

HEALTH COVERAGE IN VIRGINIA

Growing Number of Uninsured in Virginia and Shrinking Coverage through Employers

Both the number and percentage of Virginians without health insurance increased for the third consecutive year, according to data released August 26, 2008 by the United States Census Bureau. In 2007, according to Census estimates, Virginia had over 1.1 million uninsured residents (14.8 percent of the population). The national health insurance data showed an opposite trend, with a decline of over 300,000 in the overall uninsured population.

Additionally, Census data shows that significantly fewer Virginians are receiving coverage through their employer. The key data from the Census include:

More Virginians Have Become Uninsured

- While Virginia's uninsured rate has typically been well below the national average, Census data shows that the rate has risen substantially this decade and now more closely mirrors the national rate (15.3 percent in 2007). The percentage of Virginians without health insurance coverage increased from 13.1 percent in 2004-2005 to 14.1 percent in 2006-2007¹. The percentage of uninsured has shown a statistically significant increase of 3.8 percentage points (10.3 to 14.1) between 2000-2001 and 2006-2007.
- Since the last economic expansion ended in 2000, almost 700,000 additional Virginia residents have become uninsured. The number and percentage of uninsured are expected to continue to rise in 2008 and 2009, as the effects of the current economic downturn are measured.

Employment Coverage Is Eroding

- Virginia's employer provided health insurance coverage substantially declined in 2007. Only 61.9 percent of Virginians had health insurance through their employer in 2007, 4.8 percentage points less than in 2006. Virginia typically has a high insurance coverage rate for its workers, but the rising cost of coverage for both the employer and employee has likely had a negative effect on the affordability of employer provided insurance.
- The *overall* private insurance market, which includes coverage obtained through an employer and insurance purchased on the open market, declined for the fourth year in a row. According to Census data, 69.4 percent of Virginians received coverage from any private insurance plan in 2007, down from 72.1 percent in 2006. Since 2000, the private insurance rate has fallen by 6.2 percentage points.

Medicaid and SCHIP Have Prevented Further Increases in the Number of Uninsured

- The strength of Medicaid and SCHIP (the children's health insurance program) has prevented further declines in the insurance coverage rates, both in Virginia and nationally.
 - In Virginia, 641,000 were enrolled in Medicaid in 2007, an increase of 77,000 from 2006.
 - In addition, according to data from the U.S. Department of Health and Human Services, Virginia's SCHIP program, Family Access to Medical Insurance Security (FAMIS), helped prevent an increase in the number of children without health insurance. According to federal SCHIP data, Virginia FAMIS enrollment increased from 137,182 in fiscal year 2006 to 144,163 in fiscal year 2007.
- Relying heavily on Medicaid and FAMIS, Virginia was able to counter the overall state trend for the child population. In 2007, Census reports that Virginia has 187,000 children without health insurance, a change that is not statistically significant from the 185,000 uninsured children in 2006.

¹ To account for small sample sizes in the survey, Census uses two-year averages to measure changes in state uninsured rates

