



## UCLA CENTER FOR HEALTH POLICY RESEARCH

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(The full study and related charts are available online at [www.healthpolicy.ucla.edu](http://www.healthpolicy.ucla.edu))

### **UCLA Study Shows How Differences in Employment, Education and Residency Status Create Health Coverage Disparities Among Californians** *Latinos Post Lowest Rate of Job-based Insurance, Highest Uninsured Rate*

(For Immediate Release: June 20, 2002, Los Angeles) Differences in employment, education and residency status combine to carve out wide disparities in health insurance coverage among California's diverse ethnic populations, according to a study released today by the UCLA Center for Health Policy Research.

The study, the most comprehensive examination of health insurance coverage of Californians ever undertaken, examined coverage rates by ethnicity, age and county; trends in job-based health insurance; Medi-Cal and the Healthy Families program coverage rates; the consequences of lacking insurance; and public policies that expand coverage.

Using data from the 2001 California Health Interview Survey (CHIS 2001) of 55,000 households, the study shows that an estimated 4.5 million nonelderly California residents – ages 0-64 -- lacked health insurance at the time of the interview. An additional 1.7 million went without coverage during at least some of the preceding year. Thus, a total of 6.3 million nonelderly Californians, or 21 percent, lacked coverage for all or some of the year.

According to 2001 CHIS data, the nine-county Greater Bay Area had the lowest uninsured rate among regions in California, with 8.9 percent (ranging from 13.1 percent in San Francisco County to 6.2 percent in Contra Costa and Solano Counties), presumably driven by the strong economy and tight labor market held over from the 1990s economic boom. Los Angeles County remained the epicenter of uninsurance in California and the nation, with a reported rate of 19.8 percent.

Whites reported the highest rate of job-based health insurance, 75.4 percent, and the lowest uninsured rate, 8.6 percent. At the other extreme, Latinos reported the lowest job-based rate, 42.3 percent, and the highest uninsured rate, 28.3 percent. The study found job-based and uninsured rates of 60.2 percent and 9.5 percent among African Americans; 66.3 percent and 13 percent among Asian Americans; 67.2 percent and 12.9 percent among Native Hawaiian and other Pacific Islanders; and 54.4 percent and 17.8 percent among American Indians and Alaska natives.

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“California’s uninsured residents face tremendous barriers to obtaining adequate health care, and limited access undercuts the health of individuals and the well-being of the state,” said the study’s lead author E. Richard Brown, professor of health services in the UCLA School of Public Health and director of the UCLA Center for Health Policy Research. “California Latinos are particularly hard hit as hundreds of thousands struggle to overcome multiple obstacles to obtaining health insurance, including issues related to availability of job-based insurance, immigration status, and language.”

### **Job-based Insurance:**

Employment-based health insurance remains critically important, researchers said, covering 63.2 percent, or 18.7 million, of California’s nonelderly adults and children.

Among the 4.5 million Californians without health coverage when interviewed, 42.6 percent named unaffordable premiums as the primary reason for lacking insurance. Some could not afford the contribution required by an employer, but most lacked access to job-based coverage. Just 35.6 percent of uninsured adults report their health as excellent or very good versus 61.2 percent of those with employment-based coverage.

Latino workers had the least access to job-based health insurance, with 70.4 percent reporting availability through an employer, compared with a high of 90.7 percent among African Americans. Younger individuals also reported less access to job-based insurance, with about half of those between 18 and 24 having job-based coverage. Only 50.4 percent of noncitizens without green cards have access to health insurance through an employer.

“Varied access to job-based health insurance contributes mightily to disparate coverage rates and overall health,” said study co-author Ninez Ponce, assistant professor of health services in the UCLA School of Public Health. “Disparate employment-based coverage rates arise from the fact that most of California’s uninsured workers are employed in firms that do not offer health coverage.”

### **Medi-Cal and Healthy Families:**

Medi-Cal and Healthy Families, together cover 16 percent of Californians under 65 – a total of 4.65 million people, according to the UCLA report. They are the primary elements in a patchwork quilt of public safety-net programs that combined cover more than one in 10 nonelderly adults, nearly one in five elderly, and more than one in four children.

Yet, among the nearly 1 million uninsured children under age 19 in California, an estimated 355,000 qualify for Medi-Cal and 301,000 more qualify for the Healthy Families program. And parents of nearly one in four uninsured children eligible for Healthy Families remained unaware of the program’s existence, the UCLA report showed.

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“These parents reflect opportunities for educational outreach programs,” Brown said. “Parents of about one in eight uninsured eligible children objected to some characteristics of the program, particularly the onerous paperwork that has been a hallmark of Medicaid nationally and Medi-Cal in California.”

### **The Good News:**

The new CHIS-based report indicated that more California children are finding health coverage than in the recent past. Some of the improvement most likely relates to differences between CHIS and past data, and some reflects changing economic conditions and expanded eligibility in Medi-Cal and Healthy Families.

Before CHIS, the UCLA Center for Health Policy Research based estimates of health insurance coverage on the Current Population Survey (CPS), a national phone survey of households conducted by the U.S. bureau of the Census. CHIS and the CPS differ in the time frame for which they measure health insurance coverage, the breadth of questions, sampling techniques and the inclusiveness of California’s population. CHIS gathers data on insurance status both at the time of the interview and for the preceding year.

The CPS estimate for 2000 estimated that 15.4 percent of children to age 18 lacked health insurance. CHIS 2001 data, however, showed that 7.3 percent lacked coverage during the entire previous 12 months – the most similar time frame used in the two surveys – while 9.6 percent were uninsured at the time of the interview. CHIS data showed that 14.3 percent were uninsured at some point during the 12-month period.

### **Solutions:**

Efforts to expand job-based insurance to low-wage employees of small firms is unlikely to yield significant expansion of coverage. Policy costs are prohibitive for many of these employers. Instead, the UCLA researchers believe state policymakers must take advantage of opportunities to expand public coverage.

“Although there are costs to ensuring that all residents have coverage, there are greater costs associated with a large portion of our population remaining uninsured – lost earnings, lost school days, lost potential and lost life,” said Thomas Rice, study co-author and professor of health services in the UCLA School of Public Health. “Options for expanding health insurance coverage to all Californians include expanding eligibility for Medi-Cal and Healthy Families; integrating and simplifying the two programs; expanding outreach efforts by community groups; and continuing efforts by the State Health Care Options Project to find alternatives for insuring all Californians.”

The California Wellness Foundation funded the report. The data were collected as part of the California Health Interview Survey, a collaboration of the UCLA Center for

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Health Policy Research, the California Department of Health Services and the Public Health Institute. Funding for CHIS 2001 was provided by the California Department of Health Services, The California Endowment, the National Cancer Institute, the California Children and Families Commission, the Centers for Disease Control and Prevention (CDC) and the Indian Health Service.

The UCLA Center for Health Policy Research is one of the nation's leading health policy research centers and a premier source of health policy information for California. It is affiliated with the UCLA Schools of Public Health, and Public Policy and Social Research.

### **Online Resources**

UCLA Center for Health Policy Research: <http://www.healthpolicy.ucla.edu/>

California Health Interview Survey: <http://www.healthpolicy.ucla.edu/chis/>

UCLA School of Public Health: <http://www.ph.ucla.edu/>

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