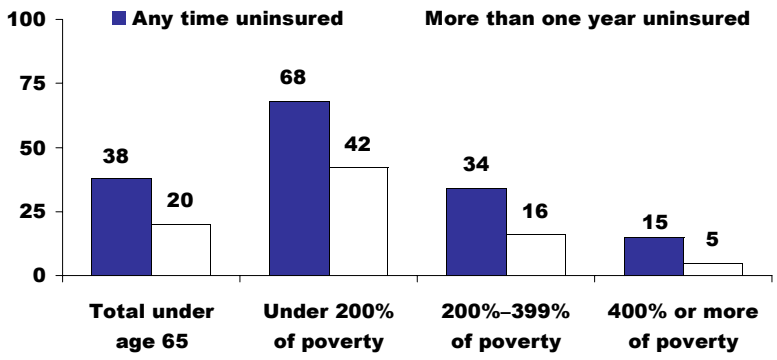
A new analysis of health insurance coverage in America reveals a complex and troubling picture of insurance instability and gaps in coverage over time. Eighty-five million people, or 38 percent of the population under age 65, were uninsured at some point from 1996 through 1999, based on findings from a survey that followed people's health coverage for four years (Chart 1). The number of people who were uninsured during this period was more than double the number who were uninsured at any one point in time. It is also nearly double the 43.6 million Americans recently estimated to be without coverage in 2002.[1]

High uninsured rates and instability, or churning, of health coverage disproportionately affect low-income Americans, minorities, and young adults.

Chart 1

38 Percent of Nonelderly People — 85 Million — Were Uninsured over the Four-Year Period 1996–1999



Source: Short and Graefe (2003) and authors' analysis of the 1996 panel of the Survey of Income and Program Participation.

Two-thirds (68%) of low-income adults (under 200% of poverty) and children, 61 percent of Hispanics, and half of African Americans and young adults had a time without health coverage during the four years.

Insurance churning contributed to an average of 2 million people losing their health coverage each month during the study period. One-third of Americans with any time uninsured (28 million people) were repeatedly uninsured as they moved in and out of public or private coverage. In fact, two-thirds of those leaving Medicaid or other public insurance programs became uninsured—an indication that these programs need to be improved to ensure continuity of coverage and protection for the low-income families they serve.

This issue brief profiles populations at risk for being uninsured and describes the considerable churning in Americans' health insurance over time. It draws from a study recently published in the journal *Health Affairs* that analyzed health insurance coverage data collected by the U.S. Census Bureau in the 1996 panel of the Survey of Income and Program Participation (SIPP),[2] a national survey that tracked more than 40,000 people under age 65 (representing 226 million Americans) over the four years 1996 to 1999.[3] This issue brief supplements the *Health Affairs* analysis with additional analysis of the SIPP survey.

Because SIPP tracked participants over four years, the authors were able to assess patterns of coverage over time and identify people who were persistently uninsured—those who had a cumulative total of more than 12 months uninsured during the four years. During the 1996–99 period, 45 million people accumulated more than one year without coverage while 29 million were uninsured for more than a total of two years. Individuals with repeated gaps in insurance often went without coverage for some time. This group accounted for nearly one-third of those uninsured for more than 24 months during the four years.

Large numbers of people churning in and out of health coverage can drive up the costs of running private and public insurance programs and can undermine efforts to provide effective health care. Recent studies document that those who are uninsured for even short periods often go without needed care, including preventive services, and face difficulties paying medical bills. Repeated gaps in insurance add to these health and financial risks.

This study's findings point to the need for new public policies that emphasize retention of insurance, enabling people to stay insured even as their jobs, family circumstances, or incomes change. The failure to design programs for low-income families with retention in mind puts those families at repeated risk of losing coverage and wastes the substantial public and private investment in outreach and enrollment. Policies that minimize coverage gaps and churning would help protect families, enhance the effectiveness of health care, and improve the efficiency of insurance.

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Eighty-Five Million Uninsured: Disparities Based on Income, Age, and Race

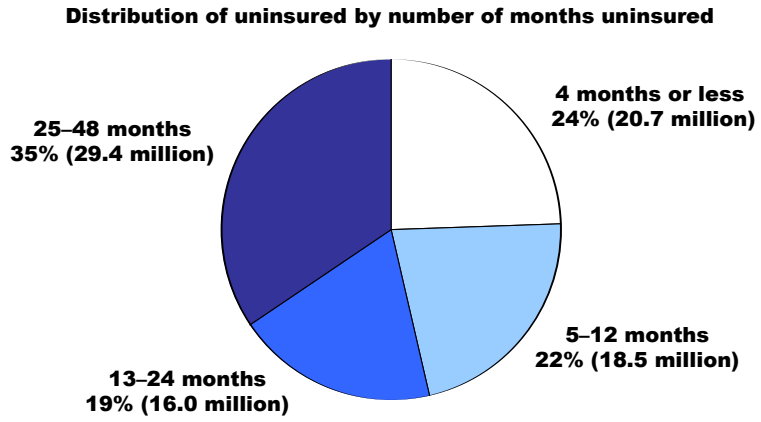
A total of 84.8 million Americans under age 65 were uninsured for at least one month between 1996 and 1999. This amounts to 38 percent of the population under 65 who were tracked over these four years (Chart 1).[4] Most of these individuals spent a significant amount of time without coverage.

More than half—45 million (54%)—of those who spent any time uninsured lacked coverage for more than a cumulative total of one year during the course of the four years, and 29 million had no insurance for more than two years. Only about one-quarter (24%) went without coverage for as few as one to four months (Chart 2). Because it was designed to track coverage over a long period, the survey was thus able to identify millions more people who were uninsured for 12 months or more than estimates based on any single calendar year.[5]

Low-income individuals and families were at the highest risk for being uninsured and experiencing more time without coverage. Over two-

Chart 2

More than Half of Those Uninsured — 45 Million — Were Uninsured for More than One Year During 1996–1999



Source: Short and Graefe (2003) and authors' analysis of the 1996 panel of the Survey of Income and Program Participation.

thirds (68%) of people with low income (below 200% of the poverty level) were uninsured at some time during the four years (Chart 3). Uninsured rates were similarly high among those living at less than 100 percent of the poverty level (71% during the four years) and from 100 percent to 199 percent of poverty (66% uninsured during the four years.) For people with moderate income (200%–399% of poverty), uninsured rates were also relatively high: 34 percent, compared with 15 percent of those with higher income (400% of poverty or higher). (In 2002, the poverty threshold was defined as an annual income of $9,355 for a single individual and $18,244 for a family of two adults and two children.)

Among those with low income, 42 percent were uninsured for more than one year of the four and 28 percent were uninsured for more than two years, double the rate for those at higher income levels. (See Table 1 for a more detailed breakdown of coverage based on income.)

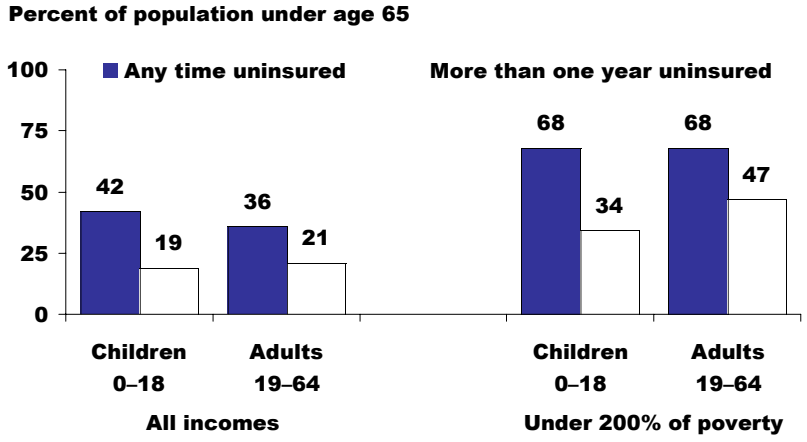
Adults (ages 19 to 64) and children (under age 19) below 200 percent of poverty were about equally likely to have a time uninsured during the four years. However, low-income children were uninsured for fewer total months during this period than were low-income adults. This difference likely reflects recent public expansions of health coverage to children.

The study also found disparities in health insurance coverage based on age, ethnicity, and race. Among adults, younger adults were the most likely to have spent some time uninsured; 55 percent of adults ages 19 to 24 were uninsured for part of the four years compared with 21 percent of adults ages 55 to 64 (Appendix Table 1). However, when uninsured, older adults typically went for more months without coverage.

With regard to race/ethnicity, African Americans and Hispanics were more likely than white non-Hispanics to have been uninsured at any time during the four years and to be persistently uninsured (Chart 4). Half of African Americans and 61 percent of Hispanics had a time uninsured, with even higher rates among those with low income. Among those with low income, Hispanics stand out both for the proportion who spent any time

Chart 3

More than Two-Thirds of Low-Income Adults and Children Were Uninsured over Four Years, 1996–1999



Source: Short and Graefe (2003) and authors' analysis of the 1996 panel of the Survey of Income and Program Participation.

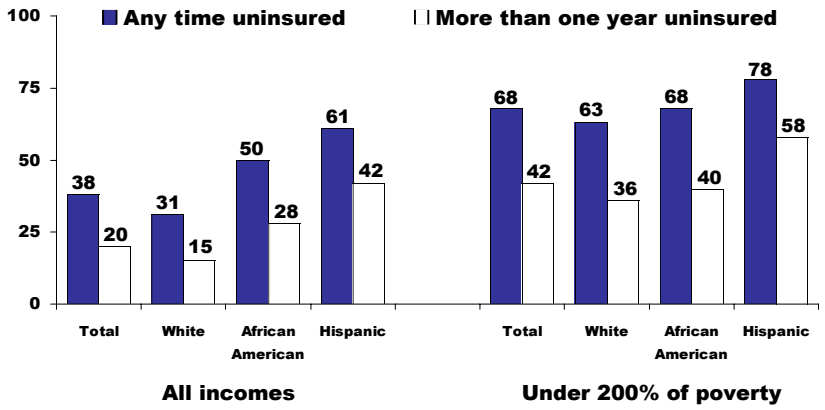
Table 1. Patterns of Insurance Coverage over Four Years for the Uninsured by Poverty Level (U.S. population under age 65, 1996–1999)

		Poverty Level		
	Total	Under 200% of Poverty	200%–399%	400% or More
Total Population Under 65 (millions)	**225.5**	**66.7**	**83.8**	**74.9**
Percent Uninsured During Four Years				
Any time uninsured	38%	68%	34%	15%
Uninsured more than one year*	20	42	16	5
Uninsured more than two years**	13	28	10	3
Repeatedly uninsured	13	26	10	3
Millions with Any Time Uninsured	**84.8**	**45.2**	**28.6**	**11.0**
Percent Distribution of Uninsured by Months Uninsured and Frequency				
1 to 4 months	24%	18%	29%	41%
5 to 12 months	22	20	24	25
13 to 24 months	19	20	18	14
25 to 48 months	35	42	29	21
Repeatedly uninsured	33	38	30	23

* Uninsured 13 to 48 months. ** Uninsured 25 to 48 months.
Source: Authors' tabulations of the 1996 panel of the Survey of Income and Program Participation.

Chart 4

Uninsured Time by Race/Ethnicity and Income During Four Years, 1996–1999



Source: Authors' analysis of the 1996 panel of the Survey of Income and Program Participation.

uninsured and for the number of months uninsured. Nearly 60 percent of low-income Hispanics were uninsured for a cumulative period of more than one year.

Two Million People Lose Insurance Every Month

Looking at numbers of people ever uninsured and cumulative time spent uninsured tells only part of the health coverage story. The other critical factor involves how people move back and forth between having and not having insurance—in other words, the churning or instability of coverage. Not only do millions of people lose or gain health insurance over time, but millions experience repeated gaps in coverage.[6] According to the survey, 28 million (one-third of those ever uninsured) were repeatedly uninsured over four years. Furthermore, although past studies show that people who become uninsured often regain coverage within five or six months,[7] analysis over several years shows that short uninsured spells are more likely than long spells to be part of a pattern of recurring gaps.[8]

As uninsured gaps occur repeatedly, the total time uninsured accumulates.[9] Thus, statistics showing that uninsured gaps are often short are misleading because multiple gaps are common. Nearly two-thirds (64%) of people who had repeated gaps in coverage—18 million people—lacked coverage

for more than a total of one year in four years. Thirty percent of those repeatedly uninsured were uninsured for more than a total of two years. In total, repeated gaps in coverage accounted for nearly a third of all those uninsured for more than two of the four years tracked by the survey.

Furthermore, with so much churning and so many people losing their health insurance all the time, the numbers uninsured for a long duration accumulate over several years. On average from 1996 to 1999, two million people lost their health insurance every month. Assuming that about one-third remained uninsured for over one year and one-sixth for over two years, sometimes beyond the end of the four-year survey,[10] then the continual loss of health insurance over four years produced 27 million uninsured gaps that lasted more than one year and 15 million that lasted more than two years. In addition, over the four years tracked in the survey, 10 million people were always uninsured.[11]

The survey identified several additional patterns of churning. For example, 16 million people (out of the 85 million uninsured) had a single, isolated gap in otherwise stable coverage.[12] Most of these isolated gaps were relatively short, with 86 percent shorter than one year. Most (70%) of the one-time gaps involved interruptions in employer insurance; 16 percent resulted from temporary breaks in Medicaid or SCHIP. The isolated and typically short-term gaps were particularly common among the uninsured at higher income levels.

Churning also produced a group of uninsured who might be characterized as "scrambling for coverage."[13] These 8.5 million people were uninsured only once in four years, but moved frequently from one type of health insurance to another. Their insurance source was unstable, changing at intervals averaging one year or less.

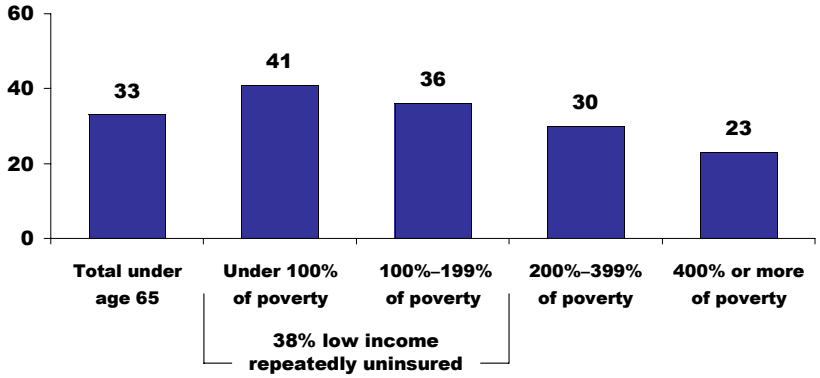
Factors Contributing to Insurance Churning Among Low-Income Families

Those most often affected by churning are low-income adults and children, who are the most likely to experience repeated gaps in coverage and accumulate multiple months uninsured. About one-quarter (26%) of all low-income people (incomes less than 200 percent of the poverty threshold) experienced two or more lapses in coverage during the four-year period, more than double the rates among higher-income families. Among all people who spent any time uninsured, 41 percent of those below 100 percent of the poverty threshold and 36 percent of those with incomes between 100 percent and 199 percent of poverty were repeatedly uninsured, compared with 23 percent of the uninsured living at 400 percent of poverty or higher (Chart 5).

Chart 5

Low-Income Families at Risk for Repeated Gaps in Coverage

Percent of uninsured with more than one time uninsured during four years, 1996–1999



Source: Short and Graefe (2003) and authors' analysis of the 1996 panel of the Survey of Income and Program Participation.

For low-income families, turnover in Medicaid contributed to instability in health insurance. Over half of people with low income who were repeatedly uninsured left and reentered Medicaid or SCHIP during the four years.[14] This highlights the instability that occurs when factors such as changes in work hours or earnings, becoming pregnant, or moving into a different age

group (e.g., turning 19 and thus becoming an adult) can eliminate eligibility for public coverage.[15] Low-income women are particularly vulnerable to small changes in life circumstances resulting in loss of coverage through public programs. Churning also occurs if low-income families fail to negotiate the administrative complexities involved in maintaining and re-enrolling family members in Medicaid or SCHIP.[16]

Instability of employer insurance is the other major factor that contributes to churning at low-income levels. Three-quarters of the low-income individuals who were repeatedly uninsured were covered by employers at some time in the four years. About 40 percent of those ever enrolled in private insurance had two or more spells of such coverage[17] (Appendix Table 2).

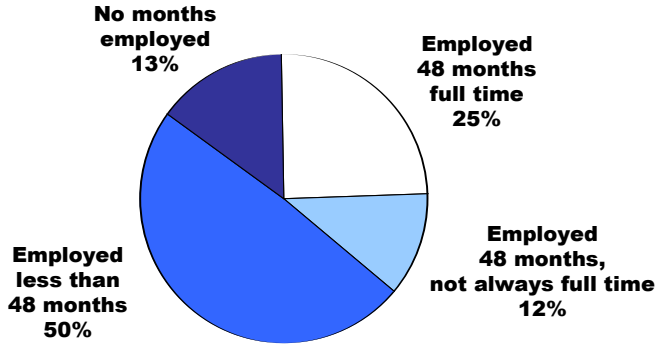
Unstable employment is more typical at low-income levels and is associated with unstable health insurance. Half of those in the low-income group were in families where the adults were in and out of work over the four years (Chart 6). Only 37 percent in this group were in families headed by an adult who was working (full- or part-time) throughout the entire four years; 25 percent of them were in families with a constant full-time worker. Thirteen percent were in families where no adult worked at all during the four years.

Unstable employment was associated with repeated gaps in coverage for these low-income families. For example, being repeatedly uninsured affected 34 percent of those in families where the adults were in and out of work, 23 percent of those in families where an adult was always working (but not always full time), and just 17 percent of those in households with a full-time worker throughout the four years (Chart 7).

Chart 6

Low-Income Families Often Experience Unstable Employment

Distribution of population with incomes under 200 percent of poverty by employment status of family head during four years

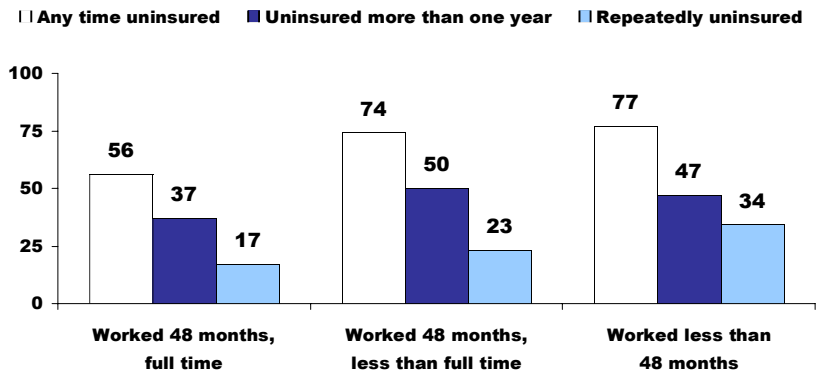


Source: Authors' analysis of the 1996 panel of the Survey of Income and Program Participation.

Chart 7

Less Stable Employment Increases Rates Uninsured, Length of Time Uninsured, and Churning

Uninsured patterns by work status of family head, under 65 population with income under 200 percent of poverty



Source: Authors' analysis of the 1996 panel of the Survey of Income and Program Participation.

However, even when headed by a full-time worker for four years, low-income families remained at high risk of being uninsured. More than half of low-income people in this full-time work group (56%) had some time uninsured and more than one-third were uninsured for more than one year of the four years. These high uninsured rates likely

reflect low-wage jobs without benefits and lack of eligibility for public coverage.

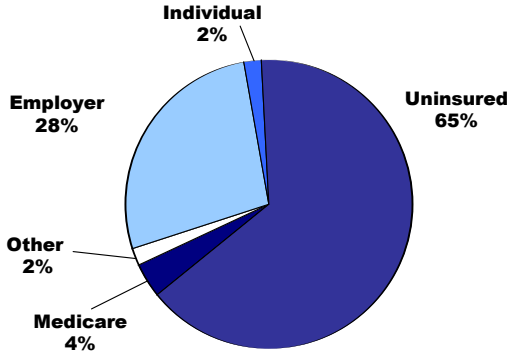
Churning In and Out of Public and Private Insurance

For some people, churning of health insurance coverage meant gaining and losing eligibility for Medicaid/SCHIP, others went in and out of private insurance, and still others moved back and forth between public and private insurance. In all of these scenarios, uninsured spells often occurred as a result of changes in coverage. And low-income families were more vulnerable to churning.

Chart 8

The Majority of People Who Lose Medicaid Become Uninsured

Distribution of transitions from Medicaid to other sources of coverage during 1996–1999, under age 65



Source: Authors' analysis of the 1996 panel of the Survey of Income and Program Participation.

All together, 43 million of the 226 million people represented in the cohort followed in SIPP were covered by Medicaid or SCHIP at some point in the four-year period; 23.5 million were adults under age 65 at the end of 1999 and 19.5 million were children who were born before 1996 and were still under age 19 in 1999. This public coverage was highly unstable over time. Only 17 percent of Medicaid/SCHIP beneficiaries were covered by the programs for the entire four years, another 31 percent were enrolled for more than two (but less than four) years, and 35 percent were enrolled for a year or less (Appendix Table 2).

An average of nearly one million people left Medicaid/SCHIP every month, the majority (65%) becoming uninsured (Chart 8). Only 28 percent succeeded in moving without a gap from Medicaid to employer coverage. Two-thirds of those who were ever covered by Medicaid/SCHIP were uninsured for part of the four years, whether before or after being on Medicaid/SCHIP (or between periods of enrollment). Notably, two of five (40%) of those with any time on Medicaid/SCHIP left and later re-enrolled in one of these programs (Appendix Table 2).

For the general population, private employer-sponsored coverage was a fairly stable source of health insurance. Among all income levels, nine of 10 people were covered at some point by private insurance. Nearly two-thirds of those with private coverage were privately insured throughout the four-year period; only 8 percent were enrolled for one year or less.

While most people who had private employer insurance kept it, among those who lost their employer insurance, over half (53%) became uninsured (Chart 9). On average during the four year period, over 2 million people left employer insurance every month: 27 percent subsequently purchased individual insurance and 11 percent joined Medicaid or SCHIP.

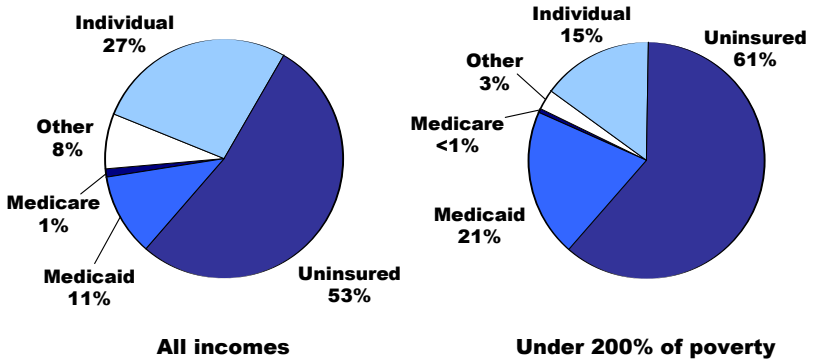
The low-income population leaving private insurance was at greater risk of becoming uninsured: 61 percent of people with low income who left employer insurance plans became uninsured. Only one of five (21%) were able to move without a gap in coverage onto Medicaid/SCHIP public coverage. Few (15%) low-income people purchased other private insurance after losing employer-based coverage.

In addition, people with low income were less likely to benefit from the stability of private insurance than those with moderate to high income. One-third (36%) of those in the low-income group with private coverage were inter-

Chart 9

When People Lose Employer Coverage, Half or More Become Uninsured

Distribution of transitions from having employer coverage to other insurance sources during 1996–1999, under age 65



Source: Authors' analysis of the 1996 panel of the Survey of Income and Program Participation.

Approximately 2 million of the uninsured in all income groups regained insurance every month. Nearly 30 percent joined Medicaid/SCHIP and 61 percent were enrolled by employers (Chart 10). In the low-income population, the split between public and private insurance was tilted more toward public coverage (with 47% of the formerly uninsured enrolling in Medicaid/SCHIP and 45% enrolling in employer insurance.) Over the four years, about one-third of the 85 million people who were ever uninsured spent time on Medicaid or SCHIP. Three-quarters were covered at some point by private health insurance.

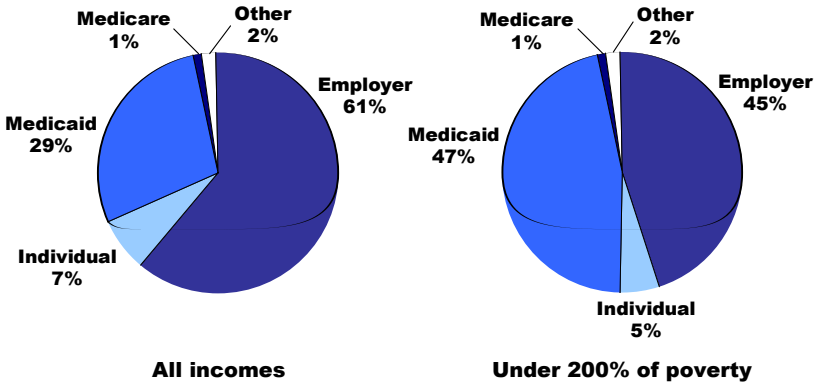
mittently enrolled. Only three of five retained private insurance for more than two of the four years. The frequent movement in and out of private insurance often resulted in time spent uninsured. In fact, two-thirds of low-income families who were ever privately insured spent time uninsured; one-third were uninsured more than once (Appendix Table 2).

Not everyone remained exclusively within the domains of either public or private insurance. Tracking coverage over four years showed that private insurance touches a good deal of the population served by public insurance. Two-thirds (62%) of Medicaid/SCHIP recipients were also covered at some point by private health insurance, including 38 percent for more than one year and 27 percent for more than two years. Given that the number of people ever enrolled in private insurance is much larger than the number ever enrolled in public insurance, the public–private overlap was a much smaller share of private enrollment (just 13% in the general population). However, two of five (43%) low-income enrollees in private insurance were also enrolled at some point in Medicaid.

Chart 10

Where Do the Formerly Uninsured Get Insurance?

Distribution of transitions from being uninsured to other sources of coverage during 1996–1999, under age 65



Source: Authors' analysis of the 1996 panel of the Survey of Income and Program Participation.

All of this churning—from one type of insurance to another, recycling through the same type of insurance, with frequent and repeated spells uninsured—adds up to numerous changes over time. An estimated 40 million people had two different spells of private insurance, including 10 million who were covered three or more different times. Some 17 million people were on Medicaid two or more times in four years. The fact that most people become uninsured for at least some period of time

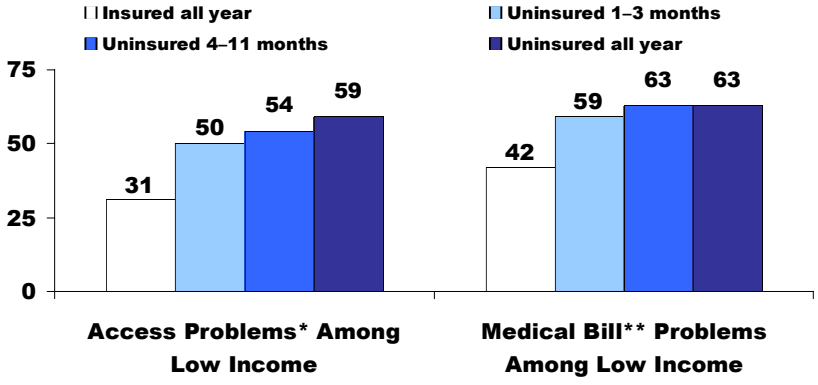
after leaving a source of health coverage accounts for the high percentage of the population that was ever uninsured. The extent to which this churning adds to the administrative costs of enrolling and disenrolling people in both public and private insurance programs is an important question.

Gaps in Coverage and Risks to Families

Recent studies document that both short and long periods uninsured can undermine needed access to care and put patients and their families at heightened risk of catastrophic medical bills.[18,19] Analysis of the Commonwealth Fund 2001 Health Insurance Survey by months uninsured during the year, for example, finds any break in coverage exposes adults to potential access or cost problems. Among low-income populations, those uninsured for 1 to 3 months, 4 to 11 months or all 12 months reported going without needed care due to costs[20] or medical bill problems[21] at rates up to two times higher than those insured all year (Chart 11).

Chart 11

Among Low Income, Any Spells Uninsured Are Associated with Access and Medical Bill Problems



Low income defined as under 200% of poverty.
* Skipped medical test or treatment, did not see doctor or recommended specialist when needed, or did not fill a prescription due to costs.
** Unable to pay medical bills, contacted by collection agency, or had to change way of life to pay medical bills.
Source: The Commonwealth Fund 2001 Health Insurance Survey.

Use of preventive care also tends to be lower among those with any time uninsured during the year.[22] This is most likely because frequent lapses in insurance and long periods continuously without insurance disrupt connections to the health care system and regular sources of care. These problems are most acute for low-income families.

Summary and Implications

The examination of health insurance coverage over time reveals considerable churning and instability, as well as populations at risk for being persistently uninsured. These findings indicate that incremental policy reforms must focus not just on targeting people at a point in time, but also on ensuring stability of coverage over time. The high frequency of people being repeatedly uninsured points to the need to redesign public and private programs to allow families to retain their coverage as circumstances change or until they securely transition into other sources of health insurance.

Adults and children with incomes below 200 percent of poverty are constantly threatened by the possibility of losing health insurance, as evidenced by the high percentage with repeated gaps in coverage over time, as well as the possibility of remaining uninsured for a long time. Currently, public programs contribute to this instability. Where people are recycling through Medicaid or SCHIP, administrative simplification or changes in eligibility rules could stabilize coverage.

The finding that two-thirds of those leaving public coverage become uninsured points to the considerable room for improvement. A high proportion of these low-income individuals and families eventually return to Medicaid or SCHIP, given the number with two or more periods of enrollment in four years. Eligibility and administrative changes that make it easier to stay on public coverage would complement changes that have made it easier to enroll and could lower uninsured rates and time uninsured. Most likely, such efforts would also lower

administrative costs associated with the churning in and out of public programs.

Private, job-based coverage for the low-income population is often unavailable or highly unstable, likely reflecting frequent breaks in employment and changes in jobs, hours, or other working conditions. This instability may also reflect waiting periods for new employees and other eligibility rules used by lower-wage private employers to restrict access to benefits.[23] With stability as a goal, the challenge to public policy is to find ways to blend public programs and private policies to avoid the insurance gaps and churning costs that result when workers and families cycle on and off of public or private coverage. To the extent that job turnover undermines coverage stability, designing ways for employers to contribute to the cost of coverage, without directly administering health insurance, could enhance continuity.

Efforts to reduce churning in public and private plans or to assure more seamless transitions from one source of coverage to another would also enhance the efforts of physicians and other clinicians to provide effective care. The possibility of changing networks of care, frequent transitions from one insurance program to another, and losing coverage entirely are likely to undermine the continuity, timeliness, and appropriateness of care.

Isolated gaps in coverage are also frequent enough to warrant policy attention. These occur most frequently for those with higher incomes and are typically short. Mostly, these situations result from the loss of and return to employer coverage. Consequently, subsidizing COBRA coverage or other strategies to extend job-based coverage during times of job loss could bridge these isolated and temporary gaps in coverage.

Churning and instability add to the size, seriousness, and complexity of America's uninsured problem. Surveys that track the health insurance of individuals over time reveal a much larger share of the population at risk for being uninsured than surveys taken at a single point in time. Furthermore, as many as half the people who are persistently uninsured (defined here as being uninsured more than 12 months in four years) are missed in surveys that count only those uninsured for 12 consecutive months in a particular calendar year. The focus on churning adds another dimension to the challenge of designing incremental reforms that will neatly fill current gaps in health insurance, without creating new sources of instability or replacing existing insurance.

Notes

1 U.S. Census Bureau, *Health Insurance Coverage in the United States: 2002* (Washington, D.C.: U.S. Department of Commerce, Sept. 2003).

2 Pamela Farley Short and Deborah R. Graefe, "Battery-Powered Health Insurance? Stability in Coverage of the Uninsured," *Health Affairs* 22 (Nov./Dec. 2003): 244–55.

3 The tracking began as early as December 1995 and continued as late as February 2000. For a description of SIPP and the study methods, see the Methods box.

4 The survey tracked a representative sample of people living in the U.S. in 1996 over four years, including children born at the outset of the survey. This sample represents 226 million of the under-65 population.

5 For example, one recent study estimated that only 21 to 31 million people are uninsured for all 12 months of any calendar year. Congressional Budget Office, "How Many People Lack Health Insurance and for How Long?" (Washington, D.C.: CBO, May 2003).

6 Short and Graefe, "Battery-Powered," 2003.

7 CBO, "How Many People?" 2003.

8 Ibid.

9 Short and Graefe, "Battery-Powered," 2003.

10 CBO, "How Many People?" 2003.

11 Short and Graefe, "Battery-Powered," 2003.

12 Ibid.

[13] Ibid.

[14] Ibid. See Exhibit 5.

[15] Pamela Farley Short and Vicki A. Freedman, "Single Women and the Dynamics of Medicaid," *Health Services Research* 33 (Dec. 1998, Pt. 1): 1309–36; Pamela Farley Short, *Medicaid's Role in Insuring Low-Income Women* (New York: The Commonwealth Fund, May 1996); Sara R. Collins, Cathy Schoen, and Katie Tenney, *Rite of Passage: Why Young Adults Become Uninsured and How New Policies Can Help* (New York: The Commonwealth Fund, May 2003).

[16] Leighton Ku and Donna Cohen Ross, *Staying Covered: The Importance of Retaining Health Insurance for Low-Income Families* (New York: The Commonwealth Fund, Dec. 2002); Karen Lipson et al., *Rethinking Recertification: Keeping Eligible Individuals Enrolled in New York's Public Health Insurance Programs* (New York: The Commonwealth Fund, Aug. 2003).

[17] Short and Graefe, "Battery-Powered," 2003.

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[19] Ayanian et al., "Unmet Health Needs," 2000; Schoen and DesRoches, "Uninsured and Unstably Insured," 2000.

[20] Forgone care included four questions that asked if during the past year: the adult had a time when he/she did not see doctor when sick, did not fill a prescription, did not get recommended test or treatment, or did not see a specialist when needed due to costs.

[21] Medical bill problems included three questions: In the past year the adult reported problems paying medical bills, collection agency for medical bills, or had to change way of life significantly to pay medical bills.

[22] Ayanian et al., "Unmet Health Needs," 2000.

[23] Sherry Glied, Jeanne M. Lambrew, and Sarah Little, *The Growing Share of Uninsured Workers Employed by Large Firms* (New York: The Commonwealth Fund, Oct. 2003); Jon Gabel et al., "Embraceable You: How Employers Influence Health Plan Enrollment," *Health Affairs* 20 (Jul./Aug. 2001): 196–208.

Appendix Table 1. Percent Distribution by Months Uninsured over Four Years, by Population Characteristics (U.S. population under age 65, 1996–1999)

Characteristics	Number (Millions)	Percent Distribution by Number of Months				
		Any Time Uninsured	1–4 Months	5–12 Months	13–24 Months	25–48 Months
TOTAL	**225.5**	**37.6%**	**9.2%**	**8.2%**	**7.1%**	**13.1%**
Family income as percent of poverty (4-year average)						
<100%	23.5	70.5	13.1	15.2	14.7	27.5
100%–199%	43.2	66.2	11.4	12.6	13.2	29.0
200%–399%	83.8	34.1	9.8	8.2	6.3	9.9
400% or more	74.9	14.6	6.0	3.6	2.1	3.0
Race/Ethnicity						
White, not Hispanic	157.9	31.0	8.6	7.5	5.6	9.3
Black, not Hispanic	30.0	50.3	11.7	10.7	10.9	17.1
Hispanic	27.2	60.7	9.2	9.8	11.5	30.3
Other	10.4	40.0	11.3	8.2	7.1	13.4
Family Employment						
No months	11.1	45.2	10.9	10.1	8.3	15.9
Less than 48 months	60.0	64.2	12.8	14.5	13.8	23.1
48 months	154.4	26.7	7.7	5.7	4.4	9.0
All full-time	129.2	22.0	7.0	4.6	3.4	7.0
Other	25.2	50.8	11.1	11.1	9.3	19.4
Family Structure						
With children	163.5	39.3	9.7	8.9	7.6	13.1
Single	35.2	59.2	14.7	15.2	12.1	17.4
Couple	128.4	33.9	8.4	7.2	6.3	11.9
No children	62.0	33.0	7.8	6.4	5.9	13.0
Single	12.5	52.5	8.9	9.0	9.1	25.5
Couple	49.5	28.1	7.5	5.7	5.1	9.8
Age						
Under 19	60.7	42.0	12.9	10.5	8.2	10.4
19–24	22.2	55.2	12.3	12.3	11.6	19.0
25–34	38.0	51.5	11.0	11.4	10.2	18.9
35–54	81.2	27.8	6.0	5.4	4.5	11.9
55–64	23.4	20.8	4.7	3.0	3.9	9.1
Gender						
Female	113.0	37.1	9.5	8.7	7.1	11.8
Male	112.6	38.1	8.9	7.8	7.1	14.3

Source: Authors' tabulations of the 1996 panel of the Survey of Income and Program Participation.

Appendix Table 2. Insurance Instability: Population with Spells Uninsured, Medicaid, and Private Insurance, by Income (U.S. population under age 65, 1996–1999)

	Any Time Uninsured	Any Time Medicaid	Any Time Private
All Incomes			
Millions (any time in category)	85 million	43 million	199 million
Percent of population	38%	19%	88%
Uninsured	Percent of Uninsured	Percent of Medicaid	Percent of Private
Any time uninsured	100%	66%	32%
Uninsured 13 months or more	54	34	14
Uninsured 25 months or more	35	19	7
2 or more spells uninsured	39	37	14
Medicaid	Percent of Uninsured	Percent of Medicaid	Percent of Private
Any time Medicaid	33	100	13
Medicaid 13 months or more	20	65	7
Medicaid 25 months or more	13	48	5
2 or more spells Medicaid	17	40	5
Private	Percent of Uninsured	Percent of Medicaid	Percent of Private
Any time private	75	62	100
Private 13 months or more	59	38	92
Private 25 months or more	46	27	86
2 or more spells private	44	26	20
Under 200% of Poverty			
Millions (any time in category)	45.2 million	34.2 million	45.0 million
Percent of population under 200%	68%	51%	67%
Uninsured	Percent of Uninsured	Percent of Medicaid	Percent of Private
Any time uninsured	100%	70%	64%
Uninsured 13 months or more	62	37	34
Uninsured 25 months or more	42	20	18
2 or more spells uninsured	45	40	33
Medicaid	Percent of Uninsured	Percent of Medicaid	Percent of Private
Any time Medicaid	53	100	43
Medicaid 13 months or more	34	71	27
Medicaid 25 months or more	22	53	18
2 or more spells Medicaid	29	43	20
Private	Percent of Uninsured	Percent of Medicaid	Percent of Private
Any time private	63	57	100
Private 13 months or more	41	30	73
Private 25 months or more	27	19	58
2 or more spells private	31	24	36

Source: Authors' tabulations of the 1996 panel of the Survey of Income and Program Participation.

Survey Description and Methods

This report is based on analysis of the 1996 Panel of the Survey of Income and Program Participation (SIPP). Conducted by the U.S. Census Bureau, the survey interviewed the same people every four months over the course of four years and asked about experiences in the previous four months. One-quarter of the sample was interviewed in each month. The first wave of interviewing began in April 1996. The last interviews were conducted in March 2000 for the final quarter of the sample. Consequently, the 48-month period covered by the 1996 panel varied, beginning as early as December 1995 for the first group interviewed and ending as late as February 2000 for the fourth and final group. During each four-month period, the survey asked about health insurance in the previous four months as well as about income and other changes. The survey included 40,731 people who were living in the U.S. at the beginning of the survey and were under age 65, including 13,759 who were ever uninsured. This sample represents an estimated 225.5 million people who were under age 65 during this four-year period.

During the four-year period, incomes as well as insurance could change. The analysis assigned people to categories of family income relative to federal poverty standards by looking at monthly income relative to poverty thresholds over the four-year period. The categories presented in the analyses represent average, long-term income relative to poverty.

This issue brief draws from an article by Pamela Farley Short and Deborah Graefe that appeared in the November/December 2003 issue of *Health Affairs*. The article provides further description of changes in coverage experienced by the uninsured over time, as well as additional methodological details about the survey and its analysis.

About the Authors

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