



## **NEWS RELEASE**

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### **NEW COMMONWEALTH FUND SURVEY: ONE-QUARTER OF WORKING-AGE ADULTS HAD A GAP IN HEALTH CARE COVERAGE IN 2011; BUYING COVERAGE ON YOUR OWN NOT AN AFFORDABLE OPTION FOR MANY**

*Many Americans Struggle to Regain Health Insurance after Losing or Changing Jobs; Early Affordable Care Act Provisions Are Already Making a Difference for Young Adults and People with Pre-Existing Conditions*

April 19, 2012, New York, NY—One of four (26%) working-age U.S. adults experienced a gap in health insurance coverage during 2011, often because they lost or changed jobs, according to a new Commonwealth Fund report that also shows how difficult it is for people to regain health insurance on their own after losing employer-sponsored coverage. About seven of 10 (69%) of those who had a time without health insurance coverage had gone without coverage for a year or longer, and more than half (57%) were uninsured for two years or more, according to the report, based on the 2011 Commonwealth Fund Health Insurance Tracking Survey of U.S. Adults.

Among those who were uninsured at the time of the survey or who had experienced an insurance gap, 41 percent said they had previously had employer-sponsored coverage. Two-thirds (67%) of those who lost their employer-sponsored coverage cited a loss or change of a job as the primary reason for losing coverage.

#### **Finding Affordable Coverage on Your Own Not Possible for Many**

Buying coverage on their own proved to be very difficult or not an option for many adults, according to the report, *Gaps in Health Insurance: Why So Many Americans Experience Breaks in Coverage and How the Affordable Care Act Will Help*. Nearly two-thirds (62%) of those who tried to buy individual health insurance policies in the past three years found it very difficult or impossible to find affordable coverage. Nearly one-third (31%) were turned down, charged a higher price, or had a condition excluded because of a pre-existing condition. Sixty percent of those who tried to purchase a plan on their own said they found it very or somewhat difficult to compare the benefits provided by different plans. Nearly half (45%) said they never bought a plan, mainly because of cost.

“For people who lose employer-sponsored coverage, the individual market is often the only alternative, but it is a confusing and largely unaffordable option,” said Commonwealth Fund Vice President Sara Collins, lead author of the report. “As a result, people are going a year, two years, or more without health care coverage, and as a result going without needed care.”

### **Longer Insurance Gaps Linked to Lower Rates of Screening and Preventive Care**

While nearly all (92%) working-age adults with continuous health insurance reported having a regular doctor, that rate fell to three-quarters (76%) among those who had a coverage gap of up to one year, and less than half (46%) among those who had a gap of a year or more. Rates of preventive cancer screening were also lower for those with coverage gaps and continued to drop as people spent longer periods without insurance.

Seventy percent of continuously insured respondents had had their cholesterol checked in the past five years, compared to half of those who had a coverage gap of less than a year and a third (33%) of those who had a gap of a year or more. Three-quarters (74%) of insured women ages 40 to 64 had received a mammogram in the past two years, compared to only 28 percent of women in that age group with a coverage gap of a year or more. More than four of five (83%) of adults with continuous coverage had had their blood pressure checked in the past year, compared to 70 percent of those with a coverage gap of less than a year, and half (51%) of those without coverage for a year or longer.

The report, by Commonwealth Fund researchers Sara Collins, Ruth Robertson, Tracy Garber, and Michelle Doty, is the second in a series called *Tracking Trends in Health System Performance* that The Commonwealth Fund will release over the next several years. Subsequent surveys will revisit the same respondents to track their experiences as the Affordable Care Act is implemented. Findings from additional tracking surveys that will focus on young adults ages 19-29 and adults ages 50-70 will be released later in 2012.

### **Early Provisions of the Affordable Care Act Having Impact**

The new report shows that the Affordable Care Act is already helping to bridge coverage gaps for young adults due to the new provision for dependent coverage that went into effect in 2010. The provision allows adult children up to age 26 to join or stay on a parent’s health insurance plan. Nearly half (46%) of young adults ages 19 to 25 said they had stayed on or joined a parent’s insurance policy in the last 12 months, and about a quarter (23%) of parents with children under age 26 reported that they had an adult child stay on or enroll in their health plan. However, young adults in higher-income households were much more likely to have been helped by the new option than those in lower-income households. This is likely because adults in higher-income households are more likely to have health insurance with dependent coverage. Awareness of this new provision was high among working-age adults, with almost two-thirds (63%) saying they were aware of the provision.

Half of adults were aware of the Affordable Care Act's new Pre-Existing Condition Insurance Plans (PCIPs) that offer coverage to people who were previously unable to obtain coverage because of a health condition and who have been uninsured for at least six months.

The major provisions of the health reform law, to be implemented starting in 2014, will have the biggest effect in bridging health care coverage gaps, the authors say, through an expansion in eligibility for Medicaid, subsidized private insurance available through new state health insurance exchanges, and new rules that will prevent insurers from denying coverage or charging people more based on pre-existing conditions or gender. The law will also make it easier for consumers who must buy health insurance on their own to purchase a health plan that meets their needs through clearly defined benefit packages and tools to help consumers choose among plans. The new insurance exchanges, for example, will be required to offer a cost-calculator that will inform families about their health plan costs after adjusting for any premium or cost-sharing subsidies.

“The current system of health insurance in the United States has gaping holes, the effects of which have become increasingly pronounced during a weak economy,” said Commonwealth Fund President Karen Davis. “The Affordable Care Act is beginning to close those gaps, so that people who are already struggling can maintain health care coverage that will provide for their families’ health and help ensure their financial security.”

The report will be available on the Commonwealth Fund Web site on April 19, 2012, at: <http://www.commonwealthfund.org/Publications/Issue-Briefs/2012/Apr/Gaps-in-Health-Insurance.aspx>.

### **Methodology**

This is the second report based on a new series of longitudinal nationally representative online tracking surveys launched by The Commonwealth this year that will follow randomly selected panels of adults to examine changes in their health insurance coverage and health care as the Affordable Care Act is implemented.

The Commonwealth Fund Health Insurance Tracking Survey of U.S. Adults, 2011, was conducted online between June 24 and July 5, 2011, by Knowledge Networks, among a representative sample of adults ages 19 to 64. The survey sample was drawn from KnowledgePanel—a probability-based online panel that is representative of the U.S. population and includes cell-phone only and low-income households that are typically difficult to reach using traditional telephone surveys and random digit dialing (RDD) sampling.

The survey was completed by 2,134 respondents. The final sample includes 977 low-income adults who have incomes below 250 percent of the federal poverty level (\$55,875 for a family of four). The survey has an overall margin of sampling error of +/- 3 percentage points at the 95 percent confidence level.

**The Commonwealth Fund is a private foundation supporting independent research on health policy reform and a high performance health system.**