

LHIS 2009

LOUISIANA HEALTH INSURANCE SURVEY

Survey of Louisiana's Uninsured Population — Overview

From 2007 to 2009, the number of uninsured children and adults in Louisiana has been on a steady decline according to the most recent Louisiana Health Insurance Survey (LHIS).

Sponsored by the Louisiana Department of Health and Hospitals, the 2009 LHIS is the fourth in a series of surveys designed to provide the most accurate and comprehensive assessment of Louisiana's uninsured populations possible. 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.

Louisiana's Uninsured		
	2009	2007
Children (under 19)	5.0 %	5.4 %
Adults (19-65)	20.1%	21.2%

The 2009 LHIS incorporates uninsured estimates from a cell phone sample and better estimates of Medicaid eligibility that include income adjustments for child care expenses and working parents and identify children in step-families, foster care, or living with other relatives. Aside from the methodological improvements, the timing of the 2009 LHIS adds greatly to its significance. While the national economy has experienced its worst recession in over three decades, the Louisiana economy has performed relatively well.

CHILDREN: The big news from the 2009 Louisiana Health Insurance Survey is a continuing decline in the number of uninsured children despite worsening economic conditions. From 2003-2009, the percent of uninsured children declined from 11.1% to 5.0%, translating into 84,972 fewer uninsured Louisiana children. Looking more narrowly at the statewide changes since 2007, the story is largely one of stability. The percent of uninsured children changed very slightly from 2007-2009, declining from 5.4% to 5.0% which translates into 6,154 fewer uninsured children. The most notable change at the regional level from 2007 to 2009 was a significant decline in the number (from 15,845 to 12,111) and percent (from 9.0% to 6.3%) of uninsured children in the New Orleans region.

ADULTS: Despite the downturn in the national economy, adult uninsured rates also declined slightly from 2007 to 2009 from 21.2% to 20.1%, translating into 5,858 fewer uninsured adults. As with uninsured children, the stability in the number (and percent) of uninsured adults belies considerable change at the regional level. The largest change occurred in the Southwest region where the percent of uninsured adults declined from 27.8% to 19.9%.

LHIS 2009



DHH Administration:
 Alan Levine, Secretary
 Charles F. Castille, Undersecretary
 Jerry Phillips, Medicaid Director



Investigators:
 LSU Public Policy Research Lab
 Stephen Barnes, Ph. D., Assistant Professor—Research
 Kirby Goidel, Ph.D., Professor
 Dek Terrell, Ph.D., Freeport-McMoran Professor

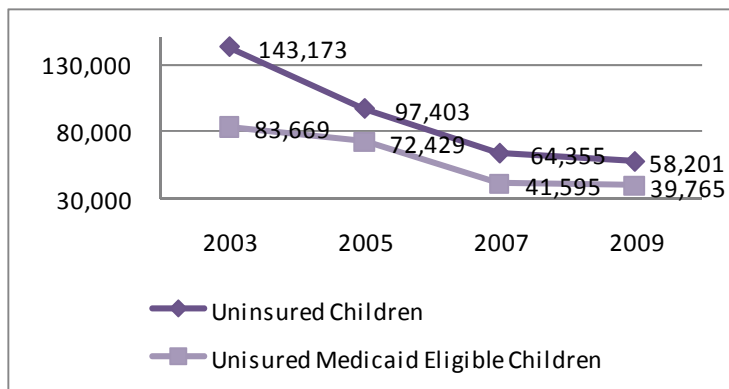
To download the full version of the 2009 LHIS, please visit www.medicaid.dhh.louisiana.gov.
 For more information on this report, interested parties can call (225) 342-6043.

Major Findings of the 2009 Louisiana Health Insurance Survey

Numbers of Uninsured Children Continue to Decline

The 2009 LHIS shows a continued decline in the number of uninsured children in Louisiana. As is illustrated in Figure 1, the percent of uninsured children has declined from 5.4% in 2007 to 5.0% in 2009, while the number of uninsured children has declined from 64,355 to 58,201. Further, approximately 84,972 fewer uninsured children in the state of Louisiana since the 2003 survey, a reduction of more almost 60%.

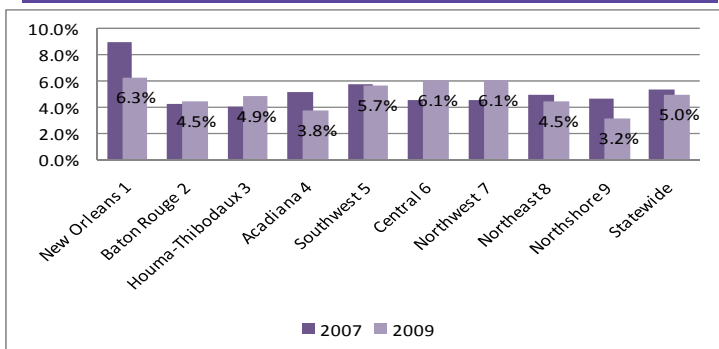
Figure 1. Declining Number of Uninsured Children



Similar declines for Medicaid/LaCHIP eligible children are seen. The percent of uninsured Medicaid/LaCHIP eligible children declined from 5.5% in 2007 to 5.3% in 2009. Since 2003, the number of uninsured Medicaid/LaCHIP eligible children has declined from 83,669 to 39,765 in 2009.

Despite the stability in the statewide numbers from 2007 to 2009, there were considerable regional changes in the percent of uninsured children from 2007 to 2009. As illustrated in Figure 2, the most important and notable change was a significant decline in the number and percent of uninsured children in the New Orleans region. In New Orleans, the percent of uninsured children declined from 9.0% in 2007 to 6.3% in 2009 and the number of uninsured children declined from 15,845 to 12,111. This marks an important reversal from the 2007 LHIS which revealed a significant post-Katrina increase in the number of uninsured children.

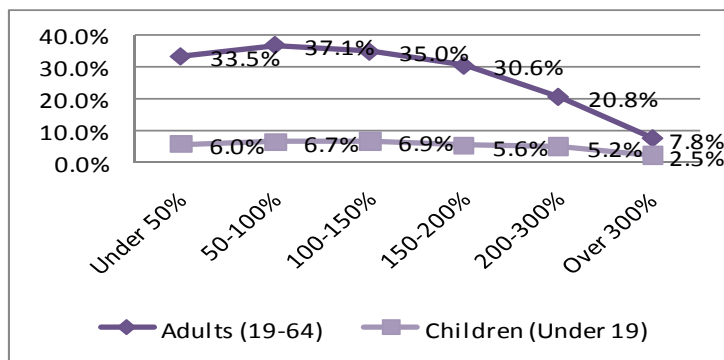
Figure 2. Uninsured Children by Region



Medicaid/LaCHIP Shields Children from the Effects of Poverty

Figure 3 presents disparities in health coverage for adults and children by poverty level. For adults, the disparities are notable as are similar differences based on income and race. For children, differences across race, income, and poverty are much smaller. This difference across children and adults directly reflects the success of the Medicaid/LaCHIP program in enrolling and covering racial minorities and lower income children. In this respect, the Medicaid/LaCHIP program shields children from the effects of poverty.

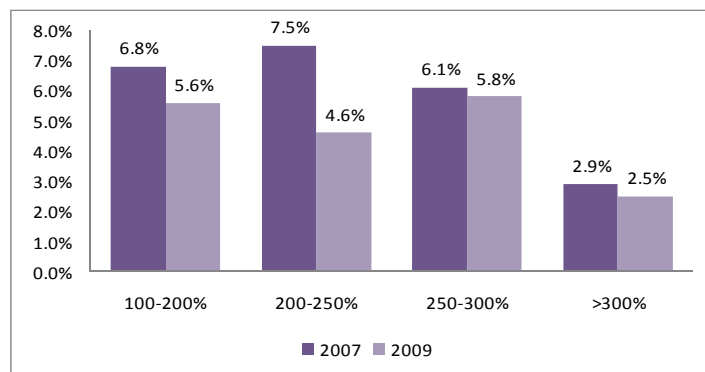
Figure 3. Uninsured Children and Adults Based on Poverty



LaCHIP Affordable Plan Reduces Uninsured Children at 200-250% FPL

One of the notable changes from 2007 was a decline in uninsured children between 200-250% of federal poverty from 7.5% in 2007 to 4.6% in 2009. This translates into 4,136 fewer uninsured children between 200-250% of FPL. It also coincides with the implementation of the LaCHIP Affordable Plan allowing households in this income range to buy-in to LaCHIP coverage.

Figure 4. Uninsured Children by Federal Poverty Level





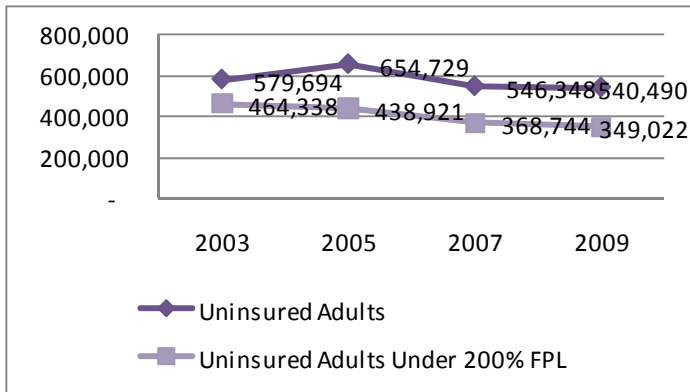
Major Findings of the 2009 Louisiana Health Insurance Survey (continued)

Fewer Louisiana Adults are Uninsured

As illustrated in Figure 5, despite the downturn in the national economy, adult uninsured rates declined slightly from 2007 to 2009 from 21.2% to 20.1%, translating into 5,858 fewer uninsured adults. The change for adults under 200% of federal poverty is even smaller, declining from 34.0% to 33.9%.

Population Loss and Uninsured Adults

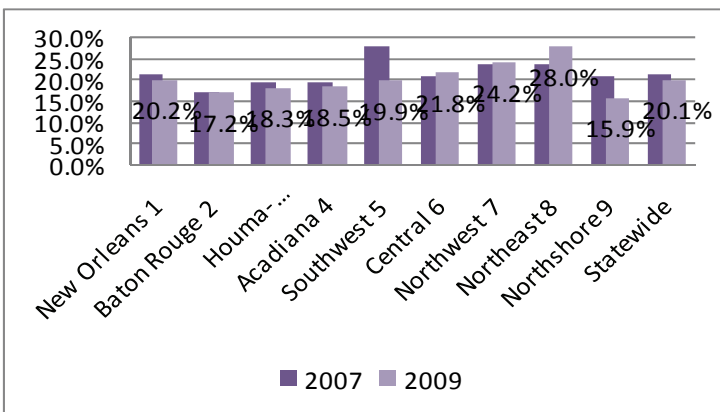
Figure 5. Declining Number of Uninsured Adults



As with uninsured children, the stability in the number (and percent) of uninsured adults belies considerable change at the regional level. The largest change occurred in the Southwest region where the percent of uninsured adults declined from 27.8% to 19.9%. There was a notable decrease in the Northshore as well – from 20.7% to 15.9%.

As illustrated in Figure 6, the most notable increase occurred in the Northeast region where the percent of uninsured adults increased from 23.6% to 28.0%. With the exception of New Orleans, changes in the remaining regions were small. Because of population shifts, the New Orleans region offers an interesting paradox. A slight decline in the uninsured rate – from 21.2% to 20.2% - is associated with an increase (from 89,963 to 100,222) in the number of uninsured adults.

Figure 6. Uninsured Adults by Region

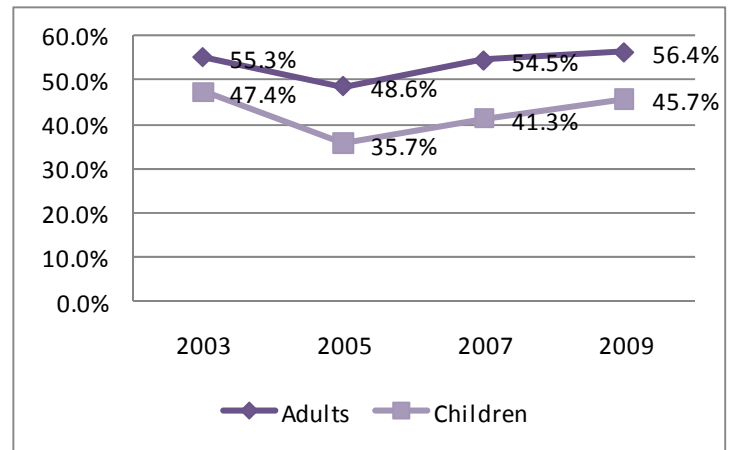


The Recovery Economy and Employer Sponsored Insurance

Since 2005, there has been a steady increase in the percent of adults and children covered by an employer. From 2005-2009, the percent of adults covered by employer sponsored insurance has increased from 48.6% to 56.4%. Similarly, the percent of children covered by an employer increased from 35.7% in 2005 to 45.7% in 2009. As noted in the 2007 LHIS, the most important shift occurred from 2005 to 2007 as hurricane rebuilding dollars stimulated economic growth. While the national economic recession has affected state and local economies, there has been little effect on the percent of adults and children insured through an employer. Two notable points regarding the impact of the recession on employer sponsored insurance are: (1) This might indicate that the jobs lost in the state to date are not the types of positions that offer health insurance coverage; and (2) Two-earner families may mitigate the loss of health insurance from one job loss by switching to insurance provided by a spouse's employer.

Demographic of Louisiana's Uninsured

Figure 7. Increase in Employer-Sponsored Insurance

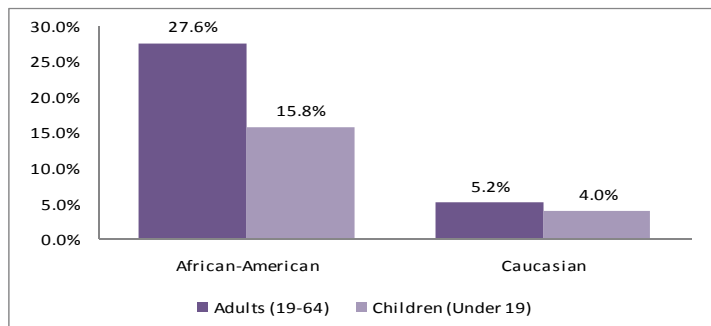


Uninsured status is correlated with race, income, poverty, education, and age, such that the uninsured are more likely to be African American, poorer, less educated, and younger. In this section, differences in uninsured status across gender, race, income, poverty, age, and education are presented, beginning with gender. There are only minor differences in insurance status depending on gender with female adults and female children slightly (but not significantly) more likely to be uninsured. The gender-based differences in insured status for both adults and children, however, are small.

As seen in Figure 8, considerably larger differences emerge when examining race as more than a quarter of African-American nonelderly adults (27.6%) are uninsured compared to 15.8% of Caucasians.

Major Findings of the 2009 Louisiana Health Insurance Survey

Figure 8. Uninsured Rates for Adults and Children by Race



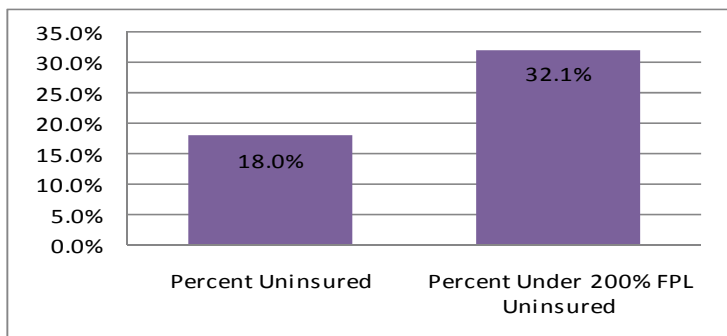
Income is also an important predictor of uninsured status, either when measured as household income or in relation to federal poverty guidelines. There are clear relationships between income and insurance status for adults, but much less clear relationships for children.

Education is likewise associated with uninsured status as less educated respondents are considerably less likely to report being insured. Age is also associated with uninsured status as young children are least likely to be uninsured.

Uninsured Parents

The 2009 LHIS also ascertains the uninsured status of parents. Before reporting on the numbers, it should be noted that the definition here focuses only on parents with children under age 19 in the household.

Figure 9. Uninsured Estimates for Parents



The measure is limited in its ability to identify parents in households with more than one family (e.g., a household where an adult brother or sister has moved into the home with their children adding a second family) though open ended relationship responses and guardianship indicators identify some of these relationships. With those caveats in mind, there are approximately 18% of parents are uninsured and 32.1% of parents under 200% of FPL are uninsured. This translates into approximately 225,262 uninsured parents throughout the state and 110,389 uninsured parents under 200% of FPL. Regardless of poverty level, the percent (and number) of uninsured parents is lower than the percent of uninsured adults.

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 ensure 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, privately purchased insurance, Medicaid or LaCHIP, Medicare, or military insurance. Respondents are asked to verify uninsured status for any individual in the household not identified as having some form of insurance coverage. Only household members who are identified as not having any form of insurance coverage and who are verified as uninsured are included in the final estimate of the uninsured population.

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 oversampling of 1500 respondents from telephone prefixes where the median income was below the statewide median and where the minority population was 30% or greater was also conducted.

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 2009 LHIS, results are weighted to account for the most recent estimates of the statewide population available - July 2008 U.S. Census Estimates.

As a final adjustment, uninsured estimates are adjusted to account for the widely-noted Medicaid bias (mentioned above). A long line of empirical research has demonstrated that Medicaid recipients often misreport their insurance status. The greatest concern in the current report is the extent to which 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 using an econometric model to estimate individual-level probabilities of misreporting.