

# Fact Sheet

February, 2010

## Health Insurance Coverage in Minnesota, Early Results from the 2009 Minnesota Health Access Survey

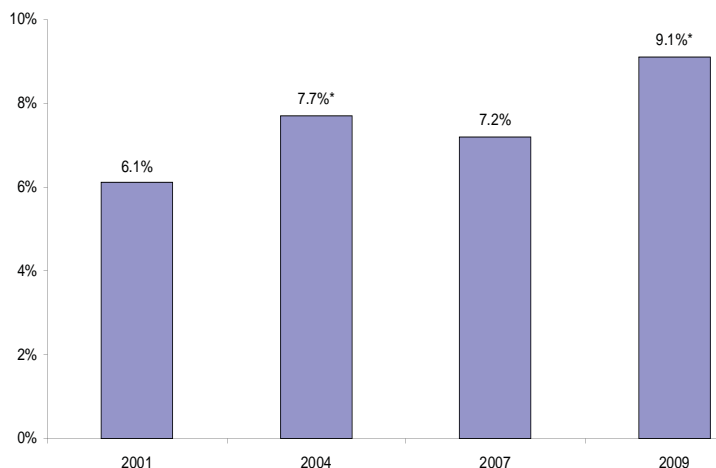
The Minnesota Department of Health and the University of Minnesota School of Public Health conduct statewide population surveys to study trends in health insurance coverage in Minnesota. This fact sheet provides initial results from the 2009 Minnesota Health Access Survey and compares these to findings from surveys conducted in previous years.<sup>1</sup>

In 2009, approximately 9.1 percent of Minnesotans, or about 480,000 people, did not have health insurance coverage. As shown in Figure 1, this rate of uninsurance in 2009 was higher than the rate of 7.2 percent (or about 374,000) for 2007, and this difference is statistically significant.<sup>2</sup> Of the 480,000 Minnesota uninsured, approximately 85,000 were children 17 years of age or younger. Nearly all of the increase in the number of uninsured between 2007 and 2009 occurred among adults.

The uninsurance rate displayed in Figure 1 represents the share of the population at a given point in time that was uninsured. Figure 2 illustrates that in 2009 there was also an increase in the share of the population that had been uninsured for a year or longer (6.2 percent) or that was uninsured at some point in the past year (14.0 percent). An estimated two-thirds of the uninsured have been without health insurance for a year or longer.

Figure 1

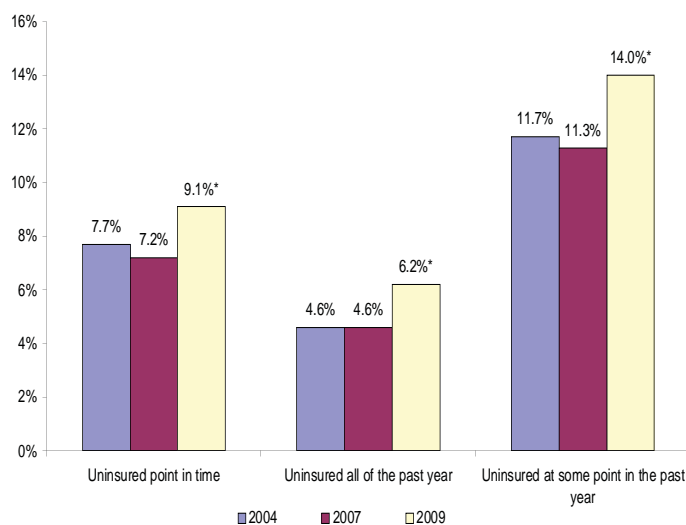
### Trends in the Rate of Uninsurance in Minnesota



\*Indicates statistically significant difference from previous year shown.

Figure 2

### Alternative Measures of Uninsurance in Minnesota



\*Indicates statistically significant difference from previous year shown.

HEALTH ECONOMICS PROGRAM

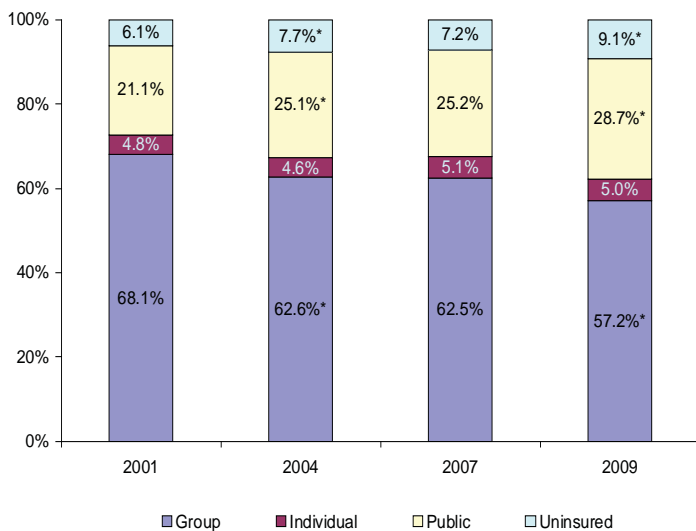
One reason for Minnesota’s historically low rate of uninsurance compared to other states has been the large share of the population with group coverage, either through their own job or the job of a family member. In 2009, it was still true that the majority of Minnesotans obtained health insurance coverage through an employer. However, there was a significant decline in employer coverage between 2007 and 2009, from 62.5 percent to 57.2 percent (see Figure 3). This decline in employer-based coverage was the main reason for the increase in the uninsurance rate.

The decline in group coverage was partly offset by an increase in the share of Minnesotans with public program coverage. As shown in Figure 3, in 2009 approximately 28.7 percent of Minnesotans had coverage through a public program such as Medicare or one of the state public programs. As in previous years, about 5 percent of Minnesotans purchased coverage directly through the individual market.

a one percentage point increase in the unemployment rate is associated with an increase of about 0.6 percentage points in the rate of uninsurance for non-elderly adults.<sup>3</sup> Minnesota’s seasonally adjusted unemployment rate increased almost three percentage points between November of 2007 (4.6 percent) and November of 2009 (7.4 percent), and so the size of the increase in the uninsurance rate between 2007 and 2009 is similar to what might be expected based on this research.<sup>4</sup>

As shown in Figure 4, the share of Minnesotans with a connection to an employer that offers health insurance coverage declined from 81.0 percent in 2007 to 78.2 percent in 2009. The percentage of this group that was eligible to enroll in employer coverage also declined between 2007 and 2009, from 96.0 percent to 93.8 percent. Finally, in 2009 people who were eligible for employer coverage were less likely than in previous years to enroll (the take-up rate). The take-up rate was 91.4 percent in 2009, compared to 93.6 percent in 2007.

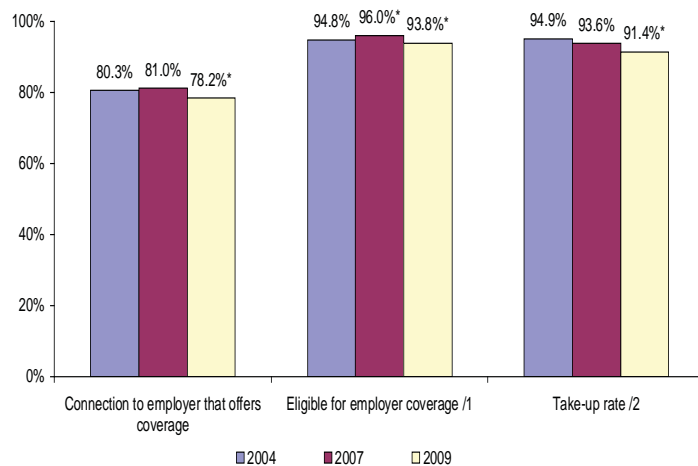
**Figure 3**  
Sources of Insurance Coverage in Minnesota



\*Indicates statistically significant difference from previous year shown.

While a number of factors likely contributed to the decline in group coverage between 2007 and 2009, national research on previous, less severe recessions indicates that economic conditions are an important factor. For example, one national research study showed that

**Figure 4**  
Trends in Employer-Sponsored Health Insurance Coverage (Non-Elderly Population Only)

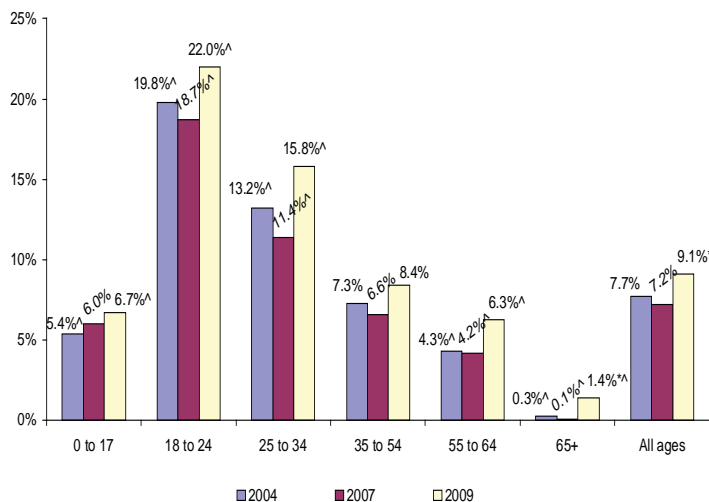


\*Indicates statistically significant difference from previous year shown (95% confidence level).

/1 Among people with a connection to an employer that offers coverage; /2 Among people eligible for employer coverage.

As in previous years, uninsurance rates in 2009 varied significantly by demographic characteristics such as age, income, and race and ethnicity, and disparities between groups remained largely unchanged. Figure 5 illustrates this with the example of age. Young adults between 18 and 24 years were the most likely to be uninsured (22.0%). In addition, 25 to 34 year olds also had a higher rate of uninsurance than the population as a whole.

**Figure 5**  
Uninsurance Rates by Age, 2009

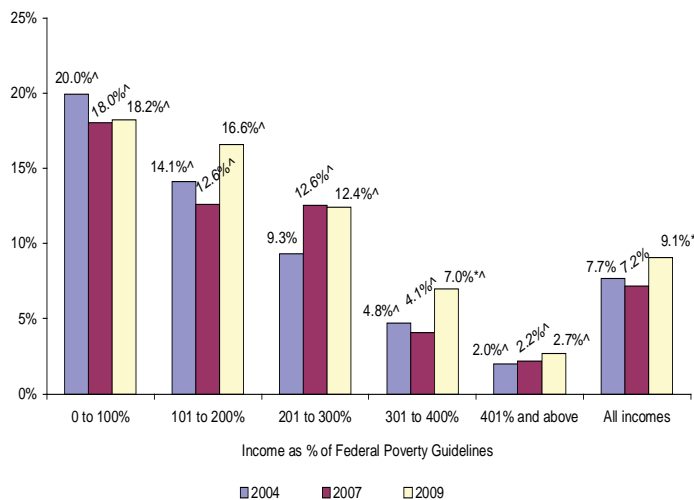


\*Indicates statistically significant difference from previous year shown.  
<sup>^</sup>Indicates statistically significant difference from statewide average.

In general, higher income is associated with lower rates of uninsurance, as shown in Figure 6. In 2009, Minnesotans with incomes at or below the federal poverty guidelines had rates of uninsurance that were twice the statewide rate, while the rate for the highest income group was less than one third the statewide rate.<sup>5</sup> Despite the potential for access to public program coverage, uninsurance rates for the lowest income groups in Figure 6 are all significantly higher than the rate for the state overall.

Interestingly, the only income group whose uninsurance rate rose in 2009 was people with incomes between 301 and 400 percent of the federal poverty guidelines. Although the uninsurance rate for this group is still below the statewide rate, the increase from 4.1 percent in 2007 to 7.0 percent in 2009 may be an indication that the economic downturn has not bypassed groups that typically have low rates of uninsurance.

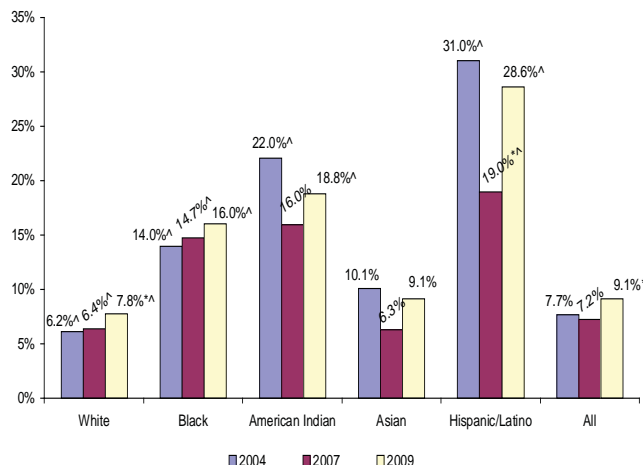
**Figure 6**  
Uninsurance Rates by Family Income



\*Indicates statistically significant difference from previous year shown.  
<sup>^</sup>Indicates statistically significant difference from statewide average.

In 2009, large health coverage disparities by race and ethnicity in Minnesota continued to exist, as shown in Figure 7. The rates of uninsurance for black, American Indian, and Hispanic/Latino Minnesotans (16.0 percent, 18.8 percent, and 28.6 percent, respectively) were 2 to 3.7 times higher than the rate for the white population (7.8 percent). White Minnesotans were the only group that in 2009 experienced a statistically significant increase in the uninsurance rate compared to 2007.

**Figure 7**  
Uninsurance Rates by Race & Ethnicity



\*Indicates statistically significant difference from previous year shown.  
<sup>^</sup>Indicates statistically significant difference from statewide average.

Other notable differences from the statewide uninsurance rate include the following:

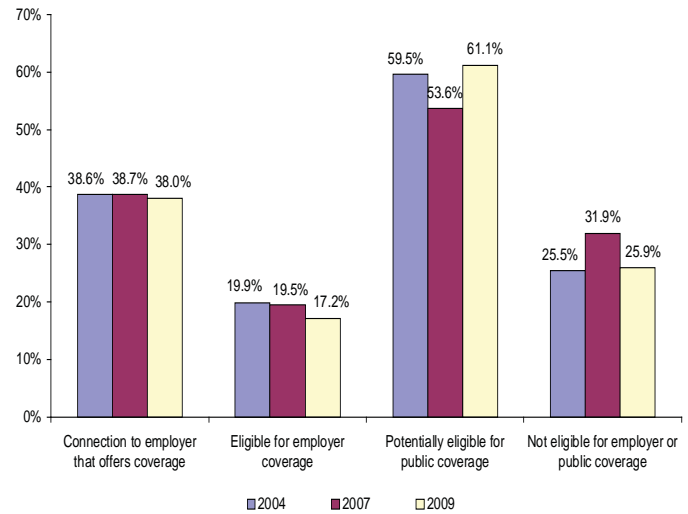
- Minnesotans with a high school education or less were more likely to be uninsured (12.2 percent and 21.6 percent, respectively);
- Immigrants in Minnesota were twice as likely as the overall population to be uninsured;
- Minnesotans living outside the Twin Cities metropolitan area had a higher rate of uninsurance (10.3 percent) than people statewide;
- People who were not married were almost twice as likely (17.2 percent) as the state population overall to be uninsured; and finally,
- Males in Minnesota had a higher chance (12.0 percent) of being uninsured than females (6.3 percent).

Among these population groups, two changes in the uninsurance rate in 2009 were of particular note: first, the rate of uninsurance among college graduates nearly doubled between 2007 and 2009, from 2.4 percent to 4.5 percent. Although this rate remains relatively low compared to the statewide rate, this increase may indicate that the recession has affected access to coverage for groups that typically have low uninsurance rates.

Second, the increase in the uninsurance rate among males is also likely due at least in part to the economic recession. Early research on the impact of the recession indicates a gender gap in the loss of employment both nationally and in Minnesota. For example, while industries in which employment is predominantly male (e.g., construction and manufacturing) saw employment declines in Minnesota, industries that predominantly employ women (health care and education) actually added jobs.<sup>6</sup>

Similar to earlier years, most of the uninsured in 2009 had some potential access to health insurance coverage. As shown in Figure 8, about one third (38.0 percent) were connected to an employer that offered coverage, 17.2 percent were eligible for employer-based coverage, and over half (61.1 percent) were potentially eligible for public coverage. About one in four uninsured Minnesotans (25.9 percent) in 2009 was not eligible for either employer coverage or coverage through a public program.

Figure 8  
Potential Access to Coverage for the Uninsured



Differences from previous year shown are not statistically significant.

Table 1 displays demographic characteristics of uninsured Minnesotans compared to the total population for 2007 and 2009. As in 2007, uninsured Minnesotans in 2009 were disproportionately likely to be young adults between 18 and 34 years of age, Hispanic/Latino or black, unmarried, have incomes below 300 percent of poverty, and have a high school education or less. In 2009, uninsured Minnesotans were also disproportionately likely to be male, not U.S. born, and live outside the Twin Cities metropolitan area.

Table 2 shows trends in employment characteristics for uninsured Minnesotans compared to the state's population as a whole. As in 2007, the majority (66.0 percent) of the uninsured were employed in 2009. However, in 2009 the share of the uninsured who were working was lower than the rate of employment in the overall population (66.0 percent vs. 71.1 percent). This may be because the increased rate of uninsurance in 2009 was at least in part due to job loss. Similar to 2007, the uninsured were more likely than the population as a whole to be self-employed, work for very small firms (fewer than 10 employees), have temporary or seasonal jobs, and work part time.

Table 1

Demographic Characteristics of Uninsured Minnesotans Compared to Total Population

	Uninsured		Total Population	
	2007	2009	2007	2009
<b>Gender</b>				
Male	56.5%	64.9%^	50.2%	49.4%
Female	<u>43.5%</u>	<u>35.1%^</u>	<u>49.8%</u>	<u>50.6%</u>
	100.0%	100.0%	100.0%	100.0%
<b>Age</b>				
0 to 5	5.5%	6.1%	8.3%	8.3%
6 to 17	15.1%	11.9%^	16.5%	16.3%
18 to 24	24.4%^	21.9%^	9.4%	9.1%
25 to 34	20.9%^	22.9%^	13.1%	13.2%
35 to 54	27.9%	27.6%	30.5%	30.0%
55 to 64	6.1%^	7.8%^	10.5%	11.3%
65+	<u>0.1%^</u>	<u>1.8%*^</u>	<u>11.8%</u>	<u>11.9%</u>
	100.0%	100.0%	100.0%	100.0%
<b>Race/Ethnicity 1/</b>				
White	79.0%^	74.6%^	89.1%	87.4%
Black	10.2%^	9.6%^	5.0%	5.5%
American Indian	3.4%	3.4%^	1.5%	1.7%
Asian	3.4%	3.7%	4.0%	3.7%
Hispanic/Latino	10.1%^	14.1%^	3.8%	4.5%
<b>Country of Origin 2/</b>				
US Born	88.5%	82.7%^	92.6%	92.2%
Not US Born	<u>11.5%</u>	<u>17.3%^</u>	<u>7.4%</u>	<u>7.8%</u>
	100.0%	100.0%	100.0%	100.0%
<b>Family Income as % of Poverty</b>				
0-100%	21.3%^	23.4%^	8.5%	11.7%*
101-200%	27.4%^	29.7%^	15.6%	16.4%
201-300%	28.2%^	23.1%^	16.1%	17.0%
301-400%	10.4%^	11.9%^	18.1%	15.5%*
401%+	<u>12.8%^</u>	<u>11.9%^</u>	<u>41.6%</u>	<u>39.5%*</u>
	100.0%	100.0%	100.0%	100.0%
<b>Marital Status 3/</b>				
Married	31.8%^	31.0%^	63.3%	60.8%*
Not Married	<u>68.3%^</u>	<u>69.0%^</u>	<u>36.7%</u>	<u>39.2%*</u>
	100.0%	100.0%	100.0%	100.0%
<b>Education 4/</b>				
Less than high school	16.8%^	18.4%^	8.6%	7.8%
High school graduate	34.2%^	34.2%^	26.7%	25.6%
Some college/tech school	37.9%^	31.8%	30.8%	31.0%
College graduate	7.5%^	11.5%^	22.3%	23.4%
Postgraduate	<u>3.6%^</u>	<u>4.1%^</u>	<u>11.6%</u>	<u>12.4%</u>
	100.0%	100.0%	100.0%	100.0%
<b>Greater MN/Twin Cities 5/</b>				
Greater Minnesota	50.8%	51.6%^	46.1%	45.6%
Twin Cities	<u>49.2%</u>	<u>48.4%^</u>	<u>53.9%</u>	<u>54.4%</u>
	100.0%	100.0%^	100.0%	100.0%

Source: 2007 and 2009 Minnesota Health Access Surveys

\*Indicates a statistically significant difference between 2007 and 2009

^Indicates a statistically significant difference between uninsured Minnesotans and all Minnesotans within year

1/ Distribution adds to more than 100% since individuals were able to choose more than one race/ethnicity

2/ Country of origin is only reported for individuals 3 and older

3/ Marital status is only reported for individuals 18 and older

4/ For children, education refers to the parent's highest level of education.

5/ Greater Minnesota is the area outside the seven county Twin Cities Metropolitan Area.

Numbers may not add to 100 percent due to rounding

Table 2

Employment Characteristics of Uninsured Minnesotans Compared to Total Population

	Uninsured		Total Population	
	2007	2009	2007	2009
<b>Employment Status 1/</b>				
Employed	71.3%	66.0%^	71.8%	71.1%
Not Employed	<u>28.7%</u>	<u>34.1%^</u>	<u>28.2%</u>	<u>28.9%</u>
	100.0%	100.0%	100.0%	100.0%
<b>For Those Who Are Employed: 1/</b>				
<b>Employment Type</b>				
Self Employed	20.6%^	20.1%^	13.5%	11.7%*
Employed By Someone Else	<u>79.4%^</u>	<u>79.9%^</u>	<u>86.5%</u>	<u>88.3%*</u>
	100.0%	100.0%	100.0%	100.0%
<b>Number of Jobs</b>				
One Job	83.3%	88.6%	88.0%	89.4%
Multiple Jobs	<u>16.7%</u>	<u>11.4%</u>	<u>12.0%</u>	<u>10.6%</u>
	100.0%	100.0%	100.0%	100.0%
<b>Hours Worked Per Week</b>				
0 to 10 hours	3.0%	1.1%^	1.6%	2.2%*
11 to 20 hours	13.2%^	9.9%	5.6%	7.1%*
21 to 30 hours	14.7%^	18.2%^	7.2%	7.8%
31 to 40 hours	44.5%^	48.4%	54.0%	54.4%
More than 40 hours	<u>24.5%</u>	<u>22.4%^</u>	<u>31.7%</u>	<u>28.4%*</u>
	100.0%	100.0%	100.0%	100.0%
<b>Type of Job</b>				
Permanent	67.0%^	79.5%*^	91.1%	91.8%
Temporary/Seasonal	<u>33.0%^</u>	<u>20.5%*^</u>	<u>8.9%</u>	<u>8.2%</u>
	100.0%	100.0%	100.0%	100.0%
<b>Size of Employer 2/</b>				
Self Employed, no employees	15.0%^	15.5%^	6.4%	5.8%
2 to 10 employees	22.1%^	28.3%^	11.7%	12.2%
11 to 50 employees	22.0%^	15.6%	12.4%	12.2%
51 to 100 employees	11.5%	11.2%	9.2%	11.2%*
101 to 500 employees	11.5%^	12.7%^	18.1%	17.9%
More than 500 employees	<u>17.9%^</u>	<u>16.8%^</u>	<u>42.2%</u>	<u>40.7%</u>
	100.0%	100.0%	100.0%	100.0%

Source: 2007 and 2009 Minnesota Health Access Surveys

\*Indicates a statistically significant difference between 2007 and 2009

^Indicates a statistically significant difference between uninsured Minnesotans and all Minnesotans within a year

1/ For children the employment characteristics refer to a parent

2/ For respondents who reported a firm size for their employer

Numbers may not add to 100 percent due to rounding

The Minnesota Health Access (MNHA) surveys are stratified random digit dial telephone surveys. Interviews were completed with a total of 27,315 individuals in 2001, 13,802 in 2004, 9,728 in 2007 and 12,031 in 2009. Due to dramatic increases in cell phone use in the past few years,<sup>7</sup> the 2009 MNHA sample included both cell and landline telephones to ensure appropriate representation of the state's population. In total, 9,811 interviews were completed on landline telephones and 2,220 interviews were completed on cell phones.

The response rates for the surveys were 67 percent in 2001, 59 percent in 2004, 43 percent in 2007 and 45 percent in 2009. Cooperation rates were 78 percent in 2001, 68 percent in 2004, 57 percent in 2007, and 53 percent in 2009. Each year, interviews were conducted in English and Spanish; in addition, interviews were conducted in Hmong in 2001 and 2004, and Somali in 2001.

As in previous years, statistical weights were used to ensure that survey results are representative of the state's population. The 2009 data were weighted to be representative of the age, race/ethnicity, education, region and home-ownership population distribution of the state. Additionally, the data were weighted to represent what is known to date about cell phone households and the distribution of telephone usage (i.e., landline only, cell phone only and dual landline and cell phone households). To ensure comparability over time, to the extent possible the weighting methods applied in 2009 were also applied to all earlier surveys; therefore, estimates presented here for 2001, 2004 and 2007 differ slightly from previously published results.

## Endnotes

<sup>1</sup> More detailed results can be obtained online at <http://www.health.state.mn.us/divs/hpsc/hep/chartbook/index.html> and <https://pqc.health.state.mn.us/mnha/Welcome.action>. Additional findings will be published later this year.

<sup>2</sup> As with all surveys, there is a margin of error associated with these estimates. Therefore, apparent differences between estimates may actually not be statistically significant. Throughout this fact sheet, differences between estimates are only noted if they are statistically significant at the 95 percent confidence level. Tests of statistical significance over time are only presented relative to the previous year shown.

<sup>3</sup> J. Holahan and A.B. Garrett. "Rising Unemployment, Medicaid and the Uninsured," Publication #7850, Kaiser Commission on Medicaid and the Uninsured, Henry J. Kaiser Family Foundation, January 2009.

<sup>4</sup> Minnesota Department of Employment and Economic Development, Local Area Unemployment Statistics.

<sup>5</sup> Family income is measured as a percent of the Federal Poverty Guidelines. A family of four in 2009 was considered to be in poverty if its income was at or below \$22,050; Federal Register, Vol. 74, No. 14, January 23, 2009, pp. 4199-4201.

<sup>6</sup> MDH analysis of first and second quarter data from the 2009 Census of Employment and Wages, Minnesota Department of Employment and Economic Development.

<sup>7</sup> Nationally, almost 1 in four households in 2009 (22.7 percent) was reachable only by cell phones. This represents an increase of more than 9 percentage points in cell-only households compared to 2007. Stephen J. Blumberg and Julian V. Duke, Division of Health Interview Statistics, National Center for Health Statistics, "Early Release of Estimates Based on Data from the National Health Interview Survey, January-June 2009," December 16, 2009.

**The Health Economics Program conducts research and applied policy analysis to monitor changes in the health care marketplace; to understand factors influencing health care cost, quality and access; and to provide technical assistance in the development of state health care policy.**

For more information, contact the Health Economics Program at (651) 201-3550. This issue brief, as well as other Health Economics Program publications, can be found on our website at <http://www.health.state.mn.us/healthconomics>.

Minnesota Department of Health  
Health Economics Program  
85 East Seventh Place, PO Box 64882  
St. Paul, MN 55164-0882  
(651) 201-3550

