



## *Number of Uninsured Californians Declines to 6.2 Million—2 Million Are Eligible for Medi-Cal or Healthy Families*

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March 2002

A total of 6.2 million Californians had no health insurance coverage of any kind in 2000 — a fifth of the state’s population under age 65. The number of uninsured Californians in 2000 is about 375,000 lower than in 1998.

This fact sheet provides an update on health insurance coverage in California for the nonelderly population. (We exclude persons 65 and older because less than 2% are uninsured.) It is based on data from the Current Population Survey (CPS), which recently incorporated changes to more effectively measure health insurance coverage. These are the most recent data available; newer data from the 2001 California Health Interview Survey (CHIS) will be available in mid-2002 from UCLA.

### **Strong Economy Helped Reduce Uninsurance**

The decline in the number of uninsured was due mainly to gains in employment-based health insurance, the result of the then-strong economy. The proportion of the nonelderly population with job-based insurance rose from 58.9% in 1999 to 60.8% in 2000, an impressive and statistically significant increase in just one year (see Exhibit 1). Both adults and children benefited from these gains (Exhibit 2).

The proportion of nonelderly and non-institutionalized Californians who reported being covered by Medi-Cal or Healthy Families remained statistically unchanged — 12.9% in 1999 and 13.1% in 2000 (Exhibit 1). While *not* statistically significant, the increase represents an improvement over the period 1994-1999 when such coverage fell nearly 4 percentage points, driving up uninsurance in California.<sup>1</sup> About one in four children was covered by Medi-Cal or Healthy Families in 2000, approximately three times the proportion of nonelderly adults who were covered by Medi-Cal (Exhibit 2).

As a result of these changes in coverage, the proportion of nonelderly Californians who were uninsured (without public coverage or employment-based or other private health insurance) declined significantly from 21.0% in 1999 to 20.0% in 2000 (Exhibit 1). A total of 6,216,000 persons were uninsured in 2000, including 1,617,000 children and 4,599,000 adults. The proportions of children and adults who are uninsured dropped during this period (a statistically significant drop for children; Exhibit 2).

**EXHIBIT 1:**  
*Health Insurance Coverage of Nonelderly Californians, Ages 0-64, California, 1999 and 2000*

	1999	2000	Change 1999-2000
<b>Uninsured</b>	<b>21.0%</b>	<b>20.0%</b>	<b>-1.0*</b>
<b>Medi-Cal/Healthy Families</b>	<b>12.9%</b>	<b>13.1%</b>	<b>+0.2</b>
<b>Job-based insurance</b>	<b>58.9%</b>	<b>60.8%</b>	<b>+1.9*</b>
<b>Privately Purchased Insurance</b>	<b>4.8%</b>	<b>4.2%</b>	<b>-0.6*</b>
<b>Other Public Coverage</b>	<b>2.4%</b>	<b>2.0%</b>	<b>-0.4*</b>

\* Change is statistically significant at  $\leq .05$ .

Source: March 2000 and 2001 Current Population Surveys

### **2 Million Could Be Eligible For Medi-Cal or Healthy Families**

California has received federal approval to extend enrollment in Healthy Families to parents of eligible children in families with incomes up to 200% of the federal poverty level. With this important expansion, more than 2 million uninsured Californians — one in three of the state’s uninsured residents — will be eligible for Medi-Cal or Healthy Families.

This number includes more than 1.1 million uninsured children who could be enrolled in one of these programs: approximately 768,000 (range: 690,000 to 845,000) who are eligible for Medi-Cal and 404,000 (range: 348,000 to 460,000) eligible for Healthy Families (Exhibit 3).<sup>2</sup> Thus, California has the opportunity to

	Children Ages 0-18		Adults Ages 19-64	
	Percent in 2000	Change 1999-2000	Percent in 2000	Change 1999-2000
Uninsured	15.7%	-1.4*	22.1%	-0.8
Medi-Cal/Healthy Families	24.2%	+0.9	7.6%	-0.2
Job-based insurance	55.6%	+2.7*	63.3%	+1.5*
Privately Purchased Insurance	3.1%	-1.3*	4.7%	-0.3
Other Public Coverage	1.4%	-0.9*	2.3%	-0.2

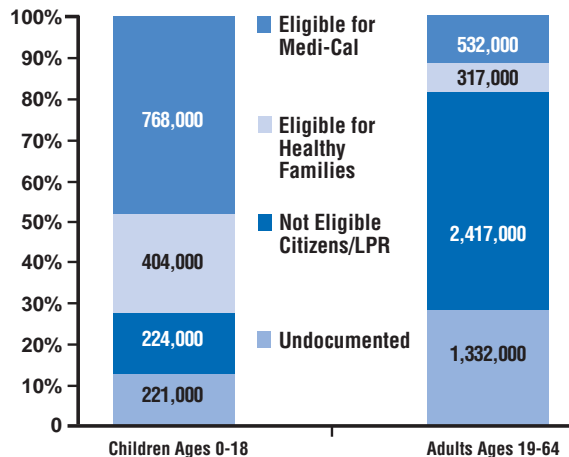
\* Change is statistically significant at  $\leq .05$ .  
Source: March 2000 and 2001 Current Population Surveys

**EXHIBIT 2:**  
*Health Insurance  
Coverage of  
Nonelderly  
Californians,  
Ages 0-18 and 19-64,  
California, 2000*

cover nearly three out of four uninsured children through these two programs.

Even with this expansion of Healthy Families to parents, only one in five uninsured adults will be eligible for coverage: 532,000 uninsured adults (range: 468,000 to 597,000) are eligible for Medi-Cal, and another 317,000 (range: 267,000 to 367,000) will be eligible for Healthy Families when the state implements this expansion. More than half of uninsured adults — 2.4 million persons — are citizens or documented immigrants with no opportunities to obtain coverage if their employer does not offer insurance or they cannot afford the premiums. More than 1.5 million undocumented children and adults also are uninsured and have no opportunities to obtain coverage through

**EXHIBIT 3:**  
*Eligibility of  
Uninsured Children  
and Adults for  
Medi-Cal and  
Healthy Families*



Source: Estimates of eligibility calculated by the UCLA Center for Health Policy Research based on data from March 2001 Current Population Survey

California's public programs.

**Will These Improvements Last?**

The decrease in uninsurance resulted mainly from growing employment-based insurance, reflecting California's strong economy in the late 1990s and 2000. Efforts by state, county, and community-based agencies to enroll and retain more eligible persons in Medi-Cal and Healthy Families also contributed. However, an economic downturn has occurred since the March 2001 CPS was conducted. Increasing unemployment coupled with the rising cost of health insurance will make coverage less affordable for employers and their employees. These two factors are likely to cut short the improvements in health insurance coverage in California and nationally. This will increase the importance of expanding public coverage opportunities for children and adults.

Note: A report on *The State of Health Insurance in California, 2001*, based on data from the new California Health Interview Survey and funded by The California Wellness Foundation, will be published in mid-2002.

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**References**

- <sup>1</sup> *Brown ER, Ponce N, Rice T, The State of Health Insurance in California: Recent Trends, Future Prospects, Los Angeles: UCLA Center for Health Policy Research, March 2001. Medi-Cal is California's joint state-federal Medicaid program that covers families with children, disabled adults, and the elderly who meet eligibility requirements. The Healthy Families Program is California's state-federal Children's Health Insurance Program (CHIP), which covers children with family incomes above Medicaid's income limits. The number of persons who report being covered by Medicaid or CHIP is generally lower in surveys than estimates based on the programs' administrative data.*
- <sup>2</sup> *These estimates are based on small sample sizes, which reduce precision and reliability. The range (called a "95% confidence interval") provides a more reliable estimate of the numbers of persons in the population who are eligible.*

The development and publication of this fact sheet were funded by a grant from *The California Wellness Foundation*.

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