

# Employment-Based Health Insurance: 2010

## Household Economic Studies

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### INTRODUCTION

More than half of the U.S. population (55.1 percent) had employment-based health insurance coverage in 2011, and among the employed population aged 18 to 64, over two-thirds (68.2 percent) had health insurance through their own employer or another person's employer.<sup>1</sup> In addition, over one-third (34.7 percent) of individuals who did not work received coverage through employment-based health insurance, usually from a former employer or another person's employer.

This report uses data from the Survey of Income and Program Participation (SIPP) to examine the characteristics of people with employer-provided health insurance coverage as well as characteristics of employers that offer health insurance. This documentation of the current distribution of employment-based health insurance coverage across socioeconomic characteristics is needed to establish the changes associated with recent health care legislation. The report is composed of two sections. The first section provides a brief overview of historical trends in employer-provided coverage rates by source of coverage as well as the reasons for nonparticipation in health insurance from 1997 to 2010. The second section focuses on data collected in 2010 and describes health insurance offer and take-up rates by employee and employer characteristics. In addition,

<sup>1</sup> DeNavas-Walt, Carmen, Bernadette D. Proctor, and Jessica C. Smith, "Income, Poverty, and Health Insurance Coverage in the United States: 2011," *Current Population Reports*, P60-243, U.S. Census Bureau, Washington, DC, 2012.

the report describes the insurance status of workers not participating in an employer's plan and the reasons for nonparticipation.

Data for this report come from several years of the SIPP. Current estimates come from the sixth wave of the 2008 SIPP panel, fielded between May and August 2010. Historical trends also incorporate data from the 1996, 2001, and 2004 SIPP panels, corresponding to fifth-wave interviews fielded between August and November in 1997 and June and September in 2002 and 2005, respectively. The population represented is the civilian noninstitutionalized population living in the United States.<sup>2</sup> This report makes use of questions collected in the core SIPP section and a supplemental questionnaire on employment-based health benefits. The supplemental questionnaire is fielded once per panel starting in 1997. The periods chosen for this report correspond to the reference periods of the supplemental questionnaire. The core SIPP asks specific questions about health insurance, labor force status, and employer characteristics. The supplemental questionnaire on employment-based health benefits includes questions about characteristics of the health insurance plan offered by the employer.

<sup>2</sup> The estimates in this report (which may be shown in text, figures, and tables) are based on responses from a sample of the population and may vary from the actual values because of sampling variability or other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant. All comparative statements have undergone statistical testing and are significant at the 90 percent confidence level unless otherwise noted.

This report builds on earlier work by Bhandari and Fronstin.<sup>3,4</sup> In particular, this work is an update of an earlier report by Bhandari, “Employment-Based Health Insurance: 1997.” Fronstin details trends in coverage, take-up rates, and reasons for nonparticipation in employment-based health insurance between 1997 and 2010. While the work is restricted to workers aged 18 and 64, it provides an excellent overview of changes in the distribution of employer-provided coverage for this demographic over this period. This report differentiates itself from Fronstin’s work by expanding the population universe to include unemployed individuals and those not in the labor force for ages 15 and above. A detailed analysis of employer-provided health insurance across labor force status is valuable, since the Patient Protection and Affordable Care Act is likely to change incentives for both employers and individuals in these groups (i.e., employed, unemployed, and not in the labor force) to obtain coverage through employment-based sources.<sup>5</sup>

The economic and demographic characteristics studied in this report include sex, race and ethnicity, age, family income, and insurance status. Race and ethnicity is defined throughout the report in terms of the four following mutually exclusive categories: (1) non-Hispanic White, (2) non-Hispanic Black, (3) Hispanic, and (4) non-Hispanic Other. Statistics for the

non-Hispanic Other category are not included in this report.<sup>6</sup> The primary measure of family income used in this study is an individual’s total family income as a percentage of their poverty threshold. A value less than one hundred percent indicates that an individual is considered in poverty as defined by the Federal Poverty Thresholds. Health insurance status is presented in the following categories: (1) employment-based (or union-based) health insurance coverage; (2) direct-purchase or military-related health insurance and no employment-based coverage; (3) public coverage, and no employment-based or direct-purchase or military-related coverage; and (4) no health insurance coverage. This means that those with more than one type of insurance including employment-based insurance are included in the employment-based group. The direct-purchase or military-related health insurance category includes respondents with mixed coverage from public health insurance sources. Finally, measures of offer rates refer to whether the employer offers health insurance benefits to any of its employees.

## HIGHLIGHTS

- The likelihood of employment-based coverage declined from 64.4 percent ( $\pm 0.5$ ) in 1997 to 56.5 percent ( $\pm 0.5$ ) in 2010 (Figure 1).
- In 2010, 71.1 percent ( $\pm 0.5$ ) of employed individuals aged 15 and older worked for an employer that offered health insurance benefits to any of its employees (Table 4).

- 42.9 percent ( $\pm 1.8$ ) of individuals who did not complete high school worked for an employer that offered health insurance to any of its employees, compared with 78.9 ( $\pm 0.5$ ) percent for individuals with a college degree (Table 4).
- Of workers aged 45 to 64, 75.7 percent ( $\pm 0.7$ ) worked for an employer that offered health insurance benefits, compared with 60.0 percent ( $\pm 1.4$ ) for workers aged 19 to 25 (Table 4).
- Among married couples with only one member employed in a firm that offers health insurance benefits, 68.7 ( $\pm 1.7$ ) percent provided coverage for the spouse (Table 5).
- While 37.6 percent ( $\pm 2.0$ ) of firms with 0 to 24 employees offered multiple health insurance plans, 65.6 percent ( $\pm 1.0$ ) of firms with 1,000 or more employees offered multiple plans (Table 7).
- About 1.1 percent ( $\pm 0.2$ ) of nonparticipating workers whose employer offered health insurance benefits were not insured by their employer because they were denied coverage (Table 9).
- Among nonparticipating workers whose employer offered health insurance benefits, approximately half (50.4 percent) ( $\pm 1.2$ ) declined coverage by choice (Table 9).
- The two most common reasons among workers who chose not to obtain insurance coverage through the employer were health insurance obtained through another source (66.4 percent) ( $\pm 1.3$ ) and cost (27.4 percent) ( $\pm 1.2$ ) (Table 10).

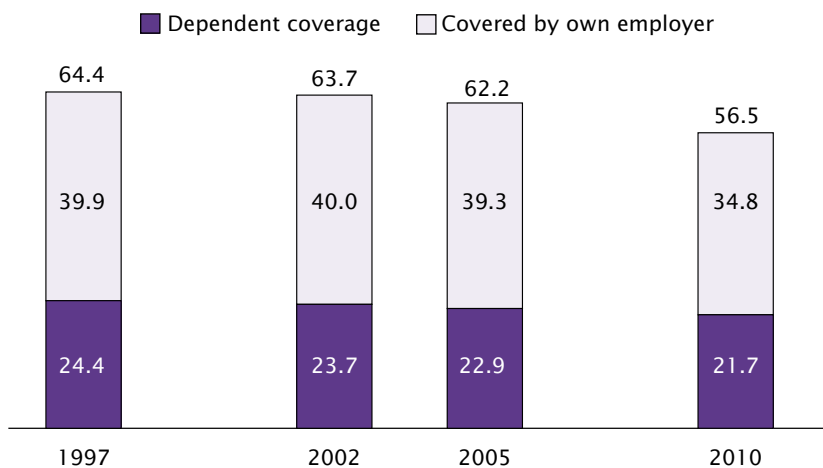
<sup>3</sup> Bhandari, Shailesh, “Employment-Based Health Insurance: 1997,” *Current Population Reports*, P70-81, U.S. Census Bureau, Washington, DC, 2002.

<sup>4</sup> Fronstin, Paul, “Employment-Based Health Benefits: Trends in Access and Coverage, 1997–2010,” EBRI Issue Brief no. 370, Employee Benefit Research Institute, 2011.

<sup>5</sup> Congressional Budget Office, “Estimates for the Insurance Coverage Provisions of the Affordable Care Act Updated for the Recent Supreme Court Decision,” July 2012.

<sup>6</sup> “Non-Hispanic Other” refers to people who are not Hispanic and reported Asian alone, Pacific Islander alone, American Indian alone, Alaskan Native alone, or multiple races.

Figure 1.  
**Employment-Based Health Insurance Rate, by Type of Coverage: 1997, 2002, 2005, and 2010**  
(In percent. All people aged 15 and over)



Source: U.S. Census Bureau, Survey of Income and Program Participation (1996, 2001, 2004, and 2008 Panels).

Table 1.  
**Sources of Health Insurance Coverage Among People Aged 15 and Older by Labor Force Status: 1997, 2002, 2005, and 2010**  
(In percent)

Characteristic	1997	2002	2005	2010
<b>Employed</b>				
Employment-based health insurance . . . . .	76.0	76.2	74.0	70.2
Direct-purchase or military-related . . . . .	6.7	6.4	7.4	7.1
Public health insurance . . . . .	2.7	3.0	3.8	4.8
No health insurance . . . . .	14.7	14.5	14.7	18.0
<b>Unemployed</b>				
Employment-based health insurance . . . . .	33.5	37.0	37.4	30.8
Direct-purchase or military-related . . . . .	5.9	6.6	8.0	7.1
Public health insurance . . . . .	14.2	13.3	14.8	15.9
No health insurance . . . . .	46.4	43.1	39.8	46.2
<b>Not in Labor Force</b>				
Employment-based health insurance . . . . .	45.4	44.5	42.9	38.6
Direct-purchase or military-related . . . . .	20.2	19.8	23.3	19.5
Public health insurance . . . . .	22.0	22.3	21.8	27.4
No health insurance . . . . .	12.4	13.3	12.0	14.4

Source: U.S. Census Bureau, Survey of Income and Program Participation (1996, 2001, 2004, and 2008 Panels).

## TRENDS IN HEALTH INSURANCE COVERAGE

Employment-based health insurance is the largest source of health insurance coverage in the United

States (Figure 1).<sup>7</sup> In 2010, 56.5 percent of individuals aged 15 and older received health insurance through an employer, a

<sup>7</sup> Fronstin, referenced in footnote 4, provides a more detailed presentation of trends in health insurance coverage restricted to employed individuals.

decline from 64.4 percent in 1997.<sup>8</sup> These individuals received health insurance through either their own employer or someone else's employer as dependents. Over the same period, the chance of obtaining health insurance from one's own employer declined from 39.9 percent to 34.8 percent. The rate of employment-based coverage as a dependent declined from 24.4 percent in 1997 to 21.7 percent in 2010.

The rates of employment-based health insurance coverage varied by labor force status and declined between 1997 and 2010 (Table 1). Among employed individuals, employer-provided coverage declined from 76.0 percent in 1997 to 70.2 percent in 2010. The likelihood of employment-based health insurance coverage was lower for those in the unemployed and not-in-labor force categories than the employed category. In addition, employer-provided coverage declined for unemployed individuals from 33.5 percent in 1997 to 30.8 percent in 2010. Employment-based coverage for individuals not in the labor force declined from 45.4 percent in 1997 to 38.6 percent in 2010. The unemployed and individuals not in the labor force were generally covered by a previous employer's plan or that of someone else, such as a spouse or parent's employer, through dependent coverage.

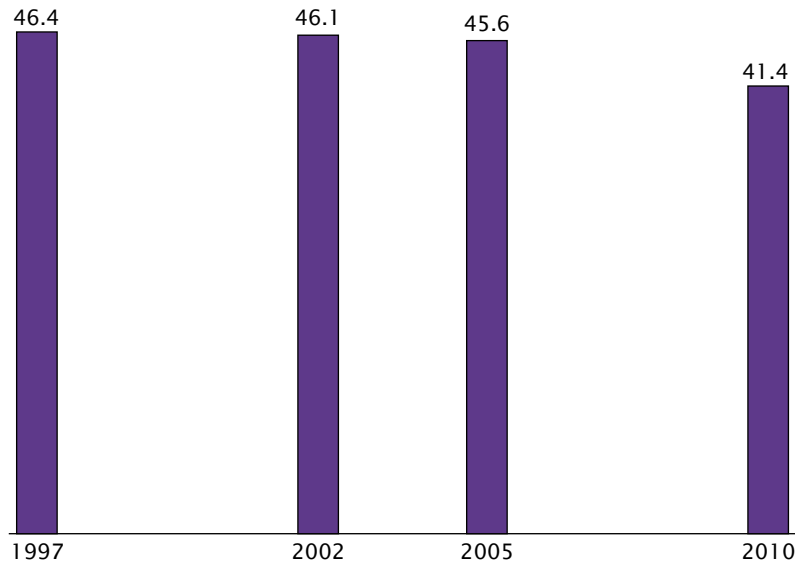
The rate of public health insurance coverage and uninsurance increased between 1997 and 2010 among employed individuals and those not in the labor force. The likelihood of no insurance coverage

<sup>8</sup> Comparable baseline estimates are available from the Current Population Survey Annual Social and Economic Supplement. For 1997, 2002, 2005, and 2010, the rates of employment-based health insurance coverage among the population aged 15 and over were 60.9 percent, 62.4 percent, 60.6 percent, and 55.4 percent, respectively.

Figure 2.

**Percentage of the 15 and Older Population Working for an Employer Which Offered Health Insurance: 1997, 2002, 2005, and 2010**

(In percent)



Source: U.S. Census Bureau, Survey of Income and Program Participation (1996, 2001, 2004, and 2008 Panels).

increased from 14.7 percent to 18.0 percent between 1997 and 2010 among employed individuals. The rate of no insurance coverage increased in the not-in-labor-force category from 12.4 percent to 14.4 percent between 1997 and 2010. A higher proportion of unemployed individuals were uninsured in 2010 (46.2 percent) than in 2005 (39.8 percent) and 2002 (43.1 percent).

Between 1997 and 2010, the likelihood of working for an employer that offered health insurance benefits declined from 46.4 percent to 41.4 percent (Figure 2). However, among those with employment-based health insurance, the estimated proportion with coverage from current or former employer remained statistically unchanged between 1997 and 2010 (Table 2).<sup>9</sup> Coverage obtained through another individual's employer, such as a parent or spouse, increased slightly from 38.0 percent to 38.5 percent between 1997 and 2010. In 2005, the likelihood of coverage through someone else's employer was lower relative to 1997 and 2010 at 36.9 percent.<sup>10</sup>

In all 4 years shown, the main reason given for nonparticipation in employment-based health insurance among those whose employer offers such benefits to any employees was choice (Table 3). For example, in 2010 one-half (50.4 percent) of workers chose not to enroll in their employer's plan although

Table 2.

**Sources of Employment-Based Health Insurance: 1997, 2002, 2005, and 2010**

(In percent)

Characteristic	1997	2002	2005	2010
Current employer . . . . .	51.4	51.6	52.0	51.1
Former employer . . . . .	10.6	11.2	11.1	10.4
Someone else's employer (dependent coverage) . . . . .	38.0	37.2	36.9	38.5

Source: U.S. Census Bureau, Survey of Income and Program Participation (1996, 2001, 2004, and 2008 Panels).

Table 3.

**Reason for Nonparticipation in Employment-Based Health Insurance: 1997, 2002, 2005, and 2010**

(In Percent)

Characteristic	1997	2002	2005	2010
Ineligible . . . . .	37.1	32.5	32.9	32.2
Denied . . . . .	1.1	0.9	1.1	1.1
Choice . . . . .	46.4	49.2	48.5	50.4
Other . . . . .	15.4	17.4	17.6	16.3

Source: U.S. Census Bureau, Survey of Income and Program Participation (1996, 2001, 2004, and 2008 Panels).

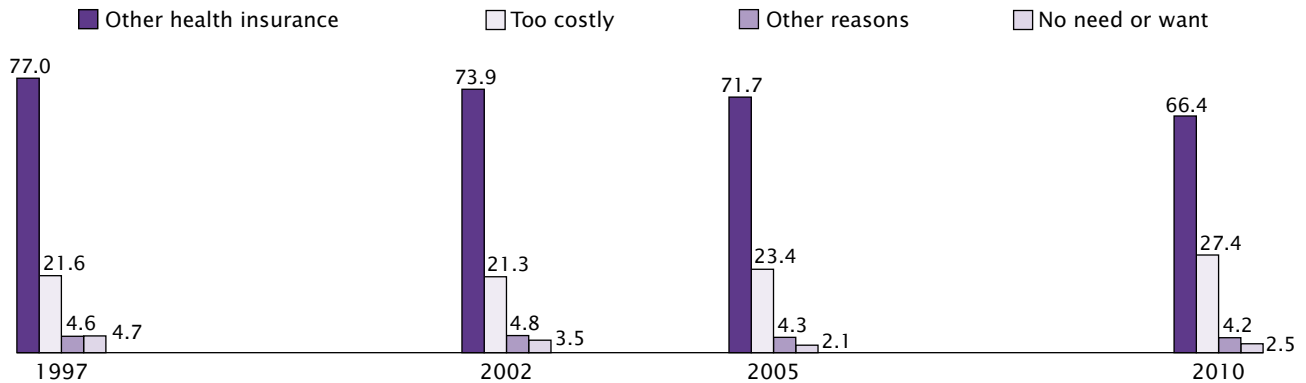
<sup>9</sup> A larger proportion of employment-based coverage was received through the current employer in 2005 relative to the other years at 52.0 percent.

<sup>10</sup> Estimates from 2010 do not reflect expansion of the maximum eligible age for dependent care that was part of the Patient Protection and Affordable Care Act. Studies suggest that this expansion is associated with an increase in dependent care enrollment. See Sommers, Paul D. and Kronick, Richard, *The Affordable Care Act and Insurance Coverage for Young Adults*, Journal of the American Medical Association, 307(9):913-4.

Figure 3.

**Most Common Reasons for Nonparticipation by Workers Who Chose Not to Participate in Jobs With Employer-Offered Health Insurance: 1997, 2002, 2005, and 2010**

(In percent)



Notes: "Other reasons" category is composed of write-ins. Categories do not sum to 100 percent since respondents may select more than one category.

Source: U.S. Census Bureau, Survey of Income and Program Participation (1996, 2001, 2004, and 2008 Panels).

Figure 4.

**Noncoverage Among the Employed by Whether Employer Offers Health Insurance: 1997, 2002, 2005, and 2010**

(In percent)



Note: Health insurance may be offered only to some employees.

Source: U.S. Census Bureau, Survey of Income and Program Participation (1996, 2001, 2004, and 2008 Panels).

they were eligible. Over time, respondent selection of "choice" as the main reason for nonparticipation increased from 46.4 percent in 1997 to 50.4 percent in 2010. Typically, these individuals did not enroll because they had health insurance from another source or they considered the plan too costly. The proportion of individuals that

named cost as the main reason for not purchasing health insurance from their own employer increased from 21.6 percent in 1997 to 27.4 percent in 2010 (Figure 3).<sup>11</sup>

<sup>11</sup> Totals in Figure 3 do not sum to 100 percent since respondents may select more than one category and not all reasons are shown. Reasons not shown in Figure 3 include "no family coverage," "too many limitations," and "preexisting conditions not covered."

References to "ineligible" as the main reason for nonparticipation decreased from 37.1 percent in 1997 to 32.2 percent in 2010 (Table 3). Nonparticipating employees were not eligible to participate in their employer's health insurance plan, typically because they were temporary, worked part-time, or had not completed their probationary period.

The fraction of workers without health insurance coverage increased between 1997 and 2010 for workers whose employer did not offer coverage (Figure 4). For these workers, the rates of no health insurance coverage increased from 34.6 percent to 42.2 percent over this period. Among workers whose employer offered health insurance benefits, the fraction uninsured decreased and then increased over this period. The no coverage rate first decreased from 26.1 percent in 1997 to 23.1 percent in 2005, then increased to 27.0 percent in 2010.

Table 4.

## Employment-Based Health Insurance Coverage Rates by Selected Worker Characteristics: 2010

(Numbers in thousands)

Characteristic	Employed total	Offered		Covered	
		Number	Percent	Number	Percentage of offered
<b>Total</b> .....	<b>140,659</b>	<b>100,077</b>	<b>71.1</b>	<b>69,831</b>	<b>69.8</b>
<b>Education</b>					
Less than high school .....	12,462	5,347	42.9	2,850	53.3
High school or some college .....	55,301	37,220	67.3	24,133	64.8
College degree .....	72,896	57,510	78.9	42,848	74.5
<b>Sex</b>					
Male .....	74,471	52,063	69.9	38,483	73.9
Female .....	66,187	48,014	72.5	31,348	65.3
<b>Race and Hispanic Origin</b>					
White, non-Hispanic .....	97,781	71,712	73.3	50,661	70.6
Black, non-Hispanic .....	14,340	10,903	76.0	7,407	67.9
Hispanic .....	19,771	11,159	56.4	7,329	65.7
<b>Age</b>					
15 years and older .....	140,659	100,077	71.1	69,831	69.8
15 to 18 years .....	3,265	1,358	41.6	149	11.0
19 to 25 years .....	17,594	10,557	60.0	4,914	46.6
26 to 44 years .....	58,022	42,741	73.7	31,151	72.9
45 to 64 years .....	55,407	41,940	75.7	31,905	76.1
65 Years and older .....	6,371	3,480	54.6	1,711	49.2
<b>Family Income as Percentage of Poverty<sup>1</sup></b>					
138 percent or less .....	19,116	8,268	43.3	4,172	50.5
139 percent to 250 percent .....	26,154	16,701	63.9	10,837	64.9
251 percent to 400 percent .....	33,544	25,106	74.8	18,227	72.6
401 percent or higher .....	61,844	50,002	80.9	36,596	73.2

<sup>1</sup> Family income thresholds are defined to maintain consistency with income categories specified in the Patient Protection and Affordable Care Act.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2008 Panel, May–August 2010. For more information on confidentiality protection, sampling, and nonsampling errors see <[www.census.gov/sipp/source.html](http://www.census.gov/sipp/source.html)>.

## EMPLOYMENT-BASED HEALTH INSURANCE: 2010

### Offer and Coverage Rates

In the United States, employment-based health insurance coverage is often a benefit offered to employees. Eligible workers then choose whether or not to participate in their employer's health insurance program. In 2010, most employees (71.1 percent) worked for employers who offered health insurance coverage to any of their employees (Table 4). Note that the SIPP asks respondents whether their employer offered health insurance to any employees, rather than the respondent in particular. Of those,

most employees (69.8 percent) participated in health insurance coverage from their employer. The remaining employees (30.2 percent) were either not offered the health insurance benefit or chose not to participate.

Offer and coverage rates differ by several key demographic characteristics. The likelihood of working for an employer that offers health insurance benefits to any of its employees increases with education level. Among workers who did not complete high school, 42.9 percent worked for an employer that offered health insurance to any employees, compared with 78.9 percent for individuals with

a college degree. While a higher proportion of women than men worked for employers that offered health insurance (69.9 percent of men and 72.5 percent of women), a higher proportion of men were covered, 73.9 percent compared with 65.3 percent for women.

By race and ethnicity, non-Hispanic Blacks were employed at firms that offered health insurance benefits in higher proportions (76.0 percent) than non-Hispanic Whites (73.3 percent) or Hispanics (56.4 percent). For individuals under 65 years old, a higher proportion of older workers had an employer that offered health insurance benefits. For example, 75.7 percent of

Table 5.

**Employment-Based Health Insurance by Worker With Working Spouse: 2010**

(Numbers in thousands)

Characteristic	Total	Policyholder only		Policyholder and spouse	
		Number	Percent	Number	Percent
<b>All working married couples</b> . . . . .	<b>28,216</b>	<b>7,465</b>	<b>26.5</b>	<b>15,686</b>	<b>55.6</b>
2 offers (both employers offer benefits) . . . . .	16,824	6,179	36.7	9,574	56.9
1 offer (one employer offers benefits) . . . . .	8,899	1,286	14.5	6,112	68.7
0 offers (neither employer offers benefits) . . . . .	2,494	(X)	(X)	(X)	(X)
<b>All Married Couples by Income as Percentage of Poverty<sup>1</sup></b>					
<b>138 percent or less</b> . . . . .	<b>1,537</b>	<b>223</b>	<b>14.5</b>	<b>382</b>	<b>24.8</b>
2 offers (both employers offer benefits) . . . . .	349	115	32.9	148	42.6
1 offer (one employer offers benefits) . . . . .	590	108	18.4	233	39.6
0 offers (neither employer offers benefits) . . . . .	599	(X)	(X)	(X)	(X)
<b>139 percent to 250 percent</b> . . . . .	<b>3,551</b>	<b>843</b>	<b>23.7</b>	<b>1,554</b>	<b>43.8</b>
2 offers (both employers offer benefits) . . . . .	1,460	536	36.7	728	49.9
1 offer (one employer offers benefits) . . . . .	1,436	307	21.4	826	57.5
0 offers (neither employer offers benefits) . . . . .	655	(X)	(X)	(X)	(X)
<b>251 percent to 400 percent</b> . . . . .	<b>6,601</b>	<b>1,667</b>	<b>25.3</b>	<b>3,786</b>	<b>57.4</b>
2 offers (both employers offer benefits) . . . . .	3,710	1,272	34.3	2,177	58.7
1 offer (one employer offers benefits) . . . . .	2,351	395	16.8	1,609	68.4
0 offers (neither employer offers benefits) . . . . .	540	(X)	(X)	(X)	(X)
<b>401 percent or higher</b> . . . . .	<b>16,527</b>	<b>4,732</b>	<b>28.6</b>	<b>9,964</b>	<b>60.3</b>
2 offers (both employers offer benefits) . . . . .	11,305	4,256	37.6	6,521	57.7
1 offer (one employer offers benefits) . . . . .	4,522	476	10.5	3,444	76.2
0 offers (neither employer offers benefits) . . . . .	700	(X)	(X)	(X)	(X)

(X) Not applicable.

<sup>1</sup> Family income thresholds are defined to maintain consistency with income categories specified in the Patient Protection and Affordable Care Act.Source: U.S. Census Bureau, Survey of Income and Program Participation, 2008 Panel, May–August 2010. For information on confidentiality protection, sampling, and nonsampling error see <[www.census.gov/sipp/source.html](http://www.census.gov/sipp/source.html)>.

workers aged 45 to 64 worked for an employer that offered health insurance benefits, compared with 60.0 percent for workers aged 19 to 25.

By family income, the likelihood of working for an employer that offers any health insurance benefits increased with family income. Individuals with family incomes less than 138 percent of the federal poverty level were the least likely to work for an employer that offered health insurance benefits. Among these workers, 43.3 percent were employed in firms that offered health insurance benefits. In comparison, 63.9 percent of individuals with family incomes between 139 percent and 250 percent of the federal poverty level worked for such an employer. Among workers

with family incomes 251 percent to 400 percent of the federal poverty level, 74.8 percent were employed in firms that offered health insurance benefits. Workers with family incomes 401 percent and above of the federal poverty level were the most likely to work for an employer that offered health benefits (80.9 percent). The likelihood of coverage among workers whose employer offers health insurance coverage also increased with family income.

For workers with an employed spouse, many rely on coverage from only one of their employers, as employment-based health insurance contracts often provide eligibility for family coverage (i.e., coverage of spouses and children). In particular, 56.9 percent of couples with both workers employed

in firms that offered health insurance benefits, purchased coverage for the worker and their spouse (Table 5). For couples with only one member employed in a firm that offered health insurance benefits, 68.7 percent of couples provided coverage for the spouse.

The likelihood of health insurance coverage for the policyholder and spouse varied by family income level. Couples across all income categories were more likely to purchase coverage for their spouse when the couple had at most one health insurance offer. For example, 57.5 percent of couples with family incomes between 139 percent and 250 percent of the federal poverty level purchased health insurance for their spouse when the couple had at most one offer of health

insurance. In contrast, among couples with family incomes between 251 percent and 400 percent of the federal poverty level, 68.4 percent purchased health insurance for their spouse when the couple received at most one offer of health insurance.

### **Health Insurance Benefits by Labor Force Status**

Current employers were the most common source of health insurance for employed individuals (Table 6). One-half (49.6 percent) of employed individuals were covered by their current employer. Employed men aged 26 to 64 years old were more likely to be covered by this source than employed women in the same age group. Among people aged 26 to 44, current employers covered 56.1 percent of men compared with 50.8 percent of women. The rate of health insurance coverage from a current employer for employed men aged 45 to 64 was even higher—60.1 percent, compared with 54.9 percent for employed women in the same age group. In addition to receiving coverage through their own employer, individuals also received coverage as dependents through spouses' or parents' plans: 14.3 percent of all employed, 14.4 percent of unemployed, and 17.5 percent of those not in the labor force were covered as dependents.

The likelihood of health insurance coverage from a previous employer was larger for individuals aged 45 to 64 than for those aged 26 to 44 regardless of labor force status. In addition, a larger fraction of individuals of all ages who were unemployed or out of the labor force had health insurance coverage from a previous employer compared with employed individuals. Among employed workers aged 65 and

over, 9.4 percent were covered by their previous employer. A smaller percentage of younger workers obtained health insurance through their former employer. Only 0.4 percent of employed individuals aged 19 to 25 and 1.0 percent of employed individuals aged 26 to 44 were covered by previous employers.

In addition to employment-based health insurance, individuals across different labor force status groups had health insurance coverage from other sources. In particular, 7.1 percent of employed individuals had directly-purchased or military-related coverage, compared with 19.5 percent of those not in the labor force. Furthermore, 4.8 percent of employed people had public health insurance, compared with 27.4 percent of those not in the labor force.

Unemployed individuals were more likely to be uninsured than people who were employed or not in the labor force across all age groups. Unemployed men aged 26 to 44 were more likely to be without health insurance, at 64.4 percent, than unemployed men aged 45 to 64, at 49.1 percent. Individuals aged 65 and over were the least likely to be uninsured across the three labor force categories. The rate of no insurance coverage for this group was 1.1 percent for those who were employed, 1.4 percent for the unemployed, and 0.8 percent for those not in the labor force.

The majority of these individuals aged 65 and over were eligible for public health insurance through the Medicare program. However, rates of public insurance coverage were lower than rates of coverage from employer-provided and direct-purchase or military-related sources for all three labor force categories.

In the 65 and over age category, public health insurance coverage was 18.5 percent for the employed, 25.4 percent for the unemployed, and 30.5 percent for those not in the labor force.<sup>12</sup>

### **Health Insurance Benefits by Employer Characteristics**

Health insurance offer rates increased by the size of the worker's employer as measured by the number of workers at the firm (Table 7). Individuals who worked for small businesses were less likely to be covered by employment-based health insurance than those working in larger firms. Less than one half (45.3 percent) of people working in firms with fewer than 25 employees received health insurance benefits compared with 88.8 percent for people who worked for firms employing 1,000 or more employees.<sup>13</sup>

Health insurance coverage rates also increased with business size. Of individuals who worked for employers with fewer than 25 employees, 27.8 percent had health insurance coverage through their current employers. In comparison, the participation rates increased with firm size, with 63.6 percent for firms with 1,000 or more employees.

While employees in larger firms were more likely to have health insurance coverage, employees in firms with 100 or more workers

<sup>12</sup> Mixed coverage respondents with both public coverage and employment-based or directly-purchased health insurance coverage are defined in this analysis to be in the latter two categories. Therefore, the low estimates of public insurance coverage reflect higher rates of mixed public health insurance coverage with employment-based and direct-purchase or military-related sources.

<sup>13</sup> These estimates are lower than estimates provided by the Medical Expenditure Panel Survey Insurance Component, which is an employer-based survey. One possible reason for the discrepancy is respondent uncertainty of benefits received by other employees at the firm.



Table 6.

**Health Insurance Coverage Type by Age, Sex, and Labor Force Status: 2010**

(Numbers in thousands)

Characteristic	15 years and over		15–18 years		19–25 years		26–44 years		45–64 years		65 years and over	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Employed</b> . . . . .	<b>140,659</b>	<b>100.0</b>	<b>3,265</b>	<b>100.0</b>	<b>17,594</b>	<b>100.0</b>	<b>58,022</b>	<b>100.0</b>	<b>55,407</b>	<b>100.0</b>	<b>6,371</b>	<b>100.0</b>
Current employer . . . . .	69,831	49.6	149	4.6	4,914	27.9	31,151	53.7	31,905	57.6	1,711	26.9
Previous employer . . . . .	2,644	1.9	2	–	67	0.4	590	1.0	1,389	2.5	596	9.4
Somebody else's employer (dependent) . . . . .	20,061	14.3	228	7.0	791	4.5	8,443	14.6	9,877	17.8	723	11.3
Privately purchased or military-related . . . . .	9,936	7.1	316	9.7	1,538	8.7	2,632	4.5	3,398	6.1	2,053	32.2
Public health insurance . . . . .	6,728	4.8	493	15.1	1,164	6.6	2,649	4.6	1,241	2.2	1,181	18.5
No health insurance . . . . .	25,276	18.0	359	11.0	5,445	31.0	12,112	20.9	7,286	13.2	73	1.1
<b>Unemployed</b> . . . . .	<b>14,822</b>	<b>100.0</b>	<b>943</b>	<b>100.0</b>	<b>2,902</b>	<b>100.0</b>	<b>5,972</b>	<b>100.0</b>	<b>4,573</b>	<b>100.0</b>	<b>433</b>	<b>100.0</b>
Previous employer . . . . .	1,443	9.7	22	2.3	125	4.3	487	8.2	748	16.4	61	14.1
Somebody else's employer (dependent) . . . . .	2,139	14.4	22	2.3	90	3.1	941	15.8	1,023	22.4	63	14.5
Privately purchased or military-related . . . . .	1,056	7.1	65	6.9	199	6.9	313	5.2	285	6.2	193	44.7
Public health insurance . . . . .	2,359	15.9	292	30.9	527	18.2	1,001	16.8	428	9.4	110	25.4
No health insurance . . . . .	6,845	46.2	139	14.7	1,441	49.6	3,198	53.6	2,062	45.1	6	1.4
<b>Not in labor force</b> . . . . .	<b>86,201</b>	<b>100.0</b>	<b>12,752</b>	<b>100.0</b>	<b>8,614</b>	<b>100.0</b>	<b>12,924</b>	<b>100.0</b>	<b>20,116</b>	<b>100.0</b>	<b>31,795</b>	<b>100.0</b>
Previous employer . . . . .	10,070	11.7	247	1.9	332	3.9	347	2.7	3,272	16.3	5,871	18.5
Somebody else's employer (dependent) . . . . .	15,050	17.5	949	7.4	733	8.5	4,039	31.2	5,384	26.8	3,945	12.4
Privately purchased or military-related . . . . .	16,848	19.5	1,178	9.2	899	10.4	754	5.8	2,033	10.1	11,984	37.7
Public health insurance . . . . .	23,650	27.4	3,477	27.3	1,533	17.8	3,485	27.0	5,469	27.2	9,686	30.5
No health insurance . . . . .	12,444	14.4	1,499	11.8	2,704	31.4	4,147	32.1	3,855	19.2	239	0.8
<b>Male</b>												
<b>Employed</b> . . . . .	<b>74,471</b>	<b>100.0</b>	<b>1,621</b>	<b>100.0</b>	<b>9,063</b>	<b>100.0</b>	<b>31,490</b>	<b>100.0</b>	<b>28,688</b>	<b>100.0</b>	<b>3,608</b>	<b>100.0</b>
Current employer . . . . .	38,483	51.7	91	5.6	2,554	28.2	17,661	56.1	17,228	60.1	949	26.3
Previous employer . . . . .	1,835	2.5	2	0.1	63	0.7	432	1.4	929	3.2	410	11.3
Somebody else's employer (dependent) . . . . .	7,113	9.6	122	7.6	251	2.8	2,755	8.8	3,654	12.7	330	9.1
Privately purchased or military-related . . . . .	5,961	8.0	171	10.6	813	9.0	1,818	5.8	1,959	6.8	1,200	33.3
Public health insurance . . . . .	2,777	3.7	202	12.4	385	4.2	974	3.1	564	2.0	653	18.1
No health insurance . . . . .	15,195	20.4	179	11.1	3,201	35.3	7,595	24.1	4,171	14.5	49	1.4
<b>Unemployed</b> . . . . .	<b>8,241</b>	<b>100.0</b>	<b>514</b>	<b>100.0</b>	<b>1,666</b>	<b>100.0</b>	<b>3,312</b>	<b>100.0</b>	<b>2,575</b>	<b>100.0</b>	<b>175</b>	<b>100.0</b>
Previous employer . . . . .	884	10.7	20	3.9	70	4.2	331	10.0	431	16.8	32	18.4
Somebody else's employer (dependent) . . . . .	875	10.6	2	0.4	22	1.3	334	10.1	491	19.1	26	14.7
Privately purchased or military-related . . . . .	582	7.1	29	5.7	123	7.4	195	5.9	159	6.2	76	43.2
Public health insurance . . . . .	889	10.8	140	27.2	205	12.3	299	9.0	204	7.9	41	23.7
No health insurance . . . . .	4,463	54.2	90	17.5	974	58.5	2,134	64.4	1,265	49.1	–	–
<b>Not in labor force</b> . . . . .	<b>34,427</b>	<b>100.0</b>	<b>6,500</b>	<b>100.0</b>	<b>3,945</b>	<b>100.0</b>	<b>3,352</b>	<b>100.0</b>	<b>7,698</b>	<b>100.0</b>	<b>12,933</b>	<b>100.0</b>
Previous employer . . . . .	5,759	16.7	120	1.8	157	4.0	213	6.4	1,832	23.8	3,436	26.6
Somebody else's employer (dependent) . . . . .	2,839	8.2	509	7.8	229	5.8	246	7.3	1,014	13.2	841	6.5
Privately purchased or military-related . . . . .	7,095	20.6	640	9.8	443	11.2	332	9.9	919	11.9	4,762	36.8
Public health insurance . . . . .	9,581	27.8	1,757	27.0	522	13.2	1,139	34.0	2,408	31.3	3,755	29.0
No health insurance . . . . .	5,099	14.8	773	11.9	1,338	33.9	1,380	41.2	1,497	19.4	112	0.9

See notes at end of table.

Table 6.

**Health Insurance Coverage Type by Age, Sex, and Labor Force Status: 2010—Con.**

(Numbers in thousands)

Characteristic	15 years and over		15–18 years		19–25 years		26–44 years		45–64 years		65 years and over	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Female</b>												
<b>Employed</b> . . . . .	<b>66,187</b>	<b>100.0</b>	<b>1,644</b>	<b>100.0</b>	<b>8,530</b>	<b>100.0</b>	<b>26,532</b>	<b>100.0</b>	<b>26,718</b>	<b>100.0</b>	<b>2,763</b>	<b>100.0</b>
Current employer . . . . .	31,348	47.4	58	3.5	2,360	27.7	13,491	50.8	14,677	54.9	762	27.6
Previous employer . . . . .	809	1.2	—	—	3	—	159	0.6	461	1.7	187	6.8
Somebody else's employer (dependent) . . . . .	12,948	19.6	105	6.4	539	6.3	5,688	21.4	6,223	23.3	393	14.2
Privately purchased or military-related . . . . .	3,975	6.0	144	8.8	725	8.5	813	3.1	1,439	5.4	853	30.9
Public health insurance . . . . .	3,951	6.0	291	17.7	780	9.1	1,676	6.3	677	2.5	528	19.1
No health insurance . . . . .	10,080	15.2	179	10.9	2,245	26.3	4,518	17.0	3,115	11.7	24	0.9
<b>Unemployed</b> . . . . .	<b>6,581</b>	<b>100.0</b>	<b>429</b>	<b>100.0</b>	<b>1,236</b>	<b>100.0</b>	<b>2,660</b>	<b>100.0</b>	<b>1,998</b>	<b>100.0</b>	<b>257</b>	<b>100.0</b>
Previous employer . . . . .	559	8.5	2	0.4	55	4.5	157	5.9	316	15.8	29	11.1
Somebody else's employer (dependent) . . . . .	1,264	19.2	19	4.5	69	5.5	607	22.8	532	26.6	37	14.3
Privately purchased or military-related . . . . .	474	7.2	36	8.4	77	6.2	117	4.4	126	6.3	118	45.7
Public health insurance . . . . .	1,469	22.3	152	35.4	322	26.1	702	26.4	224	11.2	69	26.6
No health insurance . . . . .	2,382	36.2	49	11.4	466	37.7	1,064	40.0	797	39.9	6	2.3
<b>Not in labor force</b> . . . . .	<b>51,774</b>	<b>100.0</b>	<b>6,252</b>	<b>100.0</b>	<b>4,669</b>	<b>100.0</b>	<b>9,572</b>	<b>100.0</b>	<b>12,419</b>	<b>100.0</b>	<b>18,862</b>	<b>100.0</b>
Previous employer . . . . .	4,311	8.3	127	2.0	175	3.7	133	1.4	1,440	11.6	2,435	12.9
Somebody else's employer (dependent) . . . . .	12,211	23.6	440	7.0	504	10.8	3,793	39.6	4,370	35.2	3,105	16.5
Privately purchased or military-related . . . . .	9,753	18.8	539	8.6	457	9.8	422	4.4	1,114	9.0	7,222	38.3
Public health insurance . . . . .	14,069	27.2	1,719	27.5	1,012	21.7	2,346	24.5	3,061	24.7	5,931	31.4
No health insurance . . . . .	7,345	14.2	726	11.6	1,366	29.2	2,768	28.9	2,359	19.0	127	0.7

— Represents or rounds to zero.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2008 Panel, May–August 2010. For information on confidentiality protection, sampling, and nonsampling error see <[www.census.gov/sipp/source.html](http://www.census.gov/sipp/source.html)>.

were less likely to have their entire health insurance premium paid for by their employer than employees in firms with less than 100 workers. In particular, 17.7 percent of employees with employer-provided health insurance who were employed in firms with 1,000 or more workers had their entire premium paid by their employer. In comparison, 34.8 percent of workers employed by firms with fewer than 25 workers reported having their entire premium paid by their employer.

Firm size was not related to whether health insurance coverage

was provided through a Health Maintenance Organization among firms with 100 or more workers. A comparable proportion of employees across these firm size categories were covered through a Health Maintenance Organization (about 33.5 percent). Firms employing 25 to 99 workers had a slightly higher rate of coverage than larger firms at 35.6 percent.

The percentage of part-time workers reporting health insurance coverage through their employer varied across firm size.<sup>14</sup> Of part-time

<sup>14</sup> Part-time workers are defined as working fewer than 35 hours in the last week of the reference period.

workers in firms employing fewer than 25 people, 6.6 percent were covered by employer health insurance. Among part-time workers in firms employing 25–99 workers, 13.6 percent were covered by employer health insurance. By comparison, 16.9 percent of part-time workers in firms employing 100 to 499 people, 20.3 percent of part-time workers in firms employing 500 to 999 workers, and 20.4 percent of part-time workers in firms employing 1,000 or more workers were covered by employer health insurance.

Table 7.  
**Characteristics of Health Insurance for Workers by Firm Size: 2010**  
 (Numbers in thousands)

Characteristic	All firms		Employees											
			0-24		25-99		100-499		500-999		1000+			
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent		
All employed	140,659	100.0	26,363	100.0	15,107	100.0	15,953	100.0	7,816	100.0	59,508	100.0		
Employer does not offer health insurance	40,582	28.9	14,413	54.7	3,757	24.9	2,481	15.6	941	12.0	6,646	11.2		
Employer offers health insurance	100,077	71.1	11,949	45.3	11,350	75.1	13,473	84.4	6,875	88.0	52,862	88.8		
Covered by own employer health insurance (percentage of all employed)	69,831	49.6	7,335	27.8	7,836	51.9	9,499	59.5	4,889	62.6	37,852	63.6		
Covered by own employer health insurance	69,831	100.0	7,335	100.0	7,836	100.0	9,499	100.0	4,889	100.0	37,852	100.0		
100 percent of premium paid by employer	15,974	22.9	2,550	34.8	2,196	28.0	2,063	21.7	1,089	22.3	6,684	17.7		
Partial premium paid by employer	51,831	74.2	4,507	61.4	5,434	69.3	7,223	76.0	3,680	75.3	30,107	79.5		
No premium paid by employer	2,026	2.9	278	3.8	206	2.6	213	2.2	121	2.5	1,061	2.8		
Plan characteristics (percentage of all covered):														
Employer offers multiple plans	39,374	56.4	2,759	37.6	3,427	43.7	4,852	51.1	2,669	54.6	24,826	65.6		
Covered by HMO plan	23,500	33.7	2,477	33.8	2,793	35.6	3,200	33.7	1,612	33.0	12,709	33.6		
Plan does not cover pre-existing conditions	1,397	2.0	132	1.8	177	2.3	166	1.7	106	2.2	756	2.0		
<b>Part-Time Workers Only</b>														
Part-time employed	29,234	100.0	7,641	100.0	2,643	100.0	2,219	100.0	1,134	100.0	10,129	100.0		
Employer does not offer health insurance	15,606	53.4	5,522	72.3	1,278	48.3	763	34.4	350	30.8	2,922	28.9		
Employer offers health insurance	13,628	46.6	2,119	27.7	1,365	51.7	1,456	65.6	785	69.2	7,207	71.1		
Covered by own employer health insurance (percentage of all employed)	3,856	13.2	506	6.6	359	13.6	376	16.9	230	20.3	2,062	20.4		
Covered by own employer health insurance	3,856	100.0	506	100.0	359	100.0	376	100.0	230	100.0	2,062	100.0		
100 percent of premium paid by employer	1,099	28.5	183	36.2	104	28.9	67	17.9	84	36.3	496	24.1		
Partial premium paid by employer	2,564	66.5	305	60.4	231	64.2	288	76.7	135	58.8	1,463	70.9		
No premium paid by employer	193	5.0	18	3.5	25	6.9	20	5.4	11	4.9	103	5.0		
Plan characteristics (percentage of all covered):														
Employer offers multiple plans	1,974	51.2	170	33.5	179	49.8	177	47.2	132	57.2	1,196	58.0		
Covered by HMO plan	1,257	32.6	141	27.9	105	29.4	126	33.6	98	42.7	711	34.5		
Plan does not cover pre-existing conditions	102	2.6	13	2.5	14	3.8	7	3.1	7	3.1	58	2.8		

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2008 Panel, May–August 2010. For information on confidentiality protection, sampling, and nonsampling error, see <[www.census.gov/sipp/source.html](http://www.census.gov/sipp/source.html)>.

Table 8.

**Employment-Based Offer and Coverage Rates by Industry and Occupation: 2010**

(Numbers in thousands)

Characteristic	Employed total	Offered		Covered	
		Number	Percent	Number	Percentage of offered
<b>Total</b> .....	<b>140,659</b>	<b>100,077</b>	<b>71.1</b>	<b>69,831</b>	<b>69.8</b>
<b>Industry</b>					
Unknown .....	15,139	3,236	21.4	2,275	70.3
Agriculture and mining .....	2,190	1,032	47.1	785	76.1
Construction .....	6,523	3,879	59.5	2,792	72.0
Manufacturing .....	13,468	11,783	87.5	9,604	81.5
Wholesale and retail trade .....	17,558	13,571	77.3	8,195	60.4
Transportation, communication, public utilities .....	8,909	7,521	84.4	5,864	78.0
Finance, insurance, and real estate .....	20,391	15,858	77.8	11,450	72.2
Education, health, and social services .....	30,896	26,286	85.1	18,111	68.9
Arts and recreation .....	11,776	6,140	52.1	2,721	44.3
Other services .....	5,295	2,850	53.8	1,893	66.4
Public administration .....	8,512	7,923	93.1	6,141	77.5
<b>Occupation</b>					
Unknown .....	15,139	3,236	21.4	2,275	70.3
Management and professional .....	44,099	39,431	89.4	30,284	76.8
Service .....	23,800	14,551	61.1	7,998	55.0
Sales and office .....	31,157	24,181	77.6	15,655	64.7
Farming, fishing, and forestry .....	1,461	476	32.6	314	65.9
Construction, extraction, maintenance, and repair ...	9,949	6,680	67.1	5,009	75.0
Production and transportation .....	15,053	11,521	76.5	8,295	72.0

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2008 Panel, May–August 2010. For more information on confidentiality protection, sampling, and nonsampling errors see <[www.census.gov/sipp/source.html](http://www.census.gov/sipp/source.html)>.

**Offer and Coverage Rates by Industry and Occupation**

The number and percentage of employers who offered health insurance varied across industries, as did the likelihood that an employee was covered by an employer's health insurance plan (Table 8). Workers employed in the public administration industry were most likely (93.1 percent) to work for employers that offered health insurance to any of their employees. At the other end of the spectrum, employers of workers in agriculture and mining offered insurance at the lowest levels (47.1 percent).

High offer rates did not necessarily coincide with high coverage rates as the offer rate reflects only the likelihood that a worker's employer offers health insurance to any of its

employees. For example, workers in the manufacturing industry had both higher than average offer and coverage rates. Specifically, 87.5 percent of manufacturing workers were employed by firms that offered health insurance to any of their workers compared, with the average offer rate among all employees of 71.1 percent. Likewise, 81.5 percent of manufacturing workers were insured by their employer compared with an average coverage rate of 69.8 percent. In contrast, workers in the educational, health, and social services industry had high offer rates (85.1 percent), but lower coverage rates (68.9 percent). Workers in the arts and recreation industry had both moderate offer rates (52.1 percent) and coverage rates (44.3 percent).

By occupation, workers in the management and professional

occupation category were employed in firms that offered health insurance (89.4 percent) in the highest proportions. Comparatively, farm, fishing, and forestry workers were employed in firms that offered health insurance in the lowest proportions (32.6 percent).

As was true for industries, the frequency of receiving or taking up a health insurance offer varied across occupations. For example, management and professional workers were the most likely to be offered (89.4 percent) and covered (76.8 percent) by employer health insurance. In contrast, service occupations had only moderate offer (61.1 percent) and coverage (55.0 percent) rates. While farm, fishing, and forestry workers had much lower than average offer rates (32.6 percent), their rate of coverage was higher (65.9 percent).

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## Workers Without Employer-Provided Health Insurance

Individuals working for employers who offer health insurance have a variety of reasons for not participating in their employer's plan. Some workers choose not to be covered and some workers are not eligible for coverage, usually because they are not permanent, full-time workers or they are still in a probationary period. Of nonparticipating workers, 32.2 percent were not eligible to participate in their employer's health insurance plan (Table 9). Another 16.3 percent of workers were not insured by their employer's health plan for other, unknown reasons. About 1.1 percent of nonparticipants were not insured by their employer because they were denied coverage. Reasons for denial of coverage include age or a preexisting condition. The remaining half (50.4 percent) of workers chose not to enroll in their employer's plan.

The reasons for nonparticipation in an employer's plan varied by age, sex, and race and Hispanic origin. A larger proportion of workers aged 45 to 64 (57.5 percent) than workers aged 19 to 25 (35.5 percent) reported choice as the most likely reason for not being covered by their employer. Workers aged 19 to 25 reported ineligibility for coverage in higher proportions than workers aged 26 to 44 or aged 45 to 64. About 52.7 percent of workers aged 19 to 25 were ineligible for coverage compared with 25.1 percent of workers aged 26 to 44 and 23.0 percent of workers aged 45 to 64.

Among non-Hispanic Black workers, 36.4 percent reported ineligibility as a reason for nonparticipation, compared with 32.5 percent of non-Hispanic Whites and 28.1

percent of Hispanics. Hispanic workers were more likely (52.3 percent) not to purchase employer insurance coverage by choice than non-Hispanic White workers (50.4 percent) and non-Hispanic Black workers (47.4 percent). When compared by age, 26 to 44 year old non-Hispanic Whites were more likely than non-Hispanic Blacks to choose not to purchase health insurance. In addition, 45 to 64 year old non-Hispanic Whites were more likely than Hispanics to choose not to participate in their employer's health insurance plan.

There are many reasons why eligible workers chose to forego health insurance coverage that was offered by their current employer. For example, many had other sources of insurance (66.4 percent) or cited cost as the reason (27.4 percent) for not purchasing health insurance through their own employer (Table 10).<sup>15</sup> Women were more likely than men to have another source of health insurance, 71.1 percent and 60.2 percent respectively. An estimated 25.1 percent of women also cited cost as the reason for nonparticipation, compared with 30.4 percent for men.

The proportion of employees without health insurance coverage was negatively associated with education, regardless of whether or not the worker's employer offered health insurance (Table 11). Of individuals who worked for an employer that did not offer health insurance, those with a college degree or higher were less likely (30.6 percent) to be uninsured than high school graduates (44.1

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<sup>15</sup> The reasons for nonparticipation by choice in an employer's health insurance benefit plan were collected through a "mark-all" question. Therefore, there is overlap in the categories listed and percent totals in Table 10 do not sum to 100 percent.

percent) or those with less than a high school diploma (62.3 percent). Similarly, among workers whose employer offered health insurance benefits to any of its employees, a smaller proportion of workers with a college degree or higher (18.5 percent) were uninsured than high school graduates (33.3 percent) or workers with less than a high school diploma (43.6 percent).

For workers who did not have health insurance through their current employer but who were insured, the most prevalent source of health insurance was someone else's employment-based plan. Regardless of whether an employer offered health insurance coverage to any of their employees, the proportion of employees covered as a dependent increased with educational attainment. For example, among individuals working for employers who did not offer health insurance coverage, 6.7 percent of people with less than a high school diploma, 17.6 percent of high school graduates, and 29.6 percent of people with a college degree or higher were covered as a dependent on another person's coverage.

The age of the worker was also associated with the source of health insurance coverage. Workers aged 26 to 44 were less likely to be covered by someone else's employer as a dependent than workers aged 45 to 64. This was regardless of educational attainment or employer provision of health insurance benefits. However, workers aged 26 to 44 were more likely to be covered by public coverage than workers aged 45 to 64 regardless of educational attainment when their employer did not offer health insurance benefits.

Table 9.

**Reasons for Not Participating in an Employer Health Insurance Plan by Age, Sex, and Race: 2010**

(Numbers in thousands)

Characteristic	15 years and over		15-18 years		19-25 years		26-44 years		45-64 years		65 years and over	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>All nonparticipants.....</b>	<b>30,246</b>	<b>100.0</b>	<b>1,209</b>	<b>100.0</b>	<b>5,643</b>	<b>100.0</b>	<b>11,590</b>	<b>100.0</b>	<b>10,036</b>	<b>100.0</b>	<b>1,769</b>	<b>100.0</b>
Ineligible.....	9,725	32.2	909	75.2	2,976	52.7	2,913	25.1	2,308	23.0	620	35.0
Denied.....	322	1.1	-	-	78	1.4	118	1.0	98	1.0	27	1.5
By choice.....	15,258	50.4	215	17.8	2,000	35.5	6,450	55.6	5,772	57.5	820	46.4
Other.....	4,941	16.3	85	7.1	588	10.4	2,109	18.2	1,857	18.5	302	17.1
<b>Male nonparticipants.....</b>	<b>13,580</b>	<b>100.0</b>	<b>615</b>	<b>100.0</b>	<b>2,778</b>	<b>100.0</b>	<b>5,120</b>	<b>100.0</b>	<b>4,155</b>	<b>100.0</b>	<b>913</b>	<b>100.0</b>
Ineligible.....	4,140	30.5	450	73.2	1,431	51.5	1,178	23.0	786	18.9	294	32.2
Denied.....	158	1.2	-	0.1	40	1.5	38	0.7	63	1.5	16	1.8
By choice.....	6,595	48.6	94	15.2	930	33.5	2,773	54.2	2,375	57.2	423	46.3
Other.....	2,687	19.8	71	11.5	375	13.5	1,131	22.1	930	22.4	180	19.7
<b>Female nonparticipants.....</b>	<b>16,666</b>	<b>100.0</b>	<b>594</b>	<b>100.0</b>	<b>2,865</b>	<b>100.0</b>	<b>6,470</b>	<b>100.0</b>	<b>5,881</b>	<b>100.0</b>	<b>856</b>	<b>100.0</b>
Ineligible.....	5,586	33.5	458	77.1	1,545	53.9	1,735	26.8	1,522	25.9	325	38.0
Denied.....	163	1.0	-	-	37	1.3	80	1.2	35	0.6	11	1.2
By choice.....	8,663	52.0	121	20.4	1,070	37.3	3,676	56.8	3,398	57.8	398	46.5
Other.....	2,254	13.5	15	2.5	213	7.4	978	15.1	927	15.8	122	14.2
<b>White, non-Hispanic nonparticipants.....</b>	<b>21,051</b>	<b>100.0</b>	<b>839</b>	<b>100.0</b>	<b>3,799</b>	<b>100.0</b>	<b>7,500</b>	<b>100.0</b>	<b>7,479</b>	<b>100.0</b>	<b>1,434</b>	<b>100.0</b>
Ineligible.....	6,845	32.5	643	76.7	2,065	54.4	1,910	25.5	1,698	22.7	528	36.8
Denied.....	180	0.9	-	-	43	1.1	69	0.9	47	0.6	22	1.5
By choice.....	10,600	50.4	133	15.9	1,244	32.7	4,225	56.3	4,353	58.2	645	45.0
Other.....	3,425	16.3	63	7.5	447	11.8	1,295	17.3	1,380	18.5	240	16.7
<b>Black, non-Hispanic nonparticipants.....</b>	<b>3,496</b>	<b>100.0</b>	<b>115</b>	<b>100.0</b>	<b>734</b>	<b>100.0</b>	<b>1,429</b>	<b>100.0</b>	<b>1,058</b>	<b>100.0</b>	<b>160</b>	<b>100.0</b>
Ineligible.....	1,274	36.4	83	72.3	432	58.9	404	28.2	303	28.7	51	31.9
Denied.....	45	1.3	-	-	4	0.5	9	0.6	27	2.6	6	3.5
By choice.....	1,658	47.4	23	19.7	239	32.5	753	52.7	564	53.3	79	49.7
Other.....	519	14.9	9	8.0	59	8.0	264	18.5	163	15.4	24	14.9
<b>Hispanic nonparticipants.....</b>	<b>3,830</b>	<b>100.0</b>	<b>170</b>	<b>100.0</b>	<b>832</b>	<b>100.0</b>	<b>1,812</b>	<b>100.0</b>	<b>909</b>	<b>100.0</b>	<b>106</b>	<b>100.0</b>
Ineligible.....	1,082	28.3	129	75.6	321	38.6	421	23.2	193	21.3	18	16.6
Denied.....	66	1.7	-	-	28	3.4	22	1.2	15	1.7	-	-
By choice.....	2,003	52.3	33	19.4	422	50.7	986	54.4	495	54.5	67	62.7
Other.....	680	17.7	8	5.0	61	7.3	383	21.1	205	22.6	22	20.7

- Represents or rounds to zero.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2008 Panel, May-August 2010. For information on confidentiality protection, sampling, and nonsampling error see <[www.census.gov/sipp/source.html](http://www.census.gov/sipp/source.html)>.

**Table 10. Reasons for Not Participating by Choice in an Employer Health Insurance Plan by Age and Sex: 2010**  
(Numbers in thousands)

Characteristic	15 years and over		15-18 years		19-25 years		26-44 years		45-64 years		65 years and over	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
All nonparticipants by choice	15,258	(X)	215	(X)	2,000	(X)	6,450	(X)	5,772	(X)	820	(X)
Other health insurance	10,124	66.4	151	70.5	910	45.5	3,982	61.7	4,416	76.5	664	80.9
Medical savings account	69	0.5	-	-	7	0.4	24	0.4	38	0.7	-	-
No family coverage	69	0.5	-	-	9	0.4	41	0.6	20	0.4	-	-
Too costly	4,178	27.4	46	21.6	861	43	2,079	32.2	1,093	18.9	98	12
Pre-existing condition not covered	36	0.2	-	-	3	0.1	6	0.1	17	0.3	10	1.2
Too many limitations	212	1.4	-	-	26	1.3	76	1.2	95	1.6	15	1.9
No need or want	376	2.5	16	7.5	103	5.1	144	2.2	85	1.5	28	3.4
Other	633	4.2	3	1.5	120	6	283	4.4	188	3.3	39	4.8
Unknown	434	2.8	7	3.3	120	6	160	2.5	137	2.4	11	1.3
Male nonparticipants by choice	6,595	(X)	94	(X)	930	(X)	2,773	(X)	2,375	(X)	423	(X)
Other health insurance	3,968	60.2	84	89.3	368	39.6	1,438	51.8	1,731	72.9	347	82.2
Medical savings account	38	0.6	-	-	7	0.8	10	0.3	21	0.9	-	-
No family coverage	26	0.4	-	-	-	-	16	0.6	11	0.4	-	-
Too costly	2,006	30.4	10	10.7	389	41.8	1,077	38.8	495	20.8	34	8.2
Pre-existing condition not covered	20	0.3	-	-	-	-	6	0.2	5	0.2	8	1.9
Too many limitations	93	1.4	-	-	5	0.5	38	1.4	38	1.6	12	2.8
No need or want	202	3.1	1	0.8	62	6.7	88	3.2	45	1.9	6	1.4
Other	326	4.9	2	2.6	56	6.1	150	5.4	89	3.8	27	6.5
Unknown	247	3.7	-	-	88	9.5	83	3	70	2.9	7	1.6
Female nonparticipants by choice	8,663	(X)	121	(X)	1,070	(X)	3,676	(X)	3,398	(X)	398	(X)
Other health insurance	6,156	71.1	68	55.9	542	50.6	2,544	69.2	2,686	79.1	316	79.5
Medical savings account	31	0.4	-	-	-	-	14	0.4	17	0.5	-	-
No family coverage	43	0.5	-	-	9	0.8	25	0.7	10	0.3	-	-
Too costly	2,172	25.1	36	30	472	44.1	1,002	27.3	598	17.6	64	16.1
Pre-existing condition not covered	16	0.2	-	-	3	0.3	-	-	11	0.3	2	0.4
Too many limitations	120	1.4	-	-	21	1.9	39	1.1	57	1.7	4	0.9
No need or want	175	2	15	12.6	41	3.8	56	1.5	40	1.2	22	5.6
Other	308	3.6	1	0.6	64	6	133	3.6	99	2.9	12	3
Unknown	187	2.2	7	5.8	31	2.9	77	2.1	68	2	4	1

- Represents or rounds to zero.  
(X) Not applicable; choice categories are not mutually exclusive. As a result, totals do not sum to 100 percent.  
Source: U.S. Census Bureau, Survey of Income and Program Participation, 2008 Panel, May-August 2010. For information on confidentiality protection, sampling, and nonsampling error see <[www.census.gov/sipp/source.html](http://www.census.gov/sipp/source.html)>.

Table 11.  
**Health Insurance Status of Workers Not Participating in Their Employer's Plan by Age and Education: 2010**  
 (Numbers in thousands)

Characteristic	15 years and over		15-18 years		19-25 years		26-44 years		45-64 years		65 years and over	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>All Nonparticipants</b>	40,582	100.0	1,907	100.0	7,036	100.0	15,281	100.0	13,467	100.0	2,891	100.0
Not offered by employer . . . . .	1,116	2.8	-	-	35	0.5	230	1.5	566	4.2	286	9.9
Previous employer . . . . .	8,205	20.2	125	6.6	376	5.3	3,081	20.2	4,223	31.4	400	13.8
Someone else's employer (dependent) . . . . .	6,492	16.0	213	11.2	839	11.9	1,719	11.2	2,374	17.6	1,347	46.6
Privately purchased or military-related . . . . .	4,318	10.6	283	14.8	648	9.2	1,716	11.2	877	6.5	794	27.5
Public health insurance . . . . .	17,113	42.2	250	13.1	3,230	45.9	8,302	54.3	5,283	39.2	48	1.7
No health insurance . . . . .	30,246	100.0	1,209	100.0	5,643	100.0	11,590	100.0	10,036	100.0	1,769	100.0
Offered by employer . . . . .	1,528	5.1	2	0.1	32	0.6	361	3.1	824	8.2	310	17.5
Previous employer . . . . .	11,856	39.2	102	8.5	415	7.4	5,362	46.3	5,654	56.3	323	18.2
Someone else's employer (dependent) . . . . .	3,445	11.4	103	8.5	699	12.4	913	7.9	1,023	10.2	706	39.9
Privately purchased or military-related . . . . .	2,410	8.0	210	17.4	516	9.2	933	8.0	363	3.6	387	21.9
Public health insurance . . . . .	8,162	27.0	108	9.0	2,216	39.3	3,811	32.9	2,003	20.0	25	1.4
No health insurance . . . . .												
<b>Less Than High School</b>	7,115	100.0	1,220	100.0	746	100.0	2,926	100.0	1,885	100.0	337	100.0
Not offered by employer . . . . .	63	0.9	-	-	6	0.8	17	0.6	40	2.1	-	-
Previous employer . . . . .	475	6.7	80	6.6	16	2.2	123	4.2	229	12.1	26	7.7
Someone else's employer (dependent) . . . . .	443	6.2	136	11.1	37	5.0	66	2.2	75	4.0	129	38.3
Privately purchased or military-related . . . . .	979	13.8	163	13.4	114	15.2	387	13.2	165	8.7	151	44.6
Public health insurance . . . . .	4,431	62.3	168	13.7	542	72.7	2,317	79.2	1,375	73.0	28	8.4
No health insurance . . . . .	2,497	100.0	684	100.0	242	100.0	840	100.0	592	100.0	138	100.0
Offered by employer . . . . .	84	3.4	2	0.2	-	-	22	2.7	35	5.9	26	18.7
Previous employer . . . . .	328	13.1	49	7.2	6	2.3	114	13.6	153	25.9	5	3.8
Someone else's employer (dependent) . . . . .	168	6.7	65	9.5	4	1.5	16	1.9	22	3.8	62	44.5
Privately purchased or military-related . . . . .	408	16.3	130	18.9	65	26.6	101	12.0	70	11.8	43	30.8
Public health insurance . . . . .	1,088	43.6	52	7.7	145	59.8	580	69.1	307	51.7	3	2.2
No health insurance . . . . .												
<b>High School or Some College</b>	18,080	100.0	670	100.0	4,916	100.0	6,216	100.0	5,177	100.0	1,102	100.0
Not offered by employer . . . . .	329	1.8	-	-	17	0.3	71	1.1	162	3.1	78	7.1
Previous employer . . . . .	3,177	17.6	43	6.4	266	5.4	1,092	17.6	1,637	31.6	139	12.6
Someone else's employer (dependent) . . . . .	2,391	13.2	75	11.2	482	9.8	499	8.0	805	15.6	530	48.2
Privately purchased or military-related . . . . .	2,199	12.2	119	17.8	456	9.3	899	14.5	390	7.5	335	30.4
Public health insurance . . . . .	7,976	44.1	83	12.3	2,188	44.5	3,580	57.6	2,108	40.7	17	1.5
No health insurance . . . . .	13,087	100.0	521	100.0	4,059	100.0	4,238	100.0	3,572	100.0	697	100.0
Offered by employer . . . . .	465	3.6	-	-	26	0.6	109	2.6	230	6.4	100	14.3
Previous employer . . . . .	3,859	29.5	53	10.2	256	6.3	1,479	34.9	1,935	54.2	136	19.5
Someone else's employer (dependent) . . . . .	1,439	11.0	36	6.9	467	11.5	334	7.9	295	8.3	307	44.0
Privately purchased or military-related . . . . .	1,195	9.1	79	15.1	342	8.4	481	11.4	149	4.2	145	20.8
Public health insurance . . . . .	4,361	33.3	56	10.7	1,626	40.1	1,777	41.9	895	25.0	7	1.1
No health insurance . . . . .												

See notes at end of table.



Table 11.  
**Health Insurance Status of Workers Not Participating in Their Employer's Plan by Age and Education: 2010—Con.**  
 (Numbers in thousands)

Characteristic	15 years and over		15-18 years		19-25 years		26-44 years		45-64 years		65 years and over	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>College Graduate</b>												
Not offered by employer . . . . .	15,386	100.0	16	100.0	1,375	100.0	6,139	100.0	6,405	100.0	1,452	100.0
Previous employer . . . . .	724	4.7	-	-	12	0.9	141	2.3	363	5.7	208	14.3
Someone else's employer (dependent) . . . . .	4,554	29.6	2	13.9	94	6.8	1,866	30.4	2,357	36.8	235	16.2
Privately purchased or military-related . . . . .	3,657	23.8	2	14.6	320	23.3	1,154	18.8	1,493	23.3	687	47.3
Public health insurance . . . . .	1,139	7.4	-	-	78	5.7	431	7.0	322	5.0	309	21.2
No health insurance . . . . .	4,706	30.6	-	-	499	36.3	2,404	39.2	1,800	28.1	3	0.2
Offered by employer . . . . .	14,662	100.0	4	100.0	1,341	100.0	6,512	100.0	5,871	100.0	934	100.0
Previous employer . . . . .	979	6.7	-	-	6	0.5	230	3.5	559	9.5	184	19.7
Someone else's employer (dependent) . . . . .	7,669	52.3	-	-	153	11.4	3,769	57.9	3,565	60.7	182	19.5
Privately purchased or military-related . . . . .	1,837	12.5	2	51.0	229	17.0	563	8.6	706	12.0	338	36.2
Public health insurance . . . . .	807	5.5	2	49.0	110	8.2	351	5.4	144	2.5	199	21.3
No health insurance . . . . .	2,714	18.5	-	-	445	33.2	1,453	22.3	802	13.7	14	1.5

- Represents or rounds to zero.  
 Source: U.S. Census Bureau, Survey of Income and Program Participation, 2008 Panel, May-August 2010. For information on confidentiality protection, sampling and nonsampling error see <[www.census.gov/sipp/source.html](http://www.census.gov/sipp/source.html)>.

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## SOURCE AND ACCURACY OF THE ESTIMATES

### Source of the Data

The Survey of Program Participation (SIPP) collects information from the noninstitutionalized resident population living in the United States. Foreign visitors who work or attend school in this country and their families are eligible, whereas Armed Forces' personnel living in military barracks and institutionalized persons, such as correctional facility inmates and nursing home residents, are not eligible in this survey. Individuals aged 15 and over are eligible for interview. A parent or a guardian gives information about people less than 15 years of age.

This report is based on data collected in wave 6 of the 2008 panel of the SIPP—which included a topical module on employment-based health benefits along with the core files on health insurance, labor force, and employment. This report also incorporates data from the 1996, 2001, and 2004 SIPP Panels. Since the Employer-Provided Health Benefits topical module records information for people ages 15 and over, the estimates in this report do not refer to people less than 15 years of age.

All estimates in this report have been weighted to represent U.S. civilian noninstitutional population in the months the data was collected for each respective interview wave and panel. The

information about age, sex, race and ethnicity, health insurance status, labor force status, employment status, and employer characteristics come from the SIPP core. Details of the employers' health insurance plan, coverage status, coverage types, and characteristics come from the topical module.

### Accuracy of the Estimates

Statistics from surveys are subject to sampling and nonsampling error. The magnitude of the sampling error can be measured by calculating the standard errors of the estimates. Since all estimates in this report are proportion estimates, we can calculate the standard error by using the formula for the standard errors of the sample proportions. However, we cannot measure the nonsampling error. Therefore, caution should be used when comparing data in different reports.

Nonsampling errors can come from several sources, such as inability to obtain all information, definitional difficulties and differences in the interpretation of the questions, and the inability or unwillingness of respondents to provide correct information. Additionally, inability or error in collecting, coding, and processing data and confusion of the reference periods also cause nonsampling errors.

In the SIPP, reference periods for variables vary. Most variables in the core refer to the last 4 months, while some variables in the core and topical module refer to a

particular month or week or an entire year. Thus, combining different SIPP files might cause additional nonsampling error because different variables have different reference periods. Therefore, use caution when comparing this report with other reports. Detailed discussions of the existence and control of nonsampling errors in the SIPP can be found in the SIPP Quality Profile report.

All statements in this report have undergone statistical testing, and all comparisons are significant at the 90 percent confidence level. Further information on the source and accuracy of estimates is at [www.census.gov/sipp/source.html](http://www.census.gov/sipp/source.html). For more information about the SIPP, see [www.census.gov/sipp/](http://www.census.gov/sipp/). To view the SIPP Quality profile, go to [www.census.gov/sipp/workpapr/wp230.pdf](http://www.census.gov/sipp/workpapr/wp230.pdf).

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