

Health Insurance Dynamics in the Survey of Income and Program Participation: 2013–2014

Household Economic Studies

Current Population Reports

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P70BR-168

August 2020

INTRODUCTION

Health insurance coverage is an important determinant of access to health care (National Center for Health Statistics Fact Sheet, 2017). Access to comprehensive, quality health care services is vital for promoting and maintaining health as well as preventing and managing disease (Office of Disease Prevention and Health Promotion, 2019). People with intermittent coverage use fewer preventive health services and have more difficulty accessing and following up on medical care (Sudano and Baker, 2003).

The 2014 Survey of Income and Program Participation (SIPP) Panel contains rich information on people's health insurance coverage and how it changes across time. Further, the 2014 SIPP includes the period in which many of the Patient Protection and Affordable Care Act (ACA) main provisions went into effect, including the expansion of Medicaid and the establishment of health insurance marketplaces.

Using data from Waves 1 and 2 of the 2014 SIPP Panel, we provide estimates of private, public, and any type of health insurance coverage for 2013 and 2014, both before and immediately after the implementation of the ACA.¹ We then highlight health insurance dynamics (whether an individual was always insured, chronically uninsured, transitioned into coverage, transitioned out of coverage, or experienced two or

¹ The U.S. Census Bureau reviewed this data product for unauthorized disclosure of confidential information and approved the disclosure avoidance practices applied to this release. CBDRB-FY20-POP001-0098.

WHAT IS SIPP?

The Survey of Income and Program Participation (SIPP) is a nationally representative panel survey administered by the U.S. Census Bureau that collects information on the short-term dynamics of employment, income, household composition, and eligibility and participation in government assistance programs. It is a leading source of information on specific topics related to economic well-being, family dynamics, education, wealth and assets, health insurance, child care, and food security. Each SIPP panel follows individuals for several years, providing monthly data that measure changes in household and family composition and economic circumstances over time. For more information, please visit the SIPP Web site at <www.census.gov/sipp>.

more transitions) in this period. Finally, we conclude by examining the characteristics of those who transitioned into coverage as well as those who transitioned out of it.

HEALTH INSURANCE COVERAGE, OVERALL AND BY TYPE

Table 1 shows estimates of health insurance coverage for 2013 and 2014, measured as having had coverage at any time during the year. The percentage of people covered by any type of health insurance

What Is Health Insurance Coverage?

Health insurance coverage in the SIPP refers to comprehensive coverage. Comprehensive health insurance covers basic health care needs. This definition excludes single service plans, such as accident, disability, dental, vision, or prescription medicine plans.

The Census Bureau broadly classifies health insurance coverage as private or public insurance. For more information about how SIPP classifies these two categories, please visit the SIPP Health Insurance glossary at <www.census.gov/topics/health/health-insurance/about/glossary.html>. For more information about how the 2014 SIPP collects health insurance information, including changes between the 2008 and 2014 panels, please see the Survey of Income and Program Participation 2014 Panel User's Guide at <www.census.gov/content/dam/Census/programs-surveys/sipp/methodology/2014-SIPP-Panel-Users-Guide.pdf>.

Health Insurance Coverage Patterns

This brief explores five patterns of health insurance coverage assessed over the 24 months of 2013 and 2014:

- Always insured—Person had health insurance coverage for all months.
- Chronically uninsured—Person did not have health insurance coverage in any month.
- Transition into coverage—Person experienced one transition. The person was uninsured in January 2013 and insured in December 2014 as a result of acquiring health insurance coverage in any subsequent month of the 24-month period.
- Transition out of coverage—Person experienced one transition. The person had health insurance coverage in January 2013 and did not have coverage in December 2014 as a result of losing coverage in any subsequent month of the 24-month period.
- Two or more transitions—Person had at least two transitions into or out of health insurance coverage during the 24-month period.

increased from 87.0 percent to 92.1 percent between 2013 and 2014.² Private and public coverage both increased over the period, as did coverage by most subtypes. For example, the percentage of people covered by private health insurance increased 4.4 percentage points to 69.1 percent, while the percentage of people with

² Many provisions of the Patient Protection and Affordable Care Act went into effect in 2014.

public coverage increased 4.8 percentage points to 37.1 percent. Examining health insurance by subtype of coverage, with the exception of TRICARE, all other types of health insurance coverage increased between 2013 and 2014.

Estimates from the Annual Social and Economic Supplement to the Current Population Survey (CPS ASEC), one of the most widely

used sources of statistics of health insurance coverage in the United States, also reflected an increase in health insurance coverage from 2013 to 2014. For example, the 2014 and 2015 CPS ASEC showed that the percentage of people with health insurance coverage in 2014 was 89.6 percent, higher than the rate in 2013, which was 86.7 percent (Smith and Medalia, 2015).³ However, in contrast to the CPS ASEC, SIPP follows individuals over a multiyear period. Using SIPP, we can explore changes across time in a wide variety of topics such as health insurance coverage.

HEALTH INSURANCE COVERAGE DYNAMICS

Table 2 shows the health insurance coverage dynamics between 2013 and 2014 for people in the SIPP at both Waves 1 and 2. We excluded from this analysis anyone who was aged 65 or older as of December 2014. People aged 65 and older have nearly universal coverage through Medicare, which does not require periodic enrollment (Moon, 1996).

Results show that most people had a stable health insurance history; 72.2 percent were always insured in 2013 and 2014, while 7.2 percent remained chronically uninsured. By contrast, about 20 percent of people under 65 years experienced transitions in coverage during this period.

Table 2 shows that 9.5 percent of all people under 65 years were uninsured in January 2013 and transitioned into coverage by the end of 2014. Over this same

³ In the CPS ASEC, individuals are considered to be covered by health insurance coverage if they held coverage at any time in the previous calendar year.

Table 1.

Number and Percentage of People by Type of Health Insurance: 2013 and 2014

(Numbers in thousands. All participants in sample in 2013 and in 2014)

Health insurance coverage ¹	2013	2014	2013		2014		Change in percent
	Number	Number	Percent	Margin of error ² (±)	Percent	Margin of error ² (±)	2014 less 2013
With any health insurance during the calendar year	271,233	289,484	87.0	0.30	92.1	0.29	*5.1
Private	201,810	217,193	64.7	0.48	69.1	0.53	*4.4
Employment-based	173,356	183,238	55.6	0.52	58.3	0.56	*2.7
Direct-purchase	25,991	36,491	8.3	0.28	11.6	0.37	*3.3
TRICARE	8,579	9,190	2.8	0.16	2.9	0.21	0.1
Public	100,780	116,568	32.3	0.38	37.1	0.45	*4.8
Medicare	49,600	54,075	15.9	0.13	17.2	0.16	*1.3
Medicaid	56,671	70,149	18.2	0.37	22.3	0.45	*4.1
Military excluding TRICARE	4,807	5,590	1.5	0.08	1.8	0.12	*0.3
Without health insurance during the calendar year	40,703	24,675	13.0	0.30	7.9	0.29	*-5.1

* Changes between the estimates are statistically significant from zero at the 90 percent confidence level.

¹ Estimates are not mutually exclusive since a person can be covered by more than one type of health insurance during the year.² A margin of error (MOE) is a measure of an estimate's variability. The larger the MOE in relation to the size of the estimate, the less reliable the estimate. This number, when added to and subtracted from the estimate, forms the 90 percent confidence interval. MOEs shown in this table are based on standard errors calculated using replicate weights, Fay's Balance Repeated Replication (BRR) method.

Note: For information on confidentiality protection and sampling and nonsampling error, see <www.census.gov/programs-surveys/sipp/methodology/sampling.html>.

Source: U.S. Census Bureau, Survey of Program and Income Participation, 2014 Panel, Waves 1 and 2.

period, 6.1 percent of people under 65 years with health insurance coverage in January of 2013 lost health insurance coverage and became uninsured by the end of 2014. Finally, 4.9 percent of the population younger than 65 years experienced two or more health insurance coverage transitions in the 2 years examined.

CHARACTERISTICS OF PEOPLE TRANSITIONING INTO OR OUT OF HEALTH INSURANCE COVERAGE

Table 3 describes the characteristics of people under 65 years who experienced one transition in the panel, either into or out of coverage, between 2013 and 2014 when many of the provisions of the ACA went into effect. Health insurance transitions play a role in reducing, maintaining, or increasing the size of the uninsured population,

a reason this section of the brief focuses on these two groups. Additionally, lapses in health insurance coverage can compromise preventive care, as well as access to medical services and prescription medications.

For those under the age of 65, there were no differences in the sex distribution or in state Medicaid eligibility expansion status among those experiencing any transitions in coverage compared

Table 2.

Health Insurance Coverage Patterns

(Numbers in thousands. Participants in sample all 24 months and under the age of 65 in 2014)

Coverage patterns	Number	Percent	Margin of error ¹ (±)
Always insured	192,946	72.2	0.52
Chronically uninsured	19,346	7.2	0.30
Transition into coverage	25,384	9.5	0.32
Transition out of coverage	16,391	6.1	0.28
Two or more transitions	13,008	4.9	0.25

¹ A margin of error (MOE) is a measure of an estimate's variability. The larger the MOE in relation to the size of the estimate, the less reliable the estimate. This number, when added to and subtracted from the estimate, forms the 90 percent confidence interval. MOEs shown in this table are based on standard errors calculated using replicate weights, Fay's Balanced Repeated Replication (BRR) method.

Note: For information on confidentiality protection and sampling and nonsampling error, see <www.census.gov/programs-surveys/sipp/methodology/sampling.html>.

Source: U.S. Census Bureau, Survey of Program and Income Participation, 2014 Panel, Waves 1 and 2.

with the total population.⁴ However, there were statistically significant differences in other characteristics for people experiencing transitions into or out of health insurance coverage relative to the total population.

Table 3 indicates that Hispanics are overrepresented among those experiencing health insurance transitions. Although Hispanics account for 18.9 percent of the population under the age of 65, they make up 26.9 percent of those who transitioned into coverage, and 22.9 of those who lost coverage over the period examined. In contrast, while non-Hispanic Whites account for 59.3 percent of the population, they are underrepresented among people experiencing transitions in health insurance coverage, constituting 55.1 percent of those who lost coverage and 48.4 percent of people who gained coverage over this period.

In terms of age, young adults aged 18 to 34 made up a larger share of those experiencing transitions into coverage (38.7 percent) and out of coverage (37.3 percent) compared to the total population aged 18 to 34 (27.4 percent). In contrast, while people under the age of 18 made up 26.7 percent of the population under 65 years, only 15.8 percent transitioned into coverage.

Although those that reported any type of disability account for 12.7 percent of the population under 65 years, they made up 14.3

⁴ Twenty-four states and the District of Columbia expanded Medicaid eligibility under the Patient Protection and Affordable Care Act (ACA). These 24 states were Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Hawaii, Illinois, Iowa, Kentucky, Maryland, Massachusetts, Minnesota, Nevada, New Jersey, New Mexico, New York, North Dakota, Ohio, Oregon, Rhode Island, Vermont, Washington, and West Virginia.

percent of those that transitioned into coverage.

Transitions into coverage also differed by income-to-poverty ratio (IPR) for people under 65 years.⁵ For example, 10.7 percent of people under 65 years with income below 100 percent of poverty transitioned into coverage over the period, although this group constituted 8.3 percent of the under-65 population. People with IPR between 100 percent and 399 percent of poverty were overrepresented among those transitioning into coverage (45.7 percent) relative to the population (34.8 percent). People who experienced change in IPR over the period were also more likely to report transitions in coverage. For example, although this group made up 27.9 percent of the population, they accounted for 33.7 percent of people transitioning into coverage and 35.9 percent of those losing coverage over the period. On the other hand, people in the highest IPR category (at or above 400 percent of their poverty threshold) accounted for 28.8 percent of the total population under 65 years, yet made up a smaller share of people gaining coverage (9.8 percent) or losing coverage (18.6 percent) during this period.

With respect to region, although 37.3 percent of the population

⁵ People in families are considered to be in poverty if their family income is less than their poverty threshold. People who live alone or only with nonrelatives have a poverty status defined by their own income compared to their poverty threshold. Distribution of poverty characteristics was measured with four mutually exclusive categories based on IPR thresholds across the 24-month reference period: (1) below 100 percent of poverty, (2) between 100 percent and 399 percent of poverty, (3) at or above 400 percent of poverty throughout the reference period, or (4) experienced change between these IPR categories during this period.

under 65 years lived in the South, they are overrepresented among those that transitioned out of coverage (41.5 percent). In contrast, while those that live in the Midwest account for 21.4 percent of the population, they constitute 19.0 percent of those who gained coverage. On the other hand, people in the West accounted for 23.7 percent of the total population under 65 years, yet they constituted 29.5 percent of those that gained coverage.

There were also differences in transitions in health insurance coverage by marital status. For example, the never married accounted for 34.6 percent of the population aged 15 to 64, but were overrepresented among those reporting transitions into (41.1 percent) and out of (45.0 percent) health insurance coverage over the period. Further, changes in health coverage often accompanied changes in marital status. Although 6.3 percent of the total population aged 15 to 64 experienced change in their marital status during this period, 10.0 percent of those who gained coverage and 9.0 percent of those who lost coverage also reported a change in marital status.

With respect to employment status, people aged 15 to 64 who were employed throughout this period were underrepresented among those experiencing health insurance transitions relative to the total population. This is not surprising, since many of these individuals may hold health insurance coverage through their employer. For example, although 51.9 percent of the population was employed throughout this period, among those transitioning into or out of health coverage, the

Table 3.

Characteristics of People Transitioning Into or Out of Health Insurance Coverage—Con.

(Numbers in thousands. Participants in sample all 24 months and under the age of 65 in 2014)

Characteristics	Total population			Transition into coverage			Transition out of coverage		
	Number	Percent	Margin of error ¹ (±)	Number	Percent	Margin of error ¹ (±)	Number	Percent	Margin of error ¹ (±)
POPULATION UNDER 65 YEARS OLD									
Sex									
Male	126,846	49.5	0.07	10,942	49.9	1.22	5,937	50.9	2.09
Female	129,451	50.5	0.07	10,979	50.1	1.22	5,718	49.1	2.09
Race and Hispanic Origin²									
White, non-Hispanic	151,858	59.3	0.19	10,614	*48.4	1.87	6,427	*55.1	2.97
Black, non-Hispanic	33,296	13.0	0.13	3,430	*15.6	1.38	1,553	13.3	1.54
Other, non-Hispanic	22,613	8.8	0.13	1,985	9.1	1.26	1,002	8.6	1.92
Hispanic	48,530	18.9	0.07	5,894	*26.9	2.02	2,673	*22.9	2.42
Age									
Under 18 years	68,312	26.7	0.10	3,469	*15.8	1.31	2,863	24.6	2.09
18 to 34 years	70,137	27.4	0.13	8,492	*38.7	1.79	4,350	*37.3	2.20
35 to 44 years	39,317	15.3	0.09	3,553	16.2	1.20	1,736	14.9	1.54
45 to 64 years	78,530	30.6	0.09	6,409	29.2	1.50	2,705	*23.2	1.68
Disability Status									
With a disability	32,655	12.7	0.32	3,127	*14.3	1.17	1,396	12.0	1.59
Without a disability	223,642	87.3	0.32	18,795	*85.7	1.17	10,258	88.0	1.59
Household Income-to-Poverty Ratio									
Below 100 percent of poverty	21,241	8.3	0.38	2,351	*10.7	1.11	948	8.1	1.69
Between 100 to 399 percent of poverty	89,228	34.8	0.71	10,009	*45.7	2.00	4,354	37.4	2.79
At or above 400 percent of poverty	73,734	28.8	0.64	2,138	*9.8	1.15	2,165	*18.6	2.01
Change in income-to-poverty ratio (relative to 2013)	71,607	27.9	0.69	7,385	*33.7	1.79	4,185	*35.9	2.81
Medicaid-Expansion State (as of January 2014)									
Lives in a Medicaid-expansion state	95,562	37.3	0.15	8,214	37.5	1.82	4,276	36.7	2.81
Does not live in a Medicaid-expansion state	160,735	62.7	0.15	13,708	62.5	1.82	7,378	63.3	2.81
Region									
Northeast	45,021	17.6	0.13	2,759	*12.6	1.48	1,908	16.4	2.02
Midwest	54,947	21.4	0.15	4,154	*19.0	1.49	2,202	18.9	2.36
South	95,560	37.3	0.18	8,534	38.9	1.79	4,832	*41.5	3.08
West	60,769	23.7	0.16	6,474	*29.5	1.72	2,713	23.3	2.82
POPULATION 15 TO 64 YEARS OLD									
Marital Status									
Married	93,518	46.7	0.59	6,334	*33.1	1.70	3,391	*35.8	2.34
Widowed, divorced, or separated ..	24,960	12.5	0.34	3,045	*15.9	1.12	951	*10.1	1.44
Never married	69,298	34.6	0.43	7,872	*41.1	1.74	4,260	*45.0	2.27
Change in marital status (relative to 2013)	12,575	6.3	0.33	1,908	*10.0	0.97	848	*9.0	1.62

See notes at end of table.

Table 3.

Characteristics of People Transitioning Into or Out of Health Insurance Coverage—Con.

(Numbers in thousands. Participants in sample all 24 months and under the age of 65 in 2014)

Characteristics	Total population			Transition into coverage			Transition out of coverage		
	Number	Percent	Margin of error ¹ (±)	Number	Percent	Margin of error ¹ (±)	Number	Percent	Margin of error ¹ (±)
Labor Force Status									
Employed	104,007	51.9	0.48	7,581	*39.6	1.41	3,663	*38.7	2.36
Unemployed or not in labor force.	42,936	21.4	0.39	4,078	21.3	1.32	1,742	*18.4	1.78
Change in labor force status	53,471	26.7	0.46	7,506	*39.2	1.54	4,057	*42.9	2.40
POPULATION 26 TO 64 YEARS OLD									
Educational Status									
High school graduate (includes equivalency or less)	59,132	38.2	0.56	7,474	*51.9	1.75	3,193	*51.3	3.00
Some college, no degree or associate's degree	42,894	27.7	0.57	4,226	29.4	1.54	1,617	26.0	2.83
Bachelor's degree or higher.	52,644	34.0	0.57	2,689	*18.7	1.43	1,412	*22.7	3.22

* Changes between the estimates are statistically significant from zero at the 90 percent confidence level. Bonferroni correction was used to adjust for the multiple comparisons with population estimates.

¹ A margin of error (MOE) is a measure of an estimate's variability. The larger the MOE in relation to the size of the estimate, the less reliable the estimate. This number, when added to and subtracted from the estimate, forms the 90 percent confidence interval. MOEs shown in this table are based on standard errors calculated using replicate weights, Fay's Balanced Repeated Replication (BRR) method.

² Federal surveys now give respondents the option of reporting more than one race. Therefore, two basic ways of defining a race group are possible. A group, such as Black, may be defined as those who reported Black and no other race (the race-alone or the single-race concept) as those who reported Black regardless of whether they also reported another race (the race-alone-or-in-combination concept). Hispanics may be any race. The body of this brief (text and tables) shows data for people who reported they were a single race. Use of the single-race concept does not imply that it is the preferred method of presenting or analyzing data. The U.S. Census Bureau uses a variety of approaches. In this brief, the term "White, non-Hispanic" refers to people who are not Hispanic and reported White and no other race. "Black, non-Hispanic" refers to people who are not Hispanic and reported Black and no other race. "Other, non-Hispanic" refers to people who are not Hispanic and reported Asian alone, Pacific Islander alone, American Indian alone, Alaskan Native alone, or multiple races.

Note: For information on confidentiality protection and sampling and nonsampling error, see <www.census.gov/programs-surveys/sipp/methodology/sampling.html>.

Source: U.S. Census Bureau, Survey of Program and Income Participation, 2014 Panel, Waves 1 and 2.

proportion employed was 39.6 percent and 38.7 percent, respectively. In contrast, those who had any changes in employment status during this period represented a higher share of people experiencing health insurance transitions. While only 26.7 percent of the total population had any changes in labor force status, this proportion was 39.2 percent and 42.9 percent, respectively, for those transitioning into and out of coverage.

Finally, Table 3 shows that the population aged 26 to 64 who had a high school diploma or less were overrepresented among those experiencing health insurance transitions compared to the

total population.⁶ Those with a high school diploma or less only constituted 38.2 percent of the total population, with 51.9 percent of those transitioning into coverage and 51.3 of those transitioning out of it. Meanwhile, those with a bachelor's degree or higher were underrepresented among those experiencing health insurance transitions. People with a bachelor's degree or higher represented 34.0 percent of the total population, but just 18.7 percent of those transitioning into coverage, and

22.7 percent of those transitioning out of coverage.

SUMMARY

The 2014 SIPP provides rich detail on people's health insurance by month, allowing for the examination of health insurance coverage dynamics over time. Results show that the majority of the population under 65 years were always insured during 2013 and 2014, indicating that most people had a stable health insurance history. However, about 20 percent experienced transitions in coverage, with 9.5 percent of people under age 65 gaining coverage and 6.1 percent losing coverage during this time. An additional 4.9

⁶ The universe for educational attainment is 26 years old and over since this is the age at which young adults are no longer eligible to be dependents on their parents' health insurance coverage plan.

percent experienced two or more transitions in coverage. Further, this change in health coverage was not evenly distributed across the population. Young adults aged 18 to 34, Hispanics, people with a high school diploma or less, and those who were never married were likely to experience transitions in coverage. In contrast, people with IPR at or greater than 400 percent of their poverty threshold, as well as those employed or married throughout the period were underrepresented among those experiencing any transitions in coverage. Transitions in health insurance coverage were also associated with changes in IPR, employment or marital status over the period. This is not surprising since many people have health insurance coverage through their employer, and changes in employment may result in changes in coverage. Public health insurance coverage programs have income eligibility guidelines, and as income changes, eligibility for coverage under these programs may also change.

SOURCE AND ACCURACY

Statistics from surveys are subject to sampling error and nonsampling error. All comparisons presented in this brief have taken sampling error into account and are significant at the 90 percent confidence level, unless otherwise noted. This means that 90 percent confidence interval for

the difference between the estimates being compared does not include zero.

Nonsampling errors in surveys may be attributed to a variety of sources such as how the survey was designed, how respondents interpret questions, how able and willing respondents are to provide correct answers, and how accurately the answers are coded and classified. To minimize these errors, the Census Bureau employs quality control procedures throughout the production process, including the overall design of surveys, wording of questions, review of the work of interviewers and coders, and the statistical review of reports. To see the nonresponse bias study for the 2014 SIPP Panel, please visit www.census.gov/programs-surveys/sipp/tech-documentation/nonresponse-reports/2014nonresponse-reports.html.

For further information on the source of the data and accuracy of the estimates, including standard errors and confidence intervals, see the 2014 Panel Source and Accuracy Statements at www.census.gov/programs-surveys/sipp/tech-documentation/source-accuracy-statements/source-accuracy-statements-2014.html or contact Mahdi S. Sundukchi of the Census Bureau's Demographic Statistical Methods Division at mahdi.s.sundukchi@census.gov.

SUGGESTED CITATION

Hernandez-Viver, Adriana, "Health Insurance Dynamics in the Survey of Income and Program Participation: 2013–2014," *Current Population Reports*, P70BR-168, U.S. Census Bureau, Washington, DC, 2020.

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