

America's Coverage Crisis Deepens: New Survey Data Show Millions of Adults Became Uninsured, Starting in Late June

A recent Families USA report estimated, based on recent coverage patterns, that layoffs between February and May were ending health insurance for 5.4 million workers — an increase nearly 40% higher than the largest previous annual increase in uninsured adults ever recorded.¹

Recent data from a new weekly U.S. Census Bureau survey now provide empirical confirmation that a major shift in American health insurance is underway.² Since the middle of June, the number of uninsured adults rose significantly — and the entire increase took place among the 46% of American households that lost employment earnings since mid-March.

To develop a clear understanding of this rapid increase in the number of uninsured adults, we compared (1) the three-week period from June 4 to June 23 and (2) the three-week period from June 25 to July 14. Here is what we found (Table 1, page 4):

- » **In families losing earnings since mid-March, the number of uninsured adults rose by 2.0 million — or 12% — from one three-week period to the next.**
- » In contrast, in households with earnings that remained stable or rose after mid-March, adults appeared to gain coverage, with the number of uninsured adults falling by 400,000. As a result, the number of all uninsured adults increased by 1.6 million, with some gaining and others losing coverage.

Put simply, the health insurance story is unfolding differently for some than for others. Families suffering financial setbacks due to COVID-19 are losing coverage in large numbers, while those whose earnings are stable or rising are retaining or even gaining health insurance. Disparities cross many demographic lines (Figure 1 and Table 1, page 3 and 4, respectively):

- » **While the number of uninsured adults rose overall, clear disparities emerged by race and ethnicity.** Coverage losses were twice as large for African Americans as for Whites, with approximately 800,000 African Americans and 400,000 Whites becoming uninsured starting in late June. The number of uninsured Latinos grew by 300,000.³

Pandemic-related health coverage losses are likely to take a heavy toll on children, despite their broad eligibility for Medicaid and the Children's Health Insurance Program.

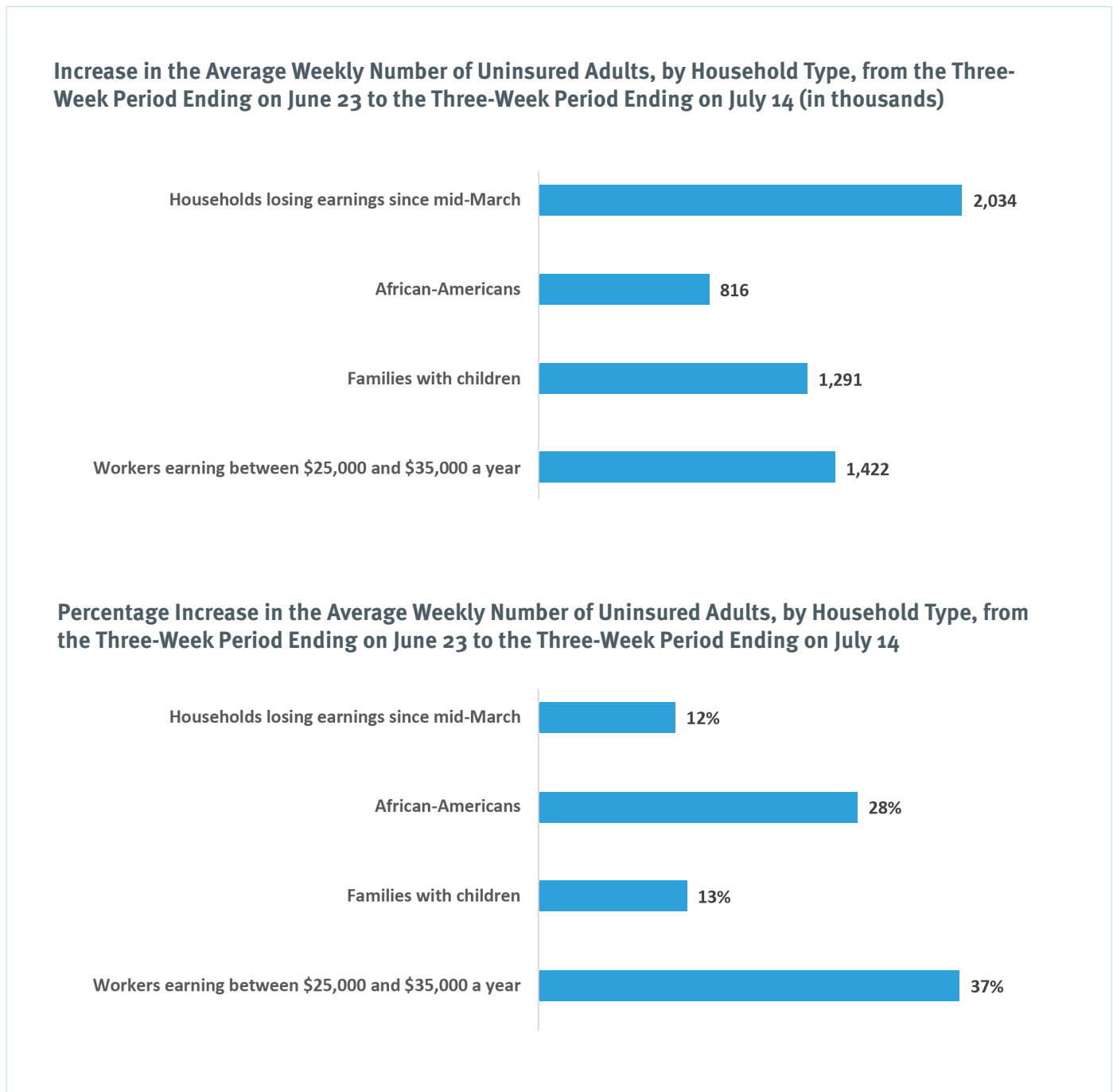
» **Families with children experienced major coverage losses**, unlike households without children. **The number of uninsured parents rose by 1.3 million from one three-week period to the next.**⁴ Children are less likely to have health coverage if their parents are uninsured.⁵ Children can also experience long-term harm if their parents are uninsured and do not seek treatment for serious chronic conditions, including mental health and substance use disorders.⁶ Pandemic-related health coverage losses are thus likely to take a heavy toll on children, despite their broad eligibility for Medicaid and the Children's Health Insurance Program.⁷ In households without children, significant health insurance changes were not observed during the period we examined.

» **Low-wage workers experienced staggering losses, with the number of uninsured adults rising by 37% in less than a month.** A total of 1.4 million people earning between \$25,000 and \$34,999 a year became uninsured. People in some higher income brackets also experienced statistically significant coverage losses, with the number of uninsured growing by more than 300,000 for those with annual incomes between \$50,000 and \$74,999 or earnings of \$200,000 or more.

» **The number of uninsured adults among those who received some college education or obtained a bachelor's degree rose by 10% and 18%, respectively.** Altogether, 1.2 million adults lost coverage in the two groups combined.

Stunning recent health insurance reductions that occurred in just a matter of weeks underscore the serious disruption American families are facing in communities across the country. To prevent major health insurance reductions from deepening in the days ahead, Congress must take immediate action to bolster comprehensive health insurance in the next COVID-19 relief package.

Figure 1. Sharp Increases in the Number of Uninsured Adults in Various Demographic Groups



For sources and notes, see Table 1, page 4. All changes shown in this figure were statistically significant at the 0.01 level.

Table 1. Average Weekly Number of Uninsured Adults, Age 18 and Older, by Various Demographic Characteristics: The Three-Week Period Ending on June 23 Vs. the Three-Week Period Ending on July 14 (in thousands)

	June 4 - June 23	June 25 - July 14	Change from one three-week period to the next	
			Number	Percentage
Total***	22,834	24,414	1,579	7%
Respondent or household member experi- enced loss of employment income				
Yes***	16,399	18,434	2,034	12%
No	6,389	5,956	(434)	-7%
Respondent currently employed				
Yes	10,378	10,532	154	1%
No***	12,399	13,872	1,474	12%
Hispanic origin and race				
Hispanic or Latino (may be of any race)	7,567	7,882	316	4%
White alone, not Hispanic*	10,422	10,799	377	4%
Black alone, not Hispanic***	2,932	3,748	816	28%
Asian alone, not Hispanic	768	780	12	2%
Two or more races, other races, not Hispanic	1,146	1,205	59	5%
Presence of children under 18 years old				
Children in household***	10,271	11,562	1,291	13%
No children	12,563	12,851	288	2%
Sex				
Male***	12,689	13,920	1,231	10%
Female	10,145	10,494	349	3%
Education				
Less than high school	4,391	4,565	174	4%
High school or GED	8,617	8,819	202	2%
Some college/associate degree***	6,992	7,686	694	10%
Bachelor's degree or higher***	2,834	3,343	510	18%
Household income				
Less than \$25,000	6,903	7,234	332	5%
\$25,000-\$34,999***	3,847	5,269	1,422	37%
\$35,000-\$49,999	3,779	3,506	(274)	-7%
\$50,000-\$74,999*	3,631	3,899	268	7%
\$75,000-\$199,000	3,231	3,192	(39)	-1%
\$200,000 and above**	201	263	62	31%

Table 1. Average Weekly Number of Uninsured Adults, Age 18 and Older, by Various Demographic Characteristics: The Three-Week Period Ending on June 23 Vs. the Three-Week Period Ending on July 14 (in thousands), continued

	June 4 - June 23	June 25 - July 14	Change from one three-week period to the next	
			Number	Percentage
Age				
18-34**	9,976	10,840	864	9%
35-64	12,488	13,018	530	4%
65 and older***	371	556	185	50%

Source: The National Center for Coverage Innovation (NCCI) at Families USA analysis of U.S. Census Bureau Household Pulse Survey (HPS) data, weeks 6-11, Table 3 and Standard Error Table 3. <https://www.census.gov/programs-surveys/household-pulse-survey/data.html> Note: This table uses racial and ethnic categories in which the Census Bureau reported HPS data. This table does not include coverage information for people who did not answer particular questions about demographic characteristics. According to the Census Bureau, “data obtained from the HPS and other sources are not entirely comparable,” so “caution should be used when comparing results from different sources.” U.S. Census Bureau, Source of the Data and Accuracy of the Estimates for the 2020 Household Pulse Survey, July 1, 2020, <https://www2.census.gov/programs-surveys/demo/technical-documentation/hhp/Source-and-Accuracy-Statement-June11-June16.pdf>. HPS-based estimates that 22.8 million adults were uninsured in early June, shown here, are thus not comparable to estimates of 26.3 million uninsured adults in 2018 or 27.2 million uninsured adults in the first half of 2019, based on data from the American Community Survey and the National Health Interview Survey, respectively. NCCI analysis of ACS data, IPUMS USA, University of Minnesota, www.ipums.org; Robin A. Cohen et al., Health Insurance Coverage: Early Release of Estimates From the National Health Interview Survey, January–June 2019, National Center for Health Statistics, May 2020. <https://www.cdc.gov/nchs/data/nhis/earlyrelease/insur202005-508.pdf>

*/**/*** = statistically significant at the level of 0.10, 0.05, and 0.01, respectively.

Endnotes

¹ Stan Dorn, The COVID-19 Pandemic and Resulting Economic Crash Have Caused the Greatest Health Insurance Losses in American History (Washington, DC: Families USA, July 13, 2020), <https://familiesusa.org/resources/the-covid-19-pandemic-and-resulting-economic-crash-have-caused-the-greatest-health-insurance-losses-in-american-history/>.

² Analysis by The National Center for Coverage Innovation at Families USA of U.S. Census Bureau, “Health Table 3. Current Health Insurance Status, by Select Characteristics” and “Standard Error Health Table 3. Current Health Insurance Status, by Select Characteristics: United States,” Household Pulse Survey Data Tables, weeks 6-11, last updated July 22, 2020, <https://www.census.gov/programs-surveys/household-pulse-survey/data.html>.

³ Increases in the number of uninsured Latino adults were statistically significant during the week ending on June 30 and the week ending on July 7. As Table 1 shows, such increases were not statistically significant when averaged across the entire three-week period ending on July 14.

⁴ Some adults losing coverage in households with children may have been guardians, informal caretakers, non-caretaker relatives, or unrelated individuals.

This publication was written by:

Stan Dorn, Director of the National Center for Coverage Innovation and Senior Fellow, Families USA

The following Families USA staff contributed to the preparation of this material (listed alphabetically):

Kimberly Alleyne, Senior Director, Communications

Justin Charles, Digital Media Associate

Katie Corrigan, Chief of Staff

Nichole Edralin Senior Manager, Design and Publications

Cheryl Fish-Parcham, Director of Access Initiatives

Eliot Fishman, Senior Director of Health Policy

Amber Hewitt, Director of Health Equity

Lisa Holland, Senior Communications Manager

Lisa Hunter, Senior Director of Strategic Partnerships

Frederick Isasi, Executive Director

Hannah Markus, Strategic Partnerships Coordinator

Adina Marx, Communications Associate

Lauren Rosenbaum, Director of Strategic Partnerships

Jane Sheehan, Senior Federal Relations Manager

Jen Taylor, Senior Director of Federal Relations

Joe Weissfeld, Director of Medicaid Initiatives

⁵ Lisa Dubay and Genevieve Kenney, “Expanding Public Health Insurance to Parents: Effects on Children’s Coverage under Medicaid,” Health Services Research 38, no. 5 (October 2003): 1283–1302; Melissa Yamauchi et al., “Does Health Insurance Continuity among Low-Income Adults Impact Their Children’s Insurance Coverage?” Maternal and Child Health Journal 17, no. 2 (February 2013): 248–255; Mary Henderson, Ensuring Health Coverage for Maine Families with Children in 2014 (Augusta, ME: Maine Children’s Alliance, 2014), https://www.mekids.org/site/assets/files/1372/healthcoverage-children_2014.pdf. For example, in states that never expanded Medicaid eligibility for adults under the Affordable Care Act (ACA), the percentage of uninsured children is more than twice that in expansion states: 7.9% vs. 3.9%. Edward R. Berchick, Jessica C. Barnett, and Rachel D. Upton, Health Insurance Coverage in the United States: 2018, Current Population Reports, P60-267(RV) (Washington, DC: U.S. Census Bureau, November 2019), <https://www.census.gov/content/dam/Census/library/publications/2019/demo/p60-267.pdf>. See also Joan Alker and Olivia Pham, Nation’s Progress on Children’s Health Coverage Reverses Course (Washington, DC: Georgetown University Center for Children and Families, November 2018), https://ccf.georgetown.edu/wp-content/uploads/2018/11/UninsuredKids2018_Final_asof1128743pm.pdf.

⁶ David Murphey, Health Insurance Coverage Improves Child Well-Being (Bethesda MD: Child Trends, May 2017), <https://www.childtrends.org/publications/health-insurance-coverage-improves-child-well>.

⁷ Kaiser Family Foundation, “Medicaid and CHIP Income Eligibility Limits for Children as a Percent of the Federal Poverty Level, as of January 1, 2020,” State Health Facts, March 2020, <https://www.kff.org/health-reform/state-indicator/medicaid-and-chip-income-eligibility-limits-for-children-as-a-percent-of-the-federal-poverty-level/?currentTimeframe=0&sortModel=%7B%22colId%22%3A%22Location%22,%22sort%22%3A%22asc%22%7D>.

FAMILIESUSA
THE VOICE FOR HEALTH CARE CONSUMERS

1225 New York Avenue NW, Suite 800
Washington, DC 20005
202-628-3030
info@familiesusa.org
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