

Fact Sheet

February 2005

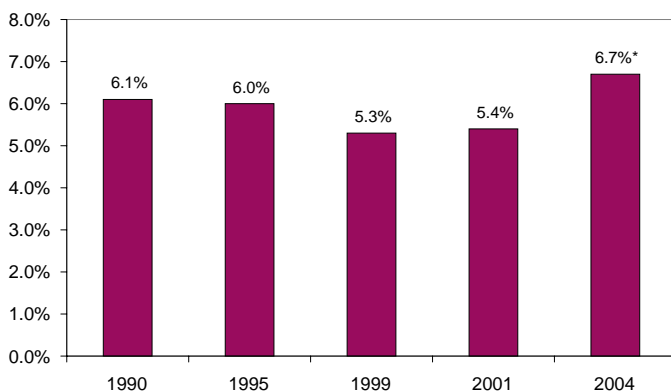
Health Insurance Coverage in Minnesota, 2001 vs. 2004

This fact sheet provides information on health insurance status gathered from the 2001 and 2004 Minnesota Health Access Surveys. The 2004 survey found that 77,000 more Minnesotans were uninsured in 2004 than in 2001. Roughly 343,000 or 6.7% of Minnesotans were uninsured in 2004, compared to 266,000 or 5.4% of Minnesotans in 2001. As the information in the figures and tables below will show, the increase in the number of uninsured Minnesotans was driven by a decrease in employer-based health insurance coverage, a shift in Minnesota's income distribution, and a change in Minnesota's Hispanic/Latino population.

Figure 1 shows the trend in uninsurance rates in Minnesota from 1990 to 2004. From 1990 to 2001, the uninsurance rate in Minnesota was statistically stable. The uninsurance rate increased by a statistically significant level from 5.4% in 2001 to 6.7% in 2004.

Figure 1

Uninsurance Rate Trends in Minnesota

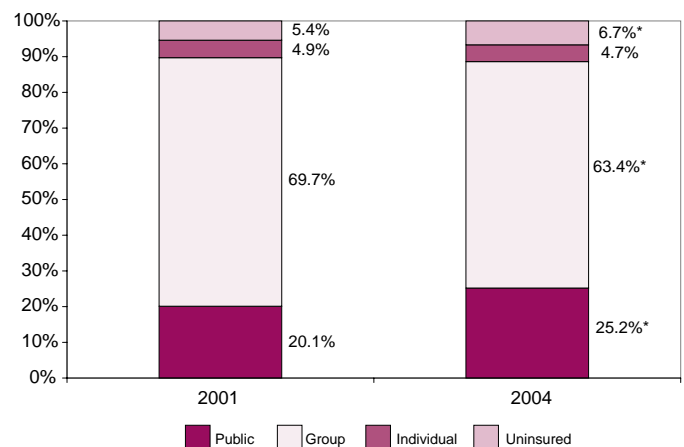


*Indicates statistically different at 95% level from prior survey year.
Source: Minnesota Health Access Surveys 1990, 1995, 1999, 2001, 2004.

Minnesotans were more likely to be uninsured or covered by public health insurance programs and less likely to be covered by group or employer-based health insurance coverage in 2004 compared to 2001. Figure 2 shows that group or employer-based coverage decreased from 69.7% in 2001 to 63.4% in 2004 and that public program enrollment increased from 20.1% in 2001 to 25.2% in 2004. Table 1 will show that a change in the income distribution in Minnesota resulted in more Minnesotans becoming eligible for and enrolling in state public health insurance programs.

Figure 2

Distribution of Insurance Coverage in Minnesota, 2001 vs. 2004



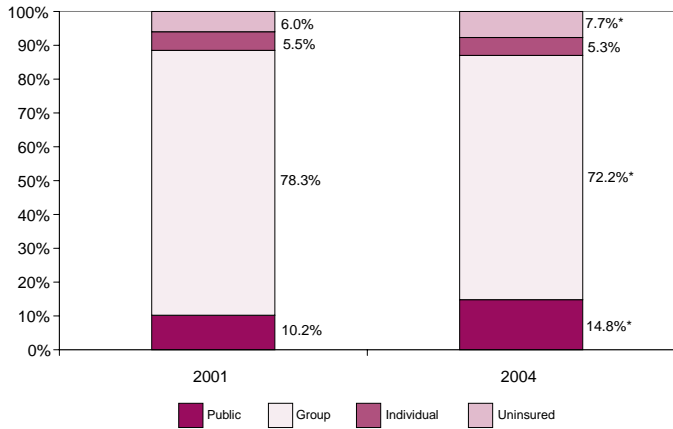
* Indicates statistically different at 95% level from 2001.

Figure 3 illustrates the distribution of health insurance coverage for non-elderly Minnesotans. Similar to the results presented for all Minnesotans in Figure 2, non-elderly Minnesotans were more likely to be uninsured or covered by public health insurance programs and less likely to be covered by group or employer-based health insurance coverage in 2004 compared to 2001.

Health Insurance Coverage in Minnesota, 2001 vs. 2004

Figure 3

Distribution of Health Insurance Coverage for Non-Elderly Minnesotans, 2001 vs. 2004

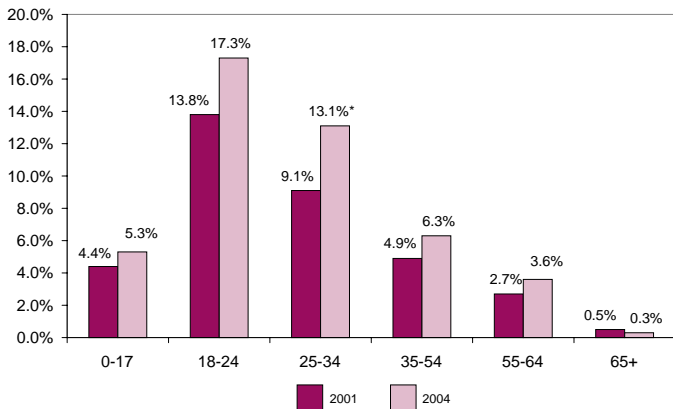


* Indicates statistically different at 95% level from 2001.

As shown in Figure 4, uninsurance rates increased significantly for Minnesotans ages 25 to 34. Although the increase in uninsurance rates for the other non-elderly age groups is not statistically significant, it shows a general pattern of increasing levels of uninsurance for all non-elderly age groups.

Figure 4

Uninsurance Rates in Minnesota by Age, 2001 vs. 2004



* Indicates statistically different at 95% level from 2001.

Figure 5 provides uninsurance rates by poverty level. This figure shows that Minnesotans with family incomes below 100% of the federal poverty level were

more likely to be uninsured in 2004 than in 2001, with 19.9% uninsured in 2004 and 13.8% uninsured in 2001.

Figure 5

Uninsurance Rates in Minnesota by Poverty Level, 2001 vs. 2004

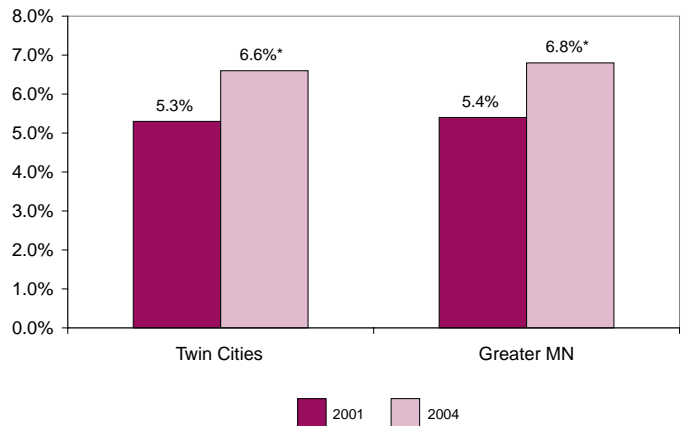


* Indicates statistically different at 95% level from 2001.

The survey findings presented in Figure 6 show that uninsurance rates increased throughout the state, with Minnesotans living in the Twin Cities and in Greater Minnesota experiencing significant increases in the percent of people uninsured.

Figure 6

Uninsurance Rates in Minnesota by Geography, 2001 vs. 2004



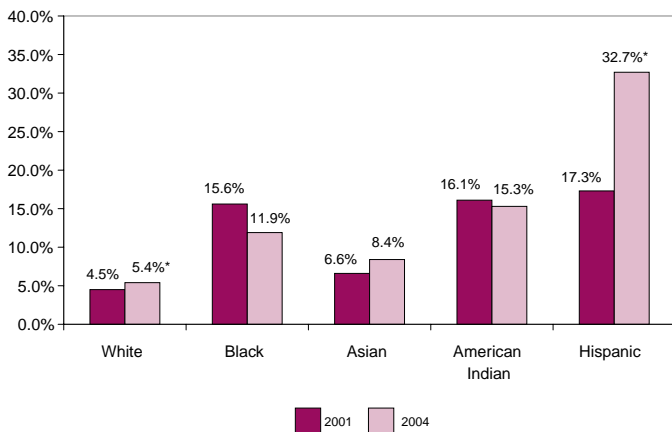
* Indicates statistically different at 95% level from 2001.

Health Insurance Coverage in Minnesota, 2001 vs. 2004

The survey results presented in Figure 7 show that uninsurance rates increased by a statistically significant level for White and Hispanic/Latino Minnesotans and remained fairly stable for the Black, Asian, and American Indian populations in the state. At the same time, in 2001 and 2004 the statewide uninsurance rate in Minnesota was significantly lower than the uninsurance rates for Black, American Indian, and Hispanic/Latino populations.

Figure 7

Uninsurance Rates in Minnesota by Race/Ethnicity, 2001 vs. 2004

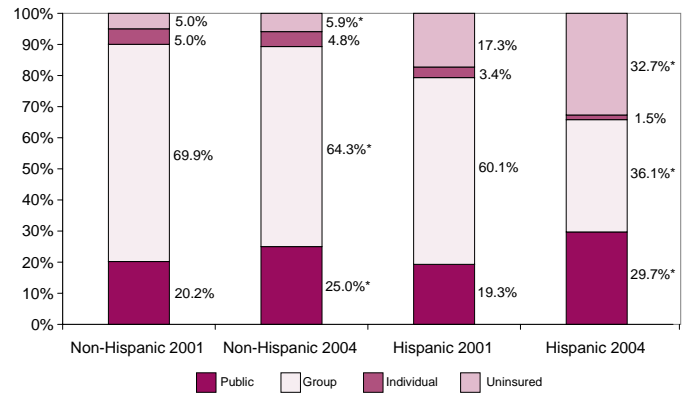


* Indicates statistically different at 95% level from 2001

Figure 8 illustrates the distribution of health insurance coverage for Hispanic/Latino and Non-Hispanic/Latino Minnesotans. Both Hispanic/Latino and Non-Hispanic/Latino Minnesotans were more likely to be uninsured or covered by public health insurance programs and less likely to be covered by group or employer-based health insurance coverage in 2004 compared to 2001, but the change in the distribution of coverage was more pronounced for Hispanic/Latino Minnesotans. Figure 10 and Tables 1 and 3 will show that the change in the distribution of health insurance coverage for Hispanic/Latino Minnesotans is the result of changes in the Hispanic/Latino population in Minnesota and fewer opportunities for group or employer-based health insurance coverage among Hispanic/Latino Minnesotans in 2004 compared to 2001.

Figure 8

Distribution of Insurance Coverage for Hispanic and Non-Hispanic Minnesotans, 2001 vs. 2004

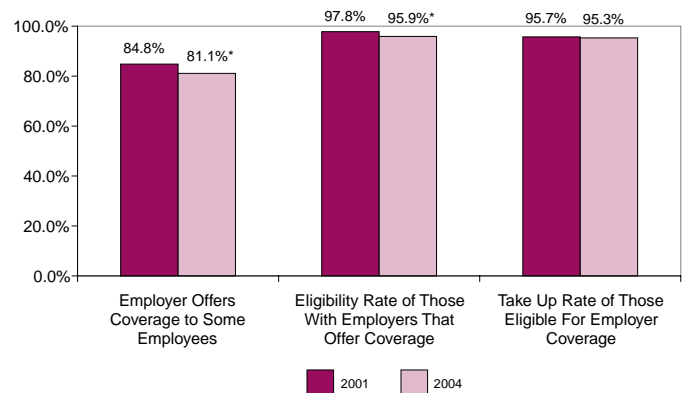


* Indicates statistically different at 95% level from 2001.

As shown in Figure 9, non-elderly Minnesotans were less likely to work for or have a family member work for an employer that offered coverage in 2004 compared to 2001. In addition, the percent of non-elderly Minnesotans who were eligible for health insurance coverage offered through an employer decreased from 2001 to 2004. Table 1 will show that these declines are in part due to a shift in employment away from large firms, which are more likely to offer health insurance coverage, towards smaller firms which are less likely to offer coverage. The percent of Minnesotans who signed up for coverage for which they were eligible was constant from 2001 to 2004.

Figure 9

Employer Offer, Eligibility, and Take Up Rates for Non-Elderly Minnesotans, 2001 vs. 2004

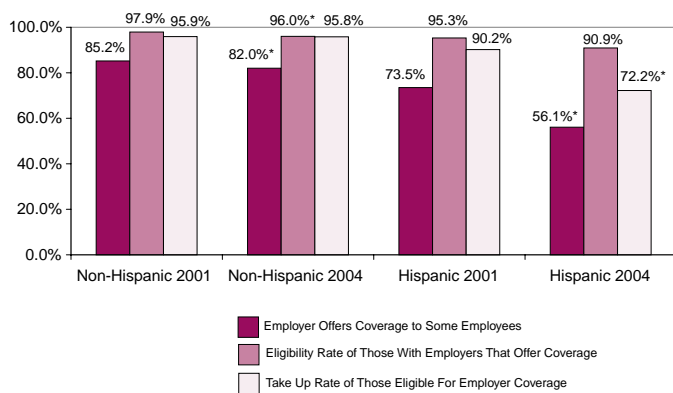


* Indicates statistically different at 95% level from 2001.

Figure 10 shows the change in employer offer, eligibility, and take up rates for non-elderly Hispanic and Non-Hispanic Minnesotans from 2001 to 2004. Similar to the results presented for all non-elderly Minnesotans in Figure 9, Non-Hispanic Minnesotans were less likely to have an offer of employer coverage through their own or a family member's employer and less likely to be eligible for health insurance coverage offered through an employer in 2004 compared to 2001. Hispanic Minnesotans were also less likely to have an offer of employer coverage in 2004 compared to 2001, but they were equally likely to be eligible for health insurance coverage offered through an employer in 2001 and 2004. In addition, Hispanic Minnesotans were significantly less likely to take up employer coverage for which they were eligible in 2004 compared to 2001.

Figure 10

Employer Offer, Eligibility, and Take Up Rates for Non-Elderly Hispanic and Non-Hispanic Minnesotans, 2001 vs. 2004



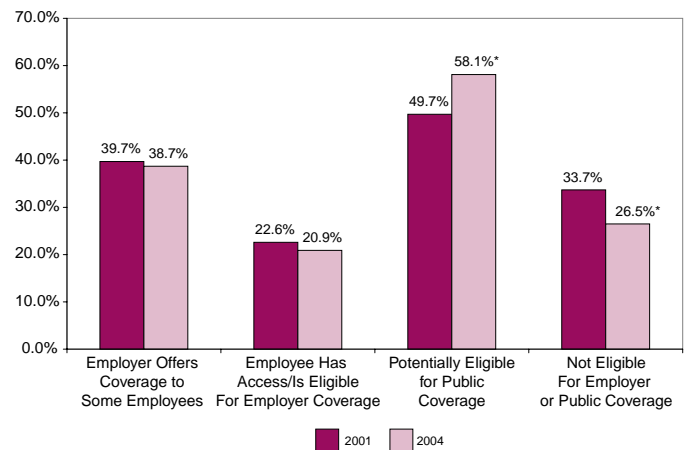
* Indicates statistically different at 95% level from 2001.

Figure 11 provides information on access to employer coverage and potential eligibility for public programs. This figure shows that the uninsured were equally likely to work for an employer who offered coverage and be eligible for that coverage in 2004 compared to 2001. Potential eligibility for public health insurance programs increased from 49.7% in 2001 to 58.1% in 2004. Table 2 will show that this increase is primarily due to the increase in the percent of the uninsured

with family incomes below 100% of the federal poverty level. Potential eligibility for public programs is based on an uninsured person's family composition, income level, and eligibility for employer coverage. This survey can not estimate actual public program eligibility as information on assets, health care spending, and other specific eligibility requirements can not be determined from this survey. The increase in the percent of uninsured Minnesotans potentially eligible for public health insurance programs led to a decrease in the percent of the uninsured who are not eligible for either employer or public coverage from 33.7% in 2001 to 26.5% in 2004.

Figure 11

Access to Coverage for the Uninsured in Minnesota, 2001 vs. 2004



* Indicates statistically different at 95% level from 2001.

Table 1 provides survey information on the poverty and employment characteristics of Minnesota's population. This table shows that all Minnesotans were just as likely to be employed in 2004 as in 2001, but that the percentage of Minnesotans with incomes below the federal poverty level increased over this time period, especially for the Hispanic/Latino population. Table 1 also shows that Minnesotans were less likely to work more than 40 hours a week, less likely to work for a large employer, and more likely to work for a mid size employer in 2004 compared to 2001.

Health Insurance Coverage in Minnesota, 2001 vs. 2004

Table 1
Demographic Characteristics of All Minnesotans

| | All Minnesotans | | Non-Hispanic Minnesotans | | Hispanic Minnesotans | |
|------------------------------|-----------------|---------------------|--------------------------|---------------------|----------------------|---------------------|
| | 2001 | 2004 | 2001 | 2004 | 2001 | 2004 |
| Poverty Level | | | | | | |
| 0 to 100% | 6.0% | 8.9% | 5.7% | 8.0% | 17.6% | 37.8% |
| 101 to 200% | 14.6% | 16.0% | 14.2% | 15.6% | 26.3% | 27.6% |
| 201 to 300% | 19.5% | 17.7% | 19.6% | 17.7% | 18.0% | 16.0% |
| 301 to 400% | 17.5% | 19.2% | 17.7% | 19.7% | 11.5% | 5.7% |
| 401%+ | <u>42.4%</u> | <u>38.2%</u> | <u>42.9%</u> | <u>39.0%</u> | <u>26.7%</u> | <u>13.0%</u> |
| | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Employment Status | | | | | | |
| Employed | 75.5% | 75.8% | 75.5% | 75.8% | 77.0% | 74.6% |
| Hours Worked Per Week | | | | | | |
| Less than 10 | 1.5% | 1.6% | 1.5% | 1.6% | 0.9% | 0.7% |
| 11 to 20 | 5.0% | 6.4% | 5.1% | 6.4% | 4.2% | 5.3% |
| 21 to 30 | 6.8% | 7.4% | 6.8% | 7.4% | 6.0% | 8.5% |
| 31 to 40 | 48.2% | 49.3% | 47.8% | 49.0% | 59.4% | 59.7% |
| 41+ | <u>38.5%</u> | <u>35.3%</u> | <u>38.8%</u> | <u>35.6%</u> | <u>29.6%</u> | <u>25.8%</u> |
| | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Size of Employer | | | | | | |
| Less than 10 | 19.9% | 19.1% | 19.9% | 18.8% | 20.6% | 26.9% |
| 11 to 50 | 14.3% | 13.8% | 14.2% | 13.8% | 16.2% | 13.0% |
| 51 to 100 | 7.9% | 10.4% | 7.9% | 10.1% | 9.8% | 20.0% |
| 101 to 500 | 16.6% | 17.4% | 16.6% | 17.5% | 16.8% | 13.7% |
| 501+ | <u>41.3%</u> | <u>39.5%</u> | <u>41.5%</u> | <u>39.8%</u> | <u>36.7%</u> | <u>26.4%</u> |
| | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |

Bold indicates statistically significant difference from 2001 at 95% level.

Table 2
Demographic Characteristics of Uninsured Minnesotans

| | All Minnesotans | | Non-Hispanic Minnesotans | | Hispanic Minnesotans | |
|------------------------------|-----------------|--------------|--------------------------|--------------|----------------------|--------------|
| | 2001 | 2004 | 2001 | 2004 | 2001 | 2004 |
| Poverty Level | | | | | | |
| 0 to 100% | 15.5% | 26.5% | 13.7% | 21.2% | 31.2% | 55.6% |
| 101 to 200% | 35.5% | 31.2% | 34.8% | 31.7% | 40.9% | 28.3% |
| 201 to 300% | 23.3% | 20.4% | 24.2% | 22.4% | 16.1% | 9.0% |
| 301 to 400% | 11.6% | 12.1% | 12.3% | 13.9% | 5.0% | 2.6% |
| 401%+ | <u>14.1%</u> | <u>9.9%</u> | <u>15.0%</u> | <u>10.8%</u> | <u>6.8%</u> | <u>4.5%</u> |
| | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Employment Status | | | | | | |
| Employed | 73.2% | 72.2% | 73.4% | 71.7% | 71.4% | 75.0% |
| Hours Worked Per Week | | | | | | |
| Less than 10 | 1.7% | 1.0% | 1.8% | 0.9% | 1.5% | 1.8% |
| 11 to 20 | 8.1% | 7.4% | 8.7% | 8.3% | 3.1% | 2.2% |
| 21 to 30 | 14.2% | 17.1% | 14.1% | 18.0% | 15.4% | 12.2% |
| 31 to 40 | 48.5% | 45.4% | 46.5% | 42.5% | 65.3% | 61.6% |
| 41+ | <u>27.5%</u> | <u>29.1%</u> | <u>29.0%</u> | <u>30.4%</u> | <u>14.7%</u> | <u>22.2%</u> |
| | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Size of Employer | | | | | | |
| Less than 10 | 42.4% | 36.5% | 43.5% | 36.1% | 32.0% | 38.6% |
| 11 to 50 | 17.3% | 20.2% | 15.6% | 19.8% | 33.0% | 22.1% |
| 51 to 100 | 8.2% | 14.8% | 7.7% | 14.3% | 12.8% | 17.5% |
| 101 to 500 | 13.2% | 12.6% | 14.1% | 12.9% | 5.1% | 11.0% |
| 501+ | <u>19.0%</u> | <u>15.9%</u> | <u>19.2%</u> | <u>16.8%</u> | <u>17.1%</u> | <u>10.8%</u> |
| | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |

Bold indicates statistically significant difference from 2001 at 95% level.

Poverty and employment characteristics for Minnesota's uninsured population are presented in Table 2. This table shows that all uninsured Minnesotans were just as likely to be employed full time in 2004 as in 2001, but that the portion of the uninsured with incomes below the federal poverty level increased from 2001 to 2004. Table 2 shows that 83.9% of uninsured Hispanic/Latino Minnesotans and 57.7% of Non-Hispanic/Latino Minnesotans had incomes below 200% of the federal poverty level in 2004.

Table 3 provides information on the migration characteristics of Hispanic/Latino Minnesotans. This table illustrates how the Hispanic/Latino population has changed in Minnesota from 2001 to 2004. Table 3 shows that over 37% of the Hispanic/Latino population in Minnesota in 2004 moved to Minnesota within the past four years. In addition, 52.1% of Hispanic/Latino Minnesotans in 2004 were not born in the United States, compared to 30.9% of the Hispanic/Latino population in Minnesota in 2001.

Table 3
Migration Characteristics of Hispanic Minnesotans

| | 2001 | 2004 |
|-----------------------------|--------------|---------------------|
| Not Born in US | 30.9% | 52.1% |
| Length of Time in MN | | |
| Less than 2 years | 15.5% | 13.1% |
| 2 to 4 years | 13.2% | 24.4% |
| 5 to 9 years | 25.6% | 30.3% |
| 10 years or more | <u>45.7%</u> | <u>32.2%</u> |
| | 100.0% | 100.0% |

Bold indicates statistically significant difference from 2001 at 95% level.

This study was funded by the Blue Cross and Blue Shield of Minnesota Foundation, the Minnesota Department of Human Services, and by a grant awarded to the Health Economics Program at the Minnesota Department of Health from the federal Health Resources and Services Administration State Planning Grants Program. Additional results of this study will be available throughout the year.

For more information, contact the Health Economics Program at (651) 282-6367. This fact sheet, as well as other Health Economics Program publications, can be found on our website at:
<http://www.health.state.mn.us/divs/hpsc/hep/index.htm>

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