



Health Insurance Coverage in New Hampshire

Issue Brief 2002

In the summer of 2001, the Department of Health and Human Services, sponsored by a Health Resource and Service Administration grant, conducted the New Hampshire Family Insurance Survey, a telephone survey of New Hampshire residents under the age of 65 designed to understand health insurance coverage. This issue brief presents key initial findings. It is important to note that this data reflects almost ideal conditions: a booming economy, a labor shortage and moderate increases in health insurance costs. Since September 11th, the recession has taken hold and health care costs have risen dramatically. The picture today is probably much less optimistic than when the data was collected.

❖ **A strong public/private system contributes to high levels of insurance coverage in NH.**

Ninety two percent of New Hampshire residents 64 or younger have insurance. This rate is higher than the national rate of 86 percent¹, and a tribute to the strength of the private insurance market, employer sponsored insurance and the state's commitment to children's health insurance through the Healthy Kids program.

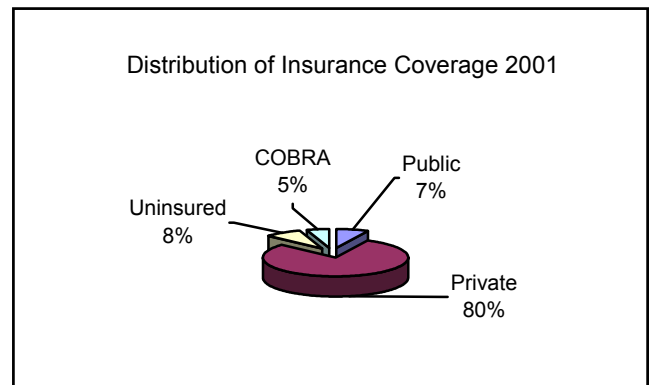
❖ **85% of NH residents are covered through the private sector.**

The national average for private health benefit coverage is only 72 percent. New

Hampshire's high level of coverage is primarily due to the state's employers. Private employer based insurance covers 80 percent of New Hampshire's non-elderly population. An additional 5 percent of the residents receive coverage through individual insurance, COBRA (Consolidated Omnibus Budget Reconciliation Act of 1985) and other sources.

❖ **An estimated 90,000 NH residents are uninsured.**

Despite the high rate of coverage in New Hampshire, approximately 8 percent of New Hampshire residents under the age of 65 – or roughly 90,000 individuals – do not have health insurance coverage.



❖ **Adults are more likely to be uninsured than children.**

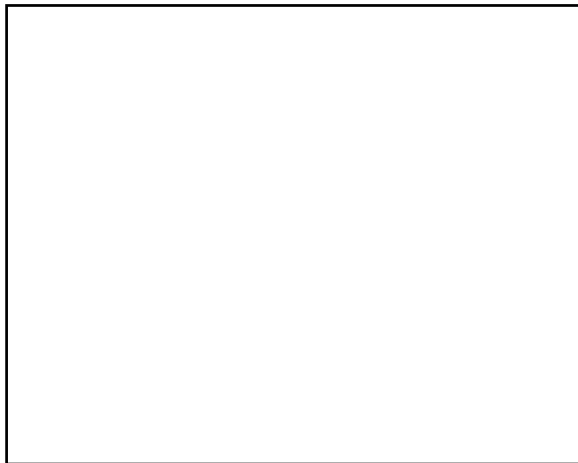
95 percent of children (between the age 0-17) have health insurance. Almost 90 percent of adults between the ages of 18-64 are insured.

¹ U.S. Census Bureau; Table HI01. Health Insurance Coverage Status and Type of Coverage by Selected Characteristics: 2000

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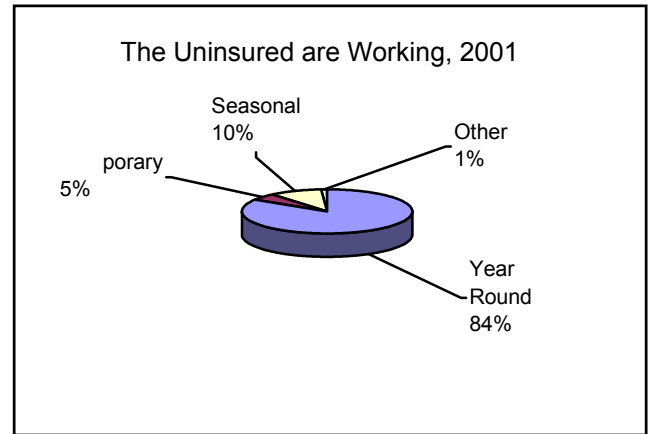
❖ Most of the uninsured are adults.

The majority of the 90,000 uninsured New Hampshire residents are adults- an estimated 74,000 individuals – and 18 percent – or roughly 16,000 – are children. Enrollment in public programs and private coverage has resulted in a decline in the number of uninsured children from approximately 25,000 in 1999 to 16,000 in 2001.



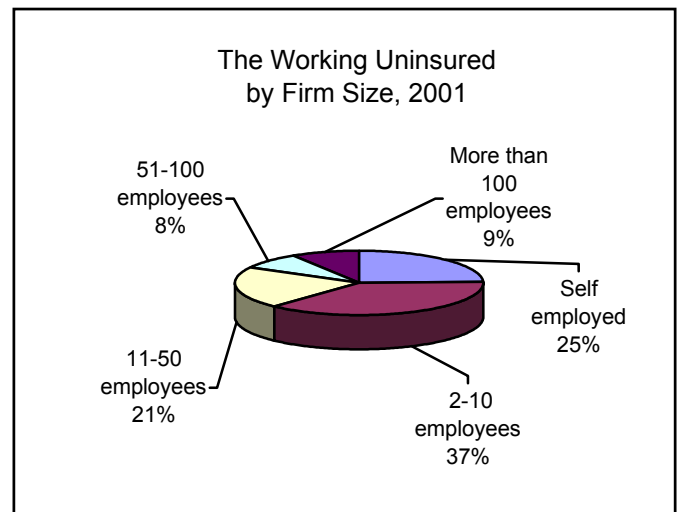
❖ The uninsured are working.

Although employment-based health insurance is the major source of coverage and insures more than three quarters of the population less than 65 years of age, a significant number of workers do not have health insurance coverage. An estimated 48,509 uninsured individuals between the ages of 19 and 64 are employedⁱ. Moreover, an estimated 80 percent of the working uninsured report year-round employmentⁱⁱ.



❖ Employees of smaller firms are more likely to be uninsured than those working in larger firms.

The likelihood of being uninsured decreases as the size of the firm increases. In part, this is because smaller employers are less likely to offer health insurance to their employees than larger employersⁱⁱⁱ. Approximately 62% of the working uninsured are employed in firms with fewer than 10 employees, one-quarter of whom are self-employed.



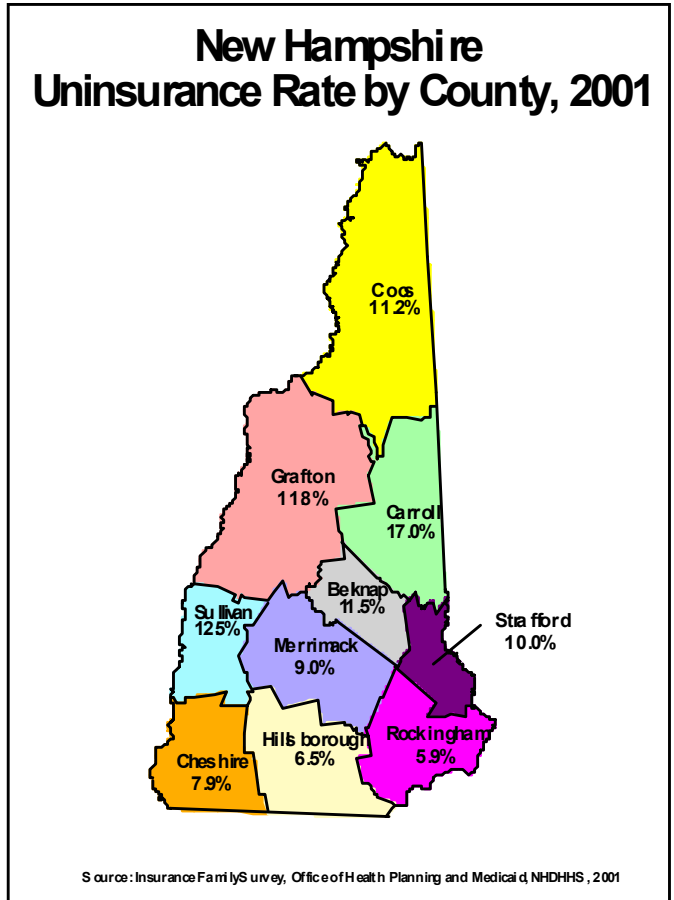
❖ A majority of the working uninsured are not offered employer sponsored coverage.

Fifty eight percent of the uninsured are not offered employer sponsored health coverage^{iv}. Twenty three percent of uninsured individuals

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employed in firms that offer coverage do not meet eligibility requirements to receive health coverage. Although eligible to purchase health coverage through their employer, 19 percent of the working uninsured have chosen not to purchase coverage, primarily due to cost.

While counties in the southern part of the state generally experienced lower uninsurance rates, they had high numbers of uninsured given the larger population in the Southern part of the state. Rockingham County experienced an uninsurance rate of approximately 6%. Hillsborough and Cheshire counties also had uninsurance rates that were lower than the state average of 8%.



❖ **There is regional variation in uninsurance.**

Counties in the Northern part of New Hampshire face significantly higher uninsurance rates than the southern counties. Carroll County, for example, had the highest rate of uninsurance in the state at 17 percent. Sullivan, Grafton, Belknap, Coos, and Stafford also experienced uninsurance rates higher than the state average of 8%.

Future Challenges

New Hampshire's public/private insurance system of coverage for children is among the best in the country. 95 percent of children (between the age 0-17) have health insurance. This is considerably higher than the national average ^v and is an indication of the strength of the private insurance market and improvements in public coverage programs for children.

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Despite this success, an estimated 74,000 adults are uninsured, the majority of whom are working. As uninsurance has an impact both on health and ultimately on the financial stability of the entire family, this suggests that public policy might have an important role in shoring up health status within the workforce. As smaller firms are less likely to provide health insurance coverage for their workers, these results suggest that policies should, where possible, focus on these firms.

ⁱ Does not include adults who are full-time students.

ⁱⁱ May include individuals working multiple jobs.

ⁱⁱⁱ New Hampshire Employer Based Health Insurance Coverage, Issue Brief 2002, New Hampshire Department of Health and Human Services, Office of Health Planning and Medicaid.

^{iv} This includes 11% who are self-employed but do not elect to offer coverage to themselves.

^v National average uninsured children age 18 and under is 88%. Urban Institute and Kaiser Commission on Medicaid and the Uninsured estimates based on pooled March 2000 and 2001 Current Population Surveys. Total US numbers are based on March 2001 estimates.