

Louisiana's Uninsured Population

A Report from the 2007 Louisiana Health Insurance Survey

Stephen Barnes, Research Associate

Department of Economics
E.J. Ourso College of Business
Louisiana State University

Kirby Goidel, Professor

Director of Public Policy Research
Reilly Center for Media & Public Affairs
Manship School of Mass Communication
Louisiana State University

Dek Terrell, Freeport-McMoran Professor

Director Division of Economic Development and Forecasting
Department of Economics
E.J. Ourso College of Business
Louisiana State University

Sponsored by

**The Louisiana Department of Health &
Hospitals**

I. Introduction

The 2007 Louisiana Health Insurance Survey (LHIS) is the third in a series of surveys designed to provide the most accurate and comprehensive assessment of Louisiana's uninsured populations possible. Each wave of the LHIS has been based on over 10,000 Louisiana households and 27,000 Louisiana residents, thus allowing for detailed estimates of uninsured populations for each of the Department of Health & Hospitals' nine regions and across very specific subpopulations (e.g., African-American children under 200% of federal poverty). Each wave of the LHIS has also incorporated important improvements in methodology to assure that the survey results in this report reflect our best understanding of how to estimate uninsured populations. The 2005 LHIS, for example, included a survey of Medicaid recipients and corresponding adjustments to the final uninsured estimates to account for the Medicaid bias. Results from that work have been published in *Health Services Research* (Goidel, Procopio, Schwalm, and Terrell, 2007). The 2007 LHIS takes this another step forward by developing an innovative methodological tool to adjust uninsured estimates for the Medicaid undercount at the individual level. The technique is fully described in a working paper that will also be submitted for publication to an academic journal (Barnes, Goidel, and Terrell, 2007). Importantly, the technique provides results comparable to the methodology utilized in the 2005 LHIS, but has the advantage of making the adjusting the data based on individual-level probabilities that Medicaid eligible respondents have misreported as uninsured.

In addition to the results presented here, a supplemental report is also being compiled analyzing differences in uninsured rates among cell phone only and landline households in the Greater New Orleans area. Outside the context of a mega-disaster, cell phone only households present a major challenge to traditional RDD landline surveys. National estimates place the percent of cell only households at 14 percent and growing. Within the context of the 2005 hurricanes, the disruptions to landline telephone service have likely expedited the growth of cell only households, particularly in the Greater New Orleans area. To investigate the impact on uninsured rates, the 2007 LHIS included a separate survey based on 500 cell phone only households. To reach cell phone only households, the LHIS instrument was significantly shortened and calls were made at night and on weekends. To assure comparability, an identical survey was administered to 500 landline households. The supplemental report based on these findings investigates how the exclusion of these cell phone only households impacts uninsured estimates.

Aside from the methodological improvements, the timing of the 2007 LHIS adds greatly to its significance. The 2007 LHIS reflects the most comprehensive effort since the 2005 hurricanes to gauge how changes in population shifts and post-hurricane economic growth have affected the state's uninsured populations. The most obvious impact is the loss of state population, particularly in the New Orleans area. According to current July 2006 Census estimates, Louisiana lost 4.9 percent of its population. Most of this loss was from Orleans Parish where population declined by over 50 percent to approximately 228,782 residents. Since most of the population that was "permanently" displaced to other states was relatively poor, one would expect a net decline in uninsured rates. Less obvious is how changes in population within Louisiana may have affected uninsured rates, particularly at the regional

level. For example, the population of East Baton Rouge Parish increased by 4.7 percent (or 19,264 residents).

Other changes are also relevant. Stimulated by rebuilding spending, the state economy has been growing at a rapid pace since the 2005 hurricanes. Jobs have been relatively plentiful and state revenues have grown at surprising rates. As a result, employers have been faced with a tight labor market, workers have had greater choice in employment, and state government has found itself awash in a budget surplus. Simultaneously, however, many residents have lost a great deal of wealth due to damage to personal property and/or the loss of jobs or businesses. Workers may find it easier to find jobs with health insurance, but they are struggling to replace lost homes and valuables. The net effect of these countervailing forces on uninsured populations is not immediately apparent. A stronger economy should work to reduce the number of uninsured persons in the state, yet the loss of wealth and displacement would serve to increase the number of uninsured.

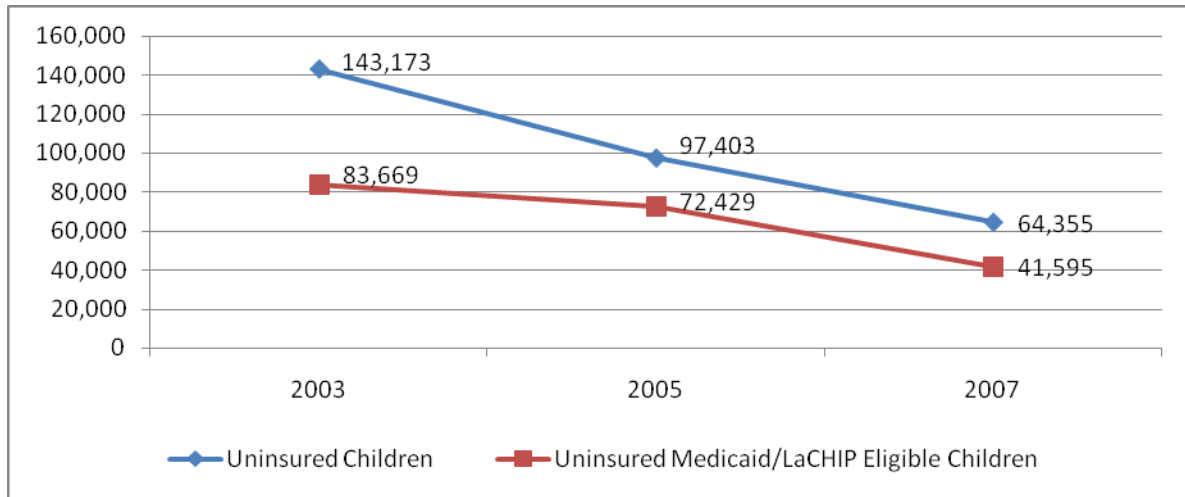
With this in mind, the 2007 LHS has been designed to provide the best possible estimates of uninsured populations statewide, within each of nine Department of Health & Hospitals regions, and across key demographic characteristics.

II. Summary of Major Findings

About the Survey: The 2007 Louisiana Health Insurance Survey (LHS) is the third in a series of surveys designed to provide the most accurate and comprehensive assessment of Louisiana's uninsured populations possible. The 2007 LHS is of particular importance given that it reflects the most comprehensive effort since the 2005 hurricanes to gauge how changes in population shifts and post-hurricane economic growth have affected the state's uninsured populations. Results are based on over 10,000 Louisiana households representing insurance status for over 27,000 Louisiana residents and have been weighted with the most current population estimates available.

Overall, the results reveal declines in the number and percent of uninsured Louisiana adults and children. In part, these declines reflect the remarkable population shifts caused by Hurricanes Katrina and Rita. More important, however, has been the strong state economy and tight labor markets stimulated by recovery efforts. While the results reveal a number of positive trends, they also raise an important question: How sustainable are declining uninsured rates if the state economy begins to slow? Adult uninsured rates will likely be tied directly to the state economy. The availability of Medicaid/LaCHIP should serve to protect children from any economic downturn.

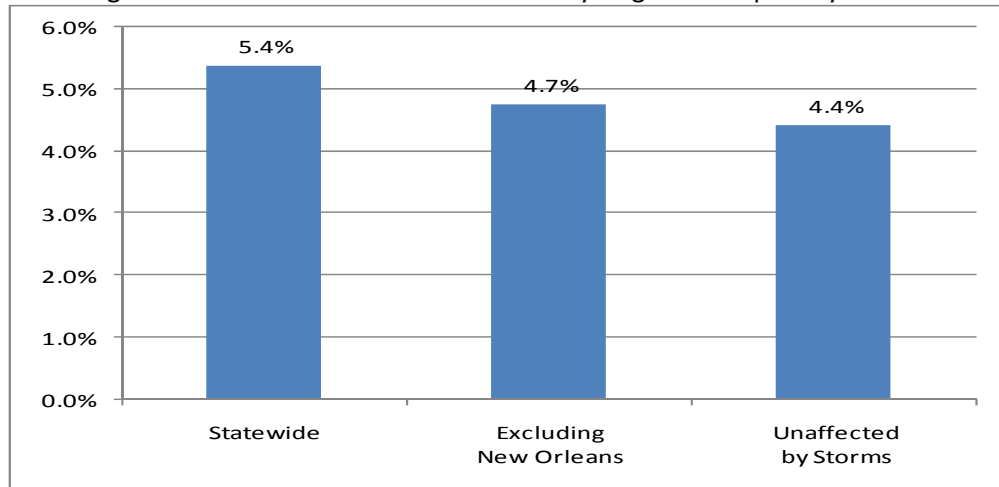
Figure 1: Declining Number of Uninsured Children and Uninsured Medicaid/LaCHIP Eligible Children



The Number of Uninsured Children and Uninsured Medicaid/LaCHIP Eligible Children Continue to Decline: The most important finding from the 2007 Louisiana Health Insurance Survey is the continued decline in the number of uninsured children in Louisiana. As is illustrated in Figure 1, the percent of uninsured children has declined from 7.6% in 2005 to 5.4% in 2007, while the number of uninsured children has declined from 97,430 to 64,355. Since 2003, there are approximately 78,818 fewer uninsured children in the state of Louisiana. We see similarly declines for Medicaid/LaCHIP eligible children. The percent of uninsured Medicaid/LaCHIP eligible children declined from 8.9% in 2005 to 5.5% in 2007. Since 2003, the number of uninsured Medicaid/LaCHIP eligible children has declined from 83,669 in 2005 to 41,595 in 2007.

The Decline in Uninsured Children Is Only Partly Explained by Population Shifts: While the decline in uninsured children is partly attributable to population shifts, had the population remained the unchanged the decline in uninsured children would have been 68,831 (instead of the 64,355 reported above). More important than population shifts has been the relatively strong state economy and tight labor market since the 2005 hurricanes. As is illustrated in Figure 2, if we exclude the New Orleans region, the state uninsured rate for children would have declined to 4.7%. And, if we exclude households where respondents reported being affected by the storms, the uninsured rate would have declined to 4.4%. Importantly, if we had similar economic growth outside of the context of the displacement caused by Hurricanes Katrina and Rita, we would have expected even lower uninsured rates.

Figure 2: Percent of Children Uninsured by Degree of Impact by Storms



Medicaid/LaCHIP Shields Children from the Effects of Poverty: In Figure 3, we present uninsured rates for adults and children by federal poverty level. For adults, uninsured status is strongly related to measures of income and poverty. For children, these differences are much smaller and income plays a much smaller role in determining whether a child is insured. This directly reflects on the success of Medicaid/LaCHIP in assuring health coverage for children across income groups, and, in particular, assuring coverage of low-income children. Recent legislative action has focused on the budgetary consequences of expanding Medicaid/LaCHIP coverage to children in households between 200-300% of federal poverty. As illustrated in Figure 3, the percent of uninsured children between 200-300% of federal poverty is higher than the percent uninsured under 200% of federal poverty. This is yet another reflection on the success of the Medicaid/LaCHIP program in enrolling eligible children. Overall, 15,042 Louisiana children are uninsured and between 200-300% of federal poverty.

Figure 3: Uninsured Children and Adults by Federal Poverty Level

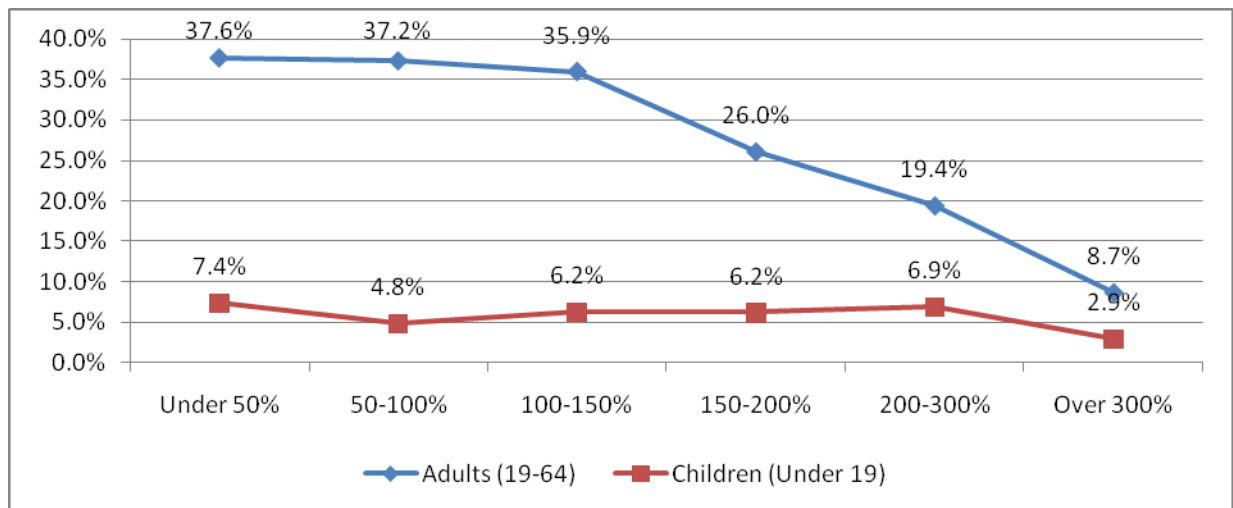
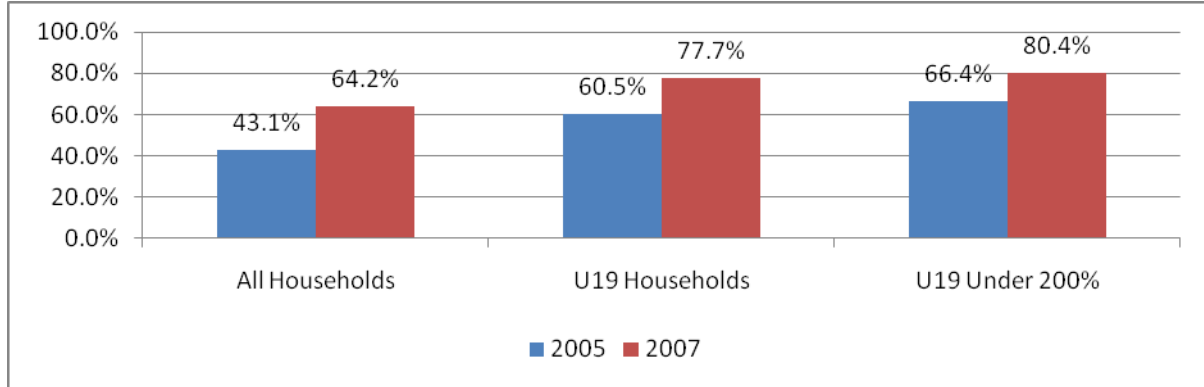
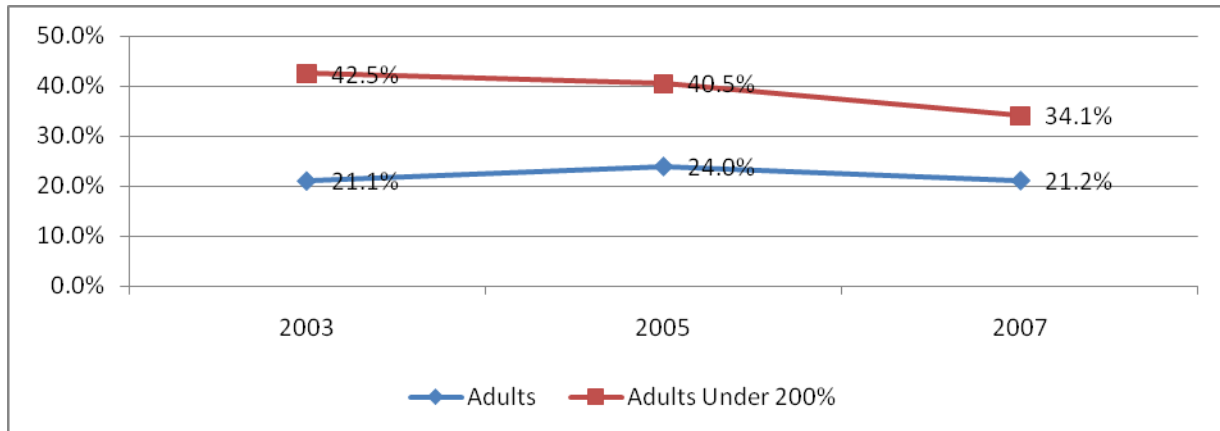


Figure 4: Awareness of LaCHIP for All Households, Households with Children, and Households with Children Under 200% of Federal Poverty



Awareness of LaCHIP Has Increased Dramatically: Since 2005, we have seen a remarkable increase in awareness of LaCHIP (see Figure 4). Among all households, awareness has increased from 43.1% in 2005 to 64.2% in 2007. We see corresponding increases in households with children and households with children under 200% of Federal Poverty. These increases likely reflect: (1) Efforts by the Department of Health & Hospitals to increase awareness of the program; and (2) Policy debates in Washington over SCHIP funding.

Figure 5: The Decline in Uninsured Adults and Uninsured Adults Under 200% Federal Poverty

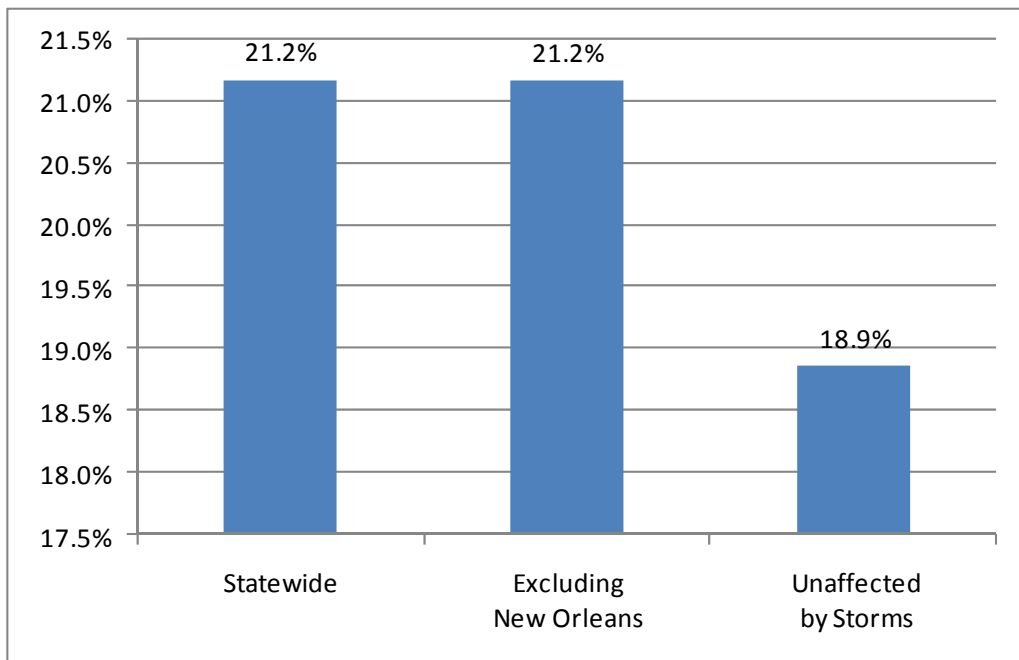


Fewer Louisiana Adults are Uninsured: As illustrated in Figure 5, there has been a decline in the percent and number of uninsured adults since 2005. The percent of uninsured adults declined from 24% in 2005 to 21.2% in 2007, while the number of uninsured adults declined by 108,381 from 654,729 in 2005 to 546,348 in 2007. Since 2005, the percent of uninsured adults under 200% of federal poverty has also declined from 40.5% to 34.1%. In terms of raw numbers, this translates into a decrease from 438,921 to 368,744 uninsured adults.

Population Loss and Uninsured Adults: As with children, population loss is at best a partial explanation for this change. Had the population remained constant, the adult uninsured population would have declined by 77,653 to 577,076 uninsured adults. Population loss does, however, play an important role in the New Orleans region and the New Orleans region looms large in the statewide totals. Relative to 2005, there are 52,451 fewer uninsured adults in the New Orleans region, accounting for nearly half (48.4%) of the total change in the number of uninsured adults statewide. Had the population of the New Orleans region remained constant, we would have expected the number of uninsured adults in the region to decline by 12,267.

As illustrated in Figure 6, if we exclude the New Orleans region from the statewide totals, we find no significant change in the uninsured rate. However, if we exclude respondents who reported being affected by the storms, the percent of uninsured adults declines to 18.9%.

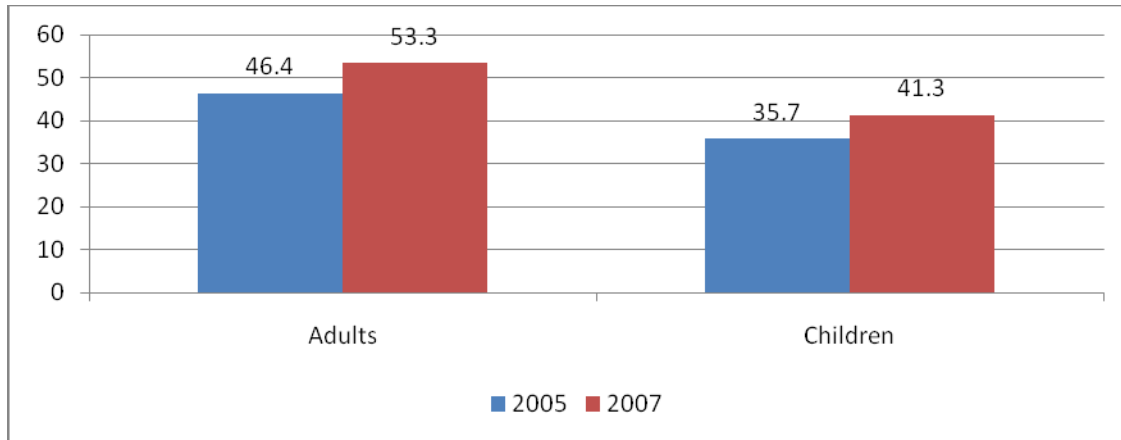
Figure 7: Percent of Uninsured Adults by Degree of Impact by Storms



The Recovery Economy and Employer Sponsored Insurance: Declines in uninsured rates for both children and adults correspond with increases in employer provided coverage. This is illustrated in Figure 7. Since 2005 we have seen increases in the percent of children (from 36% in 2005) and adults (up from 46% in 2005) covered through employer sponsored insurance. Presumably, this reflects the strength of the Louisiana economy and a relatively tight labor market. Should the Louisiana economy slow, we would expect to see additional children enrolled in the Medicaid/LaCHIP program but only marginal changes in overall uninsured rates. For adults, in contrast, we would expect an economic downturn to significantly and adversely affect uninsured rates. While one should be careful not to

overstate this result, it does not appear that the availability of Medicaid/LaCHIP has “crowded out” private coverage for children.

Figure 7: Increase in Employer Sponsored Insurance for Children and Non-Elderly Adults



III. Uninsured Estimates for Children (Under 19) by Region

Since 2005, there has been a substantial drop in the number of uninsured children in Louisiana, and the decline has occurred across most regions. Uninsured rates for each region and the state are presented in Table 1 along with comparisons to previous years. Statewide, the percent of uninsured children has declined from 7.6% to 5.4%. The number of uninsured children has declined from 97,403 to 64,355 translating into 33,048 fewer uninsured children. While population loss due to the 2005 hurricanes undoubtedly plays a role in this decline, had the population remained constant the number of uninsured children would have been 68,831. If we take a longer view, the number of uninsured children has declined from 143,173 in the 2003 LHS to 64,355 in 2007. Stated differently, there are 78,818 fewer uninsured children in Louisiana today than there were four years ago, a reduction of more than 50%.

In the New Orleans region, the percent of uninsured children increased from 7.4% to 9.0%. However, because of population loss due to Hurricane Katrina, the number of uninsured children actually decreased by 3,531 children. Had the population remained constant in the New Orleans region, we would have seen an increase of approximately 4,238 uninsured children in the region. Aside from the New Orleans region, the number of uninsured children only increased in the Southwest region (5) and the Northwest region (7). These were relatively small increases – 1,190 children in the Southwest region and 1,013 children in the Northwest region.

Table 1: Uninsured Estimates for Children (Under 19) by Region

	2003 Percent	2003 Number	2005 Percent	2005 Number	2007 Percent	2007 Number
New Orleans 1	9.6%	25,169	7.4%	19,376	9.0%	15,845
Baton Rouge 2	10.8%	17,862	8.3%	13,705	4.3%	8,134
Houma-Thibodeaux 3	11.4%	14,070	8.4%	10,353	4.1%	4,635
Acadiana 4	11.0%	19,056	9.8%	16,985	5.2%	8,801
Southwest 5	15.7%	12,009	4.2%	3,194	5.8%	4,384
Central 6	6.3%	6,220	10.2%	10,107	4.6%	3,804
Northwest 7	15.2%	22,991	3.8%	5,764	4.6%	6,777
Northeast 8	11.1%	12,096	7.2%	7,865	5.0%	4,741
Northshore 9	10.4%	13,538	7.7%	10,055	4.7%	7,234
Statewide	11.1%	143,173	7.6%	97,403	5.4%	64,355

Medicaid/LaCHIP Eligible Children: Looking at children eligible for Medicaid/LaCHIP (Table 2), we see declines in the uninsured rates consistent with declines for all children. Before discussing these numbers, we should note that the definition used here is broader than 200% of federal poverty and includes foster children, children being raised by grandparents, income adjustments to account for children in step families, and income deductions for working parents, child support, and childcare expenses. According to these estimates, there are approximately 761,330 Medicaid/LaCHIP eligible children, and approximately 41,595 (or 5.5%) do not have any form of health insurance coverage. Since 2003, there are approximately 42,074 fewer Medicaid/LaCHIP eligible children without health insurance.

Notably, while the percent of uninsured children in the New Orleans region went up, the percent of children eligible for Medicaid/LaCHIP who are uninsured decreased slightly. The percent of uninsured Medicaid/LaCHIP eligible children in the New Orleans region decreased from 9.3% to 8.7%, corresponding to a decrease of 7,023 children. Since this finding runs to counter to the pattern for children overall, it bears some explanation. First, the decline (0.5%) is well within what would be expected based on sampling variation alone. Second, the New Orleans region lost a disproportionate number of Medicaid/LaCHIP eligible children. According to our estimates, there were approximately 86,142 fewer children in the New Orleans region. Of these, nearly 80% (68,193) were Medicaid/LaCHIP eligible. Third, as is presented in Table 3, we find a high percentage of uninsured children between 200-300% of federal poverty. According to these estimates, approximately 14.2% of children between 200-300% of federal poverty are uninsured in the New Orleans region. It is these children in the New Orleans region that are driving up the overall uninsured rate, but having little or no effect on the uninsured rate among Medicaid/LaCHIP eligible children.

In the Southwest, Northwest, and Northeast regions, we see increases in the percent and number of uninsured Medicaid/LaCHIP eligible children, though the current percents of 6.5, 4.3, and 4.7 (respectively) remain reasonably low and are in line with the rest of the state. In the remaining regions, we see declines, the most notable in the Baton Rouge region where the percent of uninsured

Medicaid/LaCHIP eligible children dropped from 10.2% to 3.4% and the Central region where the percent of uninsured Medicaid/LaCHIP eligible children declined from 10.8% to 4.8%.

Table 2: Uninsured Estimates for Children (Under 19) Eligible for Medicaid/LaCHIP

	2003 Percent	2003 Number	2005 Percent	2005 Number	2007 Percent	2007 Number
New Orleans 1	13.2%	16,337	9.3%	16,320	8.7%	9,297
Baton Rouge 2	17.6%	14,616	10.2%	9,958	3.4%	4,171
Houma-Thibodeaux 3	13.1%	6,736	9.7%	6,849	4.8%	3,148
Acadiana 4	6.6%	6,064	10.8%	11,641	6.3%	6,785
Southwest 5	15.7%	5,835	3.8%	1,670	6.5%	3,135
Central 6	7.7%	4,139	10.8%	7,109	4.8%	2,795
Northwest 7	24.8%	24,144	3.4%	3,647	4.3%	4,233
Northeast 8	9.2%	5,587	3.7%	2,728	4.7%	3,027
Northshore 9	16.5%	8,164	9.3%	6,383	5.4%	5,005
Statewide	12.9%	83,669	8.9%	72,429	5.5%	41,595

Uninsured Children Between 200-300% of Federal Poverty: Recent legislative action has focused on expanding coverage up to 300% of federal poverty. To provide some insight into just how many children this would entail, we estimated the percent and number of uninsured children from 200%-250% and from 200%-300% of federal poverty. As can be seen in Table 3, approximately 6.9% of children between 200-300% of federal poverty are uninsured. This translates into approximately 15,042 uninsured children. Narrowing the range to 200%-250% of federal poverty, approximately 7.5% of children are uninsured - translating into 9,323 children. Important differences emerge across regions with the bulk of uninsured children between 200-300% FPL located in the Baton Rouge and New Orleans regions.

Table 3: Uninsured Estimates for Children (Under 19) Between 200-300% Federal Poverty

	Percent 200%-250%	Number 200%-250%	Percent 200%-300%	Number 200%-300%
New Orleans 1	13.5%	2,722	14.2%	4,300
Baton Rouge 2	13.7%	2,949	11.2%	4,250
Houma-Thibodeaux 3*	1.1%	99	0.6%	99
Acadiana 4	5.1%	878	5.3%	1,337
Southwest 5	4.9%	386	3.5%	607
Central 6	5.0%	496	5.4%	825
Northwest 7	3.2%	416	6.2%	1,584
Northeast 8	6.8%	707	5.3%	893
Northshore 9	4.3%	668	3.5%	1,145
Statewide	7.5%	9,323	6.9%	15,042

*Statewide we have reasonably good samples of the 200-300% population, as we do in most of the regions. In the Houma-Thibodeaux, we have relatively few households in the 200-300% range with uninsured children. As such, the results for this region need to be treated with caution.

Sources of Coverage for Children: When it comes to health insurance for children, children are primarily covered either through employer-provided coverage (41.3%) or through Medicaid/LaCHIP (46%). Since 2005, we have seen an increase in children covered through employer-provided insurance (from 36% in 2005) and a slight decrease in the number of children covered through Medicaid/LaCHIP (from 47% in 2005). Presumably, this reflects the strength of the Louisiana economy and a relatively tight labor market. Should Louisiana’s recovery economy slow, we would expect to see additional children enrolled in Medicaid/LaCHIP program but only marginal changes in overall uninsured rates. While one should be careful not to overstate this result, it does not appear that the availability of Medicaid/LaCHIP has “crowded out” private coverage.

Table 3: Sources of Coverage for Children (Under 19)

	Employer		Purchased Coverage		Former Employer		Not in Household	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
New Orleans 1	38.3%	67,223	8.0%	14,077	3.4%	5,992	4.5%	7,880
Baton Rouge 2	40.8%	76,399	3.8%	7,129	0.5%	896	2.2%	4,086
Houma-Thibodeaux 3	52.3%	58,811	5.7%	6,370	1.5%	1,653	2.4%	2,671
Acadiana 4	42.9%	72,370	9.5%	16,055	0.9%	1,548	2.8%	4,732
Southwest 5	39.6%	30,103	6.9%	5,237	2.2%	1,699	1.2%	895
Central 6	40.5%	33,761	5.3%	4,430	0.5%	396	3.0%	2,458
Northwest 7	37.1%	54,425	6.4%	9,410	1.2%	1,703	2.0%	3,004
Northeast 8	39.0%	36,782	5.9%	5,611	1.2%	1,109	2.8%	2,681
Northshore 9	41.9%	64,424	11.4%	17,502	1.2%	1,884	4.7%	7,228
Statewide	41.3%	494,297	7.2%	85,822	1.4%	16,880	3.0%	35,634

	Medicare		Military		Medicaid/LaCHIP		Uninsured	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
New Orleans 1	1.0%	1,780	3.0%	5,232	40.4%	70,997	9.0%	15,845
Baton Rouge 2	1.5%	2,789	1.0%	1,789	51.2%	95,889	4.3%	8,134
Houma-Thibodeaux 3	0.8%	942	1.0%	1,102	39.8%	44,757	4.1%	4,635
Acadiana 4	1.1%	1,812	2.4%	4,107	42.9%	72,536	5.2%	8,801
Southwest 5	1.2%	926	2.6%	1,996	51.8%	39,354	5.8%	4,384
Central 6	0.7%	602	3.0%	2,477	50.2%	41,792	4.6%	3,804
Northwest 7	1.3%	1,936	2.6%	3,794	50.0%	73,252	4.6%	6,777
Northeast 8	0.5%	437	1.3%	1,270	50.9%	48,054	5.0%	4,741
Northshore 9	0.4%	632	0.8%	1,215	41.7%	64,132	4.7%	7,234
Statewide	1.0%	11,857	1.9%	22,981	46.0%	550,763	5.4%	64,355

Table 4: Uninsured Estimates for Nonelderly Adults (19-64) by Region

	2003 Percent	2003 Number	2005 Percent	2005 Number	2007 Percent	2007 Number
New Orleans 1	20.9%	128,240	23.2%	142,414	21.2%	89,963
Baton Rouge 2 Houma- Thibodeaux 3	19.2%	65,778	20.1%	68,822	17.3%	66,978
Acadiana 4	21.3%	51,493	23.4%	56,578	19.6%	47,042
Southwest 5	23.1%	78,624	21.8%	74,360	19.7%	66,504
Central 6	20.4%	37,147	29.2%	53,097	27.8%	46,703
Northwest 7	21.6%	40,220	30.0%	55,946	21.1%	37,542
Northeast 8	21.6%	70,219	26.4%	85,929	23.8%	78,641
Northshore 9	27.3%	60,399	26.2%	57,979	23.6%	51,324
Statewide	17.3%	47,573	21.7%	59,604	20.7%	61,652
	21.1%	579,694	24.0%	654,729	21.2%	546,348

IV. Uninsured Estimates for Nonelderly Adults (19-65) by Region

Overall, there has been a decline in the percent and number of uninsured adults since 2005. The percent of uninsured adults declined from 24% in 2005 to 21.2% in 2007, while the number of uninsured adults declined by 108,381 from 654,729 in 2005 to 546,348 in 2007. As with children, population loss is at best a partial explanation for this change. Had the population remained constant, the adult uninsured population would have declined by 77,653 to 577,076 uninsured adults.

Unlike children, the percent of uninsured adults in the New Orleans region declined relative to 2005 but this decrease was smaller than in most other regions. This is noteworthy because it likely reflects something about the type of children – and families with children - that have returned to the New Orleans area. In 2007, 21.2% of New Orleans area adults were uninsured compared to 23.2% in 2005. This shift in the New Orleans area uninsured rate accounts for about half of the statewide change in the adult uninsured population. Statewide, there are 108,381 fewer uninsured adults. In the New Orleans region alone, there are 52,451 fewer uninsured adults. Stated differently, 48.4% of the total change in the number of uninsured adults can be attributed to changes in the New Orleans region. Had the population of the New Orleans region remained constant, we would have expected the number of uninsured adults in the region to decline from 142,414 to 130,147. Primarily because of population loss, however, the number of uninsured adults actually declines to 89,963. Based on these calculations, we would estimate that roughly 77% of the change in the number of uninsured adults in the New Orleans region was due to population loss.

With the exception of the Northshore region, the number of uninsured adults has declined across the state. In the Northshore, the number of uninsured adults has increased from 59,604 to 61,652 – even as the percent of uninsured adults declined from 21.7% to 20.7%. The declining percent uninsured and increasing number of uninsured in the Northshore region can be explained by the large increases in population to that area after the storm. The fact that uninsured rates are generally declining

across Louisiana at a time when national uninsured rates increased indicates that economic conditions (and not population changes) are the primary driver in the decrease in adult uninsured rates.

Uninsured Adults Under 200% of Federal Poverty: There is an interesting relationship between the effects of the 2005 hurricanes and the changes to the percent of uninsured adults under 200% of federal poverty. Since 2005, the percent of uninsured adults under 200% of federal poverty has declined from 40.5% to 34.1%. In terms of raw numbers, this translates into a decrease from 438,921 to 368,744 uninsured adults. In the New Orleans region alone, there has been a decline of 56,425 uninsured adults under 200% of federal poverty. Notably, the declines in the New Orleans region are partially offset by corresponding increases in the Northshore region (an increase of 8,073 uninsured adults under 200% of FPL) and in the Baton Rouge region (an increase of 3,464 uninsured adults under 200% of FPL), two areas where a large number of New Orleans residents relocated. Statewide, there are approximately 70,177 fewer uninsured adults under 200% of federal poverty.

While the significant population shifts in New Orleans loom large in the overall story of changes to the percent uninsured, had the state population remained constant we would have expected a nearly identical decline in the number of uninsured adults under 200% of FPL. This is a counterintuitive result and bears some explanation. Essentially, the total number of adults under 200% of FPL remained relatively stable across the state. So, even though the percentages changed, it does not appear to be a result of population shifts at the state level. The key factor is changes in other regions throughout the state. Had the population remained the same, the percent of uninsured adults under 200% of FPL would have declined in the Baton Rouge area and would have changed only marginally in the Northshore region. Population increases in these areas, however, translated into increases in the number of uninsured adults under 200% FPL. In Baton Rouge, for example, the number of uninsured adults under 200% increased by 3,464 – even as the percent of uninsured adults under 200% declined from 35.8% to 29.6%. In the Northshore region, the number of uninsured adults under 200% of poverty increased by 8,073 as the percent of uninsured adults under 200% declined from 37.3% to 34%.

Table 5: Uninsured Estimates for Adults (19-65) Under 200% Federal Poverty

	2003 Percent	2003 Number	2005 Percent	2005 Number	2007 Percent	2007 Number
New Orleans 1	46.5%	117,480	45.3%	114,649	33.5%	58,224
Baton Rouge 2	40.3%	47,192	35.8%	41,956	29.6%	45,420
Houma-Thibodeaux 3	41.5%	38,482	40.3%	37,439	31.9%	32,516
Acadiana 4	43.5%	62,914	32.8%	47,451	34.0%	47,472
Southwest 5	37.4%	27,337	46.6%	34,073	40.9%	28,172
Central 6	39.7%	30,915	43.4%	33,832	32.8%	25,432
Northwest 7	45.1%	65,176	41.4%	59,842	40.0%	57,863
Northeast 8	47.0%	43,700	40.1%	37,294	31.6%	33,186
Northshore 9	35.9%	31,143	37.3%	32,385	34.1%	40,458
Statewide	42.5%	464,338	40.5%	438,921	34.0%	368,744

Uninsured Parents: As part of the 2007 LHIS, we also sought to ascertain the uninsured status of parents. Before we report on the numbers, we should note that our definition here only identifies parents as adults with children in the household. Parents with children not in the household are not included. We are also limited in our ability to identify parents in families within households (e.g., a household where a brother or sister has moved into the home with their children). With those caveats in mind, we find that 18% of parents are uninsured and 29.4% of parents under 200% of FPL are uninsured. This translates into 225,262 uninsured identified parents throughout the state and 168,543 uninsured parents under 200% of FPL. For all parents and for those below 200% of FPL, the percent (and number) uninsured is lower than for all uninsured adults and uninsured adults below 200% of FPL, respectively.

Table 6: Uninsured Estimates for Parents

	Parent Population	Number Uninsured	Percent Uninsured	Parent <200% FPL Population	Number <200% FPL Uninsured	Percent <200% FPL Uninsured
New Orleans 1	188,409	32,697	17.4%	82,675	22,487	27.2%
Baton Rouge 2	185,844	31,134	16.8%	80,723	22,595	28.0%
Houma-Thibodeaux 3	126,063	19,885	15.8%	55,617	14,823	26.7%
Acadiana 4	173,811	27,508	15.8%	77,617	22,474	29.0%
Southwest 5	84,330	21,404	25.4%	38,935	14,294	36.7%
Central 6	84,395	17,052	20.2%	42,390	13,616	32.1%
Northwest 7	148,828	27,072	18.2%	69,419	21,871	31.5%
Northeast 8	98,706	19,879	20.1%	52,316	15,184	29.0%
Northshore 9	159,811	28,632	17.9%	73,537	21,199	28.8%
Statewide	1,250,199	225,262	18.0%	573,229	168,543	29.4%

Source of Coverage for Non-Elderly Adults: Declines in adult uninsured rates correspond with increases in employer provided coverage. Since 2005, the percent of adults covered through employer provided insurance has increased from 49% to 54.5%. This almost perfectly offsets a decline in employer provided insurance noted in the 2005 LHIS when the percent of uninsured adults declined from 53% in 2003, and runs against national trends where employer sponsored insurance is declining. Overall, this likely reflects a relatively strong economy and tight labor market, allowing workers to select jobs that provide health benefits. Louisiana residents are most likely to have some form of employer provided insurance in the Baton Rouge and Houma-Thibodeaux regions where approximately 60% of the non-elderly adults are covered by an employer.

Table 8: Sources of Coverage for Non-Elderly Adults

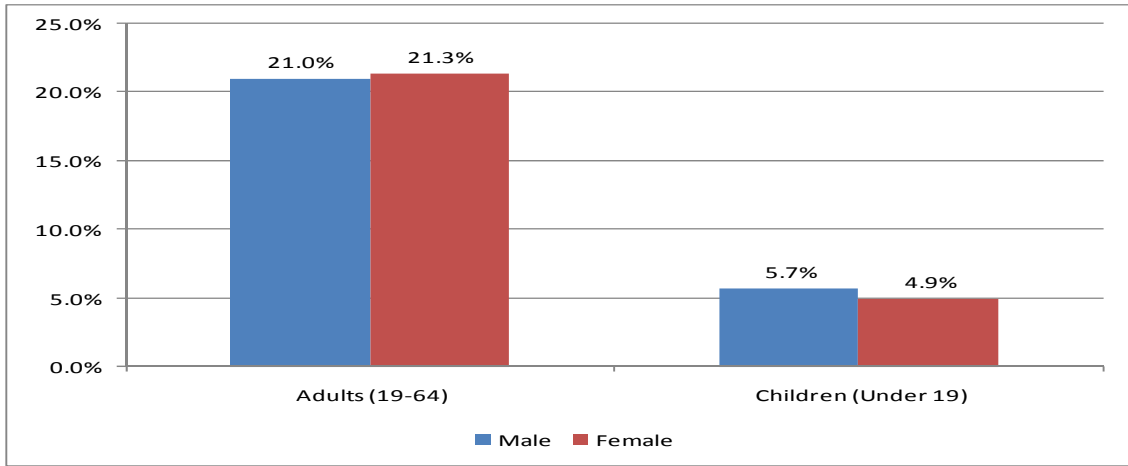
	Employer		Purchased Coverage		Former Employer		Not in Household	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
New Orleans 1	53.4%	226,784	5.4%	22,924	5.4%	22,924	1.2%	4,980
Baton Rouge 2	59.7%	231,820	4.5%	17,477	4.5%	17,477	1.3%	4,941
Houma-Thibodeaux 3	61.2%	146,922	4.1%	9,765	4.1%	9,765	0.3%	600
Acadiana 4	55.5%	187,576	3.8%	12,994	3.8%	12,994	0.7%	2,312
Southwest 5	51.3%	86,246	4.7%	7,930	4.7%	7,930	0.1%	237
Central 6	53.2%	94,802	3.5%	6,181	3.5%	6,181	0.8%	1,410
Northwest 7	50.8%	168,274	4.9%	16,213	4.9%	16,213	1.4%	4,588
Northeast 8	50.6%	109,947	4.9%	10,566	4.9%	10,566	1.0%	2,213
Northshore 9	52.3%	155,648	4.4%	13,183	4.4%	13,183	0.8%	2,288
Statewide	54.5%	1,408,019	8.8%	227,508	4.5%	117,233	0.9%	23,570

	Medicare		Military		Medicaid		Uninsured	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
New Orleans 1	3.3%	14,068	2.7%	11,450	9.7%	41,082	21.2%	89,963
Baton Rouge 2	2.9%	11,067	1.3%	4,892	10.9%	42,314	17.3%	66,978
Houma-Thibodeaux 3	3.1%	7,324	1.5%	3,503	9.1%	21,885	19.6%	47,042
Acadiana 4	3.0%	10,169	1.7%	5,763	10.1%	34,140	19.7%	66,504
Southwest 5	2.4%	4,048	3.1%	5,185	9.5%	15,910	27.8%	46,703
Central 6	4.3%	7,719	6.7%	12,004	10.5%	18,749	21.1%	37,542
Northwest 7	2.8%	9,201	5.8%	19,292	9.6%	31,654	23.8%	78,641
Northeast 8	2.7%	5,799	2.4%	5,214	11.4%	24,723	23.6%	51,324
Northshore 9	3.3%	9,705	2.9%	8,753	9.2%	27,494	20.7%	61,652
Statewide	3.1%	79,100	2.9%	76,056	10.0%	257,953	21.2%	546,348

V. Demographic Characteristics and Uninsured Status

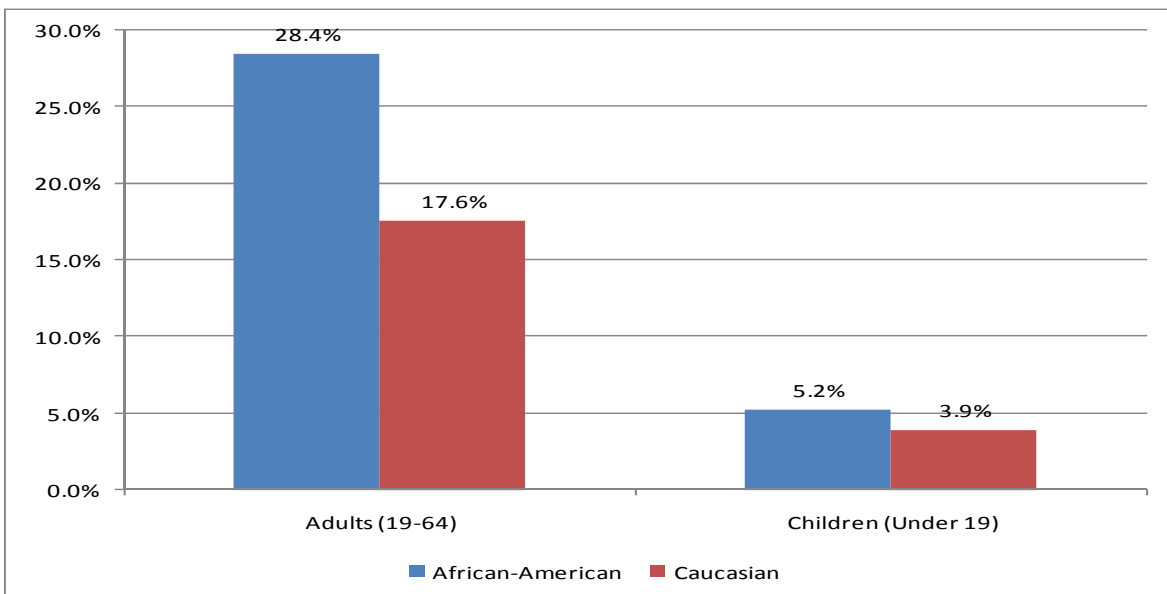
Uninsured status is correlated with race, income, poverty, education, and age, such that the uninsured are more likely to be African American, poorer, less educated, and younger. In this section, we examine differences in uninsured status across gender, race, income, poverty, age, and education. We begin with gender (displayed in Figure 9). There are some minor differences in insurance status depending on gender with female adults and male children more likely to be uninsured. The gender-based differences in insured status for both adults and children, however, are small (less than a percentage point).

Figure 8: Uninsured Rates for Adults and Children By Gender



Considerably larger differences emerge when we examine race, but only among adults. As illustrated in Figure 9, over a quarter of African-Americans (28.4%) are uninsured compared to 17.6% of Caucasians. These differences are more muted among children as 5.2% of African American children and 3.9% of Caucasians are uninsured. The uninsured percentages for both African American and Caucasian children have decreased relative to 2005 when 7.9% of African Americans and 6.4% of Caucasians were reported having no insurance. The smaller difference for children reflects the success of the Medicaid/LaCHIP program in that state coverage limits some of the consequences of inequality that serve to disadvantage minority children. Similar patterns emerge for income and poverty – sharp differences in uninsured rates for adults do not translate to children because of the availability of the LaCHIP program.

Figure 9: Uninsured Rates for Adults and Children by Race



As can be seen in Figures 11 and 12, income is also an important predictor of uninsured status, either when measured as household income or in relation to federal poverty guidelines. As in previous surveys, we find clear relationships between income and insurance status for adults, but much less clear relationships for children.

Figure 11: Uninsured Rates for Adults and Children by Household Income

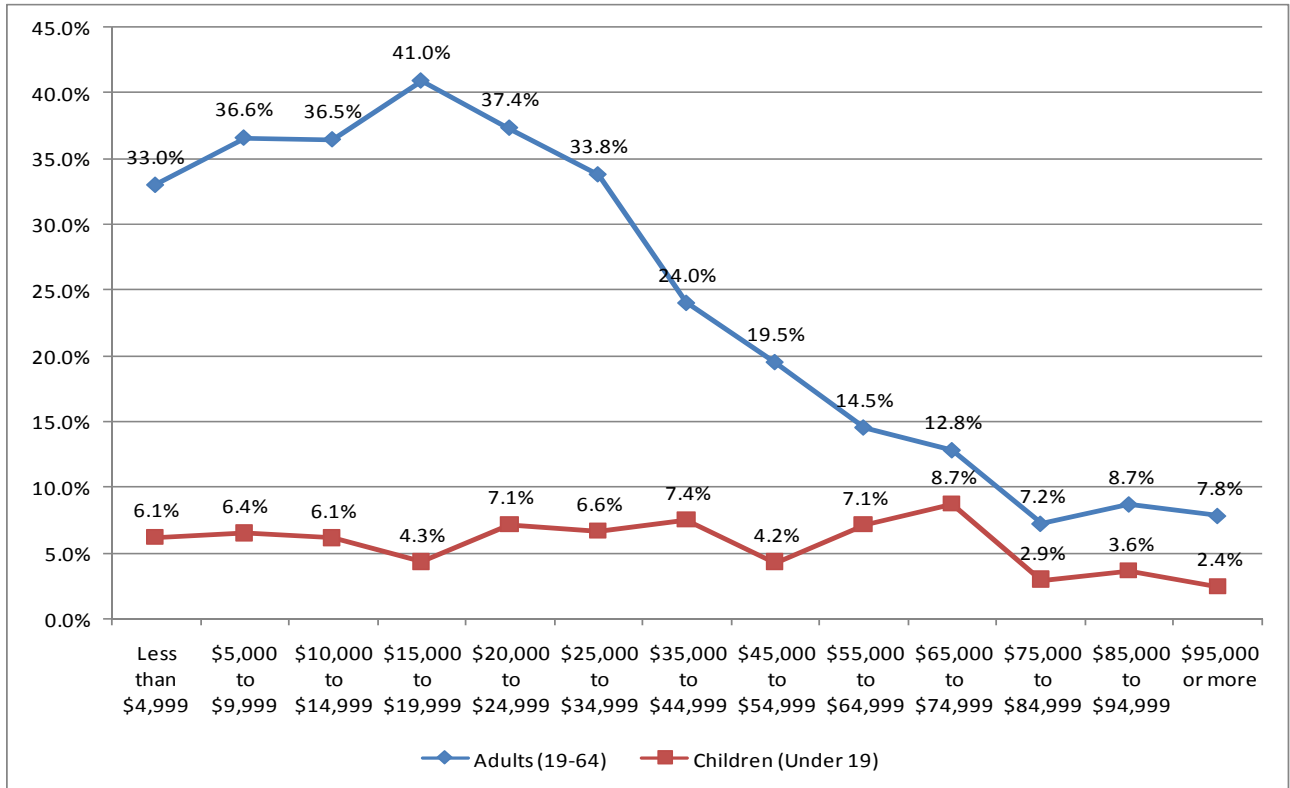


Figure 12: Uninsured Rates for Adults and Children by Federal Poverty Level

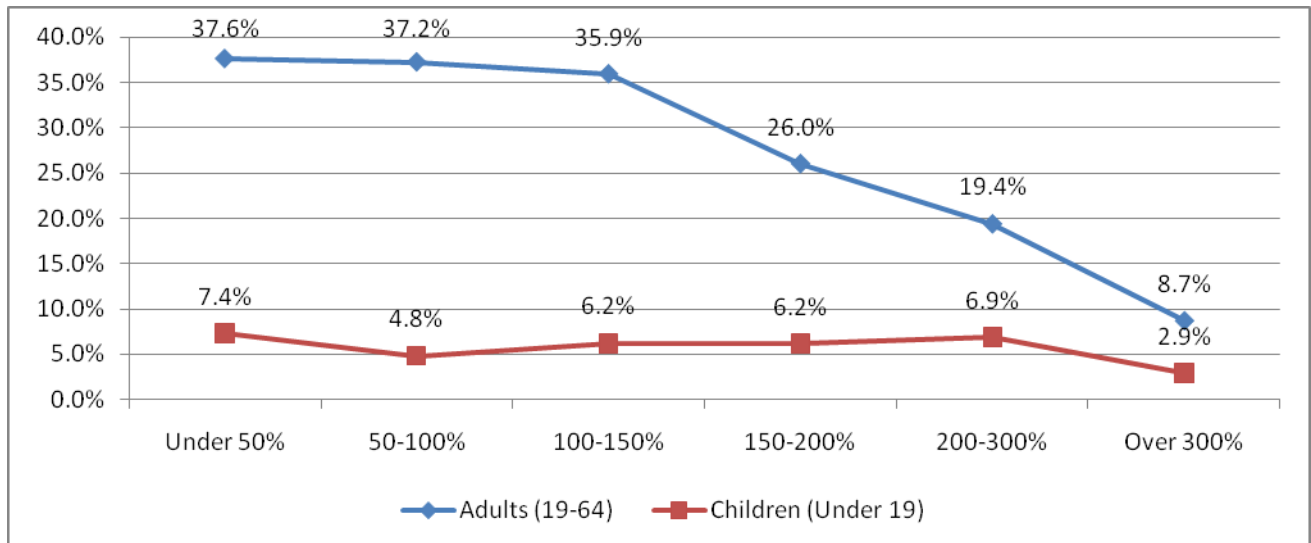
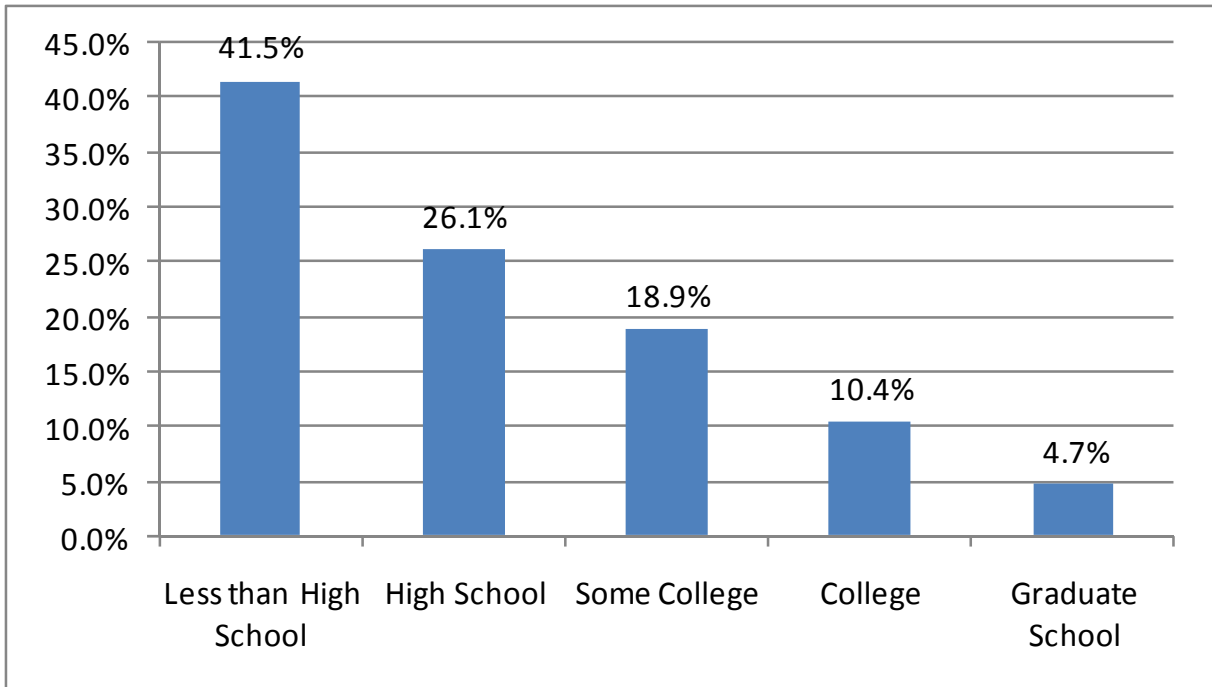
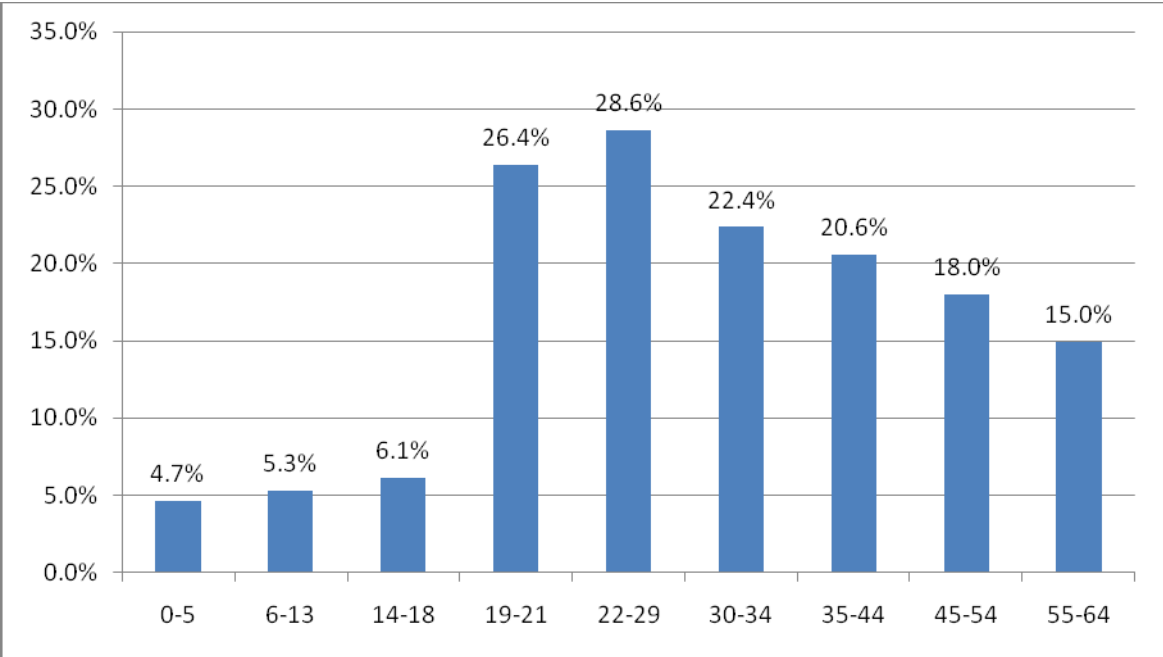


Figure 13: Uninsured Rates for Adults (19-64) by Education



Education is likewise associated with uninsured status as less educated respondents are considerably more likely to report being uninsured. As reflected in Figure 13, we see a steady, linear decline in uninsured rates as education increases. Forty-one and a half percent of respondents with less than a high school education were uninsured, 26.1% with a high school education, 18.9% with some college, 10.4 % with a college degree, and 4.7% with a graduate degree.

Figure 14: Uninsured Rates by Age

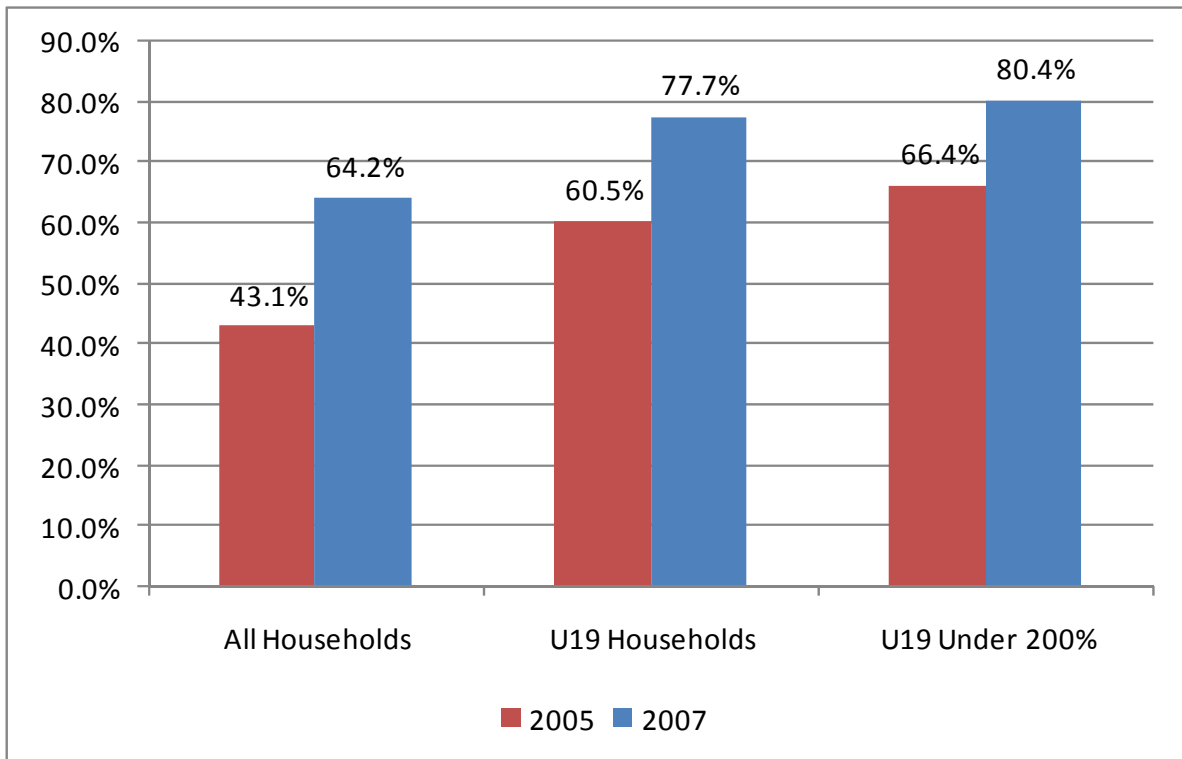


Age is also associated with uninsured status as young children are least likely to be uninsured, while young adults (22-29) are most likely be uninsured. As can be seen in Figure 14, less than 5% of children 0-5 are uninsured, while 28.6% of young adults (22-29) and 15% of older adults (55-64) are uninsured.

VI. Awareness of Medicaid/LaCHIP

Since 2005, we have seen a remarkable increase in awareness of Medicaid/LaCHIP. Among all households, awareness has increased from 43.1% in 2005 to 64.2% in 2007. Presumably, the increase reflects: (1) Efforts by the Department of Health & Hospitals to increase awareness of the program; and (2) Policy debates in Washington over SCHIP funding. Awareness also increased among households with children (from 60.5% in 2005 to 77.7% in 2007) and households with children under 200% of FPL (from 66.4% in 2005 to 80.4% in 2007). We see further evidence of the increase in our study of Medicaid bias (noted in the appendix) – in that Medicaid households were less likely to misreport their insurance status.

Figure 15: Awareness of LaCHIP Among Louisiana Households



VII. Chronic Conditions

One might expect that healthier individuals would be more likely to be covered by health insurance. Comparing insurance coverage across self-reported chronic conditions, however, we find that this is not the case. There are several reasons for this. First, uninsured individuals differ from those with health insurance in a number of ways. Most importantly, the largest uninsured population is the relatively healthy “young adult” population, many of whom believe they do not need insurance because they are relatively healthy. Notably, however, even when we look only at children, there is little difference in insured status among children with (and without) a chronic condition. Second, because the insured are more likely to see a doctor, they may also be more aware of any chronic conditions and more likely to report these conditions. This may be especially true for relatively common conditions like diabetes or high blood pressure. In addition, economists often point out that individual choices about insurance may exhibit adverse selection. This happens when unhealthy individuals seek out insurance because of higher expected medical costs in the future. For example, a low income family may not seek out insurance for their children if they are relatively healthy. But, if their child develops asthma, it may then be worth it to seek out coverage, be it Medicaid or private.

Figures 16 and 17 show the prevalence of various chronic diseases for adults and children, respectively, comparing all individuals to uninsured individuals. Consistently, individuals without insurance have lower reported rates for most of these chronic conditions. Figure 18 aggregates the conditions to provide a summary comparison of the fraction of uninsured individuals reporting any chronic disease or condition to all individuals reporting a condition. For adults and children, the same pattern holds that uninsured individuals have lower reported prevalence.

Figure 16: Percent of Adults with Chronic Diseases/Conditions by Uninsured Status

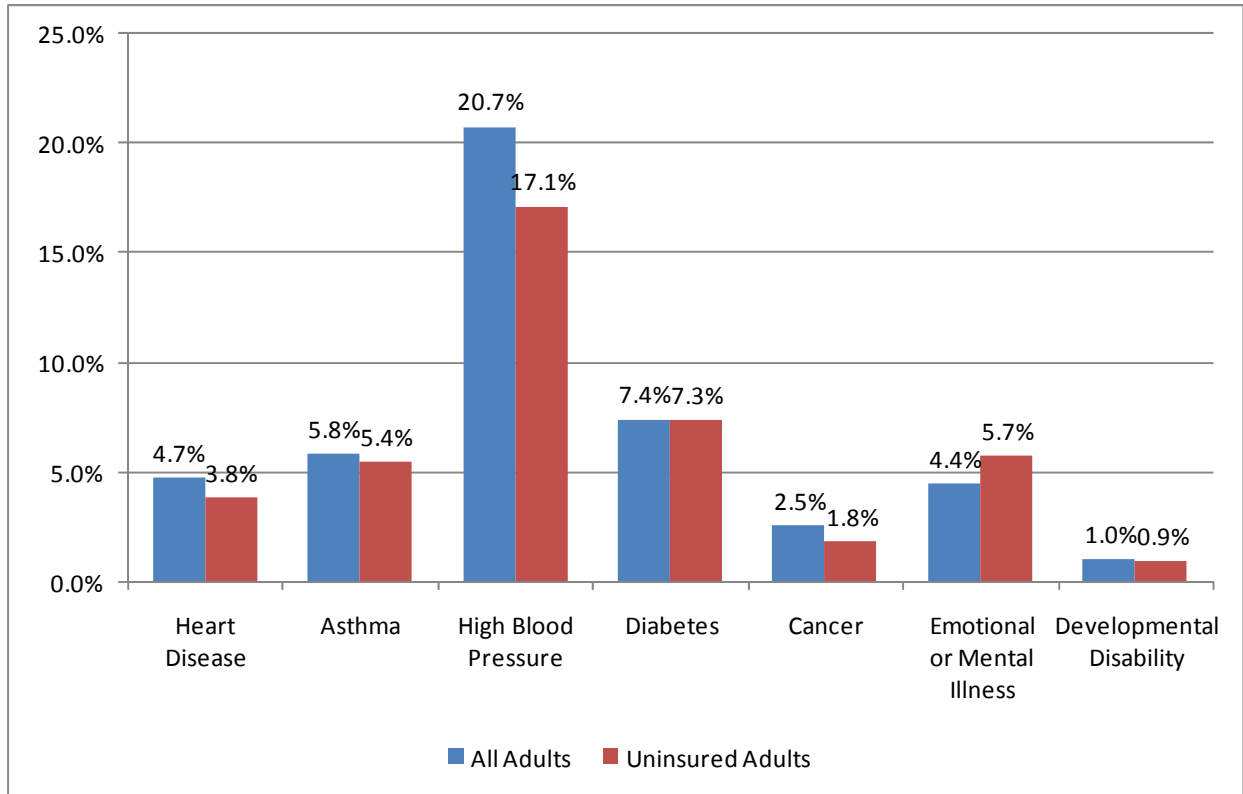


Figure 17: Percent of Children with Chronic Diseases/Conditions by Uninsured Status

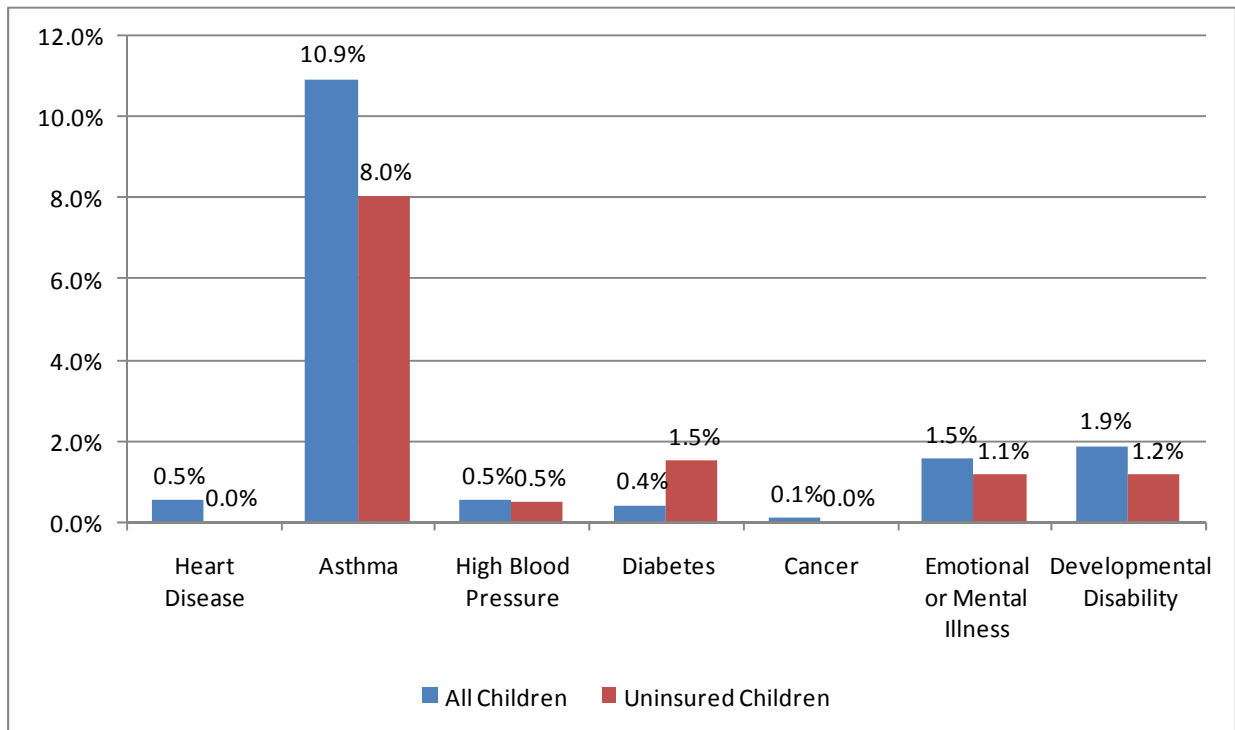
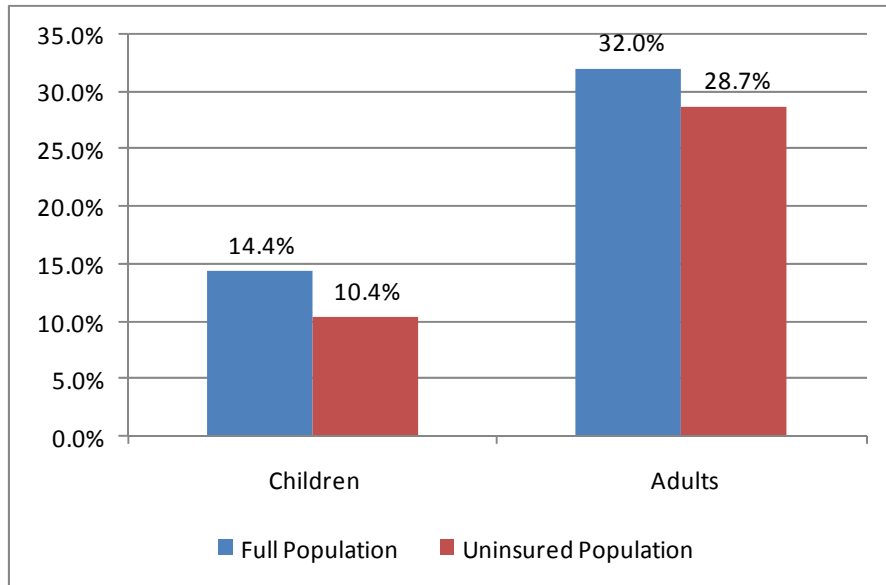


Figure 18: Chronic Diseases/Conditions by Uninsured Status (any condition)



VIII. Impact of Hurricanes Katrina and Rita

As part of the effort to gauge the impact of Hurricanes Katrina and Rita, we asked a series of questions about how respondents were affected by the storms. Remarkably, 41% of Louisiana residents reported that they were adversely affected by Hurricane Katrina and/or Rita. Of those affected, over three-quarters report having to leave their primary residence for over a week. In addition, 12.3% of those who report being affected by the storms had a household member who was unable to obtain health care and 8.8% of those affected report having a household member lose health insurance.

More interesting from our perspective, is to consider how the storms affected uninsured rates for children and adults. We can gain insight on this question by considering (1) what uninsured rates would have been if we excluded New Orleans from the calculations and (2) what uninsured rates would have been if exclude those individuals reporting they were directly affected by the storms. In Figures 11 and 12, we present these results, respectively, for children and adults. For children, if we exclude the New Orleans region, we would have reported an uninsured rate of 4.7% for children. This number declines to 4.4% if we exclude all respondents who report they were adversely affected by the storms. For adults, uninsured rates are unaffected if we exclude the New Orleans region and decline to 18.9% if we exclude those individuals reporting they were directly affected by the storms.

Figure 19: Percent of Children Uninsured by Degree of Impact by Storms

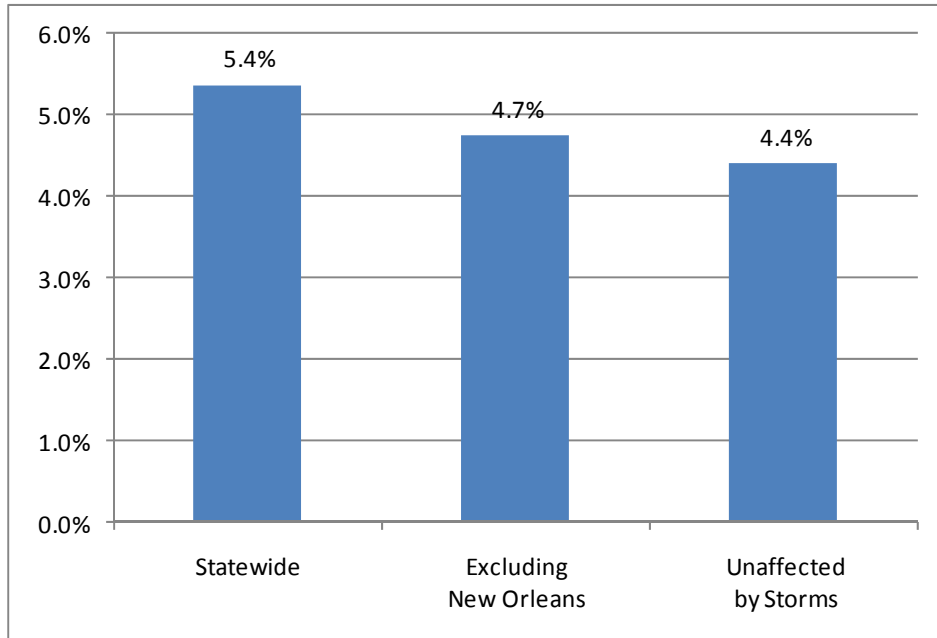
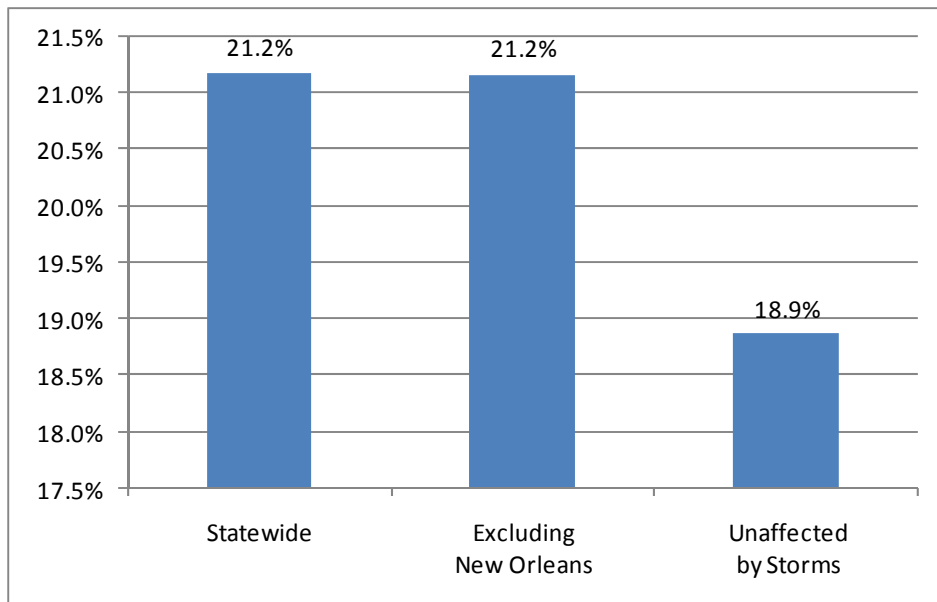


Figure 20: Percent of Adults Uninsured by Degree of Impact by Storm



Appendix: Survey Methodology

The LHIS Survey gauges uninsured status through a household level approach in which individual respondents are asked to report on the health insurance status of each member of the household. To assure reporting is as accurate as possible, initial respondents are screened to make sure they are the most knowledgeable person in the household about family health care and health insurance. Once the most knowledgeable person in the household has been selected, respondents are asked to identify all members of the household and a series of questions asking whether members of the household are covered by particular types of insurance including employer sponsored insurance, purchased insurance, Medicaid, Medicare, or through the military. Respondents are asked to verify uninsured status for any individual not identified as having any form of coverage. Only household members who are identified as not having any form of coverage are included in the final estimate as uninsured.

The initial sampling strategy was designed to generate responses from 10,000 Louisiana households with at least 65 households from each parish and 800 households from each DHH region. To assure adequate sampling of minority and poor residents, an over sample of 1000 respondents from telephone prefixes where the median income was below the statewide median and where the minority population was 30 percent or greater was also conducted. Because of the large population shifts in the New Orleans area, an oversample of 500 households from Orleans Parish was also put into place. The number of households and individuals sampled by DHH region are presented below in Table A1 and Table A2.

Table A1: Comparison of Households Sampled by Region

Region	Total Households			U19 Households		
	2007	2005	2003	2007	2005	2003
New Orleans 1	1,371	1,292	1,880	554	471	691
Baton Rouge 2	1,353	1,097	1,636	609	446	739
Houma-Thibodeaux 3	920	893	1,381	438	427	611
Acadiana 4	1,032	1,463	1,581	480	645	687
Southwest 5	792	1,019	926	338	425	420
Central 6	880	988	624	356	452	283
Northwest 7	1,181	1,242	592	495	476	240
Northeast 8	1,370	1,018	622	573	417	263
Northshore 9	1,152	1,087	787	527	476	339
Statewide	10,051	10,099	10,029	4,370	4,235	4,273

Table A2: Comparison of Individuals Included in Sample by Region

Region	Total Individuals			U19 Individuals		
	2007	2005	2003	2007	2005	2003
New Orleans 1	3,771	3,287	4,680	1,056	849	1,190
Baton Rouge 2	3,828	2,896	4,401	1,176	822	1,291
Houma-Thibodeaux 3	2,772	2,576	4,059	846	755	1,236
Acadiana 4	2,955	3,988	4,412	945	1,183	1,368
Southwest 5	2,182	2,753	2,515	620	769	722
Central 6	2,371	2,715	1,656	687	829	452
Northwest 7	3,219	3,204	1,574	923	855	430
Northeast 8	3,704	2,707	1,630	1,064	767	455
Northshore 9	3,336	3,003	2,199	1,022	851	650
Statewide	28,138	27,129	27,126	8,339	7,680	7,794

Because of the sampling design employed, the probability of being selected into the final sample was dependent on the parish in which the respondent resided. To account for this, the results were weighted to adjust for sampling differences across parishes. Specifically, the sampling weight was constructed as the parish population divided by the number of individuals sampled in the parish. Because differences in response rates among different segments of the population may also result in biased estimates of uninsured rates, the data were also weighted based on demographic characteristics where sample estimates do not closely mirror census-based population estimates. In the 2007 LHS, results are weighted to account for the most recent estimates of statewide population available, July 2006 U.S. Census Estimates. Importantly, these estimates account for post-hurricane population shifts and reflect the best estimates available of current population. A comparison of unweighted and weighted sample estimates to census data is provided in Table 3. As can be seen in Table 3, the estimates provided by the 2007 LHS nicely match the population estimates from the U.S. census.

As a final adjustment, uninsured estimates are adjusted to account for the widely Medicaid bias. A long line of empirical research has demonstrated that Medicaid recipients often misreport their insurance status. Our greatest concern in the current report is the extent that they misreport as uninsured. In this situation, estimates of uninsured populations would be biased upward and estimates of Medicaid populations would be biased downward. The results presented in this report have been adjusted to account for this bias. The methodology used to make these adjustments is fully described in a working paper (Barnes, Goidel, and Terrell 2007). The methodology is an improvement over the methodology used in the 2005 report in that the current adjustments account for the probability that any given individual eligible for Medicaid misreported their insurance status, whereas the previous technique made aggregate adjustments to insurance status based on levels of misreporting. It is important to note that the methodology used in 2005 is consistent with other research that has adjusted for misreporting, that the 2007 procedure reflects a step forward in this area, and that the differences between these two procedures are often small.

Table A3: Distribution of Survey Data and Census

	Unweighted Survey	Weighted Survey	Census
Income			
Less than \$10,000	11.0%	8.7%	8.7%
\$10,000 to \$14,999	6.5%	6.4%	6.4%
\$15,000 to \$24,999	12.0%	11.5%	11.5%
\$25,000 to \$34,999	9.3%	11.2%	11.2%
\$35,000 to \$49,999	13.1%	14.6%	14.6%
\$50,000 to \$74,999	18.2%	19.7%	19.7%
\$75,000 to \$99,999	10.3%	12.3%	12.3%
\$100,000 to \$149,999	12.1%	10.2%	10.2%
\$150,000 to \$199,999	3.3%	2.9%	2.9%
\$200,000 or more	4.1%	2.7%	2.7%
Age			
0-5 years	8.7%	8.7%	8.4%
6-15 years	15.9%	14.5%	14.2%
16-17 years	3.6%	3.1%	3.1%
18-21 years	5.6%	6.1%	6.1%
22-29 years	8.5%	11.3%	10.9%
30-34 years	5.5%	6.8%	6.5%
35-44 years	14.0%	13.8%	13.6%
45-54 years	17.9%	14.0%	14.4%
55-64 years	16.1%	10.2%	10.7%
65 or over	4.3%	11.5%	12.2%
Race			
White	67.4%	64.8%	65.2%
Black	27.9%	32.3%	32.0%
Other	4.8%	2.9%	2.7%
Gender			
Male	47.0%	48.7%	48.5%
Female	53.0%	51.3%	51.5%
DHH Region			
New Orleans 1	13.4%	16.4%	16.2%
Baton Rouge 2	13.6%	15.0%	14.9%
Houma-Thibodeaux 3	9.9%	9.2%	9.4%
Acadiana 4	10.5%	13.1%	13.4%
Southwest 5	7.8%	6.5%	6.6%
Central 6	8.4%	6.8%	7.0%
Northwest 7	11.4%	12.7%	12.4%
Northeast 8	13.2%	8.4%	8.2%
Northshore 9	11.9%	12.0%	12.0%

Note: Census estimates are based on July 2006 estimates and reflect the most recent and comprehensive population estimates available.