



Race, Ethnicity, and Health

by Kenneth Finegold and Laura Wherry

No. 20

The creation of the State Children's Health Insurance Program (SCHIP), combined with many states' decisions to expand Medicaid eligibility, increased public coverage of black, white, and Hispanic children between 1997 and 2002. Uninsurance rates fell among children in low-income white, black, and Hispanic families, remained constant among white and black children in higher-income families, and increased among Hispanic children in higher-income families. The health status of children, as reported by their parents, was stable for blacks, whites, and Hispanics, except for a decline in health among higher-income Hispanic children.¹

Over the same period, black and white adults saw increases in public health insurance coverage but not in overall coverage. The uninsurance rate of Hispanic adults increased, despite expanded public coverage of higher-income Hispanic adults.

This Snapshot uses data from the 1997, 1999, and 2002 rounds of the National Survey of America's Families (NSAF) to examine changes in health insurance coverage and health status by race and ethnicity. The data reflect the effects of sharp economic fluctuations and recent changes in health policy. Economic growth early in the period brought with it improved job quality and increased rates of employer-sponsored health insurance coverage, gains that were quickly reversed during the succeeding recession (Holahan 2003; Zuckerman 2003; Zuckerman, Haley, and Holahan 2000). Increased enrollment in public health coverage followed Medicaid expansion and SCHIP implementation in a number of states between 1999 and 2002. Shifts in insurance coverage associated with these factors were most dramatic among children and adults in low-income families (Kenney, Haley, and Tebay 2003; Zuckerman 2003).

Children

Overall, health insurance coverage of children improved between 1997 and 2002, with a drop in uninsurance from 12.1 percent to 9.5 percent (table 1).² Although employer-sponsored coverage

declined between 1999 and 2002, this change was more than offset by the simultaneous expansion of public coverage under Medicaid and SCHIP. The trends in employer-sponsored coverage, public coverage, and uninsurance held for white, black, and Hispanic children alike, although the change in employer-sponsored insurance among Hispanic children was not statistically significant.

Children in both low-income and higher-income families benefited from the expansion of public health insurance coverage. Public coverage of children in low-income families increased by 12 percentage points between 1997 and 2002, with about half of Hispanic children and nearly two-thirds of black children covered in 2002. Public coverage of children in higher-income families rose by approximately 5 percentage points, with statistically significant increases in all three racial or ethnic groups.

The decline in uninsurance was concentrated among children in low-income families. For these children, the increase in public coverage more than compensated for the decline in employer-sponsored insurance obtained through their parents. Black and white low-income children had the greatest declines in uninsurance, at approximately 6 percentage points each, followed by Hispanic low-income children, with a decline of about 5 percentage points.

Among higher-income children in general, the rise in public coverage also offset the decline in employer-sponsored coverage, but not enough to reduce uninsurance. Between 1997

and 2002, uninsurance rates for white and black children in higher-income families changed little. Among Hispanic higher-income children, however, public coverage did not increase enough to make up for the drop in employer-sponsored insurance, resulting in a 4 percentage point increase in uninsurance.

The overall gain in insurance coverage for children was not accompanied by improved health status.³ The share of all children reported to be in fair or poor health did not change significantly, nor did the share of black, white, or Hispanic children. The only signifi-

DATA AT A GLANCE

BETWEEN 1997 AND 2002, INSURANCE COVERAGE INCREASED BY 6 PERCENTAGE POINTS FOR LOW-INCOME BLACK AND WHITE CHILDREN AND 5 PERCENTAGE POINTS FOR LOW-INCOME HISPANIC CHILDREN.

20 PERCENT OF HISPANIC CHILDREN WERE UNINSURED IN 2002 COMPARED WITH 9 PERCENT OF BLACK CHILDREN AND 7 PERCENT OF WHITE CHILDREN.



Table 1. Children's Health, by Race, Ethnicity, and Income, 1997–2002 (percent)

	Black			Hispanic			White			All		
	1997	1999	2002	1997	1999	2002	1997	1999	2002	1997	1999	2002
Health Insurance Coverage												
<i>All incomes</i>												
Employer-sponsored	50.2	48.6	44.5 ^{††}	43.4	46.7*	40.3 [†]	76.0	75.6	74.2*	66.3	66.5	63.4 ^{††}
Medicaid/SCHIP	34.3	34.5	44.2 ^{††}	30.8	25.9*	36.7 ^{††}	10.1	10.4	14.5 ^{††}	17.5	16.9	23.2 ^{††}
Other	2.3	2.6	2.5	2.7	3.0	2.7	5.0	4.9	4.7	4.1	4.2	4.0
Uninsured	13.2	14.4	8.8 ^{††}	23.1	24.4	20.2 ^{††}	8.9	9.1	6.6 ^{††}	12.1	12.4	9.5 ^{††}
<i>Low income</i>												
Employer-sponsored	31.2	30.1	23.6 ^{††}	25.5	28.2	21.7 ^{††}	48.5	47.4	42.9 ^{††}	37.7	38.3	31.8 ^{††}
Medicaid/SCHIP	49.3	49.2	63.2 ^{††}	41.9	37.6*	50.9 ^{††}	27.4	28.5	39.7 ^{††}	36.7	36.0	48.8 ^{††}
Other	2.6	2.7	2.4	2.7	2.5	2.2	5.6	4.8	4.7	4.1	3.7	3.3*
Uninsured	16.8	18.0	10.8 ^{††}	29.8	31.8	25.2 ^{††}	18.6	19.3	12.7 ^{††}	21.5	22.1	16.1 ^{††}
<i>Higher income</i>												
Employer-sponsored	84.5	81.0	72.9 ^{††}	83.1	78.7*	71.0 ^{††}	89.0	87.8	85.5 ^{††}	88.2	86.1*	82.6 ^{††}
Medicaid/SCHIP	7.1	8.7	18.6 ^{††}	6.1	5.9	13.4 ^{††}	1.9	2.6*	5.4 ^{††}	2.7	3.7*	7.6 ^{††}
Other	1.8	2.3	2.5	2.8	3.8	3.5	4.8	4.9	4.8	4.1	4.6	4.4
Uninsured	6.6	8.0	6.0	8.0	11.6*	12.1*	4.3	4.7	4.4	5.0	5.7*	5.4
Health Status												
<i>Fair or poor</i>												
All incomes	5.9	7.5	6.4	11.5	10.1	10.6	2.7	2.4	2.6	4.6	4.6	4.7
Low income	7.3	9.2	8.7	15.6	13.4	13.6	5.3	4.0*	4.6	8.3	7.7	8.3
Higher income	3.6	4.5	3.4	2.4	4.4*	5.6*	1.5	1.7	1.9	1.8	2.5*	2.6*

Sources: 1997, 1999, and 2002 National Survey of America's Families

Notes: "White" and "black" include non-Hispanics only; "Hispanic" includes all races. "All" includes black, Hispanic, white, Asian/Pacific Islanders, and American Indian/Alaska Natives. Children are age 17 and younger. Estimates for 1997 and 1999 use new weights based on the 2000 Census and may differ from previously published estimates using weights based on the 1990 Census.

* Difference from 1997 is significant at the 0.10 level.

† Difference from 1999 is significant at the 0.10 level.

cant change in health status occurred among higher-income Hispanic children, who were more likely to be in fair or poor health in 2002 than in 1997. Notably, these children were the only group more likely to be uninsured in 2002 than in 1997.

Racial and ethnic disparities in children's health insurance coverage and health status persist, despite overall gains. Between 1997 and 2002, Hispanic children were consistently more likely to be uninsured and in fair or poor health than black or white children. Black children, in turn, were more likely to be uninsured and in fair or poor health than white children. Breaking these findings down by family income reveals more about the situation of Hispanic children. In 2002, Hispanic children in both low-income and higher-income families were significantly more likely to be uninsured than their white or black counterparts. The uninsurance rates of black children in low- and higher-income families were not significantly different from those of white children in each group. White children in both income groups were more likely than their black or Hispanic counterparts to have employer-sponsored insurance, while black and Hispanic children in both income groups were more likely than white children to be insured through Medicaid or SCHIP.

Combining the distribution of health insurance coverage and health status reveals further evidence that Hispanic children are at a greater disadvantage than other children. In 2002, approximately

570,000 children were both uninsured and in either fair or poor health. More than two-thirds of those children were Hispanic, yet Hispanic children accounted for less than one-fifth of all children in the United States (figure 1).

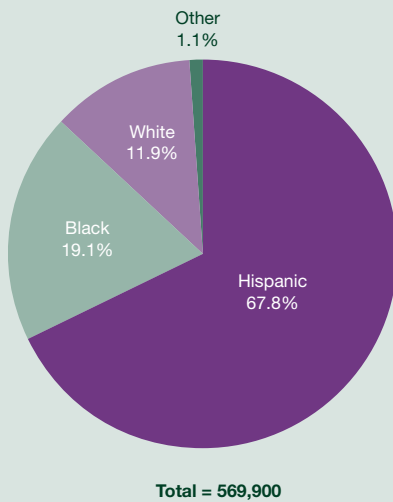
Adults

Public health insurance coverage of adults rose by about 1 percentage point between 1997 and 2002. However, a decline in the share of adults with employer-sponsored coverage cancelled out that gain, leaving 17.0 percent of adults without health insurance—a percentage that remained largely constant from 1997 to 2002 (table 2).⁴ Hispanic adults did not share in the overall increase in public coverage and were the only group to experience a decline in employer-sponsored health insurance. Consequently, uninsurance among Hispanic adults rose by 4 percentage points between 1997 and 2002, pushing their already high uninsurance rate to 40.7 percent.

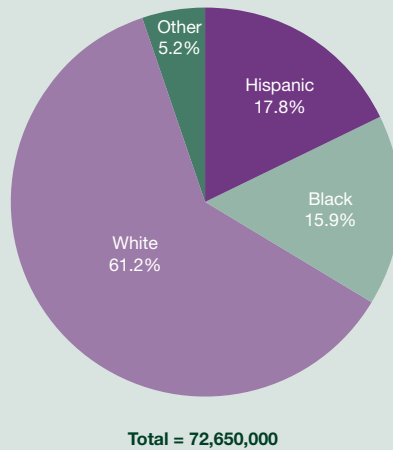
Medicaid expansions during this period affected both low-income and higher-income adults. Public coverage increased by 3 percentage points among low-income whites and by 4 percentage points among low-income blacks, while remaining stable among low-income Hispanics. The proportion of higher-income adults with public health coverage increased among whites, blacks, and Hispanics, but it remained small for each group.

Figure 1. Uninsured Children in Fair or Poor Health and All Children, by Race and Ethnicity, 2002

Uninsured Children in Fair or Poor Health



All Children



Source: 2002 National Survey of America's Families

Notes: "White" and "black" include non-Hispanics only; "Hispanic" includes all races. "Other" includes Asian/Pacific Islanders and American Indian/Alaska Natives. Children are age 17 and younger.

Patterns of change in uninsurance were similar for low- and higher-income adults. Black and white adults in both income groups saw no change in their uninsurance rates between 1997 and 2002. However, uninsurance increased among Hispanic adults, from 52.7 percent to 56.4 percent in the low-income group and from 17.1 percent to 25.1 percent in the higher-income group. Hispanic adults in both income groups saw a decline in employer-sponsored insurance. Without an increase in public coverage to compensate for that decline, they were faced with lower rates of health insurance coverage. Higher-income white adults also experienced a significant decline in employer-sponsored insurance over this period, but unlike Hispanics, they did not see a corresponding increase in uninsurance.

For Hispanic adults, reported health status remained stable across income groups but was consistently lower than that of whites or blacks.⁵ The share of low-income white adults in fair or poor health increased from 20.0 percent to 22.2 percent, and the share of higher-income white adults increased from 6.9 percent to 7.9 percent. The share of low-income black adults in fair or poor health also increased during this period, from 25.2 percent in 1997 to 29.2 percent in 2002.

Ethnic and racial disparities in adults' health insurance coverage and health status are roughly similar to those for children, with Hispanics more likely to be uninsured than blacks, and blacks more likely to be uninsured than whites. Data show that 40.7 percent of Hispanic adults were uninsured in 2002, compared with 20.0 percent of black adults and 12.4 percent of white adults. Less than half of all

Hispanic adults had employer-sponsored coverage in 2002, while three-quarters of white adults and three-fifths of black adults had such coverage. Similarly, the health status of blacks is better than that of Hispanics, and the health status of whites is better than that of blacks. In 2002, 25.0 percent of Hispanics, 17.1 percent of blacks, and 10.7 percent of whites reported being in fair or poor health.

Discussion

The expansion of Medicaid and the creation of SCHIP between 1997 and 2002 effectively increased public health insurance coverage of both children and adults. White, black, and Hispanic children in low-income families benefited from significantly reduced rates of uninsurance. White and black adults experienced no change in uninsurance during this period, while the share of Hispanic adults lacking health insurance increased significantly.

None of those developments altered the prevailing racial and ethnic disparities,

however: among children and adults alike, Hispanics fared worse than blacks in both health status and insurance coverage, and blacks fared worse than whites. Hispanics are the largest and fastest-growing racial or ethnic minority in the United States, accounting for 13 percent of the population today and expected to reach 33 percent by the end of the century. Non-Hispanic whites, in contrast, make up 68 percent of the population today but will make up only 40 percent in 2100 (U.S. Census Bureau 2000, 2003). If policymakers allow the current disparities to persist, the health of the nation may deteriorate as the composition of the population changes.

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Table 2. Adults' Health, by Race, Ethnicity, and Income, 1997–2002 (percent)

	Black			Hispanic			White			All		
	1997	1999	2002	1997	1999	2002	1997	1999	2002	1997	1999	2002
Health Insurance Coverage												
<i>All incomes</i>												
Employer-sponsored	62.5	60.6	62.6	50.9	51.5	46.8**	75.9	77.4*	75.4†	71.0	72.1*	70.2**
Medicaid/SCHIP	10.6	12.2	12.5*	8.5	7.3*	8.9†	3.7	3.3	4.3**	5.1	4.9	5.9**
Other	5.2	4.8	4.9	4.1	3.3	3.7	7.5	7.3	7.9	6.9	6.6	6.9
Uninsured	21.7	22.4	20.0	36.5	37.9	40.7**	13.0	12.0*	12.4	17.0	16.5	17.0
<i>Low income</i>												
Employer-sponsored	34.5	35.9	33.4	28.8	29.6	25.5**	43.4	48.7*	43.2†	38.1	41.6*	37.0†
Medicaid/SCHIP	23.9	25.0	27.9*	14.1	12.9	14.5	13.3	12.3	16.5**	15.3	14.6	17.8**
Other	7.3	6.7	6.5	4.4	3.3	3.6	12.1	10.6*	11.2	9.7	8.7*	8.5*
Uninsured	34.3	32.4	32.3	52.7	54.3	56.4*	31.2	28.4*	29.2	36.9	35.1*	36.8
<i>Higher income</i>												
Employer-sponsored	81.8	78.9	80.0	77.4	75.2	67.8**	85.5	85.1	83.3**	84.5	83.6	81.6**
Medicaid/SCHIP	1.5	2.8*	3.4*	1.9	1.3	3.3**	0.8	0.9	1.4**	0.9	1.1*	1.8**
Other	3.8	3.4	3.9	3.7	3.4	3.9	6.1	6.4	7.1*	5.8	5.8	6.4
Uninsured	12.9	15.0	12.7	17.1	20.2	25.1**	7.6	7.6	8.3	8.9	9.5	10.3
Health Status												
<i>Fair or poor</i>												
All incomes	16.0	17.2	17.1	23.8	23.0	25.0	9.9	9.8	10.7**	12.2	12.2	13.3**
Low income	25.2	25.6	29.2**	32.9	30.9	33.5	20.0	20.0	22.2**	23.3	23.4	25.9**
Higher income	9.6	10.9	9.9	13.0	14.5	16.7	6.9	7.1	7.9**	7.7	8.0	9.0**

Sources: 1997, 1999, and 2002 National Survey of America's Families

Notes: See table 1 for definitions of "black," "Hispanic," "white," and "all." Adults are age 18–64. Estimates for 1997 and 1999 use new weights based on the 2000 Census and may differ from previously published estimates using weights based on the 1990 Census.

* Difference from 1997 is significant at the 0.10 level.

† Difference from 1999 is significant at the 0.10 level.

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Endnotes

¹ Throughout this Snapshot, "Hispanic" includes all races, while "black" and "white" include non-Hispanics only. Asian/Pacific Islanders and American Indian/Alaska Natives are included in "all races/ethnicities." Children are age 17 and younger; adults are 18 to 64. "Low-income" refers to families with incomes below 200 percent of the federal poverty thresholds, and "higher-income" refers to families with incomes above 200 percent. Estimates for 1997 and 1999 use new weights based on the 2000 Census and may differ from previously published estimates using weights based on the 1990 Census. All differences between groups and changes over time discussed in this Snapshot are significant at the 0.10 level, except where noted otherwise.

² The NSAF asks respondents about multiple sources of health insurance coverage and asks a verification question to confirm lack of coverage among

those who do not identify a source. Coverage is measured at the time of the survey, defined using a specified hierarchy, and then grouped into four categories: employer-sponsored insurance (including coverage through the military); Medicaid, SCHIP, or another state program; other (including coverage through private insurance, Medicare, or other coverage of an unspecified type); and uninsurance. Estimates differ slightly from those presented in Kenney, Haley, and Tebay (2003), which include 18-year-olds as children.

³ As part of their NSAF interviews, parents were asked whether their children's health was excellent, very good, good, fair, or poor.

⁴ These estimates differ slightly from those presented in Zuckerman (2003), which do not include 18-year-olds as adults.

⁵ Respondents were asked whether they considered their health and the health of their spouse or partner to be excellent, very good, good, fair, or poor.

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Snapshots of America's Families III, No. 20



SNAPSHOTS
of America's Families



Snapshots III presents findings from the 1997, 1999, and 2002 rounds of the National Survey of America's Families (NSAF). Information on more than 100,000 people was gathered from approximately 40,000 representative households in each round. The NSAF is part of the *Assessing the New Federalism* project (ANF). Information on ANF and the NSAF can be obtained at <http://www.urban.org/anf>.

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