



Employer-sponsored Health Insurance Coverage Declines Seventh Year in A Row

NEWS FROM EPI

Rising unemployment suggests further erosion in the future

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The health insurance most Americans receive, employer-sponsored insurance (ESI), has dwindled each year since 2000, according to a report released today by the Economic Policy Institute. [The Erosion of Employer-Sponsored Health Insurance](#), by EPI economist Elise Gould, focuses on the decline of ESI coverage - the coverage most Americans receive, as well as the type of coverage that has seen the steepest decline.

About 62.9 % of Americans under the age of 65 were covered by ESI in 2007, over 3 million fewer than in 2000. Having a job doesn't guarantee ESI coverage. Since 2000, the number of uninsured workers has grown by 4.1 million workers. About 45 million people under 65 are without health insurance coverage.

As unemployment rises across the nation, larger declines in ESI are expected. "The health care problem has reached a critical level," said Gould. "Bold new solutions need to be considered to address the growing crisis."

ESI coverage varies between states. For instance, Hawaii, which requires employers to provide health insurance to employees who work 20 hours or more per week, has a high rate of employer-sponsored coverage. Currently, the states with the highest employer-provided coverage rates for those under 65 are New Hampshire (75.4%), Hawaii (72.5%), and Connecticut (72.3%). The lowest coverage rates were found in New Mexico (50.7%), Texas (53.5%), and Mississippi (53.7%). (See [Snapshot](#).)

The decline in ESI coverage of children has left over 3.4 million fewer children covered in 2007 than in 2000. Coverage by publicly provided health insurance like Medicaid and the State Children's Health Insurance Coverage Program (SCHIP) has increased to cover the slack.

"It is only the strength of government programs, particularly those aimed at children, that has insulated many from losses in coverage," said Gould. "The trends indicate a significant shift from private to public coverage, especially among children."

The erosion of employer-sponsored health insurance: Declines continue for the seventh year running.

The Economic Policy Institute (EPI) is an independent, nonprofit, nonpartisan think tank that researches the impact of economic trends and policies on working people in the United States and around the world. EPI's mission is to inform people and empower them to seek solutions that will ensure broadly shared prosperity and opportunity.