Hawai‘i’s Uninsured Population and Health Insurance Reform

Health Access in Hawai‘i
April 7, 2010
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Department of Economics, UHM
Topics

- U.S. Health Care Financing
- Hawai‘i Uninsured Population
  - Total Population
  - Age
  - Income
  - Children
- Health Insurance Reform
U.S Health System

- National Health Expenditures (2008)
  - $2.3 Trillion; 16.2% of GDP; $7,681 per person
  - Projected to be $2.5 Trillion; 17.3% GDP 2009

- Public Insurance
  - Medicaid
  - Medicare
  - CHIP

- Employer–Sponsored Insurance
  - USA 46,340,000 Uninsured; 15.4% (2008)
  - Hawaii 98,000 Uninsured; 7.8% (2008)
US National Health Expenditures as a Percent of GDP: 1960-2008

Source: Centers for Medicare & Medicaid Services (CMS), Office of the Actuary
Social Security Amendments: Public Health Insurance USA

- Medicare: Title XVIII of the Social Security Act 1965
  - Federal Program
  - Age 65+, Disabled, ESRD, ALS

- Medicaid: Title XIX of the Social Security Act 1965
  - State/Federal Program
  - Poor, Blind, Disabled, Medically Indigent

- SCHIP: Title XXI of the Social Security Act 1997
  - Low-Income Uninsured Children Age 0-18
Medicare, Medicaid, and SCHIP account for one-third of national health spending.

Total National Health Spending = $2.3 Trillion

1 Other public includes programs such as workers’ compensation, public health activity, Department of Defense, Department of Veterans Affairs, Indian Health Service, and State and local hospital subsidies and school health.
2 Other private includes industrial in-plant, privately funded construction, and non-patient revenues, including philanthropy.
3 Out of pocket includes co-pays, deductibles, and treatments not covered by Private Health Insurance.

Note: Numbers shown may not sum due to rounding.

Source: Centers for Medicare & Medicaid Services, Office of the Actuary, National Health Statistics Group.
# Health Insurance by Type of Coverage 2008:
## Percent of the Population Covered

<table>
<thead>
<tr>
<th></th>
<th>Medicaid &amp; SCHIP</th>
<th>Medicare</th>
<th>Military</th>
<th>Private ESI</th>
<th>Private Non-Group</th>
<th>Uninsured</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>14.1%</td>
<td>14.3%</td>
<td>3.8%</td>
<td>58.5%</td>
<td>8.9%</td>
<td>15.4%</td>
</tr>
<tr>
<td>Hawaii</td>
<td>13.3%</td>
<td>16.5%</td>
<td>11.1%</td>
<td>66.3%</td>
<td>6.2%</td>
<td>7.8%</td>
</tr>
</tbody>
</table>

Note: Categories are not mutually exclusive as many individuals have multiple types of coverage.
Percent Uninsured—Hawai`i with 95% Confidence Intervals:

- 1997: 8.6%
- 1998: 7.1%
- 1999: 10.0%
- 2000: 10.0%
- 2001: 9.1%
- 2002: 9.2%
- 2003: 9.8%
- 2004: 9.6%
- 2005: 8.3%
- 2006: 8.3%
- 2007: 8.8%
- 2008: 7.5%
- 2009: 7.8%
Uninsured Persons Hawai`i 1996-2008

Persons (thousands)

Calendar Year

101 84 121 121 110 111 120 120 104 107 110 95 98
Estimated Uninsured Population with 95% Confidence Intervals

Department of Economics, UHM in collaboration with the Health Law Policy Center, William S. Richardson School of Law, UHM

7 April 2010
| Survey Year | United States | | | Hawaii | | |
|-------------|---------------|------------------|------------------|------------------|------------------|
|             | Total Population | Uninsured Population | Uninsured Rate | Total Population | Uninsured Population | Uninsured Rate |
| 1997        | 266,792,407 | 41,093,066 | 15.40% | 1,174,396 | 101,241 | 8.62% |
| 1998        | 269,093,736 | 42,084,881 | 15.64% | 1,182,536 | 83,533 | 7.06% |
| 1999        | 271,742,834 | 42,653,461 | 15.70% | 1,200,864 | 120,595 | 10.04% |
| 2000        | 274,087,002 | 37,551,210 | 13.70% | 1,215,172 | 121,168 | 9.97% |
| 2001        | 279,517,360 | 38,088,339 | 13.63% | 1,202,960 | 109,559 | 9.11% |
| 2002        | 282,081,971 | 39,452,624 | 13.99% | 1,213,328 | 111,310 | 9.17% |
| 2003        | 285,933,410 | 41,749,670 | 14.60% | 1,224,275 | 119,978 | 9.80% |
| 2004        | 288,280,635 | 43,128,531 | 14.96% | 1,253,067 | 120,007 | 9.58% |
| 2005        | 291,166,198 | 43,161,223 | 14.82% | 1,248,778 | 103,977 | 8.33% |
| 2006        | 293,834,358 | 44,489,061 | 15.14% | 1,279,003 | 106,629 | 8.34% |
| 2007        | 296,824,002 | 46,598,396 | 15.70% | 1,254,782 | 110,383 | 8.80% |
| 2008        | **299,105,719** | **45,305,725** | **15.15%** | **1,267,409** | **95,143** | **7.51%** |

## Hawaii Uninsured Population, by Age Group: CPS 1997 - 2008

<table>
<thead>
<tr>
<th>Survey Year</th>
<th>Total Population</th>
<th>Uninsured Population</th>
<th>Uninsured Rate</th>
<th>Total Children</th>
<th>Uninsured Children</th>
<th>Uninsured Rate</th>
<th>Total Adults</th>
<th>Uninsured Adults</th>
<th>Uninsured Rate</th>
<th>Total Elderly</th>
<th>Uninsured Elderly</th>
<th>Uninsured Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>1,174,396</td>
<td>101,241</td>
<td>8.62%</td>
<td>310,153</td>
<td>16,355</td>
<td>5.27%</td>
<td>716,108</td>
<td>16,355</td>
<td>2.27%</td>
<td>148,134</td>
<td>1,577</td>
<td>1.06%</td>
</tr>
<tr>
<td>1998</td>
<td>1,182,536</td>
<td>83,533</td>
<td>7.06%</td>
<td>308,287</td>
<td>17,042</td>
<td>5.53%</td>
<td>707,128</td>
<td>17,042</td>
<td>2.41%</td>
<td>167,121</td>
<td>841</td>
<td>0.50%</td>
</tr>
<tr>
<td>1999</td>
<td>1,200,864</td>
<td>120,595</td>
<td>10.04%</td>
<td>329,394</td>
<td>31,904</td>
<td>9.69%</td>
<td>707,793</td>
<td>31,904</td>
<td>4.48%</td>
<td>163,677</td>
<td>3,451</td>
<td>2.11%</td>
</tr>
<tr>
<td>2000</td>
<td>1,215,172</td>
<td>121,168</td>
<td>9.97%</td>
<td>349,500</td>
<td>33,078</td>
<td>9.46%</td>
<td>722,963</td>
<td>33,078</td>
<td>4.55%</td>
<td>142,710</td>
<td>2,396</td>
<td>1.68%</td>
</tr>
<tr>
<td>2001</td>
<td>1,202,960</td>
<td>109,559</td>
<td>9.11%</td>
<td>317,951</td>
<td>26,055</td>
<td>8.19%</td>
<td>733,017</td>
<td>26,055</td>
<td>3.56%</td>
<td>151,992</td>
<td>2,368</td>
<td>1.56%</td>
</tr>
<tr>
<td>2002</td>
<td>1,213,328</td>
<td>111,310</td>
<td>9.17%</td>
<td>326,952</td>
<td>27,621</td>
<td>8.45%</td>
<td>728,444</td>
<td>27,621</td>
<td>3.82%</td>
<td>157,931</td>
<td>2,926</td>
<td>1.85%</td>
</tr>
<tr>
<td>2003</td>
<td>1,224,275</td>
<td>119,978</td>
<td>9.80%</td>
<td>340,545</td>
<td>25,043</td>
<td>7.35%</td>
<td>718,501</td>
<td>25,043</td>
<td>3.44%</td>
<td>165,229</td>
<td>2,266</td>
<td>1.37%</td>
</tr>
<tr>
<td>2004</td>
<td>1,253,067</td>
<td>120,007</td>
<td>9.58%</td>
<td>327,080</td>
<td>23,414</td>
<td>7.16%</td>
<td>755,251</td>
<td>23,414</td>
<td>3.06%</td>
<td>170,737</td>
<td>1,437</td>
<td>0.84%</td>
</tr>
<tr>
<td>2005</td>
<td>1,248,778</td>
<td>103,977</td>
<td>8.33%</td>
<td>302,462</td>
<td>11,723</td>
<td>3.88%</td>
<td>765,150</td>
<td>11,723</td>
<td>1.51%</td>
<td>181,167</td>
<td>2,664</td>
<td>1.47%</td>
</tr>
<tr>
<td>2006</td>
<td>1,279,003</td>
<td>106,629</td>
<td>8.34%</td>
<td>320,172</td>
<td>17,696</td>
<td>5.53%</td>
<td>776,816</td>
<td>17,696</td>
<td>2.27%</td>
<td>182,015</td>
<td>3,224</td>
<td>1.77%</td>
</tr>
<tr>
<td>2007</td>
<td>1,254,782</td>
<td>110,383</td>
<td>8.80%</td>
<td>310,010</td>
<td>20,985</td>
<td>6.77%</td>
<td>777,347</td>
<td>20,985</td>
<td>2.69%</td>
<td>167,425</td>
<td>2,908</td>
<td>1.74%</td>
</tr>
<tr>
<td><strong>2008</strong></td>
<td><strong>1,267,409</strong></td>
<td><strong>95,143</strong></td>
<td><strong>7.51%</strong></td>
<td><strong>304,770</strong></td>
<td><strong>14,976</strong></td>
<td><strong>4.91%</strong></td>
<td><strong>779,400</strong></td>
<td><strong>14,976</strong></td>
<td><strong>1.91%</strong></td>
<td><strong>183,238</strong></td>
<td><strong>2,312</strong></td>
<td><strong>1.26%</strong></td>
</tr>
</tbody>
</table>

## Hawaii Uninsured Population, by Detailed Adult Age Group: CPS 1997 - 2008

<table>
<thead>
<tr>
<th>Survey Year</th>
<th>Age 19-34</th>
<th>Age 35-49</th>
<th>Age 50-64</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total Adults</td>
<td>Uninsured Adults</td>
<td>Uninsured Rate</td>
</tr>
<tr>
<td>1997</td>
<td>308,489</td>
<td>43,047</td>
<td>13.95%</td>
</tr>
<tr>
<td>1998</td>
<td>272,722</td>
<td>32,182</td>
<td>11.80%</td>
</tr>
<tr>
<td>1999</td>
<td>288,818</td>
<td>39,909</td>
<td>13.82%</td>
</tr>
<tr>
<td>2000</td>
<td>271,360</td>
<td>47,873</td>
<td>17.64%</td>
</tr>
<tr>
<td>2001</td>
<td>265,586</td>
<td>43,272</td>
<td>16.29%</td>
</tr>
<tr>
<td>2002</td>
<td>247,968</td>
<td>35,416</td>
<td>14.28%</td>
</tr>
<tr>
<td>2003</td>
<td>263,250</td>
<td>43,105</td>
<td>16.37%</td>
</tr>
<tr>
<td>2004</td>
<td>260,104</td>
<td>50,533</td>
<td>19.43%</td>
</tr>
<tr>
<td>2005</td>
<td>255,405</td>
<td>45,331</td>
<td>17.75%</td>
</tr>
<tr>
<td>2006</td>
<td>255,875</td>
<td>33,301</td>
<td>13.01%</td>
</tr>
<tr>
<td>2007</td>
<td>277,873</td>
<td>38,265</td>
<td>13.77%</td>
</tr>
<tr>
<td><strong>2008</strong></td>
<td><strong>282,169</strong></td>
<td><strong>33,434</strong></td>
<td><strong>11.85%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Family Size</th>
<th>Hawaii Annual Family Income</th>
<th>48 Contiguous States &amp; DC Annual Family Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$12,460</td>
<td>$10,830</td>
</tr>
<tr>
<td>2</td>
<td>$16,760</td>
<td>$14,570</td>
</tr>
<tr>
<td>3</td>
<td>$21,060</td>
<td>$18,310</td>
</tr>
<tr>
<td>4</td>
<td>$25,360</td>
<td>$22,050</td>
</tr>
<tr>
<td>5</td>
<td>$29,660</td>
<td>$25,790</td>
</tr>
<tr>
<td>6</td>
<td>$33,960</td>
<td>$29,530</td>
</tr>
<tr>
<td>7</td>
<td>$38,260</td>
<td>$33,270</td>
</tr>
<tr>
<td>8</td>
<td>$42,560</td>
<td>$37,010</td>
</tr>
</tbody>
</table>

Note: For Hawaii family size more than 8 persons add $4,300 for each additional person. For U.S. Mainland family size more than 8 persons add $3,7400 for each additional person. Alaska has separate rates which are higher than Hawaii. Valid until at least March 31, 2010. Source: Federal Register, Vol. 74, No. 14, Friday, January 23, 2009. [http://aspe.hhs.gov/poverty/09fedreg.pdf](http://aspe.hhs.gov/poverty/09fedreg.pdf)
Income Limits Hawai‘i Family of Four 2009

- 200% FPL up to $50,720
- 250% FPL up to $63,400
- 300% FPL up to $76,080
<table>
<thead>
<tr>
<th>Survey Year</th>
<th>250% of the federal poverty level (FPL) and below</th>
<th>Above 250% of the federal poverty level (FPL)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total Adults</td>
<td>Uninsured Adults</td>
</tr>
<tr>
<td>1997</td>
<td>289,683</td>
<td>61,189</td>
</tr>
<tr>
<td>1998</td>
<td>315,844</td>
<td>43,477</td>
</tr>
<tr>
<td>1999</td>
<td>292,356</td>
<td>58,863</td>
</tr>
<tr>
<td>2000</td>
<td>295,124</td>
<td>67,444</td>
</tr>
<tr>
<td>2001</td>
<td>247,046</td>
<td>52,287</td>
</tr>
<tr>
<td>2002</td>
<td>284,374</td>
<td>50,392</td>
</tr>
<tr>
<td>2003</td>
<td>263,706</td>
<td>58,356</td>
</tr>
<tr>
<td>2004</td>
<td>262,534</td>
<td>56,041</td>
</tr>
<tr>
<td>2005</td>
<td>261,444</td>
<td>55,799</td>
</tr>
<tr>
<td>2006</td>
<td>254,482</td>
<td>52,551</td>
</tr>
<tr>
<td>2007</td>
<td>279,520</td>
<td>53,523</td>
</tr>
<tr>
<td>2008</td>
<td>244,069</td>
<td>39,374</td>
</tr>
</tbody>
</table>


Note: Federal poverty level is based on the Hawaii-specific U.S. Department of Health and Human Services (DHHS) Federal Poverty Guidelines.
## Hawaii Uninsured Population, Adults Age 19-64, by Federal Poverty Level—Above & Below 250% FPL, 3-Year Moving Average: CPS 1997 – 2008

<table>
<thead>
<tr>
<th>Survey Years</th>
<th>250% of the federal poverty level (FPL) and below</th>
<th>Above 250% of the federal poverty level (FPL)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total Adults</td>
<td>Uninsured Adults</td>
</tr>
<tr>
<td>1997-1999</td>
<td>299,294</td>
<td>54,510</td>
</tr>
<tr>
<td>1998-2000</td>
<td>301,108</td>
<td>56,595</td>
</tr>
<tr>
<td>1999-2001</td>
<td>278,175</td>
<td>59,531</td>
</tr>
<tr>
<td>2000-2002</td>
<td>275,515</td>
<td>56,708</td>
</tr>
<tr>
<td>2001-2003</td>
<td>265,042</td>
<td>53,679</td>
</tr>
<tr>
<td>2002-2003</td>
<td>270,205</td>
<td>54,930</td>
</tr>
<tr>
<td>2005-2007</td>
<td>265,148</td>
<td>53,958</td>
</tr>
<tr>
<td>2006-2008</td>
<td>259,357</td>
<td>48,483</td>
</tr>
</tbody>
</table>


Note: Federal poverty level is based on the Hawaii-specific U.S. Department of Health and Human Services (DHHS) Federal Poverty Guidelines.
3-year Moving Average: Percent Uninsured Hawaii Adults Age 19-64

- Below 250% FPL
- Above 250% FPL

Department of Economics, UHM in collaboration with the Health Law Policy Center, William S. Richardson School of Law, UHM

7 April 2010
Uninsured Hawaii Children Age 0-18 with 95% Confidence Intervals
CPS Survey Years 1997-2008


16 17 32 33 26 28 25 23 12 18 21 15

0 5,000 10,000 15,000 20,000 25,000 30,000 35,000 40,000 45,000 50,000
### Hawaii Uninsured Children Age 0-18, by Federal Poverty Level—Above & Below 250% FPL, 3-Year Moving Average: CPS 1997 - 2008

<table>
<thead>
<tr>
<th>Survey Years</th>
<th>250% of the federal poverty level (FPL) and below</th>
<th>Above 250% of the federal poverty level (FPL)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total Children</td>
<td>Uninsured Children</td>
</tr>
<tr>
<td>1997-1999</td>
<td>200,249</td>
<td>17,379</td>
</tr>
<tr>
<td>1998-2000</td>
<td>200,137</td>
<td>21,664</td>
</tr>
<tr>
<td>1999-2001</td>
<td>186,742</td>
<td>23,662</td>
</tr>
<tr>
<td>2000-2002</td>
<td>189,305</td>
<td>22,270</td>
</tr>
<tr>
<td>2001-2003</td>
<td>183,982</td>
<td>19,266</td>
</tr>
<tr>
<td>2002-2004</td>
<td>187,372</td>
<td>18,231</td>
</tr>
<tr>
<td>2003-2005</td>
<td>174,197</td>
<td>14,886</td>
</tr>
<tr>
<td>2004-2006</td>
<td>165,954</td>
<td>12,647</td>
</tr>
<tr>
<td>2005-2007</td>
<td>158,826</td>
<td>12,161</td>
</tr>
<tr>
<td>2006-2008</td>
<td>159,176</td>
<td>12,830</td>
</tr>
</tbody>
</table>


Note: Federal poverty level is based on the Hawaii-specific U.S. Department of Health and Human Services (DHHS) Federal Poverty Guidelines.
3-year Moving Average: Percent Uninsured Hawaii Children Age 0-18

[Graph showing trends in percent uninsured for children below and above 250% FPL from 1997-1999 to 2006-2008]
U.S. Health Policy Goals

- Increased Efficiency
  - Lower Expenditures
  - Improved Health Outcomes
  - Higher Productivity

- Reduction in the number of Uninsured
U.S Health Insurance Reform

- Expand Medicaid
- Tighten Medicare
- Young Adults treated as Dependents: Age 26
- Individual Mandate with exceptions
- Employer Mandate: Employers Play-or-Pay
- Government Sponsored Market Clearinghouse with Subsidies/Tax Credits: Exchanges
- Special Provision for Hawaii Prepaid Health Care Act.
Mahalo!

This research is funded in part by U.S. Department of Health and Human Services Health Resources & Services Administration, Hawaii State Department of Health.