



Summary of SHADAC's Conference Call to Discuss the CPS-ASEC Revised Health Insurance Estimates, featuring Chuck Nelson of the U.S. Census Bureau

April 12, 2006

Overview:

SHADAC has been working with the U.S. Census Bureau to improve its estimates of health insurance coverage and to evaluate current data processing system for the health insurance coverage variables. This quality improvement process revealed a mistake in the processing of the Current Population Survey (CPS) data such that, in a small percentage of cases, some residents in a household were tabulated as “not covered” by insurance when they had in fact reported private or group coverage. This finding led to the Census Bureau's recent downward revision of the number of uninsured from 15.9 to 15.3 percent – or about 1.8 million fewer uninsured people in the U.S. in 2005.

Description of Error:

The error applies to cases where an entire household reported being covered by private or group health insurance. In a small percentage of cases, some residents in a household were tabulated as “not covered” by the editing procedure used by the Census Bureau. This happened when the option for “all in household covered by plan” was selected in response to the question “who else is covered by this plan” as opposed to naming specifically who was covered. Fortunately the majority of those people that should have been assigned private or group health insurance because of the “all covered by plan” field were assigned health insurance, and therefore the impact on uninsurance was minimal. No other questions in the survey were affected.

The corrected imputation resulted in a small error rate. The national error rate was 0.6 percent. At the state level, the overestimates ranged from 0.3 percent to just over 1.1 percent. The error rate for children was smaller than that for adults. As the error occurred across all states and over time, it should not have a large impact on state rankings or time series data.

The micro data for 2004 and 2005 has been reprocessed and is available via FTP, Ferret (<http://www.bls.census.gov/ferretftp.htm>), and CD. The hope is to have these data sets available through IPUMS-CPS in the near future (<http://usa.ipums.org/usa/>). The earlier years will not be reprocessed but a flag variable for cases with the error will be created back to 1995. The extract files will be available on the website as they become available.

Questions:

Q: Will this impact small area estimates and are there plans to update?

A: The 2001 small area estimates are underway and the updated county SAHIE estimates for 2001 will be released this summer. This update is not expected to reflect the CPS health insurance revision.

Q: Could you clarify if there will be flags for both group and private health insurance?

A: Yes, two flags will be created – one for group health insurance and one for private health insurance.

Q: Will the flags impact other variables?

A: The flags should not have any impact on the other variables.

Q: When will state time series data be available?

A: At this point, there is no definite date. The earlier years are more difficult and we are running into the 2007 production cycle, but we are trying to get them out as soon as possible.

Q: Are the changes made in the table creator?

A: Yes, the 2004 and 2005 table creators have the reprocessed data.

Q: By reprocessing 2004/2005, but only doing flags for earlier years, does this create an apples to oranges effect?

A: Yes, for two years we have it both ways and we can look at the affect. Using the 2004/2005 reprocessed data and comparing by using a flag for these years, it appears to have only a minor impact.

Q: Would it be possible to create a flag for 2004/2005 as well?

A: Yes.

Q: When using flags, is there the potential that individuals who had imputed insurance will now have two types?

A: Data prior to 2004 will not be reprocessed. Instead, flags will be released that will indicate cases that should be changed to private or group coverage. This will result in a data file that is very close to the reprocessed 2005 and 2006 data files but not exactly. Public coverage rates will not change because the variable in question does not impute public coverage.