



LOSING GROUND: HOW THE LOSS OF ADEQUATE HEALTH INSURANCE IS BURDENING WORKING FAMILIES

FINDINGS FROM THE COMMONWEALTH FUND BIENNIAL HEALTH INSURANCE SURVEYS, 2001–2007

Sara R. Collins, Jennifer L. Kriss, Michelle M. Doty, and Sheila D. Rustgi

August 2008

ABSTRACT: The economic downturn is forcing working families across the United States to make tough financial choices, often involving sacrificing needed health care and health insurance. Using data from four years of the Commonwealth Fund Biennial Health Insurance Survey, this report examines the status of health insurance for U.S. adults under age 65 and the implications for family finances and access to health care. Insurance coverage deteriorated over the past six years, with declines in coverage most severe for moderate-income families. As result, more families are experiencing medical bill problems or cost-related delays in getting needed care. In 2007, nearly two-thirds of U.S. adults, or an estimated 116 million people, struggled to pay medical bills, went without needed care because of cost, were uninsured for a time, or were underinsured (i.e., were insured but not adequately protected from high medical expenses).

Support for this research was provided by The Commonwealth Fund. The views presented here are those of the authors and not necessarily those of The Commonwealth Fund or its directors, officers, or staff. This and other Fund publications are available online at www.commonwealthfund.org. To learn more about new publications when they become available, visit the Fund's Web site and [register to receive e-mail alerts](#). Commonwealth Fund pub. no. 1163.

CONTENTS

List of Figures and Tables.....	iv
About the Authors.....	vi
Acknowledgments.....	vi
Executive Summary	vii
Introduction.....	1
Growing Numbers of Adults Go Without Health Coverage.....	2
Adults Are Spending Large Shares of Income on Health Care	6
Adults with Inadequate Health Insurance Burdened by Medical Debt.....	10
Americans Do Not Get Needed Health Care Because of Costs.....	14
Adults with Gaps in Coverage and Inadequate Coverage Experience Inefficient Care	21
Adults Lack Confidence in the Health System.....	23
Conclusion	25
Methodology.....	27
Notes	29
Appendix. Tables	31

LIST OF FIGURES AND TABLES

Figure ES-1	High Out-of-Pocket Spending Climbs Across Income Groups, 2001–2007	ix
Figure ES-2	Problems with Medical Bills or Accrued Medical Debt Increased, 2005–2007	x
Figure 1	An Estimated 116 Million Adults Were Uninsured, Underinsured, Reported a Medical Bill Problem, and/or Did Not Access Needed Health Care Because of Cost, 2007	2
Figure 2	Uninsured Rates High Among Adults with Low and Moderate Incomes, 2001–2007	4
Figure 3	Uninsured Adults Are Disproportionately Poor, Young, and Racial/Ethnic Minorities	4
Figure 4	Majority of Uninsured Adults Are in Working Families	5
Figure 5	Three of Five Workers with Any Time Uninsured Are Self-Employed or in Firms with Fewer than 100 Workers	6
Figure 6	More Adults Spending Large Shares of Income on Out-of-Pocket Medical Expenses, 2001–2007	7
Figure 7	High Out-of-Pocket Spending Climbs Across Income Groups, 2001–2007	7
Figure 8	Since 2003, Proportion of Adults with High Deductibles Nearly Doubled	8
Figure 9	25 Million Adults Underinsured in 2007, Up from 16 Million in 2003	9
Figure 10	Half of Adults with Low Incomes Lack Coverage During the Year; Another Quarter Are Underinsured	9
Figure 11	Problems with Medical Bills or Accrued Medical Debt Increased, 2005–2007	12
Figure 12	Medical Bill Problems and Accrued Medical Debt, 2005–2007	12
Figure 13	Sixty Percent of Underinsured or Uninsured Adults Reported Medical Bill Problems or Debt	13
Figure 14	Uninsured Adults Are More Likely to Be Paying Off Large Amounts of Medical Debt Over Time	13
Figure 15	More Than One-Quarter of Adults Under Age 65 with Medical Bill Burdens and Debt Were Unable to Pay for Basic Necessities	14
Figure 16	Underinsured Adults Report Higher Rates of Health Insurance Plan Problems than Adults with Adequate Insurance	14

Figure 17	Cost-Related Problems Getting Needed Care Have Increased, 2001–2007	16
Figure 18	Cost-Related Problems Getting Needed Care Have Increased Across All Income Groups, 2001–2007	16
Figure 19	Uninsured and Underinsured Adults Report High Rates of Cost-Related Access Problems	17
Figure 20	Uninsured Adults Are Less Likely to Have a Regular Source of Care, 2007	19
Figure 21	Uninsured Adults Are Less Likely to Get Blood Pressure and Cholesterol Checked, 2007	19
Figure 22	Uninsured Adults and Adults with Gaps in Coverage Have Lower Rates of Cancer Screening Tests, 2007	20
Figure 23	Uninsured Adults and Adults with Gaps in Coverage Have Higher Rates of Delaying Preventive Screening Tests and Needed Dental Care, 2007	20
Figure 24	Uninsured and Underinsured Adults with Chronic Conditions Are More Likely to Visit the ER for Their Conditions.....	21
Figure 25	Uninsured and Underinsured Adults Are More Likely to Report Inefficiencies in the Health Care System.....	22
Figure 26	Uninsured and Underinsured Adults Are More Likely to Report Difficulty Communicating with Providers.....	23
Figure 27	Only Four of Ten Adults Are Very Confident in Their Ability to Get Safe, Effective Care	25
Figure 28	Only Three of Ten Adults Are Very Confident They Can Afford the Care They Need.....	25
Table 1	Continuity of Insurance in 2007: Percent Insured All Year, Uninsured When Surveyed, or Uninsured During the Year	31
Table 2	Out-of-Pocket Health Care Expenses and Insurance Costs, by Insurance Continuity and Income	32
Table 3	Bill Problems, by Insurance Continuity and Income	34
Table 4	Access Problems, by Insurance Continuity and Income.....	36
Table 5	Quality of Care, Care Coordination, and Patient–Provider Communication, 2007.....	38

ABOUT THE AUTHORS

Sara R. Collins, Ph.D., is assistant vice president at The Commonwealth Fund. An economist, she is responsible for survey development, research, and policy analysis, as well as program development and management of the Fund's Program on the Future of Health Insurance. Prior to joining the Fund, Dr. Collins was associate director/senior research associate at the New York Academy of Medicine, Division of Health and Science Policy. Earlier in her career, she was an associate editor at *U.S. News & World Report*, a senior economist at Health Economics Research, and a senior health policy analyst in the New York City Office of the Public Advocate. She holds an A.B. in economics from Washington University and a Ph.D. in economics from George Washington University.

Jennifer L. Kriss is associate program officer for the Program on the Future of Health Insurance at The Commonwealth Fund. She is a graduate of the University of North Carolina at Chapel Hill with a B.S. in public health. While in school, she worked as an intern at a community health center and was a volunteer coordinator for a student-run health clinic. She is currently pursuing a master's degree in epidemiology at Columbia University.

Michelle McEvoy Doty, Ph.D., director of survey research, directs survey development and analysis at The Commonwealth Fund and conducts research examining health care access and quality among vulnerable populations and the extent to which lack of health insurance contributes to barriers to health care and inequities in quality of care. She received her M.P.H. and Ph.D. in public health from the University of California, Los Angeles.

Sheila D. Rustgi is program assistant for the Program on the Future of Health Insurance at The Commonwealth Fund. She is a graduate of Yale University with a B.A. in economics. While in school, she was a volunteer for the Yale New Haven Hospital in their Elder Horizons Program.

ACKNOWLEDGMENTS

The authors acknowledge the helpful comments of The Commonwealth Fund's Karen Davis, Cathy Schoen, and Stephen Schoenbaum.

Editorial support was provided by Deborah Lorber.

EXECUTIVE SUMMARY

A perfect storm of negative economic trends is battering working families across the United States. The federal minimum wage is now three dollars an hour lower, in real terms, than it was 40 years ago; gas and food prices are soaring; home values are declining; growth in health care costs is far outstripping income growth; and people are increasingly going without the protection of health coverage—nearly 9 million have lost their health insurance since 2000. Families are facing financial crises and are forced to make hard choices among life’s necessities, often sacrificing health care and health insurance along the way.

Using data from four years of the Commonwealth Fund Biennial Health Insurance Survey—2001, 2003, 2005, and 2007—this report examines the status of health insurance for U.S. adults under age 65 and the implications for family finances and access to health care. Insurance coverage deteriorated over the past six years, with declines in coverage most severe for moderate-income families. The share of insured adults who spend more than 5 percent or 10 percent of income on health care and insurance rose across all income groups between 2001 and 2007. As a result, the number of underinsured adults (i.e., those with health coverage that does not adequately protect them from high medical expenses) climbed to 25 million people in 2007, up from 16 million in 2003.

More adults are struggling to pay their medical bills and are accumulating medical debt over time. Forty-one percent of working-age adults, or 72 million people, reported a problem paying their medical bills or had accrued medical debt, up from 34 percent, or 58 million, in 2005. An additional 7 million adults 65 and older also reported bill or debt problems. (See the companion issue brief, [*Seeing Red: The Growing Burden of Medical Bills and Debt Faced by U.S. Families*](#).) This increase occurred across all income groups but families with low and moderate incomes were particularly hard hit: more than half of adults with incomes under \$40,000 reported problems with their medical bills in 2007. Underinsured adults or those with gaps in their health insurance reported the highest rates.

Declining insurance coverage and rising health care costs are likely contributing to skimping on needed care. The share of U.S. adults reporting that the costs of health care prevented them from getting needed care increased from 29 percent in 2001 to 45 percent in 2007. Reports of cost-related access problems rose across all income groups and among both insured and uninsured adults.

All told, in 2007 nearly two-thirds of adults, or 116 million people, were either uninsured for a time during the year, were underinsured, reported a problem paying medical bills, and/or said they did not get needed health care because of cost.

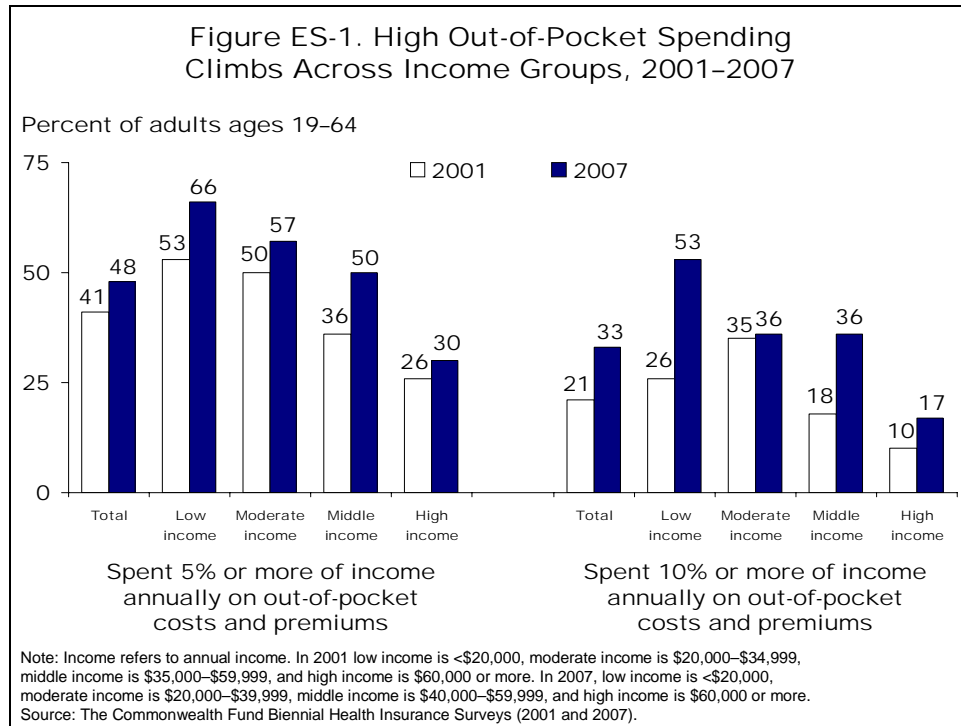
Key findings of the survey include:

Rising Numbers of Adults Go Without Health Insurance Coverage

- In 2007, more than one-quarter (28%) of U.S. adults, or an estimated 50 million people, were uninsured for some time during the past year. This is up from 24 percent of adults, or 38 million people, who were uninsured for part of 2001.
- Families with incomes under \$20,000 report the highest uninsured rates: half went without insurance for a time during 2007.
- The coverage gap between low-income and moderate-income families is narrowing. In 2007, 41 percent of adults in families earning between \$20,000 and \$40,000 reported a time uninsured, up from 28 percent of those in families earning between \$20,000 and \$35,000 in 2001.

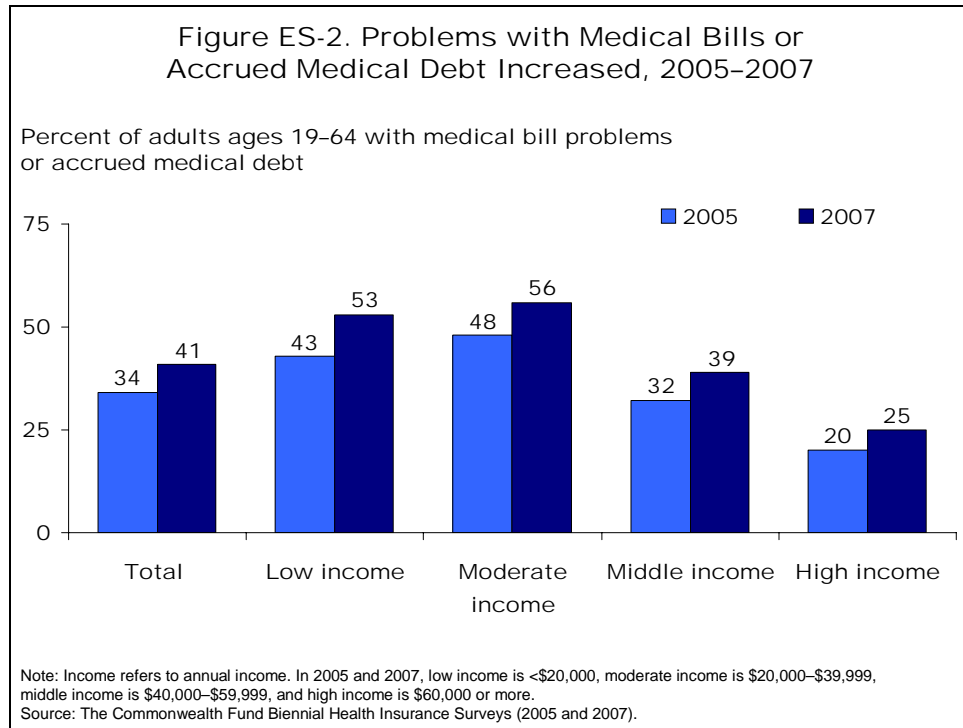
Americans Are Spending Large Shares of Income on Health Care

- The proportion of adults—both insured and uninsured—that spent large shares of their income on out-of-pocket medical expenses and premiums climbed between 2001 and 2007. One-third of adults spent 10 percent or more of their income on health insurance and health care, up from 21 percent in 2001 (Figure ES–1).
- Adults in all income groups spent more on health care. More than half of adults in families with incomes under \$20,000 and more than one-third of adults earning between \$20,000 and \$60,000 spent 10 percent or more of their income on health care. Among those earning between \$40,000 and \$60,000, the rate doubled from 18 percent in 2001 to 36 percent in 2007.
- The number of adults under age 65 who have such high out-of-pocket costs (excluding premiums) relative to their income that they are effectively underinsured increased from 9 percent to 14 percent, or to 25 million people, between 2003 and 2007.



Many Adults Have Problems Paying Their Medical Bills

- Forty-one percent of working-age adults, or 72 million people, reported problems paying their medical bills or were paying off accrued medical debt during the past year, up from 34 percent or 58 million people in 2005 (Figure ES-2).
- Adults with gaps in health insurance coverage or those underinsured were most at risk of medical bill problems—about 60 percent reported medical bill problems, more than double the rate of those who had adequate insurance all year (26%).
- Forty-nine million people, or 28 percent of the population, said they were paying off medical debt in 2007, up from 21 percent in 2005. Of those, one-quarter (24%) were carrying \$4,000 or more in debt and 12 percent had \$8,000 or more.
- Adults who experienced medical bill problems faced dire financial problems: 29 percent were unable to pay for basic necessities like food, heat, or rent because of their bills; 39 percent used their savings to pay bills; and 30 percent took on credit card debt.



High Cost of Health Care Leading Adults to Avoid Needed Medical Care

- The share of adults who reported problems getting needed health care because of costs increased dramatically between 2001 and 2007, rising to 45 percent, up from 29 percent.
- More than 70 percent of adults with gaps in their health insurance coverage reported not getting needed health care because of cost, up from just over half in 2001.
- Among adults with chronic health problems, more than 60 percent who were uninsured any time during the year and 46 percent who were underinsured reported skimping on medications for their conditions because of cost, compared with 15 percent of those with adequate health insurance. About a third or more of adults with chronic conditions who were uninsured any time or underinsured went to an emergency room or stayed overnight in a hospital for their condition, compared with 19 percent of adequately insured adults.

People with Gaps in Coverage and Inadequate Coverage Experience Inefficient Care

- One-third (34%) of adults reported they experienced one of three care coordination problems: test results or medical records not being available at the time of a scheduled appointment, receiving duplicate medical tests, and experiencing delays in being notified about abnormal lab or diagnostic test results.

CONCLUSION

The evidence paints a vivid portrait of the U.S. health care system as experienced by families with low and moderate incomes. Health insurance is often unaffordable or unavailable, health care costs claim a growing share of household budgets, and rising numbers of people are underinsured. At the same time, medical debt mounts, people—even those with chronic illnesses—skimp on prescription drugs and needed care, individuals experience poorly coordinated health care, and adults lack confidence they will be able to afford high-quality health care in the future.

In this presidential election year, majorities of voters are voicing their dissatisfaction with the health care system. The presidential candidates and policymakers at the federal and state levels have responded with proposals and new universal coverage laws. With working families in crisis from a combination of faltering job and income security and a dramatic acceleration in the cost of basic life necessities, the time has never been more urgent for policymakers to forge ahead on solutions to the nations' worsening health insurance problem.

LOSING GROUND: HOW THE LOSS OF ADEQUATE HEALTH INSURANCE IS BURDENING WORKING FAMILIES

FINDINGS FROM THE COMMONWEALTH FUND BIENNIAL HEALTH INSURANCE SURVEYS, 2001–2007

INTRODUCTION

A perfect storm of negative economic trends is battering working families across the United States. The federal minimum wage is now three dollars an hour lower, in real terms, than it was 40 years ago; gas and food prices are soaring; home values are declining; growth in health care costs is far outstripping income growth; and people are increasingly going without the protection of health coverage—nearly 9 million have lost their health insurance since 2000.¹ Families are facing financial crises and are forced to make hard choices among life’s necessities, often sacrificing health care and health insurance along the way.

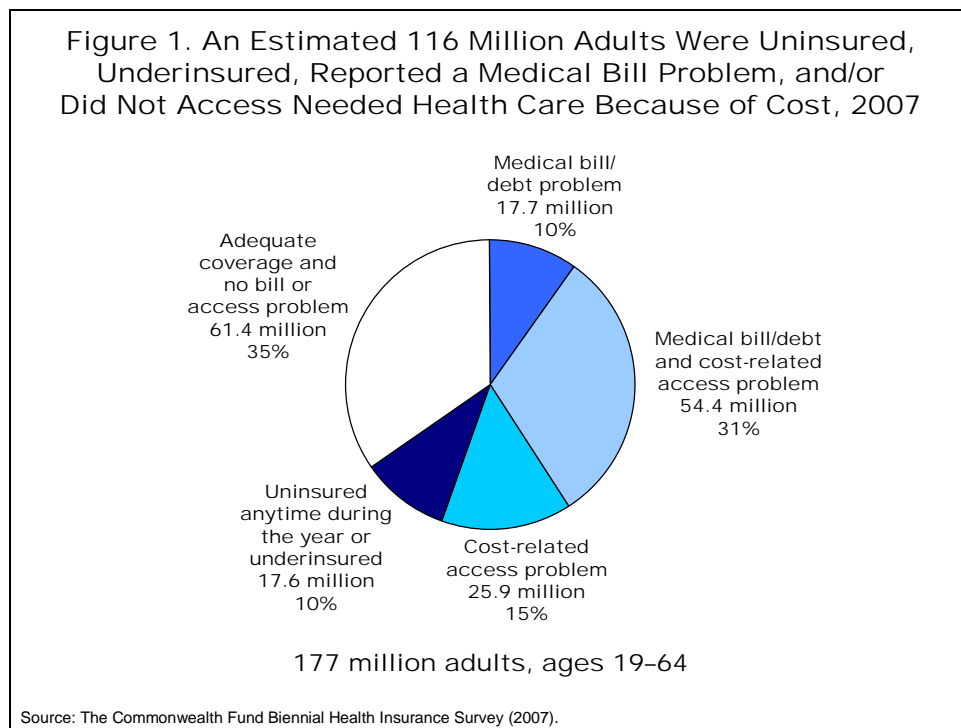
Using data from four years of the Commonwealth Fund Biennial Health Insurance Survey—2001, 2003, 2005, and 2007—this report examines the status of health insurance for U.S. adults under age 65 and the implications for family finances and access to health care. (See Appendix for a description of survey methodology.) Insurance coverage deteriorated over the past six years, with declines in coverage most severe for moderate-income families. The share of insured adults who spend 5 percent or 10 percent or more of income on health care and insurance rose across all income groups between 2001 and 2007.² As a result, the number of adults who are underinsured (i.e., those with health coverage that does not adequately protect them from high medical expenses) climbed to 25 million people in 2007, up from 16 million in 2003.

More adults are struggling to pay their medical bills and are accumulating medical debt over time. Forty-one percent of working-age adults, or 72 million people, reported a problem paying their medical bills or had accrued medical debt, up from 34 percent in 2005. This increase occurred across all income groups but families with low and moderate incomes were particularly hard hit: more than half of adults with incomes under \$40,000 reported problems with their medical bills in 2007. Underinsured adults or those with gaps in health insurance reported the highest rates.

Finally, there have been sharp increases in the number of people not getting necessary health care because of costs. The share of U.S. adults reporting that the costs of

health care prevented them getting needed care increased from 29 percent in 2001 to 45 percent in 2007. All told, in 2007 nearly two-thirds of adults, or 116 million people, were either uninsured for a time during the year, were underinsured, reported a problem paying medical bills, and/or said they did not get needed health care because of cost (Figure 1).

The survey findings suggest that the continuing loss of adequate health insurance—as well as the ability to afford it—is not only dangerous to the health and wealth of families, it also imperils the efficient functioning of the overall health system and the economic productivity of the nation. The deterioration of insurance coverage points to a need for a national solution that will give families affordable options to ensure access to timely health care and provide protection against catastrophic financial losses. The U.S. is unique among industrialized nations in its failure to protect the population against the uncertainties of health. This failure has now turned into crisis for many working families facing economic pressures in nearly every aspect of their lives.



GROWING NUMBERS OF ADULTS GO WITHOUT HEALTH COVERAGE

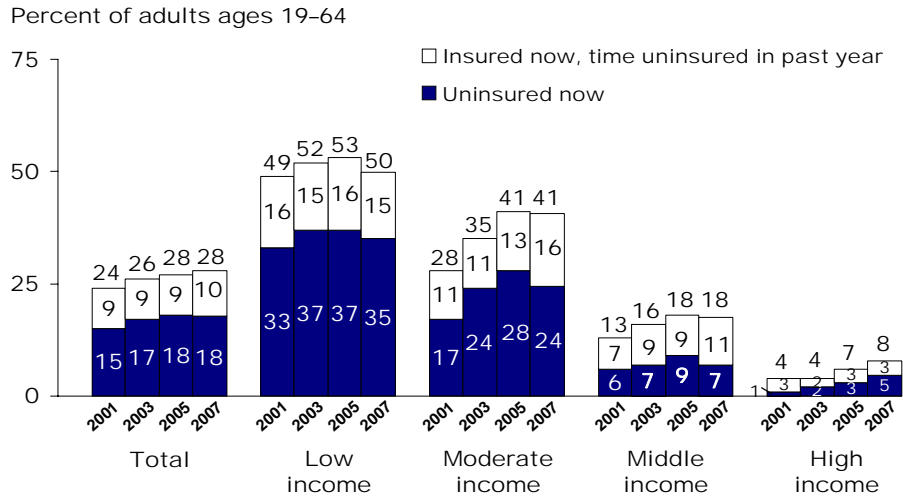
The insurance coverage of U.S. adults deteriorated over the past six years, with declines in coverage most severe for moderate-income families. In 2007, more than one-quarter (28%) of U.S. adults, or an estimated 50 million people, were either uninsured at the time of the survey or were insured but had experienced a time without coverage in the past 12 months (Table 1, Figure 2). This is up from 24 percent of adults, or 38 million people,

who were uninsured for part of 2001.³ Families with incomes under \$20,000 report the highest uninsured rates. Half of adults in such households went without insurance for a time during 2007.

In the past, moderate-income families were much more likely to have jobs that came with health insurance than were lower-income families. But since 2001, there has been an increase in the share of moderate-income adults who report going without health insurance for part of the year.⁴ Consequently, the coverage gap between low-income and moderate-income families is narrowing. In 2007, more than two of five adults (41%) in families earning between \$20,000 and \$40,000 reported a time uninsured, up from 28 percent of those in families earning between \$20,000 and \$35,000 in 2001.⁵

The majority of uninsured adults and those with gaps in their coverage are in households with incomes under \$60,000. Of the 50 million adults who reported a time uninsured in 2007, more than half (56%) were in households with incomes under 200 percent of poverty (about \$40,000 for a family of four) (Figure 3). An additional 16 percent were in families with incomes up to 300 percent of poverty (about \$60,000 for a family of four). Young adults were disproportionately represented among the uninsured, accounting for 37 percent of those who reported a time uninsured, although they comprise just one-fifth (22%) of the adult population under age 65 (Table 1, Figure 3). Similarly, Hispanics are disproportionately represented, accounting for 23 percent of the uninsured, but just 14 percent of the adult population.

Figure 2. Uninsured Rates High Among Adults with Low and Moderate Incomes, 2001–2007

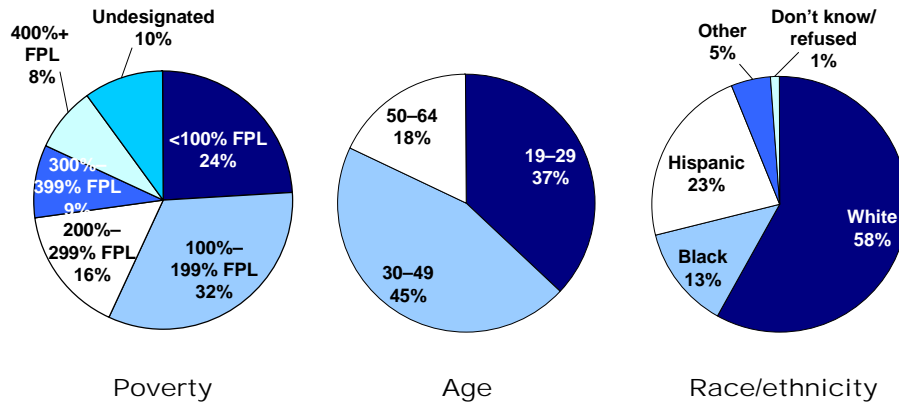


Note: Income refers to annual income. In 2001 and 2003, low income is <\$20,000, moderate income is \$20,000–\$34,999, middle income is \$35,000–\$59,999, and high income is \$60,000 or more. In 2005 and 2007, low income is <\$20,000, moderate income is \$20,000–\$39,999, middle income is \$40,000–\$59,999, and high income is \$60,000 or more. Subgroups may not sum to totals because of rounding.

Source: The Commonwealth Fund Biennial Health Insurance Surveys (2001, 2003, 2005, and 2007).

Figure 3. Uninsured Adults Are Disproportionately Poor, Young, and Racial/Ethnic Minorities

Adults ages 19–64 with any time uninsured



Note: Percentages may not sum to 100% because of rounding.

Source: The Commonwealth Fund Biennial Health Insurance Survey (2007).

Majority of Uninsured Adults Are Members of Working Families

The majority of adults who report they went without coverage in the prior year are members of working families. Nearly three of five (58%) adults who spent some time uninsured in 2007 were in families where at least one person was working full time

(Figure 4). Reflecting the softening in the economy, a growing share of adults who reported a time uninsured in the past year are not currently employed: 44 percent were not working at the time of the survey in 2007, up from 36 percent in 2005.⁶

Adults who were self-employed or working in firms of fewer than 500 employees report the highest rates of going without coverage (Table 1). More than one-third of self-employed workers (36%) and those employed by companies with fewer than 20 employees (38%) were uninsured for some time during the past 12 months. Three of five (59%) uninsured full-time and part-time workers are self-employed or employed in firms with fewer than 100 workers (Figure 5).

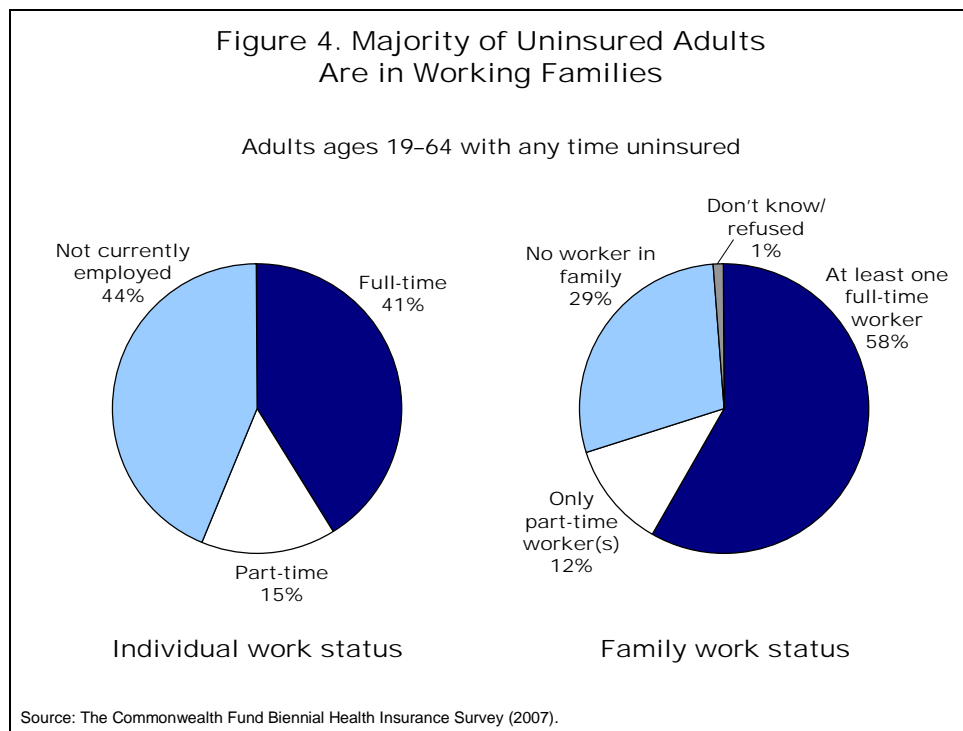
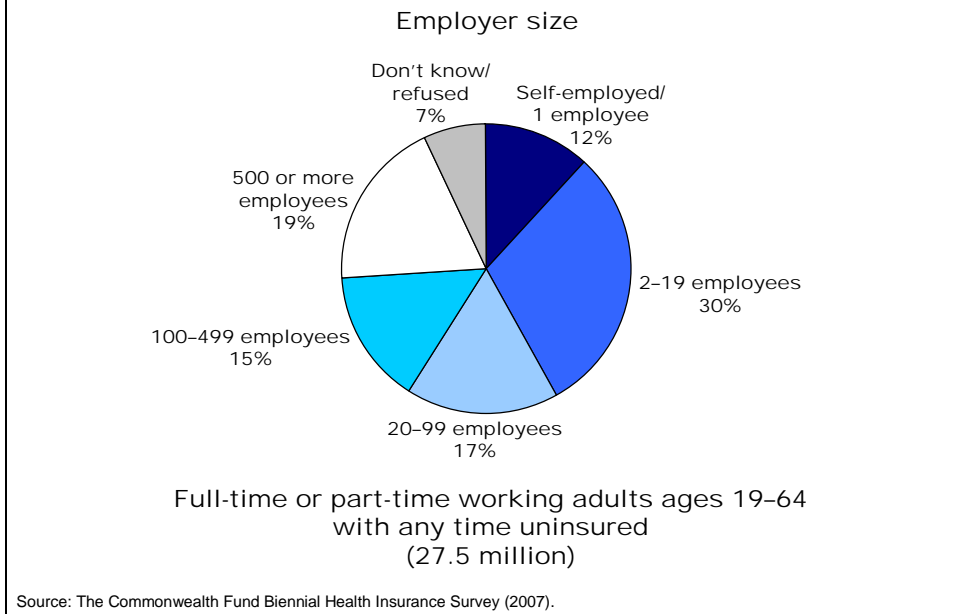


Figure 5. Three of Five Workers with Any Time Uninsured Are Self-Employed or in Firms with Fewer than 100 Workers



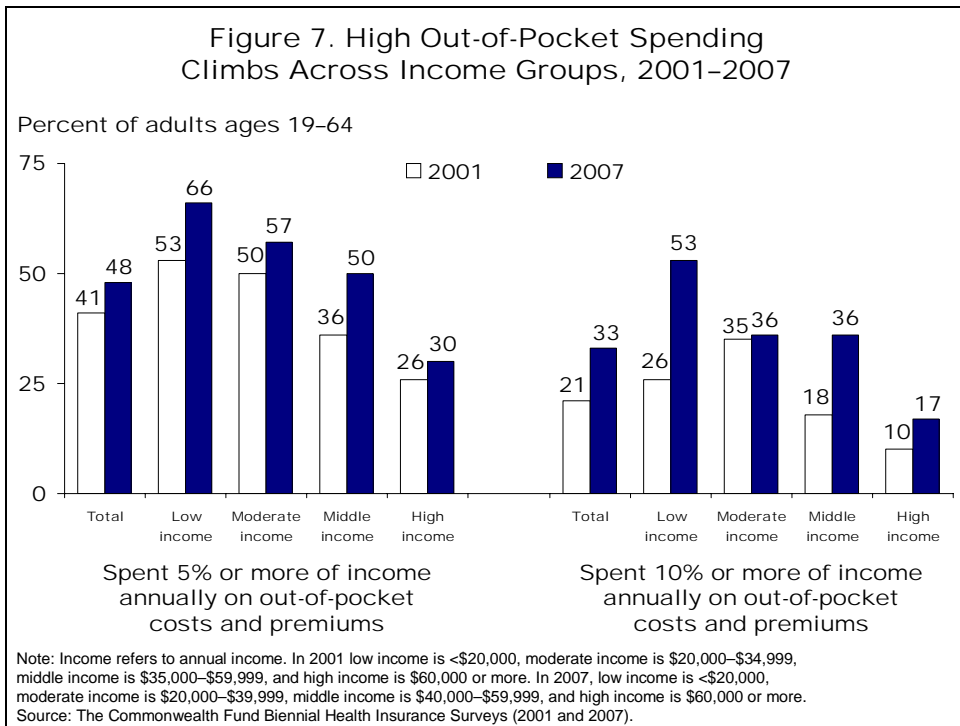
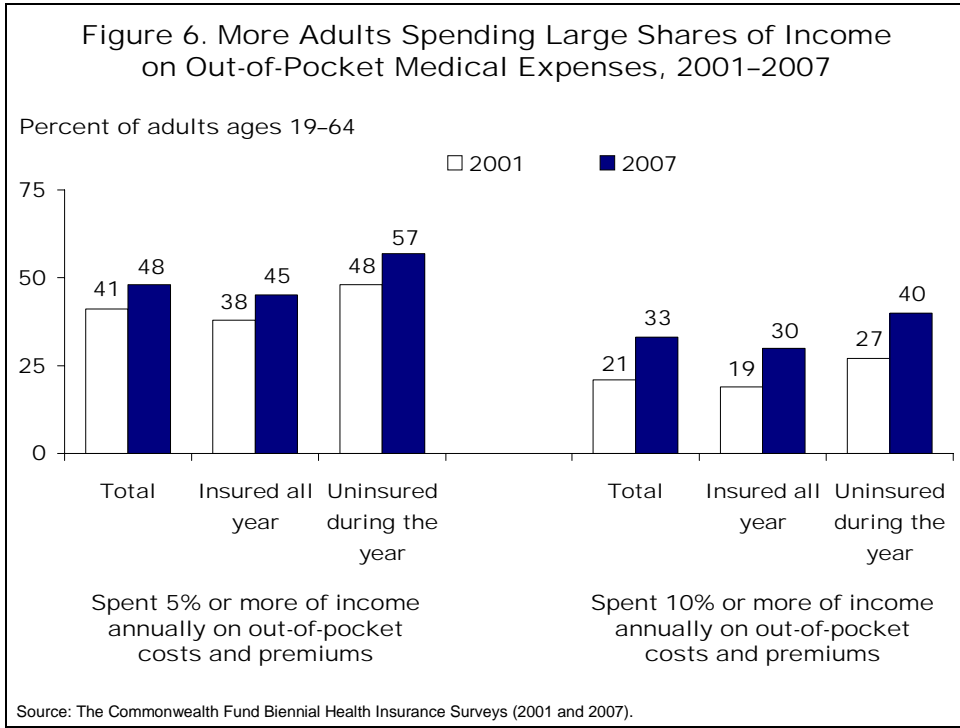
ADULTS ARE SPENDING LARGE SHARES OF INCOME ON HEALTH CARE

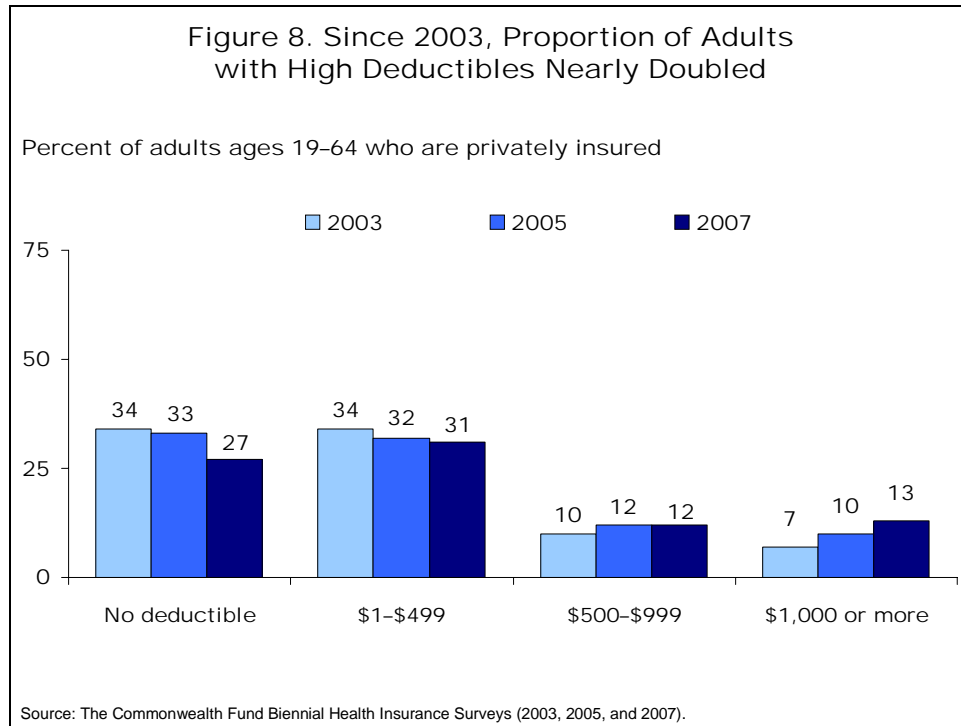
The share of adults—both insured and uninsured—that spent large shares of their income on out-of-pocket medical expenses and premiums climbed between 2001 and 2007. Nearly half (48%) of adults spent 5 percent or more of their income on health care, up from 41 percent in 2001 (Table 2, Figure 6). One-third spent 10 percent or more of their income, up from 21 percent in 2001.

The number of people spending 5 percent and 10 percent or more of their income on medical care and premiums increased across all income groups. Among adults in families earning under \$20,000 a year, two-thirds spent 5 percent or more of their income on health care and premiums, up from 53 percent in 2001, and more than half (53%) spent 10 percent or more, double the amount (26%) who spent that much in 2001 (Figure 7). Adults in the mid-range of the income spectrum also became more exposed to health care costs. In particular, the share of adults in households with incomes between \$40,000 and \$60,000 who spent more than 5 percent of their income on health care climbed from 36 percent in 2001 to 50 percent in 2007. More than one-third (36%) of adults in this income group spent 10 percent or more of their income on health care.

Rising out-of-pocket spending is likely associated with a nationwide trend toward higher deductibles in insurance plans.⁷ Since 2003, when the Biennial survey first asked respondents about deductibles, there has been a steady increase in the share of privately

insured adults who report high deductibles. In 2007, 58 percent of privately insured adults either had no deductibles or deductibles of less than \$500, down from 68 percent in 2003 (Figure 8). In contrast, 13 percent had deductibles of \$1,000 or more in 2007, up from 7 percent in 2003.



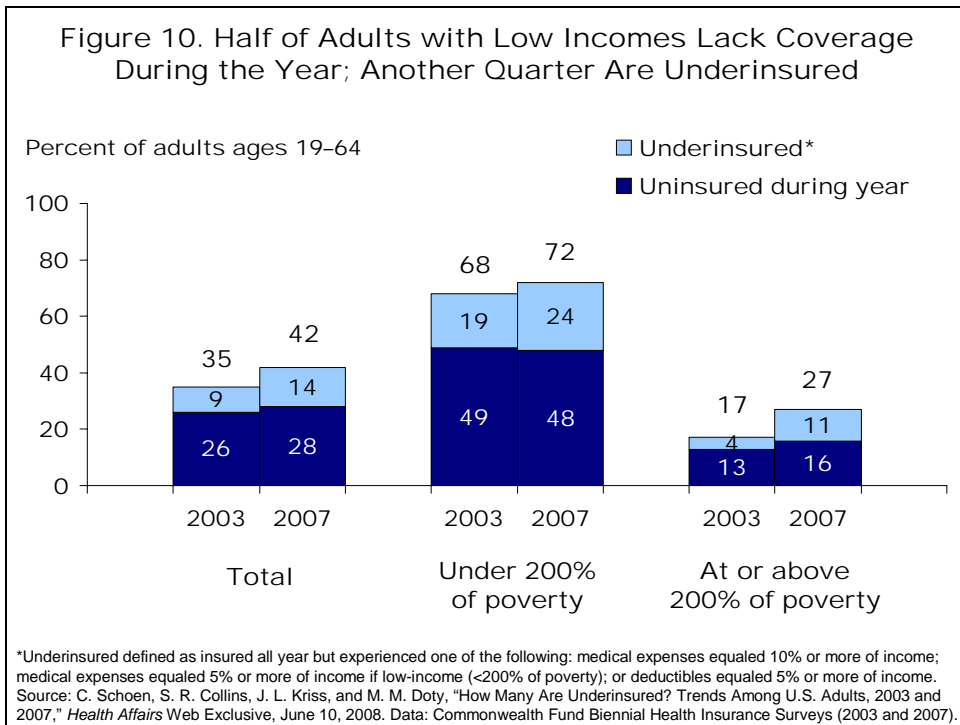
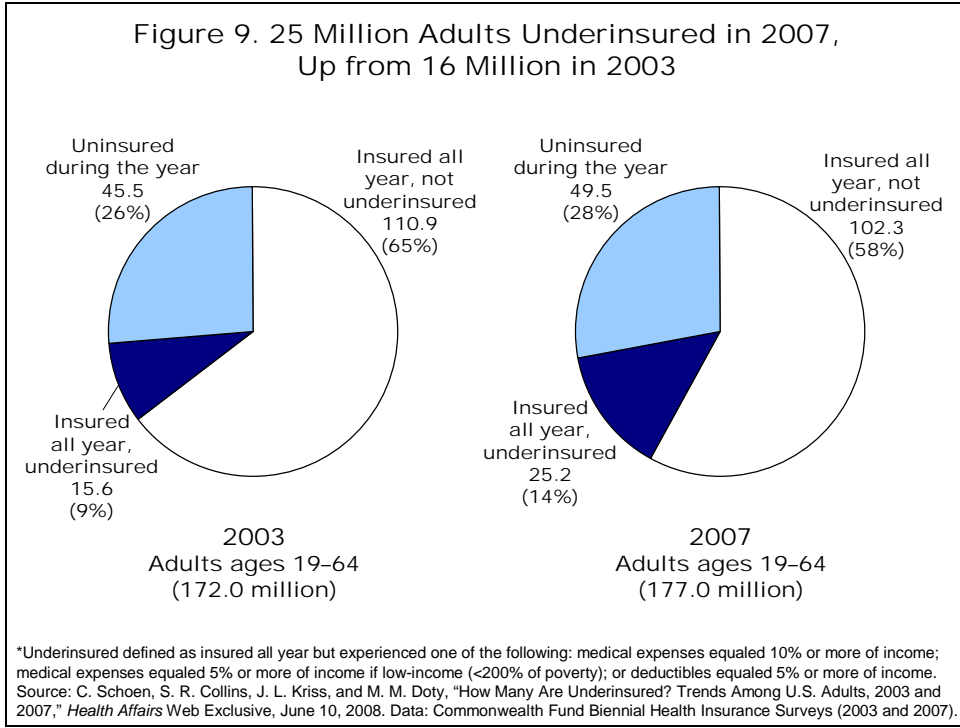


More Adults Are Underinsured

The combination of rising exposure to health costs and stagnant incomes has led to a rising number of adults with such high out-of-pocket costs relative to their income that they are effectively “underinsured.” As reported in a recent *Health Affairs* article by Cathy Schoen and colleagues, between 2003 and 2007 the number of underinsured adults climbed from 16 million to 25 million (Figure 9).⁸ Underinsured adults in the 2003 and 2007 Biennial surveys were defined as those who reported: spending 10 percent or more of their income on out-of-pocket health costs, excluding premiums; spending 5 percent or more of their income, if their incomes were under 200 percent of poverty; or deductibles that amounted to 5 percent or more of their income. Almost one-quarter (24%) of adults with incomes under 200 percent of poverty were underinsured, up from 19 percent in 2003 (Figure 10). The problem of cost exposure moved dramatically up the income scale. The share of adults with incomes of 200 percent of poverty or more who were underinsured nearly tripled over the four-year period, climbing from 4 percent in 2003 to 11 percent in 2007.

Taken together, 75 million, or 42 percent of U.S. adults, either experienced some time uninsured during 2007 or were insured all year but had health plans that left them exposed to health care costs, rendering them underinsured. This is up from 35 percent in 2003, or 61 million. More than 70 percent of adults with incomes under 200 percent of poverty were inadequately insured. Coverage is also declining among higher-income

families: one-quarter (27%) of adults with incomes of 200 percent of poverty or more were inadequately insured in 2007, up from 17 percent in 2003.



ADULTS WITH INADEQUATE HEALTH INSURANCE BURDENED BY MEDICAL DEBT

As health care costs continue to rise and more adults become uninsured or underinsured, families are finding it increasingly difficult to pay their medical bills. The survey asked respondents whether they had experienced problems with medical bills over the past year, including whether there were times when they had difficulty or were unable to pay bills, whether they had been contacted by a collection agency concerning outstanding medical bills, or whether they had to change their lives significantly to meet their obligations. In addition, the survey asked respondents whether they were paying off medical bills over time. In 2007, more than two of five (41%) adults, or 72 million people, reported any one of those problems, up from 34 percent, or 58 million people, in 2005 (Figure 11, Table 3).⁹ An additional 7 million adults 65 and older also reported bill or debt problems. (See the companion issue brief, [*Seeing Red: The Growing Burden of Medical Bills and Debt Faced by U.S. Families*](#).¹⁰) This increase occurred across all income groups but families with low and moderate incomes were particularly hard hit: more than half of adults with incomes under \$40,000 reported problems with their medical bills in 2007.

The share of adults who said they were paying off medical bills over time jumped between 2005 and 2007 (Figure 12). In 2007, 49 million adults, or 28 percent of the adult population, said they were carrying accrued medical debt, up from 21 percent in 2005. There were increases over this two-year period in all types of bill payment problems. In 2007, 27 percent of adults said they had problems paying or were unable to pay their bills, up from 23 percent in 2005; 18 percent said they had to change their way of life to pay their bills, compared with 14 percent in 2005; and 16 percent reported they had been contacted by a collection agency about unpaid bills, up from 13 percent in 2005.¹¹

Adults with gaps in health insurance coverage or those underinsured were most at risk of having problems with medical bills: three of five reported any one medical bill problem or accrued medical debt, more than double the rate of those who had adequate insurance all year (26%) (Figure 13).

Of the estimated 49 million adults who are currently paying off medical debt, many are carrying substantial debt loads that have accrued over time. One-quarter of adults with medical debt were carrying \$4,000 or more in debt and 12 percent had \$8,000 or more (Figure 14, Table 3). Adults who were uninsured at any time during the year had the highest debt loads: more than one-third (34%) of those who were uninsured at the time of the survey reported debt of \$4,000 or more, as did one-quarter (24%) of those who were uninsured for a period in the past year. And 18 percent and 12 percent of these

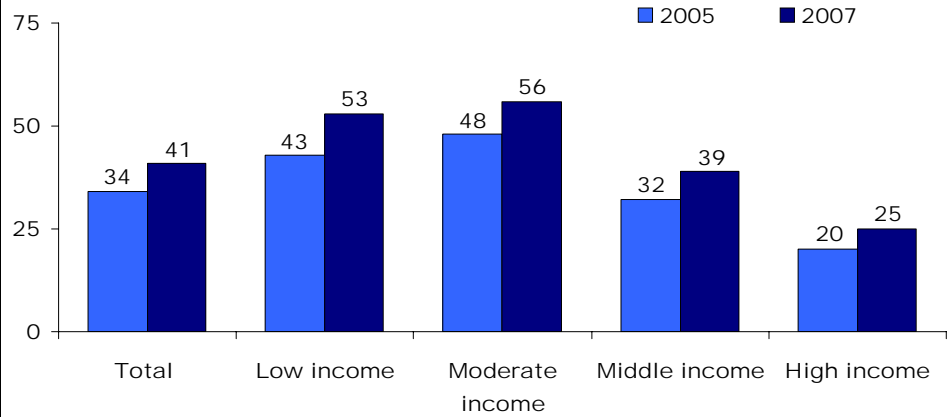
two groups, respectively, had more than \$10,000 in debt (Table 3). In addition, many people are carrying debt incurred over multiple years. More than one-third (37%) of adults with medical debt were carrying overdue bills from care received more than one year ago and 8 percent were paying bills from both last year and earlier years.

Confronted with medical bills and debt, many people are forced to make trade-offs in their spending and saving priorities. Among adults who reported any problems with medical bills or accumulated debt, nearly one of three (29%) said they had been unable to pay for basic necessities like food, heat, or rent because of medical bills; nearly two of five (39%) had used all their savings; one of three (30%) had taken on credit card debt; and one-tenth (10%) had taken out a mortgage against their home (Figure 15). Rates of reported trade-offs were especially high among people who had spent any time uninsured or those underinsured. Nearly half of adults who had spent any time uninsured and reported medical bill problems had used all their savings to pay for their medical bills and two of five were unable to pay for food, heat, or rent. Underinsured adults made similar trade-offs: 46 percent said they had used all their savings, 33 percent took on credit card debt, and 29 percent were unable to pay for basic life necessities.

High rates of medical bill problems and debt among the insured suggest that simply having insurance does not guarantee protection from medical bills and long-term medical debt. Large shares of insured families reported problems with their health plans that can lead to medical debt burdens. One-fourth (26%) of adults who were insured all year had expensive bills for services that were not covered by their insurance plan (Figure 16). Another 28 percent of insured adults said that their doctor charged more than their insurance would pay and they had to make up the difference. One-third (34%) reported they had to contact their insurance company because it did not pay a bill promptly or the enrollee was denied payment. Adults who were underinsured reported more problems with their health plans that have left them exposed to costs than insured adults with more adequate insurance benefits. Forty-four percent of underinsured adults said that they had expensive medical bills for services that were not covered by their insurance, twice the rate of that reported by adults with more adequate coverage.

Figure 11. Problems with Medical Bills or
Accrued Medical Debt Increased, 2005-2007

Percent of adults ages 19-64 with medical bill problems
or accrued medical debt



Note: Income refers to annual income. In 2005 and 2007, low income is <\$20,000, moderate income is \$20,000-\$39,999, middle income is \$40,000-\$59,999, and high income is \$60,000 or more.
Source: The Commonwealth Fund Biennial Health Insurance Surveys (2005 and 2007).

Figure 12. Medical Bill Problems and
Accrued Medical Debt, 2005-2007

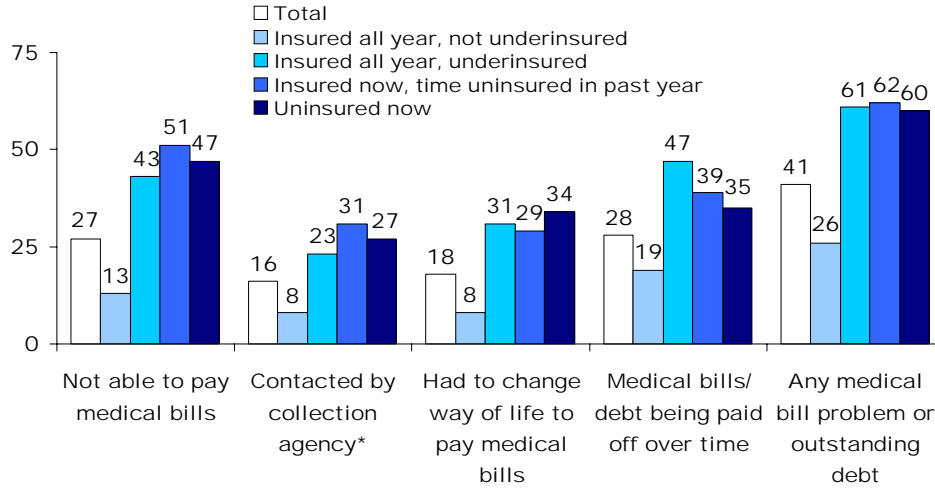
Percent of adults ages 19-64

	2005	2007
In the past 12 months:		
Had problems paying or unable to pay medical bills	23% 39 million	27% 48 million
Contacted by collection agency for unpaid medical bills	13% 22 million	16% 28 million
Had to change way of life to pay bills	14% 24 million	18% 32 million
<i>Any of the above bill problems</i>	28% 48 million	33% 59 million
Medical bills being paid off over time	21% 37 million	28% 49 million
<i>Any bill problems or medical debt</i>	34% 58 million	41% 72 million

Source: The Commonwealth Fund Biennial Health Insurance Surveys (2005 and 2007).

Figure 13. Sixty Percent of Underinsured or Uninsured Adults Reported Medical Bill Problems or Debt

Percent of adults ages 19-64 with medical bill problems or accrued medical debt



*Includes only those individuals who had a bill sent to a collection agency when they were unable to pay it.
 Source: The Commonwealth Fund Biennial Health Insurance Survey (2007).

Figure 14. Uninsured Adults Are More Likely to Be Paying Off Large Amounts of Medical Debt Over Time

Percent of adults ages 19-64 who are paying off medical bills over time

	Total	Insured all year	Uninsured Anytime in Past Year	
			Insured now, time uninsured in past year	Uninsured now
How much are the medical bills that are being paid off over time?				
Less than \$2,000	51%	57%	46%	38%
\$2,000-\$3,999	21	20	25	22
\$4,000-\$7,999	12	11	11	14
\$8,000 or more	12	9	13	20
Was this for care received in past year or earlier?				
Past year	54	57	53	43
Earlier year	37	38	37	44
Both	8	7	9	12

Source: The Commonwealth Fund Biennial Health Insurance Survey (2007).

Figure 15. More Than One-Quarter of Adults Under Age 65 with Medical Bill Burdens and Debt Were Unable to Pay for Basic Necessities

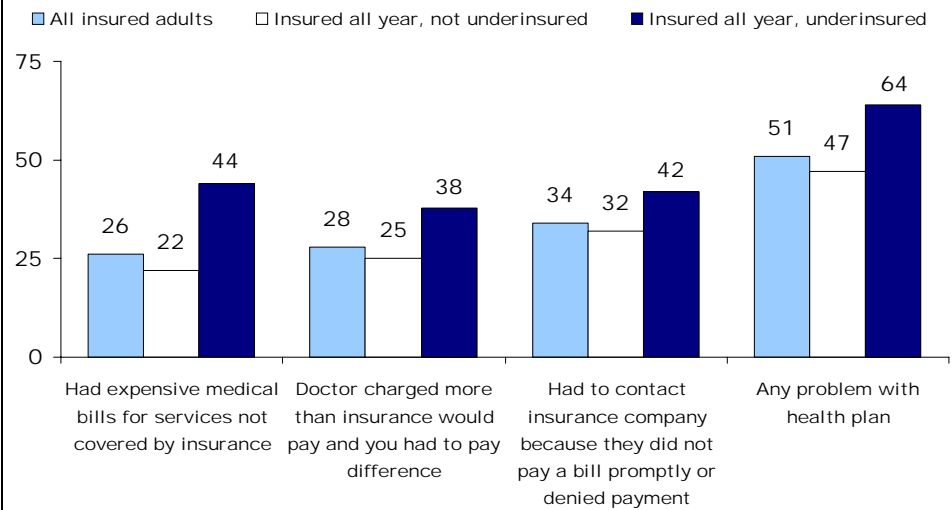
Percent of adults ages 19-64 with medical bill problems or accrued medical debt

Percent of adults reporting:	Total	Insured All Year		Uninsured Anytime During Year	
		No underinsured indicators	Underinsured	Insured now, time uninsured in past year	Uninsured now
Unable to pay for basic necessities (food, heat, or rent) because of medical bills	29%	16%	29%	42%	40%
Used up all of savings	39	26	46	46	47
Took out a mortgage against your home or took out a loan	10	9	12	11	11
Took on credit card debt	30	28	33	34	26
Insured at time care was provided	61	80	82	46	24

Source: The Commonwealth Fund Biennial Health Insurance Survey (2007).

Figure 16. Underinsured Adults Report Higher Rates of Health Insurance Plan Problems than Adults with Adequate Insurance

Percent of adults ages 19-64 who were insured all year and had problems with health insurance plan



Source: The Commonwealth Fund Biennial Health Insurance Survey (2007).

AMERICANS DO NOT GET NEEDED HEALTH CARE BECAUSE OF COSTS

The purpose of health insurance is to provide timely and affordable access to care and to protect against the costs of catastrophic illnesses and injuries. However, the rising costs of health insurance and the lack of adequate insurance, which leaves many exposed to the

cost of health care, are straining limited family budgets and leaving people less protected. Since 2001, U.S. adults have experienced a dramatic increase in cost-related problems accessing needed health care.

The survey asked respondents whether they had not pursued needed medical care in the past 12 months because of cost. Specifically, respondents were asked if, because of cost, they did not go to a doctor or clinic when sick; had not filled a prescription; skipped a medical test, treatment, or follow-up visit recommended by a doctor; or did not see a specialist when a doctor or the respondent thought it was needed.

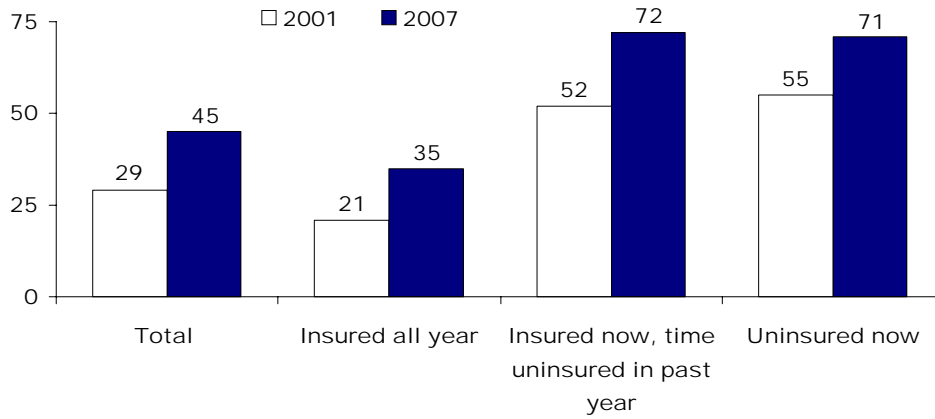
The share of adults who reported problems getting needed health care because of costs increased dramatically between 2001 and 2007. In 2007, 45 percent of adults under age 65 reported any one of these cost-related access problems, up from 29 percent in 2001 (Figure 17, Table 4). People who were uninsured at the time of the survey or who were insured but had spent a time uninsured during the past year experienced the highest rates of cost-related problems getting needed health care. More than 70 percent of adults who were uninsured for any time during the year cited cost-related problems accessing needed health care, up from just over half in 2001. Even adults who had insurance for the full year reported an increase in access problems due to cost: 35 percent of adults with insurance all year reported any of the four access problems, an increase from 21 percent in 2001.

Between 2001 and 2007, cost-related problems getting needed care rose across all income groups, with adults in low- and moderate-income families reporting the highest rates. Three of five adults with incomes under \$40,000 reported having any one of the four cost-related access problems in 2007, up from two of five in 2001 (Figure 18). Adults earning \$40,000 a year or more also reported substantial increases. In 2007, more than two of five adults earning between \$40,000 and \$60,000 reported they had not received care because of cost, up from 24 percent in 2001. Even adults earning more than \$60,000 a year reported problems at double the rates they did in 2001.

Underinsured adults reported rates of cost-related access problems that were nearly as high as those who were uninsured any time during the year. In 2007, 60 percent of underinsured adults reported any one of the four cost-related access problems compared with about 70 percent who were uninsured during the year (Figure 19, Table 4). In contrast, 29 percent of those with more adequate coverage reported such problems. The share of underinsured adults who reported any cost-related problems getting needed care rose from 54 percent in 2003 to 60 percent in 2007 (data not shown).

Figure 17. Cost-Related Problems Getting Needed Care Have Increased, 2001-2007

Percent of adults ages 19-64 who had any of four access problems* in past year because of cost

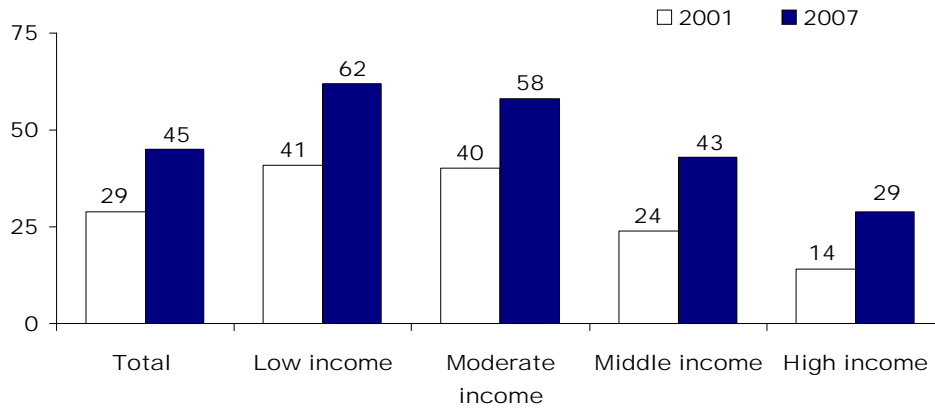


*Did not fill a prescription; did not see a specialist when needed; skipped recommended medical test, treatment, or follow-up; had a medical problem but did not visit doctor or clinic.

Source: The Commonwealth Fund Biennial Health Insurance Surveys (2001, 2003, 2005, and 2007).

Figure 18. Cost-Related Problems Getting Needed Care Have Increased Across All Income Groups, 2001-2007

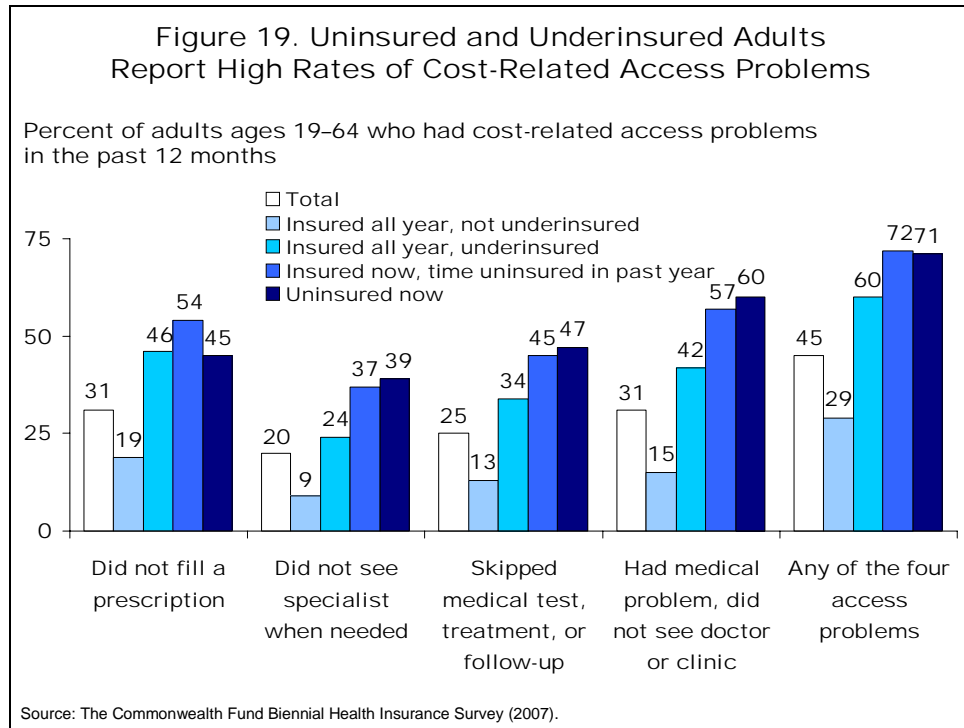
Percent of adults ages 19-64 who had any of four access problems* in past year because of cost



*Did not fill a prescription; did not see a specialist when needed; skipped recommended medical test, treatment, or follow-up; had a medical problem but did not visit doctor or clinic.

Note: Income refers to annual income. In 2001 and 2003 low income is <\$20,000, moderate income is \$20,000-\$34,999, middle income is \$35,000-\$59,999, and high income is \$60,000 or more. In 2005 and 2007, low income is <\$20,000, moderate income is \$20,000-\$39,999, middle income is \$40,000-\$59,999, and high income is \$60,000 or more.

Source: The Commonwealth Fund Biennial Health Insurance Surveys (2001, 2003, 2005, and 2007).



Adults with Gaps in Coverage Are Less Likely To Get Preventive Care

The survey found that adults with gaps in their health insurance are less able to get the regular preventive care needed to maintain their health, catch health problems at early stages, or keep chronic health problems under control. This raises the risk of more serious illness and potentially catastrophic medical expenses later in life.

The survey asked respondents if they had a personal or family doctor—or other health care professional, like a nurse—who they usually relied on for needed medical care. Forty-five percent of those who were uninsured at the time of the survey in 2007 reported they had a regular source of care compared with 87 percent of adults who were insured all year (Figure 20, Table 4). Uninsured adults also are far less likely than insured adults to go to the dentist: only one third of uninsured adults said they had a dental exam in the past year, compared with nearly three-quarters (72%) of those who had insurance all year.

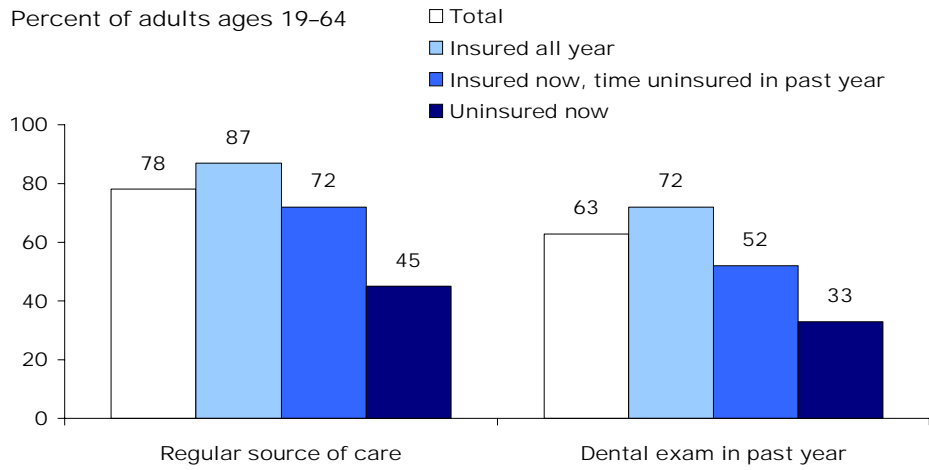
Lacking a regular source of health care makes it difficult to get timely preventive screening tests like blood pressure and cholesterol tests. The survey asked adults whether they had had their blood pressure checked in the past year or cholesterol checked in the past five years (or in the past year if they have hypertension or heart disease). Adults without health insurance had the lowest reported rates of blood pressure and cholesterol tests: 69 percent of those who were uninsured at the time of the survey had had their

blood pressure checked by a doctor or other medical professional, compared with more than 90 percent of adults who had some coverage during the year (Figure 21). Less than two of five (37%) adults with a time uninsured had a recommended cholesterol test, half the rate of adults with adequate insurance all year (75%).

Adults with gaps in coverage also report lower rates of cancer screenings than do adults who are insured all year. Slightly more than one-third (36%) of uninsured women ages 50 to 64 reported receiving a mammogram in the past two years, less than half the rate (81%) of those who were insured all year (Figure 22). Similarly, fewer than one-quarter (22%) of uninsured adults and one-third (35%) of adults with a time uninsured in the past year, ages 50 to 64, had had a colon cancer screen in the past five years compared with 56 percent of those insured all year. When asked if they had received a pap test in the past year (women ages 19 to 29) or three years (women ages 30 to 64), slightly more than half (54%) of women who were uninsured at the time of the survey had done so, compared with 84 percent of women who were insured all year.

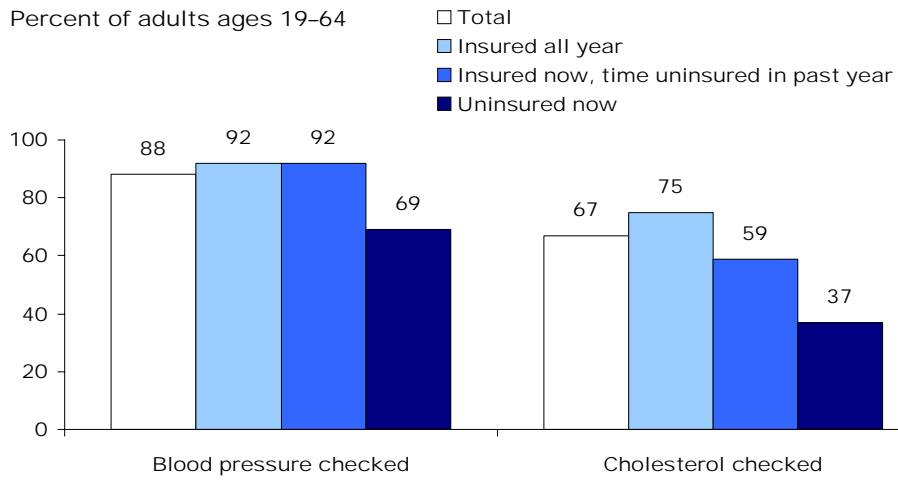
Consistent with these findings, uninsured adults reported that they had delayed or not received a preventive care screening or dental care in the past year because of costs at higher rates than adults with coverage all year. Two of five (42%) adults who were uninsured at the time of the survey said they had delayed or avoided a preventive care screening in the past year because of cost (Figure 23). This is four times the rate reported by adults who were insured all year. Similarly, nearly two-thirds (65%) of uninsured adults delayed or did not get dental care because of its cost, more than twice the rate of those with coverage all year. Access to dental care is also a problem for those with gaps in their insurance coverage: 56 percent of those who were insured for just part of the year reported delaying or avoiding dental exams because of cost.

Figure 20. Uninsured Adults Are Less Likely to Have a Regular Source of Care, 2007



Source: The Commonwealth Fund Biennial Health Insurance Survey (2007).

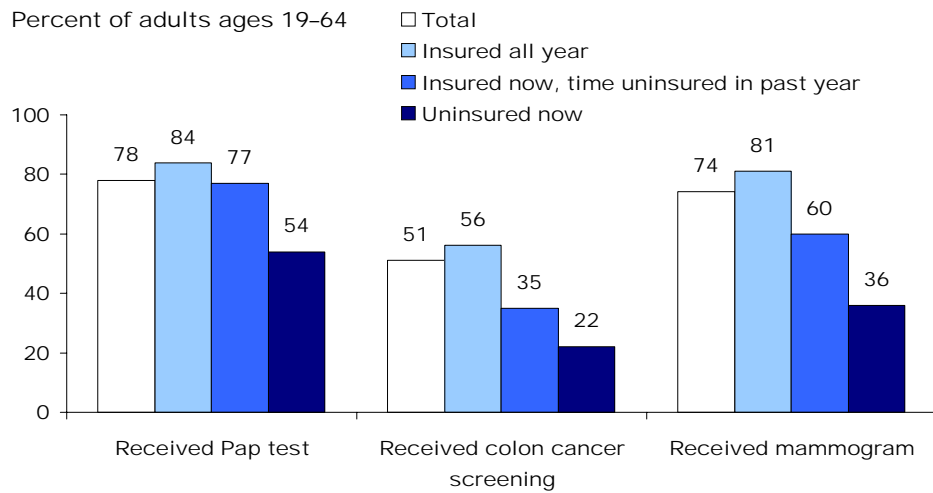
Figure 21. Uninsured Adults Are Less Likely to Get Blood Pressure and Cholesterol Checked, 2007



Note: Blood pressure checked in past year; cholesterol checked in past five years (in past year if has hypertension or heart disease).

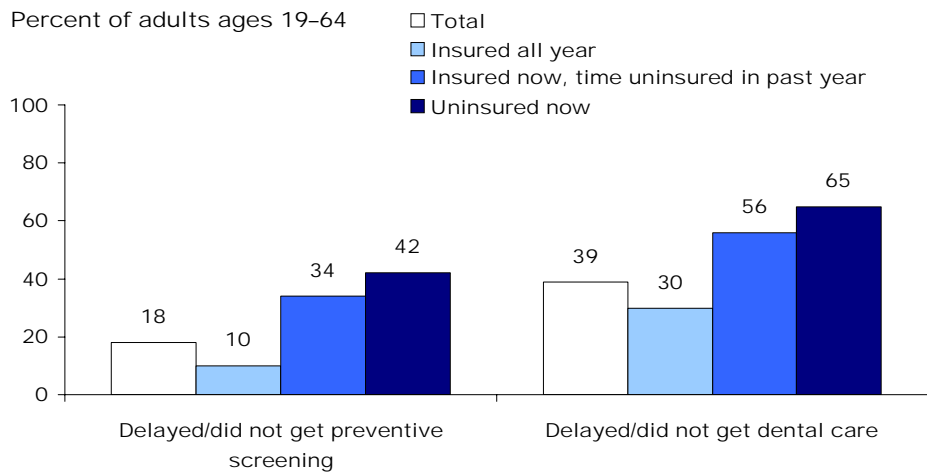
Source: The Commonwealth Fund Biennial Health Insurance Survey (2007).

Figure 22. Uninsured Adults and Adults with Gaps in Coverage Have Lower Rates of Cancer Screening Tests, 2007



Note: Pap test in past year for females ages 19-29, past three years age 30+; colon cancer screening in past five years for adults ages 50-64; and mammogram in past two years for females ages 50-64.
 Source: The Commonwealth Fund Biennial Health Insurance Survey (2007).

Figure 23. Uninsured Adults and Adults with Gaps in Coverage Have Higher Rates of Delaying Preventive Screening Tests and Needed Dental Care, 2007



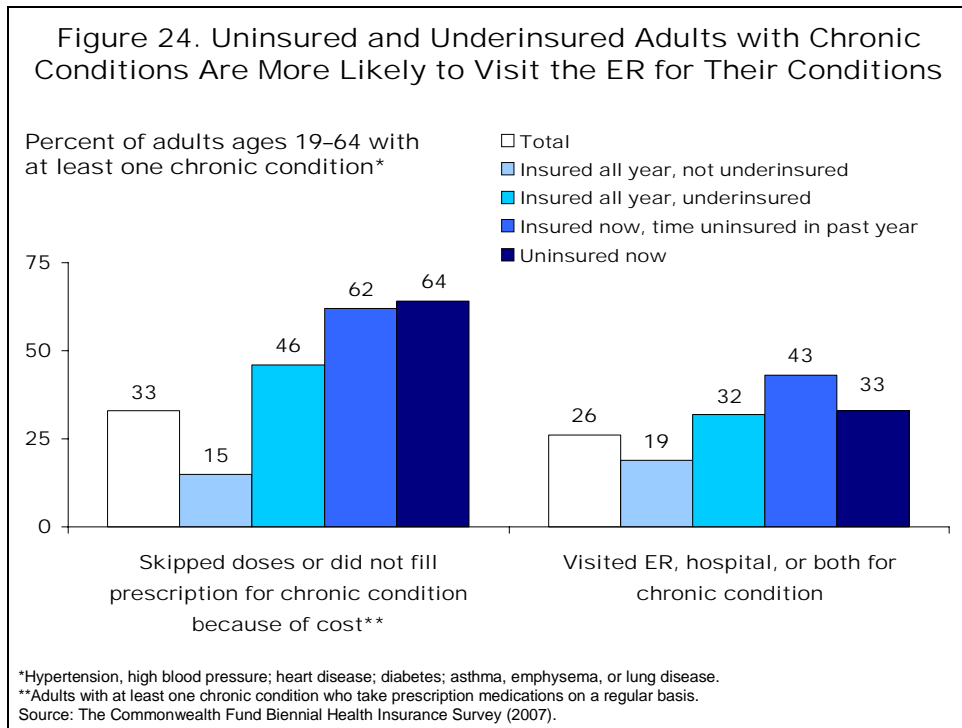
Source: The Commonwealth Fund Biennial Health Insurance Survey (2007).

Adults with Gaps in Coverage Are Unable to Manage Chronic Conditions

Being uninsured or underinsured is particularly devastating for people who have ongoing care management needs because of a chronic health condition. Exposure to costs can have a negative effect on the ability of adults with chronic conditions to effectively

manage their diseases. The survey asked respondents whether a doctor had told them they had any one of four chronic conditions: high blood pressure; heart disease; diabetes; or asthma, emphysema, or other lung disease. About 34 percent, or an estimated 60 million adults, reported at least one chronic health problem (data not shown).

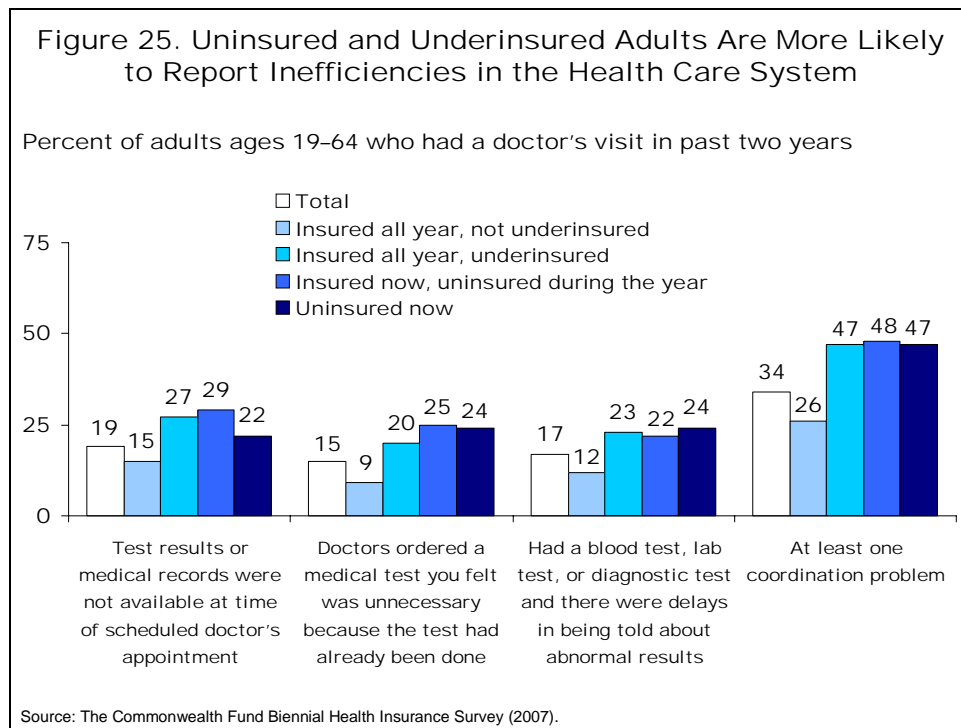
Among adults with chronic health problems who regularly took prescription drugs, more than three of five who had gaps in coverage (62%) or lacked insurance at the time of the survey (64%) reported skipping doses of medications or not filling prescriptions for their chronic conditions because of cost (Figure 24). Underinsured adults also reported poor rates of medication adherence: 46 percent of underinsured adults with chronic conditions reporting skipping doses or not filling their prescriptions. In contrast, only 15 percent of adults with chronic conditions who were insured all year with adequate health insurance reported skimping on their medications. The survey also found that adults with chronic health problems and inadequate coverage reported seeking care in the emergency room, staying overnight in the hospital, or both, for their condition at higher rates than did those with adequate coverage.



ADULTS WITH GAPS IN COVERAGE AND INADEQUATE COVERAGE EXPERIENCE INEFFICIENT CARE

Not only does lacking adequate coverage increase the potential for costly care later in life, it also makes it more difficult for health providers to deliver efficient, coordinated

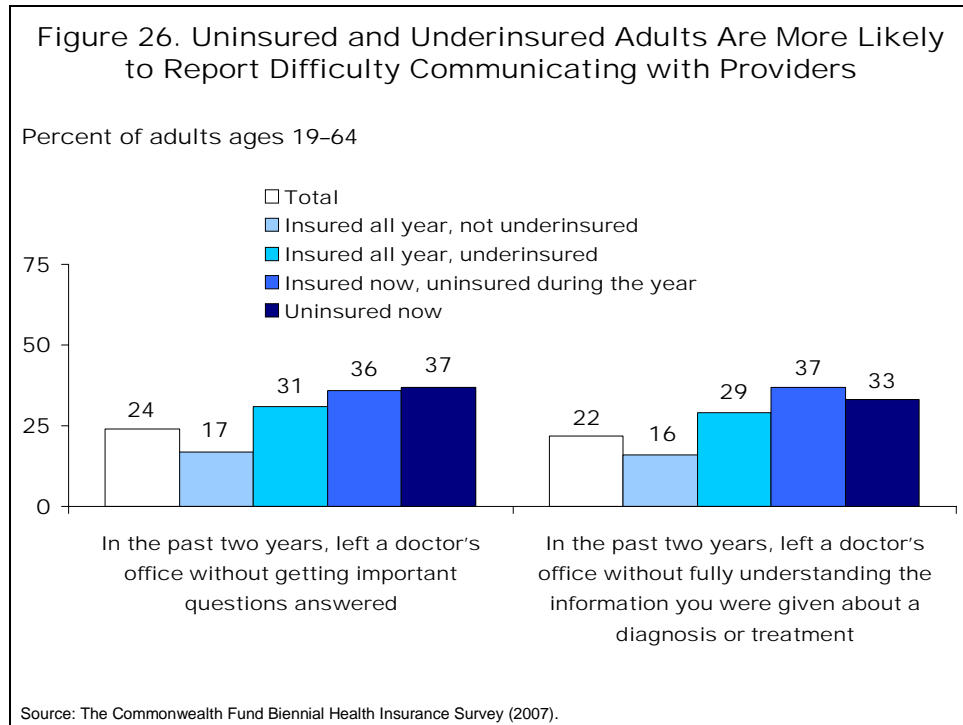
care. Respondents who had visited a physician in the past two years were asked a series of questions about their experiences: whether test results or medical records had ever been unavailable at the time of a scheduled appointment, whether they received duplicate medical tests, and whether they had experienced delays being notified about abnormal lab or diagnostic test results. One-third (34%) of all adults under age 65 reported they experienced at least one of these coordination problems (Figure 25, Table 5). Adults with gaps in coverage or those underinsured were the most likely to report inefficiencies in the health care system. Nearly half of those who had a time uninsured during the past year or who were underinsured reported at least one of these coordination problems. This is nearly two times the rate of problems encountered by adults who were insured all year with adequate health insurance.



Adults with Gaps in Coverage Have Difficulty Communicating with Providers

Patients' ability to communicate with their physicians is crucial to their becoming active and engaged partners in their health and care.¹² Building long-term relationships with physicians and other providers can help facilitate communication of key information and allow patients to participate in decisions about their care. Gaps in health insurance or inadequate coverage can make it more difficult for patients to establish strong relationships and be involved in decisions about their care.

The survey asked respondents who had visited a physician in the past two years whether they had left a doctor’s office without getting important questions answered or left without fully understanding the information given about a diagnosis or treatment. Almost four of 10 (37%) adults who were uninsured for at least part of the year and three of 10 underinsured adults said they left a doctor’s office without getting important questions answered, compared with 17 percent of those who were insured all year with adequate coverage (Figure 26). Similarly, 33 percent of adults who were uninsured at the time of the survey, 37 percent of adults who were insured but had been uninsured during the past year, and 29 percent of underinsured adults said they left a doctor’s office without fully understanding the information given about a diagnosis or treatment, compared with 16 percent of those with more adequate coverage.



ADULTS LACK CONFIDENCE IN THE HEALTH SYSTEM

A majority of U.S. adults lack confidence in the health care system in terms of its ability to meet their future medical needs. When asked about their confidence in the health system should they become seriously ill, only two of five adults said they would be very confident in their ability to get high-quality and safe medical care, to receive the most effective drugs when needed, and to receive the best medical technology (Figure 27, Table 4).

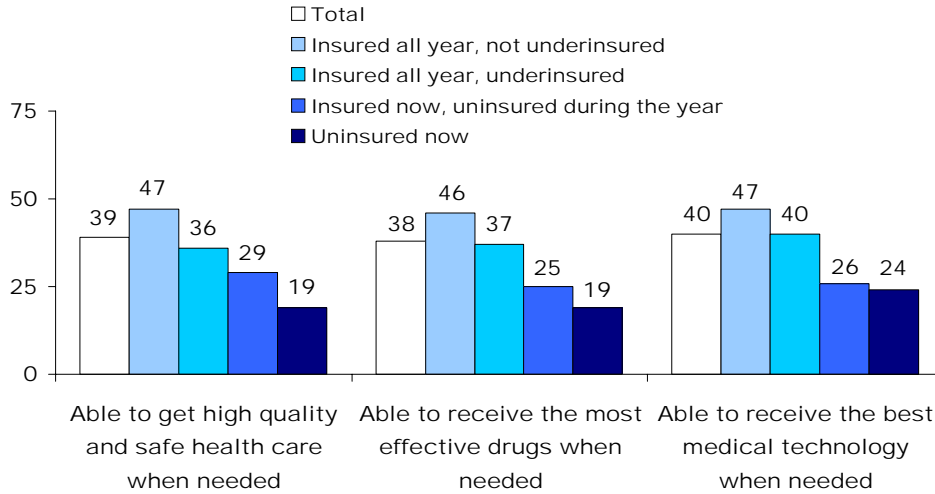
Adults with any time uninsured or those underinsured expressed the least confidence in the health care system: only 19 percent of uninsured adults, 29 percent of those who experienced gaps in coverage, and 36 percent of underinsured adults were very confident they could get high-quality, safe, and effective medical care. But even adults with more adequate insurance reported low levels of confidence: less than 50 percent of those who were insured all year with adequate insurance expressed confidence in the health system.

As health care expenses continue to rise as a share of income, people express little confidence in their ability to afford the health care needed if they were to develop a serious illness. Less than one-third (30%) of adults were very confident they could afford the medical care needed if they became seriously ill (Figure 28). Those in low- and moderate-income families were the least confident they could afford care. Just one of five adults with incomes of less than \$40,000 and 31 percent of those with incomes between \$40,000 and \$60,000 were very confident they could afford the care they need. Even adults with higher incomes expressed little confidence in their ability to pay for health care associated with a serious illness.

Overall, U.S. adults give low marks to the quality of health care they receive. Less than half (43%) of adults rated the quality of their health care as excellent or very good. People who were uninsured or underinsured rated the quality of their health care even lower (Table 5). Just one-quarter of those with a time uninsured rated their health care excellent or very good, and two of five of those underinsured gave their health care high marks. Even adults who were insured all year with adequate coverage gave low marks to the quality of their health care: one-half rated their care as excellent or very good.

Figure 27. Only Four of Ten Adults Are Very Confident in Their Ability to Get Safe, Effective Care

Percent of adults ages 19–64 who are very confident that they will be:



Source: The Commonwealth Fund Biennial Health Insurance Survey (2007).

Figure 28. Only Three of Ten Adults Are Very Confident They Can Afford the Care They Need

Percent of adults ages 19–64 who are very confident that they will be able to afford the care they need



Source: The Commonwealth Fund Biennial Health Insurance Survey (2007).

CONCLUSION

This analysis of four years of the Commonwealth Fund Biennial Health Insurance Survey reveals a mounting crisis among low- and moderate-income American families. Even when they have insurance coverage, many are unable to afford the most basic health care.

In a time period when the incomes of average Americans barely budged, health care costs climbed by an average 7 percent per year, leaving many employers struggling to offer coverage to their employees and workers either losing coverage or spending more for their medical care.

The evidence presented in this report paints a vivid portrait of the U.S. health care system as experienced by families with low and moderate incomes. Health insurance is often unaffordable or unavailable, health care costs claim a growing share of household budgets, and rising numbers of people are underinsured. At the same time, medical debt mounts, people—even those with chronic illnesses—skimp on prescription drugs and needed care, individuals experience poorly coordinated health care, and adults lack confidence they will be able to afford high-quality health care in the future. Now, after several months of job losses across the country and more likely to come, the situation has become dire.

In this presidential election year, voters are voicing their dissatisfaction with the health care system, calling on candidates to expand access to affordable and comprehensive health insurance.¹³ States like Massachusetts and Vermont have moved ahead of the federal government to expand insurance coverage in their states.¹⁴ All the presidential candidates have developed proposals to reform the health care and health insurance systems, and members of Congress have introduced bills to expand health insurance coverage.^{15,16} In addition, other policy experts have outlined frameworks and ideas for reform.¹⁷

With working families in crisis from a combination of faltering job and income security and a dramatic acceleration in the cost of basic life necessities, the time has never been more urgent for policymakers to forge ahead on solutions to the nation's worsening health insurance problem.

METHODOLOGY

Data come from the Commonwealth Fund Biennial Health Insurance Survey (2007), a national telephone survey conducted June 6, 2007 through October 24, 2007, among a nationally representative sample of 3,501 adults ages 19 and older and living in the continental United States. The 25-minute telephone interviews were completed in both English and Spanish, according to the preference of the respondent. This report restricts the analysis to the 2,616 respondents ages 19 to 64.

The survey sample was drawn using standard list, assisted random digit dialing methodology, which selected telephone numbers disproportionately from area-code/exchange combinations with higher-than-average density of low-income households. Using this stratified sampling design, this study obtained an oversample of low-income, African American, and Hispanic adults. To correct for the disproportionate sample design and make the final total sample results representative of all adults ages 19 and older living in the continental U.S, the data are weighted by age, sex, race/ethnicity, education, household size, and geographic region, using the U.S. Census Bureau's 2006 Annual Social and Economic Supplement. The resulting weighted sample is representative of the approximately 177 million adults ages 19 to 64.

We classified respondents by whether they were insured all year, insured when surveyed but uninsured during the past 12 months, or currently uninsured. These categories allowed for an analysis of insurance instability and its role in barriers to care and financial security. Adults who were continuously insured were further classified as either underinsured or insured all year, with no underinsured indicators. Underinsured adults are individuals who are insured all year but report at least one of three indicators of financial exposure relative to income: 1) out-of-pocket medical expenses equals 10 percent or more of income; 2) among low-income adults (below 200% of the federal poverty level), medical expenses amount to at least 5 percent of income; or 3) deductibles equal or exceed 5 percent of income.

The survey achieved a 45 percent response rate (calculated according to the standards of the American Association for Public Opinion Research). The survey has an overall margin of sampling error of +/- 2 percent at the 95 percent confidence level.

We also report estimates from the 2001, 2003 and 2005 Commonwealth Fund Biennial Health Insurance Surveys. All surveys were conducted by Princeton Survey Research Associates International using the same methodology. In 2001, the survey was

conducted April–July 2001 and included 2,829 adults ages 19 to 64; in 2003, the survey was conducted September 2003–January 2004 and included 3,293 adults ages 19 to 64; and in 2005, the survey was conducted August 2005–January 2006 among 3,353 adults ages 19 to 64.

NOTES

¹ The federal minimum wage is \$6.55 an hour. In 1968, it was \$1.60, or \$10.06 in 2008 dollars; M. M. Grynbaum, “Consumers Wary Over Economy, Reports Indicate,” *The New York Times*, June 25, 2008; G. Claxton, J. Gabel, B. DiJulio et al., “Health Benefits in 2007: Premium Increases Fall to an Eight-Year Low, While Offer Rates and Enrollment Remain Stable,” *Health Affairs*, Sept./Oct. 2007 26(5):1407–16; S. Keehan, A. Sisko, C. Truffer et al., “Health Spending Projections Through 2017: The Baby-Boom Generation Is Coming to Medicare,” *Health Affairs* Web Exclusive (Feb. 28, 2008):w145–w155; C. DeNavas-Walt, B. D. Proctor, and J. Smith, *Insurance, Poverty, and Health Insurance Coverage in the United States: 2006* (Washington, D.C.: U.S. Census Bureau, Aug. 2007).

² All reported differences are statistically significant at $p \leq 0.05$ or better, unless otherwise noted.

³ The Commonwealth Fund 2001 Health Insurance Survey, conducted by Princeton Survey Research Associates from April 2001–July 2001, consisted of 25-minute interviews either in English or Spanish with a random, national sample of 3,508 adults, age 19 and older, living in households with telephones in the continental United States. The sampling and weighting methodology was identical to that used in the Commonwealth Fund Biennial Health Insurance Survey, conducted from September 2003–January 2004, from September 2005–January 2006, and from June 2007–October 2007 by Princeton Survey Research Associates International (see Methodology on page 27); L. Duchon, C. Schoen, M. M. Doty, K. Davis, E. Strumpf, and S. Bruegman, [*Security Matters: How Instability in Health Insurance Puts U.S. Workers at Risk—Findings from the Commonwealth Fund 2001 Health Insurance Survey*](#) (New York: The Commonwealth Fund, Dec. 2001); S. R. Collins, M. M. Doty, K. Davis, C. Schoen, A. L. Holmgren, and A. Ho, [*The Affordability Crisis in U.S. Health Care: Findings from the Commonwealth Fund Biennial Health Insurance Survey*](#) (New York: The Commonwealth Fund, Mar. 2004); S. R. Collins, K. Davis, M. M. Doty, J. L. Kriss, and A.L. Holmgren, [*Gaps in Health Insurance: An All-American Problem, Findings from the Commonwealth Fund Biennial Health Insurance Survey*](#) (New York: The Commonwealth Fund, Apr. 2006).

⁴ The increase, however, was not statistically significant.

⁵ In 2001, 2003, 2005, and 2007 the Commonwealth Fund health insurance surveys asked respondents what their approximate annual incomes were by offering them income ranges to select from. In 2001 and 2003, the midpoint of the income ranges offered was \$35,000. In 2005 and 2007, the midpoint was increased to \$40,000 to account for inflation and increases in poverty thresholds defined by the U.S. Census Bureau. In 2007, an income of \$41,000 for a family of four was 200 percent of poverty (poverty was \$20,600 for a family of four); in 2005, an income of \$40,000 for a family of four was 200 percent of poverty; in 2003 an income of \$37,000 was 200 percent of poverty; and in 2001 \$36,000 was 200 percent of poverty. See <http://www.census.gov/hhes/www/poverty/threshld/thresh07.html>.

⁶ Collins et al., *Gaps in Health Insurance*, 2006.

⁷ Kaiser Family Foundation, 2007 Kaiser/HRET Survey of Employer Health Benefits, <http://www.kff.org/insurance/7672/index.cfm>.

⁸ C. Schoen, S. R. Collins, J. L. Kriss, and M. M. Doty, “[How Many Are Underinsured? Trends Among U.S. Adults, 2003 and 2007](#),” *Health Affairs* Web Exclusive (June 10, 2008): w298–w309.

⁹ This analysis of medical bill problems is similar to that reported in a 2005 Commonwealth Fund Issue Brief, which used data from the 2003 Commonwealth Fund Biennial Health Insurance Survey: M. M. Doty, J. N. Edwards, and A. L. Holmgren, [*Seeing Red: Americans Driven into Debt by Medical Bills*](#) (New York: The Commonwealth Fund, Aug. 2005). The ways in which the

medical bill questions and debt were asked in 2003, however, differ from the 2005 and 2007 surveys and thus prevents comparison of two of the four questions as well as the composite statistic. In 2003, the survey asked only adults who reported a medical bill problem whether they were paying off debt over time. In 2005 and 2007, we asked the full sample whether they were paying off debt over time. In addition, in 2003, the survey did not distinguish between whether someone had been contacted by a collection agency because of a bill that had not been paid or because there was a billing error. In 2005 and 2007, the survey asks respondents to distinguish between those two reasons for the contact by a collection agency. The composite statistic in 2005 and 2007 only includes adults who were contacted by a collection agency because of a bill that had not been paid. In 2003, 71 million adults 19-64 and 6 million adults 65 and over reported a medical bill problem or accrued medical debt for an estimated total of 77 million adults.

¹⁰ M. M. Doty, S. R. Collins, S. D. Rustgi, and J. L. Kriss, [*Seeing Red: The Growing Burden of Medical Bills and Debt Faced by U.S. Families*](#) (New York: The Commonwealth Fund, Aug. 2008).

¹¹ All increases between 2005 and 2007 are statistically significant ($p < .001$) except for the percent reporting they had been contacted by a collection agency about unpaid bills ($p < .10$).

¹² Commonwealth Fund Commission on a High Performance Health System, [*A High Performance Health System for the United States: An Ambitious Agenda for the Next President*](#) (New York: The Commonwealth Fund, Nov. 2007).

¹³ S. R. Collins and J. L. Kriss, [*The Public's Views of Health Care Reform in the 2008 Presidential Election*](#) (New York: The Commonwealth Fund, Jan. 2008); K. K. Shea, S. R. Collins, and K. Davis, [*Health Care Opinion Leaders' Views on the Presidential Candidates' Health Reform Plans*](#) (New York: The Commonwealth Fund, Jan. 2008); S. K. H. How, A. Shih, J. Lau, and C. Schoen, [*Public Views on U.S. Health System Organization: A Call for New Directions*](#) (New York: The Commonwealth Fund, Aug. 2008).

¹⁴ S. K. Long, "[On the Road to Universal Coverage: Impacts of Reform in Massachusetts at One Year](#)," *Health Affairs* Web Exclusive (June 3, 2008):w270–w284; J. E. McDonough, B. Rosman, M. Butt et al., "Massachusetts Health Reform Implementation: Major Progress and Future Challenges," *Health Affairs* Web Exclusive (June 3, 2008):w285–w297.

¹⁵ S. R. Collins and J. L. Kriss, [*Envisioning the Future: The 2008 Presidential Candidates' Health Reform Proposals*](#) (New York: The Commonwealth Fund, Jan. 2008).

¹⁶ S. R. Collins, K. Davis, and J. L. Kriss, [*An Analysis of Leading Congressional Health Care Bills, 2005–2007: Part 1, Insurance Coverage*](#) (New York: The Commonwealth Fund, Mar. 2007).

¹⁷ C. Schoen, K. Davis, and S. R. Collins, "[Building Blocks for Reform: Achieving Universal Coverage with Private and Public Group Health Insurance](#)," *Health Affairs*, May/June 2008 27(3):646–57; L. Ku and M. Broaddus, "Public and Private Health Insurance: Stacking Up the Costs," *Health Affairs* Web Exclusive (June 24, 2008):w318–w327.

**Table 1. Continuity of Insurance in 2007:
Percent Insured All Year, Uninsured When Surveyed, or Uninsured During the Year
(base: adults 19–64)**

	Total (19–64)	Insured All Year	Insured Now, Time Uninsured in Past Year	Uninsured Now	Uninsured During the Year*	Insured All Year, Underinsured**	Insured All Year, Not Underinsured
Total (millions)	177.0	127.5	18.0	31.5	49.5	25.2	102.3
Percent distribution	100%	72%	10%	18%	28%	14%	58%
Unweighted n	2,616	1,869	266	481	747	334	1,535
Age							
19–29	22%	54%	14%	32%	46%	13%	41%
30–49	48	73	10	16	27	12	61
50–64	30	83	7	9	17	18	65
Race/Ethnicity							
White	67	76	9	15	24	16	60
Black	12	69	15	17	31	17	51
Hispanic	14	55	12	33	45	6	49
Asian/Pacific Islander	3	86	5	9	14	0	86
Other/Mixed	4	68	15	17	32	16	52
Income							
Less than \$20,000	22	50	15	35	50	26	24
\$20,000–\$39,999	21	59	16	24	41	19	41
\$40,000–\$59,999	16	82	11	7	18	13	69
\$60,000 or more	29	92	3	5	8	8	84
Poverty Status							
Below 100% poverty	14	51	14	35	49	31	21
100%–199%	19	52	18	30	48	19	33
200%–299%	15	69	13	18	31	16	53
300%–399%	15	84	9	7	16	13	70
400% poverty or more	28	91	3	5	9	8	84
Below 200% poverty	33	52	16	32	48	24	28
200% poverty or more	58	84	7	9	16	11	73
Fair/Poor Health Status, or Any Chronic Condition or Disability							
	44	68	12	20	32	18	50
Adult Work Status							
Full-time	57	80	8	12	20	13	67
Part-time	12	67	11	23	33	18	49
Not currently employed	31	60	14	26	40	15	45
Family Work Status							
At least one full-time worker	73	78	9	14	22	13	64
Only part-time worker(s)	8	58	11	32	42	19	38
No worker in family	19	57	16	27	43	16	41
Employer Size***							
Self-employed/1 employee	8	64	12	24	36	21	44
2–19	18	62	8	30	38	18	44
20–99	15	74	7	20	26	11	63
100–499	16	78	11	11	22	7	71
500 or more employees	40	90	7	3	10	15	75

*Combines currently uninsured and insured but had a time uninsured in past year, and undesignated time uninsured.

**Underinsured defined as insured all year but experienced one of the following: medical expenses equaled 10% or more of income; medical expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income.

***Among employed adults 19–64.

Source: The Commonwealth Fund Biennial Health Insurance Survey (2007).

**Table 2. Out-of-Pocket Health Care Expenses and Insurance Costs, by Insurance Continuity and Income
(base: adults 19–64)**

	Insured All Year										
	Total 19–64	Insured All Year	Insured in Past Year	Uninsured Now	Uninsured During the Year*	Underinsured**	Not Underinsured	<\$20,000	\$20,000– 39,999	\$40,000– 59,999	\$60,000– or more
Total (millions)	177.0	127.5	18.0	31.5	49.5	25.2	102.3	19.6	22.5	23.1	47.7
Percent distribution	100%	72%	10%	18%	28%	14%	58%	15%	18%	18%	37%
Unweighted n	2,616	1,869	266	481	747	334	1,535	287	368	328	651
Annual Household Out-of-Pocket Medical Expenses, Including Prescription Drugs											
None	11	10	9	20	16	2	12	23	9	8	4
\$1–\$499	26	28	26	19	21	15	32	38	30	26	24
\$500–\$999	16	16	17	15	15	13	17	18	16	17	18
\$1,000–\$1,999	16	17	20	11	15	15	17	11	16	17	20
\$2,000–\$2,999	8	8	4	10	8	9	7	3	8	9	9
\$3,000–\$4,999	9	9	10	10	10	14	8	4	9	12	11
\$5,000 or more	10	9	12	13	12	33	4	3	9	9	12
Median household out-of-pocket costs	800	775	900	750	800	2,400	598	250	600	900	1,040
Total Household Out-of-Pocket Medical Expenses, Including Prescription Drugs and Premiums											
None	3	3	3	0	1	1	4	4	4	4	2
\$1–\$499	17	17	17	19	18	10	19	32	15	14	12
\$500–\$999	10	8	10	15	13	10	8	12	9	5	9
\$1,000–\$1,999	16	17	18	11	14	14	18	17	17	19	19
\$2,000–\$2,999	9	9	9	10	10	6	10	4	12	11	10
\$3,000–\$4,999	14	16	13	10	11	14	16	7	17	19	18
\$5,000 or more	21	24	21	13	16	46	18	7	21	26	29
<i>Spent annually 5% or more of income</i>	48	45	59	55	57	85	33	62	60	51	30
<i>Spent annually 10% or more of income</i>	33	30	44	37	40	69	19	54	37	37	16
Median household out-of-pocket costs and premiums	1,900	2,100	1,800	1,300	1,500	4,364	1,750	770	2,100	2,650	2,680

Insured All Year

	Total 19-64	Insured All Year	Insured Now, Time Uninsured in Past Year	Uninsured Now	Uninsured During the Year*	Uninsured**		Not Underinsured	<\$20,000	\$20,000- 39,999	\$40,000- 59,999	\$60,000 or more
						Underinsured**	Underinsured**					
Annual deductible per person												
(Base: currently insured)												
No deductible	35	33	47	—	47	23	50	36	50	34	28	28
\$1-\$499	28	28	28	—	28	25	19	28	19	28	37	30
\$500-\$999	11	11	4	—	4	12	10	11	10	8	12	13
\$1,000 or more	12	12	11	—	11	26	3	8	3	14	13	15
Annual share of premium costs												
(Base: currently insured)												
None or government insurance	30	28	45	—	45	30	55	27	55	30	22	18
\$1-\$499	7	6	9	—	9	6	5	6	5	9	4	6
\$500-\$1,499	16	16	15	—	15	11	9	17	9	18	19	18
\$1,500 or more	32	33	22	—	22	39	11	32	11	35	40	41
Underinsured (insured all year)	14	20	—	—	—	100	52	0	52	31	16	9

*Combines currently uninsured and insured but had a time uninsured in past year, and undesignated time uninsured.

**Underinsured defined as insured all year but experienced one of the following: medical expenses equaled 10% or more of income; medical expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income.

Source: The Commonwealth Fund Biennial Health Insurance Survey (2007).

Table 3. Bill Problems, by Insurance Continuity and Income
(base: adults 19–64)

	Insured All Year										
	Total 19–64	Insured All Year	Insured Now, Time Uninsured in Past Year	Uninsured Now	Uninsured During the Year*	Underinsured**	Not Underinsured	<\$20,000	\$20,000– 39,999	\$40,000– 59,999	\$60,000 or more
Total (millions)	177.0	127.5	18.0	31.5	49.5	25.2	102.3	19.6	22.5	23.1	47.7
Percent distribution	100%	72%	10%	18%	28%	14%	58%	15%	18%	18%	37%
Unweighted n	2,616	1,869	266	481	747	334	1,535	287	368	328	651
Medical Bill Problems in Past Year											
Had problems paying or unable to pay medical bills	27	19	51	47	48	43	13	29	33	20	10
Contacted by collection agency for unpaid medical bills	16	11	31	27	29	23	8	19	19	11	4
Had to change way of life to pay bills	18	12	29	34	32	31	8	19	25	12	6
Any bill problem***	33	25	55	56	56	53	18	37	43	24	13
Medical bills/debt being paid off over time	28	24	39	35	36	47	19	26	35	30	17
Any bill problem or medical debt	41	33	62	60	61	61	26	41	49	36	22
Base: Any Medical Debt											
How much are the medical bills that are being paid off over time?											
Less than \$2,000	51	57	46	38	41	61	54	54	69	60	52
\$2,000 to less than \$4,000	21	20	25	22	24	16	22	12	10	23	24
\$4,000 to less than \$8,000	12	11	11	14	13	13	9	19	14	5	11
\$8,000 to less than \$10,000	2	2	1	2	2	0	3	0	2	2	2
\$10,000 or more	10	7	12	18	16	5	7	10	5	5	6
Was this for care received in past year or earlier?											
Past year	54	57	53	43	47	58	57	53	45	58	67
Earlier year	37	35	37	44	41	29	38	40	42	34	26
Both	8	7	9	12	11	11	4	6	11	7	5

	Insured All Year										
	Total 19-64	Insured All Year	Insured Now, Time Uninsured in Past Year	Uninsured Now	Uninsured During the Year*	Underinsured**	Not Underinsured	<\$20,000	\$20,000- 39,999	\$40,000- 59,999	\$60,000 or more
Base: Any Bill Problem or Medical Debt											
Percent reporting that the following happened in the past 2 years because of medical bills:											
Unable to pay for basic necessities (food, heat, or rent)	29	20	42	40	41	29	16	26	31	17	10
Used up all of savings	39	33	46	47	47	46	26	29	49	30	27
Took out a mortgage against your home or took out a loan	10	10	11	11	11	12	9	8	15	9	10
Took on credit card debt	30	30	34	26	29	33	28	16	34	35	35
Insurance status of person/s at time care was provided											
Insured at time care was provided	61	81	46	24	32	82	80	60	82	92	88
Uninsured at time care was provided	32	13	48	66	59	14	11	33	12	7	5
Other insurance combination	3	3	1	5	3	3	3	3	4	0	4

*Combines currently uninsured and insured but had a time uninsured in past year, and undesignated time uninsured.

**Underinsured defined as insured all year but experienced one of the following: medical expenses equaled 10% or more of income; medical expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income.

***Problems paying or unable to pay medical bills, contacted by collection agency for inability to pay medical bills, or had to change way of life significantly in order to pay medical bills. Source: The Commonwealth Fund Biennial Health Insurance Survey (2007).

**Table 4. Access Problems, by Insurance Continuity and Income
(base: adults 19–64)**

	Insured All Year										
	Total 19–64	Insured All Year	Insured Now, Time Uninsured in Past Year	Uninsured Now	Uninsured During the Year*	Underinsured**	Not Underinsured	<\$20,000	\$20,000– 39,999	\$40,000– 59,999	\$60,000 or more
Total (millions)	177.0	127.5	18.0	31.5	49.5	25.2	102.3	19.6	22.5	23.1	47.7
Percent distribution	100%	72%	10%	18%	28%	14%	58%	15%	18%	18%	37%
Unweighted n	2,616	1,869	266	481	747	334	1,535	287	368	328	651
Access Problems in Past Year											
Went without needed care in past year due to costs:											
Did not fill prescription	31%	24%	54%	45%	48%	46%	19%	35	34	26	16
Skipped recommended test, treatment or follow-up	25	17	45	47	46	34	13	19	27	23	11
Had a medical problem, did not visit doctor or clinic	31	20	57	60	59	42	15	32	32	20	13
Did not get needed specialist care	20	12	37	39	38	24	9	14	23	13	8
At least one of four access problems due to cost	45	35	72	71	72	60	29	47	49	37	26
Preventive Care											
Regular source of care	78	87	72	45	55	84	87	77	82	87	91
Blood pressure checked (past year)	88	92	92	69	78	93	91	85	93	92	94
Dental exam (past year)	63	72	52	33	40	63	74	52	63	69	85
Received mammogram in past 2 years (females age 50+)	74	81	—	—	45	67	85	—	75	78	90
Received pap test in past year (females ages 19–29), in past 3 years (females age 30+)	78	84	77	54	63	76	86	74	77	88	91
Received colon cancer screening in past 5 years (age 50+)	51	56	—	22	28	47	58	37	46	50	67
Cholesterol checked in past 5 years	67	75	59	37	45	69	77	57	72	77	84
Delayed or did not get preventive care screening because of cost	18	10	34	42	39	20	8	9	21	11	6
Delayed or did not get dental care because of cost	39	30	56	65	61	51	25	32	42	34	22

	Insured All Year											
	Total 19-64	Insured All Year	Insured Now, Time Uninsured in Past Year		Uninsured Now	Uninsured During the Year*	Underinsured**		Not Underinsured	\$20,000- 39,999	\$40,000- 59,999	\$60,000 or more
			Insured	Uninsured			Underinsured**	Underinsured**				
Confidence in Ability to Receive Care												
Confidence in ability to get high quality and safe health care when needed												
Very confident	39	45	29	19	22	36	47	42	35	40	53	
Somewhat confident	40	42	38	35	36	39	42	35	46	50	37	
Not too/not at all confident	19	12	33	41	38	24	9	22	18	9	8	
Confidence in ability to afford the care you need												
Very confident	30	38	20	5	11	25	41	35	29	35	44	
Somewhat confident	30	33	27	20	22	30	34	25	32	34	35	
Not too/not at all confident	38	28	52	74	66	45	23	40	39	29	19	

*Combines currently uninsured and insured but had a time uninsured in past year, and undesignated time uninsured.

**Underinsured defined as insured all year but experienced one of the following: medical expenses equaled 10% or more of income; medical expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income.

Source: The Commonwealth Fund Biennial Health Insurance Survey (2007).

Table 5. Quality of Care, Care Coordination, and Patient-Provider Communication, 2007
(base: adults 19-64)

	Total 19-64	Insured All Year						Insured All Year					
		Insured All Year	Insured Now, Time Uninsured in Past Year	Uninsured Now	Uninsured During the Year*	Underinsured**	Not Underinsured	<\$20,000	\$20,000- 39,999	\$40,000- 59,999	\$60,000 or more		
Total (millions)	177.0	127.5	18.0	31.5	49.5	25.2	102.3	19.6	22.5	23.1	47.7		
Percent distribution	100%	72%	10%	18%	28%	14%	58%	15%	18%	18%	37%		
Unweighted n	2,616	1,869	266	481	747	334	1,535	287	368	328	651		
Has regular doctor or other health care professional	78	87	72	45	55	84	87	78	82	88	92		
Rating quality of health care received in last 12 months													
Excellent	20	23	12	12	12	18	24	18	20	18	28		
Very good	23	27	17	11	13	22	28	16	25	29	30		
Good	30	31	28	29	29	32	30	36	30	35	28		
Fair/poor	19	14	36	31	33	23	12	25	19	14	9		
Have not received health care in past 12 months	7	5	6	16	13	2	5	4	5	5	5		
Base: Any doctor's visit in past one or two years	150.0	114.5	16.4	19.1	35.5	23.5	91.1	16.2	19.8	21.6	43.8		
Total (millions):													
Coordination of Care													
In past two years:													
Test results or medical records were not available at time of scheduled doctor's appointment	19	17	29	22	25	27	15	22	22	15	16		
Doctors ordered a medical test that you felt was unnecessary because the test had already been done	15	11	25	24	25	20	9	16	12	9	12		
Had a blood test, lab test or diagnostic test and there were delays in being told about abnormal results	17	15	22	24	23	23	12	16	20	14	13		
At least one coordination problem	34	30	48	47	47	47	26	38	35	26	29		

	Insured All Year										
	Total 19-64	Insured All Year	Insured Now, Time Uninsured in Past Year	Uninsured Now	Uninsured During the Year*	Underinsured**	Not Underinsured	<\$20,000	\$20,000- 39,999	\$40,000- 59,999	\$60,000 or more
Patient-Provider Communication											
In past two years, has left doctor's office without getting important questions answered	24	20	36	37	37	31	17	19	26	19	20
In past 2 years, has left doctor's office without fully understanding the information given about a diagnosis or treatment	22	19	37	33	35	29	16	21	21	20	17

*Combines currently uninsured and insured but had a time uninsured in past year, and undesignated time uninsured.

**Underinsured defined as insured all year but experienced one of the following: medical expenses equaled 10% or more of income; medical expenses equaled 5% or more of income if low income (<200% of poverty); or deductibles equaled 5% or more of income.

Source: The Commonwealth Fund Biennial Health Insurance Survey (2007).