



Employer-sponsored health insurance coverage continues to decline sharply

For the ninth year in a row, the number of Americans under age 65 covered by employer-sponsored health insurance (ESI) declined. The Economic Policy Institute (EPI) report, [*Employer-Sponsored Health Insurance Erosion Accelerates in the Recession*](#), finds that the share of Americans under 65 covered by employment-based health insurance fell from 61.9% in 2008 to 58.9% in 2009. Although the recent passage of the Patient Protection and Affordable Care Act will make it easier and more affordable for Americans to secure and maintain health insurance coverage, the continued poor labor market will likely lead to further losses in insurance coverage before this major relief takes effect in 2014.

NEWS FROM EPI

FOR IMMEDIATE
RELEASE
Tuesday,
November 16, 2010

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Most Americans obtain health insurance through the workplace. The unemployment rate increased from 5.8% to 9.3% between 2008 and 2009, so it is no surprise that employer-sponsored health insurance fell during the same time period. Because the unemployment rate is forecasted to increase to 9.9% in 2011, the number of nonelderly people without health insurance will most likely continue to increase.

“The current recession and its negative impact on access to health care highlight how dependent Americans are on a healthy labor market for all facets of economic security,” said Elise Gould, Director of Health Policy Research at EPI and author of the report.

Public insurance, primarily in the form of Medicaid and SCHIP, is responsible for keeping millions from becoming uninsured as job-based coverage has declined. Furthermore, the American Recovery and Reinvestment Act (ARRA) of 2009, which provided a subsidy for COBRA coverage to workers who lost their jobs and gave about \$140 billion of aid to states, enabled many Americans to remain covered during the recession.

New Hampshire and Massachusetts had the highest ESI coverage rates for the population under age 65 averaged over 2008/09, at 73.7% and 72.5%, respectively. The lowest rate was in New Mexico, at 48.1%, followed by Mississippi, at 50.4%. The largest declines in job-based coverage among Americans under age 65 from 2000/01 to 2008/09 occurred in Indiana, Michigan, Delaware, Arizona, and Mississippi, each with losses in excess of 10.0 percentage points, far above the national average of 7.2 percentage points.

Below is a list of state groups offering a state-level analysis of the findings published in this report. These state groups are part of *The Economic Analysis and Research Network (EARN)*: a network of state and regional multi-issue research, policy, and advocacy organizations. The network currently includes 56 organizations in 42 states. EARN is coordinated by the Economic Policy Institute (EPI) and works with a broad range of other national organizations.

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