

Nearly half of all American adults are uninsured or underinsured

Insurance Quotes

Less than one year before the Patient Protection and Affordable Care Act (ACA) will require most Americans to obtain health insurance, a survey has found that 46 percent of U.S. adults – or 84.2 million people – remain uninsured or underinsured.

During 2012, 54.6 million adults were uninsured, while 29.6 million were underinsured, according to research released by the Commonwealth Fund.

“The continuing problem with coverage among adults in general really underscores why we have the ACA in place,” says Sara Collins, a vice president of the Commonwealth Fund and lead author of the report. Why are so many Americans uninsured and underinsured?

Commonwealth’s biennial health insurance survey looked at coverage of adults across the nation during 2012.

According to the survey findings:

- 46 percent of adults ages 19 to 64 were either uninsured or in 2012. Underinsured adults were defined as those who had health insurance all year, but belonged to one of the following categories: People who spend 10 percent or more of their income on out-of-pocket health costs; those whose incomes are less than 200 percent of the poverty level and whose out-of-pocket costs equal 5 percent or more of their income; and those whose spend 5 percent or more of their income on deductibles.
- 41 percent of adults say they have problems paying medical bills, or currently are paying off medical debt.
- 43 percent of adults say they have not filled a prescription or have decided not to pursue needed medical care because the cost is too high.

Kathleen Duffy, a spokeswoman for the Illinois grassroots coalition Campaign for Better Health Care, says the findings underscore the importance of finding a way to make sure all Americans have good health insurance coverage.

“As a society, I think we need to agree that leaving anyone out is not OK,” she says.

Health insurance in states

The study also found striking differences in the percentage of adults insured in the nation's four biggest states: California, Florida, New York and Texas.

More than half of adults in Florida (53 percent) and Texas (54 percent) were uninsured or underinsured during 2012. By contrast, the numbers were better in California (42 percent) and New York (43 percent). Amy Bach, executive director at nonprofit consumer advocacy group United Policyholders, says she is not surprised that so many Americans in those four states are uninsured.

"But to most people, those statistics would probably be shocking," she says.

Collins says the coverage disparity between Florida and Texas on one hand, and California and New York on the other is likely driven mostly by Medicaid eligibility rules in each state.

New York and California allow a higher percentage of residents to qualify for Medicaid than Florida and Texas, she says.

Starting next year, health care reform expands Medicaid eligibility to most individuals without children who have incomes below 133 percent of the federal poverty level.

The poverty level guidelines used for determining Medicare eligibility in 2013 are \$11,490 for an individual and \$23,550 for a family of four, according to the Centers for Medicare and Medicaid Services. However, last year's Supreme Court ruling on the health reform law made the Medicare expansion optional for states. As a result, some states are likely to be more generous in doling out the benefit than others, Collins says.

"Twenty-one states and the District of Columbia) have said they will expand eligibility," Collins says. "The remainder are undecided, or are exploring other options."

Health insurance and young people

Not all the study findings were negative. Collins says the biggest change in the study was the increase in the number of young people who now have health insurance.

In 2012, 79 percent of adults ages 19 to 25 were insured, up from 69 percent in 2010. That represents a gain of 3.4 million young adults who had health insurance.

"That's an important change for that age group," she says.

She says the gain is a reversal of a decade-long trend that had seen the number of insured young adults decrease. The greater number of insured young adults likely is a result of health reform's mandate that children under the age of 26 be permitted to stay on or join their parent's health plan, Collins says.

She adds that the success in insuring more young adults bodes well for future efforts to insure more Americans as part of health care reform.

Beginning in January 2104, the major provisions of health care reform go into effect.

Nearly all Americans will be required to purchase health insurance.

New protections also will be put into place that will help people with pre-existing health conditions get coverage, and the government will help subsidize the care of millions of low- and middle-income taxpayers.

Collins is hopeful that over time, health care reform will help move most Americans off the list of the uninsured or underinsured. Bach says she wants to give reform time to be fully implemented and “see where it takes us.”

Duffy calls reform a good first step, but says it doesn’t fill all the holes.

“There will still be about 20 million people who need help after we get the ACA fully implemented,” she says. “So, there is obviously still work to be done.”