

Fact Sheet

April, 2008

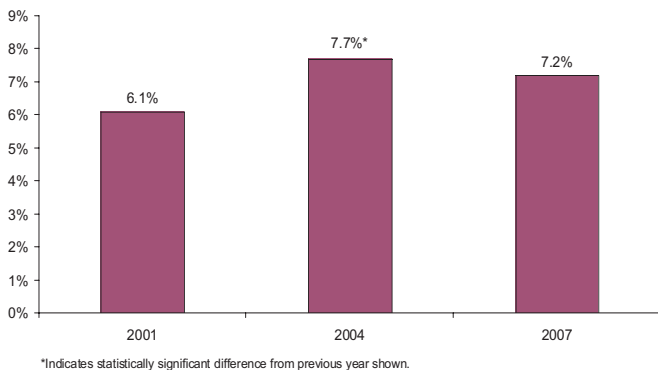
Health Insurance Coverage in Minnesota, Results for 2007

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 preliminary results from the 2007 Minnesota Health Access Survey and compares these to findings from earlier years.

In 2007 Minnesota's rate of uninsurance was stable compared to 2004, the last time the survey was conducted. As shown in Figure 1, about 7.2 percent of Minnesotans, or about 374,000 people, were without health insurance in 2007. The rate of uninsurance in 2007 was statistically unchanged from 2004.

Figure 1

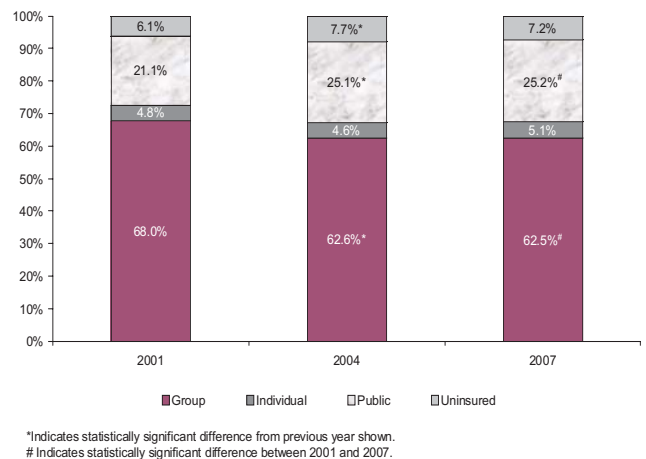
Trends in the Rate of Uninsurance in Minnesota



For Minnesotans overall, employer coverage continues to be the primary source of health insurance. As shown in Figure 2, in 2007 62.5 percent of Minnesotans had group coverage or health insurance coverage through an employer. This is statistically unchanged from 2004, when 62.6 percent of Minnesotans were estimated to have group coverage. As in 2004, about 1 out of 4 Minnesotans (25.2 percent) had health insurance coverage through a public program (this includes coverage for the elderly through Medicare). About five percent of Minnesotans purchased coverage directly through the individual market.

Figure 2

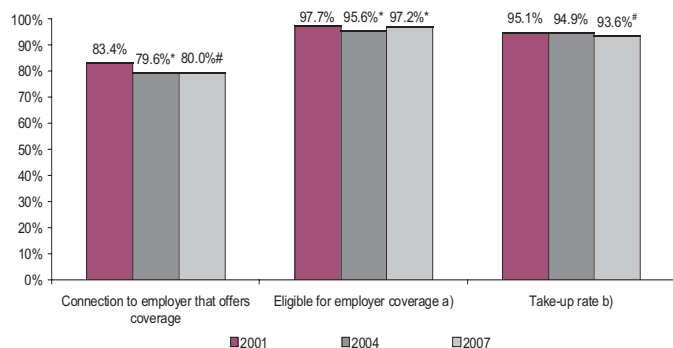
Source of Health Insurance Coverage in Minnesota



One contributing factor to the stable uninsurance rate in 2007 was the fact that employer-based coverage was stable, in contrast to the decline in employer coverage that occurred between 2001 and 2004. Figure 3 shows that in 2007 non-elderly Minnesotans were as likely as in 2004 to work for an employer or have a family member who works for an employer that offered coverage. The percentage of this group that was eligible for employer coverage in 2007 was significantly higher than in 2004, reversing the drop in the rate between 2001 and 2004. The percent of employees who signed up for coverage available to them (the take-up rate) was unchanged between 2004 and 2007.

Figure 3

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



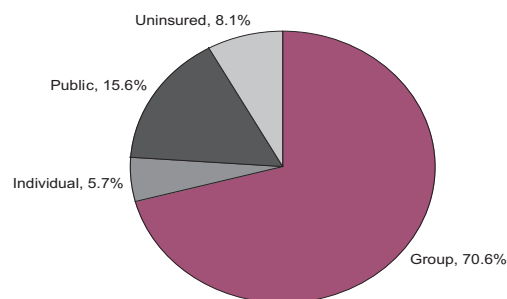
*Indicates statistically significant difference from previous year shown.
Indicates statistically significant difference between 2001 and 2007.
a) Among people with a connection to an employer that offers coverage
b) Among people eligible for employer coverage

Because nearly all of the elderly are covered by Medicare it is also common to look at the sources of insurance coverage for just the non-elderly population. As shown in Figure 4, an estimated 70.6 percent of non-elderly Minnesotans had employer-based health insurance coverage in 2007, 5.7 percent purchased individual coverage, 15.6 percent held public coverage and 8.1 percent were uninsured.

This distribution is statistically unchanged from 2004 (not shown).

Figure 4

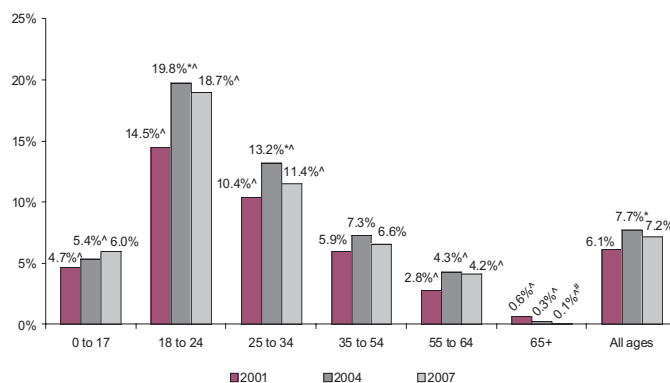
Sources of Health Insurance Coverage for Non-Elderly Minnesotans, 2007



Though stable when compared to 2004, uninsurance rates vary significantly by characteristics such as age, income, and race and ethnicity. Historically, young adults between the ages of 18 to 24 years have had the highest rates of uninsurance among all age groups. Figure 5 shows that this continued to be true in 2007, when 18.7 percent of young adults lacked health insurance coverage. The uninsurance rate for the 25 to 34 year old group (11.4 percent) was also higher than the statewide rate. None of the 2007 age-specific rates were significantly different from 2004.

Figure 5

Uninsurance Rates in Minnesota by Age

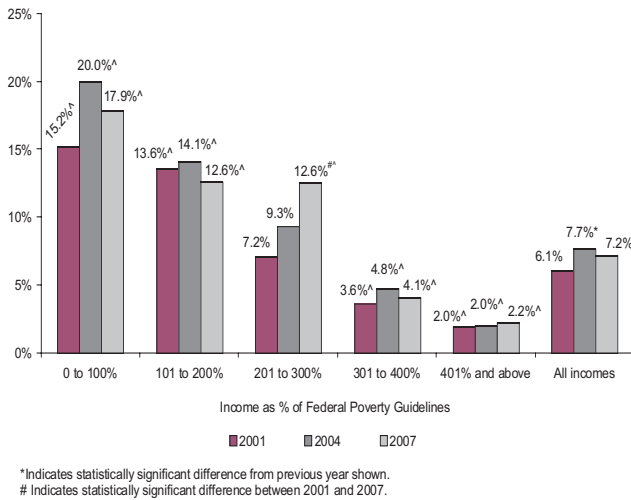


*Indicates statistically significant difference between 2001 & 2007.
[^]Indicates statistically significant difference from statewide average.

As shown in Figure 6, the uninsurance rate decreases with rising incomes. People with the lowest family incomes in Minnesota (100 percent of poverty or below) had uninsurance rates in 2007 that were nearly 2.5 times the statewide rate, while the rate for the highest income group was less than half the overall rate. Despite the potential for access to public coverage, the uninsurance rates for the lowest three income groups in Figure 6 are all significantly higher than the rate for the state overall.

Figure 6

Uninsurance Rates in Minnesota by Income



Uninsurance rates in Minnesota also vary by race and ethnicity, as shown in Figure 7.

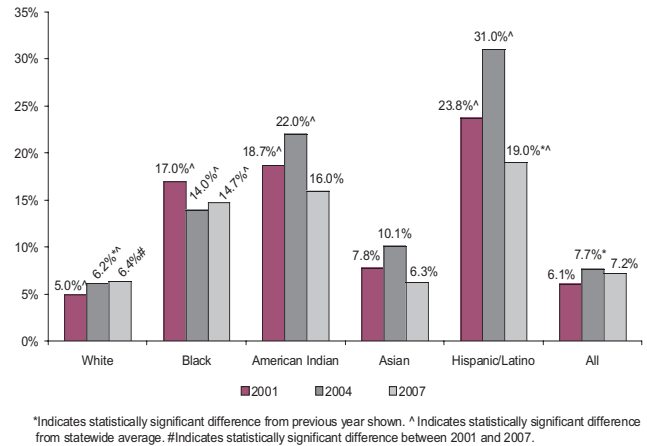
Hispanic/Latino Minnesotans in 2007 were three times as likely as White Minnesotans to lack health insurance coverage (19 percent compared with 6.4 percent). In addition, rates of uninsurance for Black Minnesotans (14.7 percent) and American Indians (16.0 percent) were also disproportionately high. Though still higher than the statewide rate, the uninsurance rate for Hispanic/Latinos dropped significantly compared to 2004 (from 31 percent in 2004 to 19 percent in 2007). One contributing factor to this change may be the change in the demographic composition of the Hispanic/Latino

population in Minnesota. Our survey finds that compared with 2004, the Hispanic/Latino population in 2007 was less likely to have incomes below 100 percent of poverty (39.4 percent compared to 31.2 percent) and more likely to have been in the U.S. for 10 or more years, both factors that positively correlate with higher insurance coverage.

Unlike in 2004, when the uninsurance rate for Minnesotans not born in the U.S. was significantly higher than for U.S. born, there is no statistically significant difference between these groups in 2007. However, the uninsurance rates for Minnesotans not born in the U.S. dropped significantly between 2004 and 2007, from 18.3 percent to 11.4 percent (not shown).

Figure 7

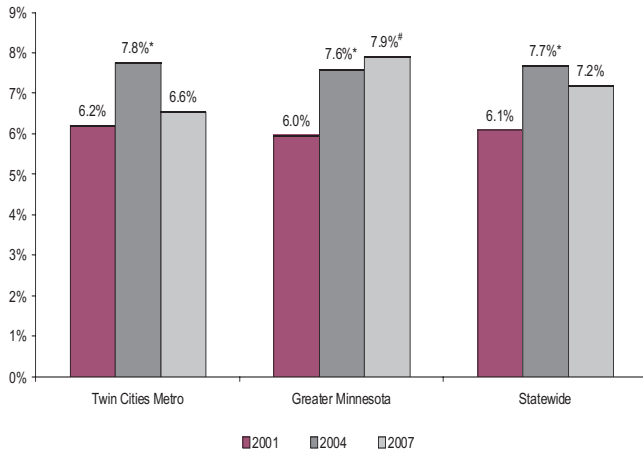
Uninsurance Rates in Minnesota by Race/Ethnicity



As in previous years, uninsurance rates are similar for the Twin Cities metro region and Greater Minnesota. Figure 8 shows that about 6.6 percent of residents of the Twin Cities metro were uninsured in 2007 compared with 7.9 percent in Greater Minnesota.

Figure 8

Uninsurance Rates in Minnesota by Region

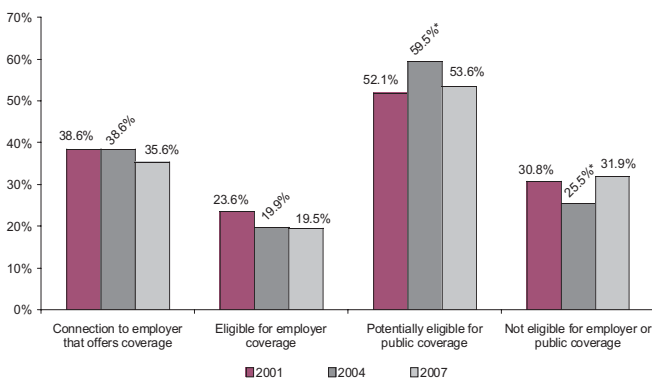


*Indicates statistically significant difference from previous year shown.
#Indicates statistically significant difference between 2001 and 2007.

Figure 9 shows potential sources of coverage for the uninsured. In 2007, about one third (35.6 percent) were connected to an employer that offers coverage, 19.5 percent were eligible for employer-based coverage and over half (53.6 percent) were potentially eligible for public coverage. About one in three uninsured Minnesotans (31.9 percent) in 2007 was not eligible for either employer coverage or coverage through a public program.

Figure 9

Potential Sources of Insurance Coverage for Uninsured Minnesotans



*Indicates statistically significant difference from previous year shown.

Table 1 depicts demographic characteristics of the uninsured and all Minnesotans for 2004 and 2007. Compared with the overall population in Minnesota, in 2007 the uninsured were disproportionately likely to be young adults between 18 and 34 years, Hispanic/Latino or Black, not married, have incomes below 300 percent of poverty, less than a college education and rate their health status as fair. Largely, this has not changed compared to 2004.

Table 2 shows the trends in employment characteristics for the uninsured Minnesotan compared to the state's population overall. As in previous years, most of the uninsured were employed in 2007 and at rates comparable to the population overall (71.3 percent compared with 71.8 percent). In general, the uninsured in 2007 were more likely to be self-employed, work for smaller firms (firms with fewer than 100 employees) and have temporary or seasonal work.

The Minnesota Health Access (MNHA) surveys are stratified random digit dial telephone surveys. The surveys interviewed 27,315 individuals in 2001, 13,802 in 2004 and 9,728 in 2007. The response rates for the surveys were 65 percent in 2001, 59 percent in 2004 and 44 percent in 2007. Cooperation rates were 74 percent in 2001, 68 percent in 2004 and 57 percent in 2007. In all three years, 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 population. However, in 2007 methods were refined, in part to address survey sampling challenges posed by the increasing use of cell phones in place of landline telephones. To ensure that the estimates are directly comparable across years, these methods were also applied to 2001 and 2004; therefore, estimates presented here differ slightly from previously published results.

Health Insurance Coverage in Minnesota, Results for 2007

Table 1

Demographic Characteristics of the Uninsured Minnesotans Compared to the Total Population

| | | Uninsured | | All Minnesotans | |
|--------------------------------------|--------------------------|--------------------|---------------------|-----------------|----------|
| | | 2004 | 2007 | 2004 | 2007 |
| Gender | | | | | |
| | Male | 55.7% [^] | 56.0% | 48.0% | 50.3%* |
| | Female | 44.3% [^] | 44.0% | 52.0% | 49.8%* |
| | | 100.0% | 100.0% | 100.0% | 100.0% |
| Age | | | | | |
| | 0 to 5 | 7.4% | 5.5% | 8.1% | 8.2% |
| | 6 to 17 | 10.3% [^] | 15.1% | 17.2% | 16.5% |
| | 18 to 24 | 24.1% [^] | 24.4% [^] | 9.4% | 9.4% |
| | 25 to 34 | 23.2% [^] | 20.9% [^] | 13.5% | 13.1% |
| | 35 to 54 | 29.4% | 27.9% | 31.0% | 30.5% |
| | 55 to 64 | 5.3% [^] | 6.1% [^] | 9.4% | 10.5%* |
| | 65+ | 0.4% [^] | 0.1% [^] | 11.5% | 11.8% |
| | | 100.0% | 100.0% | 100.0% | 100.0% |
| Race/Ethnicity 1/ | | | | | |
| | White | 72.1% [^] | 78.2% [^] | 88.9% | 88.5% |
| | Black | 8.0% [^] | 10.2% [^] | 4.4% | 5.0% |
| | American Indian | 5.5% [^] | 3.4% | 1.9% | 1.5% |
| | Asian | 5.0% | 3.4% | 3.8% | 4.0% |
| | Other Race | 0.2% | 0.1% | 0.2% | 0.2% |
| | Hispanic/Latino | 13.0% [^] | 10.1% [^] | 3.2% | 3.8% |
| | | see note | see note | see note | see note |
| Country of Birth 2/ | | | | | |
| | US Born | 83.1% [^] | 88.5% | 93.0% | 92.6% |
| | Not US Born | 17.0% [^] | 11.5% | 7.1% | 7.4% |
| | | 100.0% | 100.0% | 100.0% | 100.0% |
| Family Income as % of Poverty | | | | | |
| | 0-100% | 25.9% [^] | 21.5% [^] | 10.0% | 8.6%* |
| | 101-200% | 31.1% [^] | 27.4% [^] | 16.9% | 15.6% |
| | 201-300% | 21.9% | 28.2% [^] | 18.1% | 16.1%* |
| | 301-400% | 11.6% [^] | 10.3% [^] | 18.8% | 18.1% |
| | 401%+ | 9.5% [^] | 12.7% [^] | 36.3% | 41.6%* |
| | | 100.0% | 100.0% | 100.0% | 100.0% |
| Marital Status 3/ | | | | | |
| | Married | 41.9% [^] | 31.8%* [^] | 66.8% | 63.3%* |
| | Not Married | 58.2% [^] | 68.3%* [^] | 33.2% | 36.7%* |
| | | 100.0% | 100.0% | 100.0% | 100.0% |
| Education 4/ | | | | | |
| | Less than high school | 21.5% [^] | 16.8% [^] | 9.1% | 8.6% |
| | High school graduate | 39.0% [^] | 34.2% [^] | 27.1% | 26.7% |
| | Some college/tech school | 28.2% | 37.9%* | 31.4% | 30.8% |
| | College graduate | 9.6% [^] | 7.5% [^] | 21.7% | 22.3% |
| | Postgraduate | 1.7% [^] | 3.6% [^] | 10.7% | 11.5% |
| | | 100.0% | 100.0% | 100.0% | 100.0% |
| Health Status | | | | | |
| | Excellent | 28.3% [^] | 29.0% [^] | 39.0% | 37.1% |
| | Very Good | 28.9% | 27.8% | 30.7% | 31.9% |
| | Good | 28.4% [^] | 26.7% | 20.2% | 20.6% |
| | Fair | 11.4% [^] | 13.0% [^] | 7.3% | 7.7% |
| | Poor | 3.0% | 3.5% | 2.8% | 2.8% |
| | | 100.0% | 100.0% | 100.0% | 100.0% |

Source: 2004 and 2007 Minnesota Health Access Surveys

*Indicates a statistically significant difference between 2004 and 2007 at the 95% level

[^] Indicates a statistically significant difference between uninsured Minnesotans and all Minnesotans within year at the 95% level

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

2/ Country of birth 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.

Health Insurance Coverage in Minnesota, Results for 2007

Table 2

Employment Characteristics of the Uninsured and Minnesotans Overall

| | Uninsured | | All Minnesotans | |
|---------------------------------------|---------------|----------------|-----------------|---------------|
| | 2004 | 2007 | 2004 | 2007 |
| Employment Status 1/ | | | | |
| Employed | 70.2% | 71.3% | 72.7% | 71.8% |
| Not Employed | <u>29.8%</u> | <u>28.7%</u> | <u>27.3%</u> | <u>28.2%</u> |
| | 100.0% | 100.0% | 100.0% | 100.0% |
| For Those Who Are Employed: 1/ | | | | |
| Employment Type | | | | |
| Self Employed | 17.0%^ | 20.6%^ | 11.6% | 13.5%* |
| Employed By Someone Else | <u>83.0%^</u> | <u>79.4%^</u> | <u>88.4%</u> | <u>86.5%*</u> |
| | 100.0% | 100.0% | 100.0% | 100.0% |
| Number of Jobs | | | | |
| One Job | 88.1% | 83.3% | 88.9% | 88.0% |
| Multiple Jobs | <u>11.9%</u> | <u>16.7%</u> | <u>11.2%</u> | <u>12.0%</u> |
| | 100.0% | 100.0% | 100.0% | 100.0% |
| Hours Worked Per Week | | | | |
| 0 to 10 hours | 1.0% | 3.0% | 1.4% | 1.6% |
| 11 to 20 hours | 9.0% | 13.2%^ | 5.7% | 5.6% |
| 21 to 30 hours | 16.2%^ | 14.7%^ | 6.9% | 7.2% |
| 31 to 40 hours | 44.9% | 44.5%^ | 50.0% | 54.0%* |
| More than 40 hours | <u>28.8%^</u> | <u>24.5%</u> | <u>36.0%</u> | <u>31.7%*</u> |
| | 100.0% | 100.0% | 100.0% | 100.0% |
| Type of Job | | | | |
| Permanent | 77.3%^ | 67.0%*^ | 91.6% | 91.1% |
| Temporary/Seasonal | <u>22.7%^</u> | <u>33.0%*^</u> | <u>8.4%</u> | <u>8.9%</u> |
| | 100.0% | 100.0% | 100.0% | 100.0% |
| Size of Employer 2/ | | | | |
| Self Employed, no employees | 9.6%^ | 15.0%^ | 5.3% | 6.4% |
| 2 to 10 employees | 26.7%^ | 22.1%^ | 13.7% | 11.7%* |
| 11 to 50 employees | 19.4%^ | 22.0%^ | 13.5% | 12.4% |
| 51 to 100 employees | 15.2%^ | 11.5% | 10.6% | 9.2% |
| 101 to 500 employees | 11.7%^ | 11.5% | 17.6% | 18.1% |
| More than 500 employees | <u>17.5%^</u> | <u>17.9%^</u> | <u>39.3%</u> | <u>42.2%*</u> |
| | 100.0% | 100.0% | 100.0% | 100.0% |

Source: 2004 and 2007 Minnesota Health Access Surveys

*Indicates a statistically significant difference between 2004 and 2007

^ 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 firmsize for their employer

¹ Throughout this fact sheet, statistical significance is measured at the 95 percent confidence level.

² Family income is measured as a percent of the Federal Poverty Guidelines. A family of four in 2007 was considered to be in poverty, if its income was at or below \$20,650.

³ The survey allows respondents to identify themselves through more than one race or ethnic group. For the purpose of our analysis, a respondent was considered to belong to a specific racial or ethnic group if he or she chose that category alone or in combination with other races or ethnicities.

⁴ The rate for the Black population includes African Americans and people born in African countries if they self identified as "Black" in the survey.

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