



Characteristics of the Uninsured and Select Health Insurance Coverage in Michigan

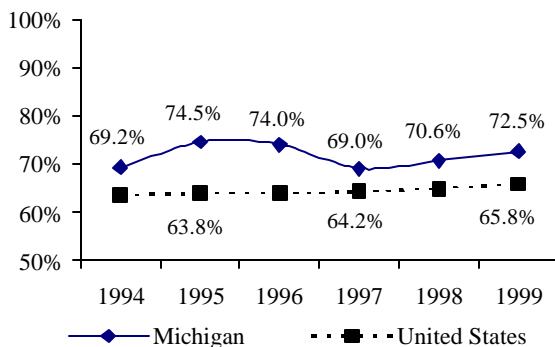
Employer-based Health Insurance Coverage at a Glance

The Michigan Department of Community Health is pleased to present a series of briefs highlighting the 2001 report on the *Characteristics of the Uninsured and Select Health Insurance Coverage in Michigan*.

Many factors contribute to why people lack health insurance coverage, such as affordability, ineligibility for public assistance, change in employment, or no employer coverage offered. The likelihood of being insured is closely linked with a person's income and employment status. Even when an employer offers health coverage, some employees may not be able to afford the premium to participate in the plan. Understanding the levels and characteristics of health insurance coverage and the uninsured are important for Michigan's health care future as communities strive to improve the health of their populations.

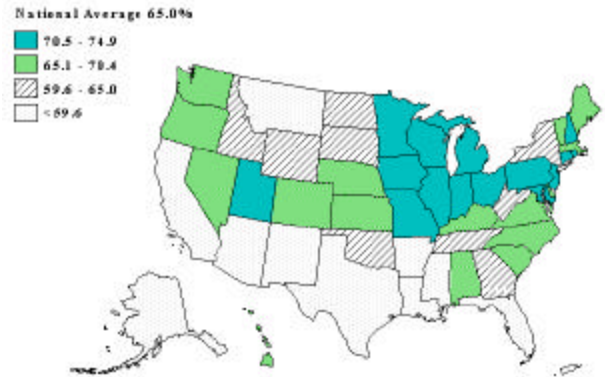
Most Americans, including Michigan residents, receive their health insurance coverage through some type of employer-sponsored plan. In fact, approximately 7 in 10 Michigan residents have coverage through an employer-sponsored plan. It was employer-based coverage that drove the overall increase in health insurance coverage in Michigan, from 70.6 percent in 1998 to 72.5 percent in 1999. The proportion of Michigan residents with employer-based coverage has been higher than the national average since 1987.

**Employer-based Coverage
Non-elderly Residents, 1994-1999**



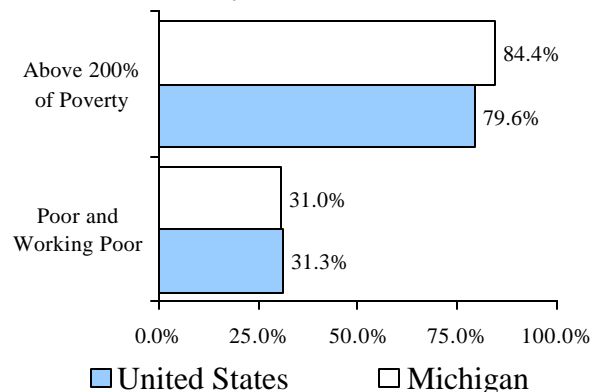
The proportion of people with employer-based coverage among the states ranged from 74.9 percent in Wisconsin to 54.2 percent in New Mexico, based on 3-year average. High employer-based coverage rates are primarily found in the midwest and northeastern states where there exists a strong manufacturing base and higher wages. Michigan is among the top quarter of the states, with 70.7 percent of people with employer-based coverage.

**Employer-based Coverage by State
Non-elderly Residents, 1997-1999**



Employer-based coverage is closely linked with family income –the higher the family income, the more likely the family will have employer-based coverage. This is evident in the disparity between low-income (poor and working poor) and middle- and upper income families (above 200 percent of poverty) in Michigan and nationally. And because most employers do not offer child-only health insurance plans, this disparity is extended to children. Middle- and upper income families (84.4 percent) in Michigan are more likely to have employer-based coverage than those nationally (79.6 percent). This may be due in part to Michigan's high-wage manufacturing base.

**Employer-based Coverage by Income Level
Non-elderly Residents, 1997-1999**





Almost eight out of every 10 private sector workers in Michigan had employer-based coverage while less than six out of 10 self-employed workers had some type of health insurance coverage. The proportion of coverage varied widely by firm size in the private sector, with workers employed by firms with 100 or more employees (82.4 percent) being the most likely to have coverage.

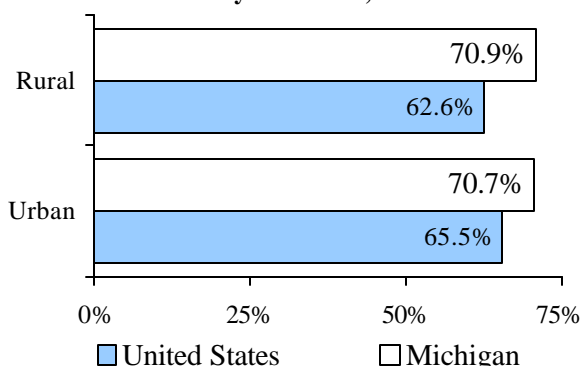
Employer-based Coverage by Private Firm Size Michigan Workers, Ages 18-64, 1997-1999		
Number of Employees	Michigan	United States
Under 10	57.4%	51.5%
10-24	66.2%	61.3%
25-99	79.5%	70.9%
100-499	80.8%	77.4%
500-99	81.7%	82.1%
1,000 or more	83.1%	81.2%
All Workers	77.3%	72.8%

In addition, full-time workers (83.9 percent) that worked the full year were the most likely to have coverage and represented more than three-quarters (76.1 percent) of the employer-based coverage in Michigan. According to a Kaiser Foundation report on employer-based health insurance, the decline over the past decade in coverage has occurred in part because the distribution of employment has changed -- shifting away from high coverage industries and occupations toward those where coverage is low. Although industry coverage varies, workers in Michigan (77.3 percent) are more likely to have employer-based coverage than workers nationally (72.8 percent).

Employer-based Coverage by Industry Michigan Workers, Ages 18-64, 1997-1999		
Select Industries	Michigan	United States
Agriculture/Mining	65.1%	52.6%
Construction	71.0%	59.8%
Manufacturing	89.7%	83.7%
Wholesale-Retail trade	66.9%	63.7%
Services	74.4%	72.4%
All Workers	77.3%	72.8%

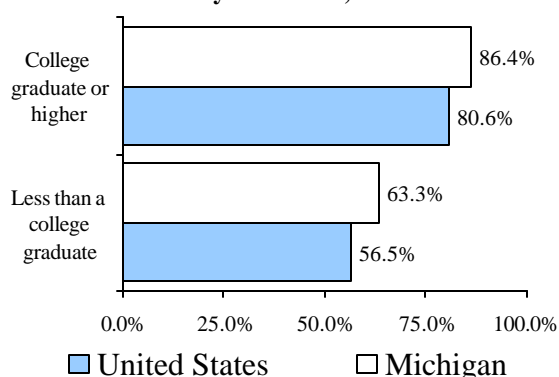
A majority (88.0 percent) of Michigan residents live in a primary metropolitan statistical area (PMSA), as defined by the U.S. Census Bureau. There are nine PMSAs in Michigan, with Ann Arbor area residents (77.6 percent) the most likely to have employer-based coverage and Flint area residents (62.3 percent) the least likely to have coverage. Overall, urban (70.7 percent) and rural (70.9 percent) residents in Michigan are more likely to have employer-based coverage than urban (65.5 percent) and rural (62.6 percent) residents nationally.

**Employer-based Coverage by Location
Non-elderly Residents, 1997-1999**



Among all adults in Michigan, as well as nationally, the likelihood of having employer-based coverage increased as the level of educational attainment rose.

**Employer-based Coverage by Education
Non-elderly Residents, 1997-1999**



The Department of Community Health acknowledges that information and reports by the Employee Benefit Research Institute (EBRI), the U.S. Census Bureau, and the Henry J. Kaiser Family Foundation were used to assist in development of the briefs and report.

Estimates are based on the March 2000 Current Population Survey (CPS) conducted by the U.S. Census Bureau. Preliminary tabulations and analysis for this report were provided by the EBRI. For more information on the CPS, visit the U.S. Census Bureau's web site at www.census.gov. Three-year averages are used for most comparisons to eliminate year-to-year fluctuations and improve reliability. For more information about this report and other health insurance estimates for Michigan, call the Department of Community Health at (517) 241-2966.

Issued: October 2001

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