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WOMEN'S HEALTH INSURANCE COVERAGE 1980–2005

Sherry Glied, Ph.D.
Kathrine Jack, J.D.
Jason Rachlin, M.A.

Women's Health Issues
January/February 2008
18(1):7–16

An abstract is available at:
http://www.whijournal.com/article/S1049-3867(07)00148-X/abstract

For more information about this study, contact:

Sherry Glied, Ph.D.
Department of Health Policy and Management
Mailman School of Public Health
Columbia University
sag1@columbia.edu

or

Mary Mahon
Senior Public Information Officer
The Commonwealth Fund
212-606-3853
mm@cmwf.org

This summary was prepared by Helen Garey and Deborah Lorber.

Commonwealth Fund Pub. 1168
August 2008

In the Literature presents brief summaries of Commonwealth Fund–supported research recently published in professional journals.

THE COMMONWEALTH FUND
ONE EAST 75TH STREET
NEW YORK, NY 10021-2692
TEL 212.606.3800
FAX 212.606.3500
E-MAIL info@cmwf.org
www.commonwealthfund.org

In the past two decades, women established a firm foothold in the U.S. labor market, dramatically increasing their chance of obtaining employment-based health insurance. At the same time, changes in Medicaid policy greatly expanded the number of low-income women eligible for public health insurance.

But according to a Commonwealth Fund–supported study, "Women's Health Insurance Coverage 1980-2005" (*Women's Health Issues*, Jan./Feb. 2008), the percentage of uninsured women rose during the 1980 to 2005 period, and the percentage with employment-based health insurance fell. Higher health care costs, say the authors, wiped out any gains in access to health insurance that women might have realized through greater participation in the work force and expansions of Medicaid policy.

The study examined census data from the Current Population Surveys to determine the levels and composition of health insurance for women ages 25 to 64 from 1980 to 2005. The avenues through which working-age women obtained health insurance remained constant, with employment-based health insurance the largest source of coverage and a smaller percentage of working-age women obtaining health coverage through Medicaid and the private nongroup insurance market.

Changes in Health Care Coverage

What has changed, say the authors, is the composition of health coverage, mainly because women's attachment to the work force has grown. The number of women participating in the labor market rose 8 percent from 1980 to 2005, with a greater share opting for full-time employment. In addition, more women held jobs that were once the domain of men, narrowing the gender–wage gap throughout this period.

Social changes related to women's greater penetration of the work force—notably, postponement of marriage and children, and an increasing rate of divorce—helped fuel a decline in the number of women who obtained spousal insurance. By 2005, women were about 78 percent more likely to be obtaining coverage through their own job as through their spouse's job.

Changes in Medicaid policy over this period increased the number of working-age women eligible for public health insurance. Many states raised the income thresholds for pregnant women and expanded eligibility to include low-income families in which the head of the household was unemployed. These eligibility increases offset some of the steep declines in private health insurance coverage. However, the lack of further legislation to expand Medicaid eligibility exacerbated the steady drop in health coverage by the mid-1990s.

Predictably, as more women entered the work force and gained access to employment-based insurance, the proportion of women who purchased private health insurance on the open market fell by 6 percent. This trend may also have been aided by the rising costs of nongroup, private insurance.

Costs Erase Gains in Coverage

Overall, gains made by women in the work force and through public policy changes were easily erased by the onslaught of rising health care costs. Employers responded by

shifting their growing health care burden to the work force, in the form of sharp increases in the required annual employee contributions for single and family coverage. The average required contribution for single coverage rose more than threefold from 1980 to 1993, and jumped another 25 percent from 2001 to 2004. These increases, coupled with similar increases in required contributions for family coverage, resulted in sharp declines in the uptake of employment-based insurance.

Married women, still more likely than men to choose spousal insurance despite steady increases in full-time employment, were disproportionately affected by rising contributions to employment-based coverage. From 1980 to 2005, the number of women with spousal insurance dropped 8 percent.

"As holds true for men, declines in the propensity of workers to obtain coverage, for themselves or their spouses, through employment, has been the major factor leading to declines in coverage since 1980," say the authors. "As the cost of coverage rises relative to incomes, policy makers will need to assist workers to help them afford private insurance coverage."

Women Age 25–64: Changing Patterns of Health Insurance by Work Status and Income, 1980–2005

	1980	1987	1988	1994	1995	2005
N	53,642,206	62,049,517	63,014,727	67,909,733	68,691,810	78,375,003
Insurance						
Uninsured	11.7%	13.4%	12.0%	14.8%	15.3%	18.2%
Public coverage	9.4	10.0	9.9	11.6	10.9	10.7
ESI, from any source	68.0	67.0	69.3	65.0	67.9	66.2
ESI, own	35.5	39.2	39.0	41.9	42.9	42.4
ESI, dependent	32.5	27.9	30.2	23.1	24.9	23.8
Nongroup private insurance	10.9	9.6	8.8	8.6	6.0	4.9
Demographics						
Full-time workers	33.4	39.9	41.3	44.4	45.0	48.6
Nonworkers	34.5	29.6	28.6	26.0	25.2	26.4
Married	72.4	68.9	68.1	65.7	66.2	63.8
Low income	32.8	28.9	30.0	32.6	33.2	31.0

Low-income = family incomes below 100% of poverty. A full-time worker worked ≥35 hours per week for ≥50 weeks in the last year. Part-time workers either worked <35 hours per week for any number of weeks or worked ≥35 hours per week for <50 weeks last year.

Source: S. Glied, K. Jack, and J. Rachlin, "Women's Health Insurance Coverage 1980–2005," *Women's Health Issues,* Jan./Feb. 2008 18(1):7–16. Data: Analysis of CPS March Supplements.