Survey: 9 Million Adults Lost Health Insurance In 2010

An estimated nine million working-age adults—57 percent of people who had health insurance through a job that was lost—became uninsured in the last two years, according to the Commonwealth Fund 2010 Biennial Health Insurance Survey, released today. The survey paints a bleak picture for the 43 million adults under age 65 who reported that they or their spouse lost a job in the past two years, finding that job losses are often compounded by the loss of health insurance, leaving families vulnerable to catastrophic financial losses and bankruptcy in the event of a serious illness or accident.

According to the report, Help on the Horizon: How the Recession Has Left Millions of Workers Without Health Insurance, and How Health Reform Will Bring Relief, the unemployed have great difficulty finding affordable health care. Only 25 percent of people who lost employer health insurance were able to find another source of health insurance coverage, and only 14 percent continued their job-based coverage through COBRA. In addition, purchasing individual coverage was not a viable option for most people.

Seventy-one percent of adults who tried to buy individual coverage in the past three years, or 19 million people, either found it difficult or impossible to find a plan that fit their needs; found it difficult or impossible to find a plan they could afford; or were turned down or charged a higher price for coverage because of a pre-existing condition.

"This survey tells a story of millions of Americans who lost their jobs during the recession, lost their health benefits too, and had essentially no place to turn for affordable health care coverage—putting their health and financial security at risk," said Commonwealth Fund President Karen Davis. "The silver lining is that the Affordable Care Act has already begun to bring relief to families. Once the new law is fully implemented, we can be confident that no future recession will have the power to strip so many Americans of their health security."

According to the survey, an estimated 52 million American adults were uninsured at some point during 2010, up from 38 million in 2001. Adults in families with low and moderate incomes were the most likely to be uninsured; 54 percent of lower-income adults (under $22,050 for a family of four) and 41 percent of moderate-income adults ($22,050 to $44,100 for a family of four) were uninsured for some time during the year, compared with 13 percent of adults with higher incomes.

Insured and Uninsured Alike Struggle With Health Care Costs Health care costs are increasingly preventing people from getting the health care they need, the survey finds. Seventy-five million adults did not get needed health care in 2010,

skipping doctor visits, prescriptions, specialist care, and recommended tests or treatments because of costs. This is a 60 percent increase from 2001, when 47 million people reported skipping needed care because of costs. Uninsured adults were the most likely to forego care due to costs, with 66 percent reporting they did so. However, many insured adults were also less insulated from high health care costs—31 percent of adults who were insured all year went without the health care they needed because of costs, up from 21 percent in 2001.

High out-of-pocket spending is increasingly common: the survey found that 49 million working-age adults spent 10 percent or more of their income on out-of-pockets costs and health insurance premiums in 2010, up from 31 million in 2001. In addition, health insurance is not providing the protection from health care costs that it used to—nearly one-third (31%) of adults insured all year spent 10 percent or more of their incomes on health care costs in 2010. In contrast, in 2001, 19 percent of people insured all year spent 10 percent or more of income on health care costs.

Americans Continue to Face Medical Debt According to the survey, 73 million people reported problems paying their medical bills or were paying off medical debt, up from 58 million in 2005. An estimated 44 million people were paying off medical debt in 2010, up from 37 million in 2005.

Medical debt and medical bills are leading Americans to make significant trade-offs. The survey found that an estimated 29 million people have used up all of their savings to pay medical bills, 17 million have incurred credit card debt, 22 million were unable to pay for basic necessities like food, heat, and rent, and 4 million declared bankruptcy because of medical bills.

"The survey shows that over the last decade, increasing numbers of people across the income spectrum went without health insurance, avoided timely health care because it was too expensive, and struggled with medical debt," said lead study author and Commonwealth Fund Vice President Sara Collins. "Millions of working families reported making difficult trade-offs between paying off their medical debt, buying other life necessities, and saving for the future. The sweeping changes health reform will bring to the nation's health insurance system will ensure that families will have the financial means to get the health care that they need, both in good economic times and bad."

Additional Report Findings:

- A quarter of adults with chronic conditions who took medications skipped their medications or didn't fill a prescription for their condition because of cost. Uninsured adults with chronic conditions were most likely to have medication problems related to cost—52 percent reported problems compared to 18 percent of adults that were insured all year.
- Of the estimated 26 million adults who bought, or tried to buy, health insurance on the individual insurance market in the past three years, 16 million found it very difficult or impossible to find a plan they could afford. An estimated 9 million were turned down or charged a higher price because

of a health problem, or had a preexisting condition excluded from their coverage.
- Only half of all adults were up to date on recommended preventive screenings, the survey found. Less than half (42%) of uninsured women aged 50-64 had had a mammogram in the past two years, compared with 79 percent of insured women.

Moving Forward The survey's authors note that the Affordable Care Act provisions that are already in effect are bringing some relief in the form of preexisting condition insurance plans, allowing young adults up to age 26 on their parents' plans, small business tax credits, elimination of lifetime limits on benefits, and required coverage of preventive care without cost-sharing, to name a few.

Once the law is fully implemented in 2014, nearly all of the 52 million currently uninsured American adults, including those who became uninsured during the recession, will have access to comprehensive health insurance coverage through expanded Medicaid, private health plans with consumer protections, and tax credits for those with low and moderate incomes to purchase insurance. In addition, health benefits will have to conform to an essential benefit standard, and no one will be denied coverage or charged more because of a preexisting health condition.

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