Ensuring Health and Income Security for an Aging Workforce

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Health Insurance Coverage of People in the Ten Years before Medicare Eligibility

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A decade remains before the oldest members of the baby boom generation begin to be eligible for Medicare. The potentially large effects on the economy and federal budget have made understanding this group's preretirement behavior essential. Small changes in behavior regarding the age of retirement and the preretirement use of preventive medical care could have dramatic consequences for Medicare expenditures. Thus, we need answers to questions such as, how many baby boomers will retire before the Social Security eligibility age, either by choice or because of illness? How many will be financially prepared, with health insurance as part of their preparation, to retire early? How many will have retiree health insurance benefits from a former employer and how many will be able to afford Medigap insurance to supplement Medicare?

Different subgenerations or successive five-year cohorts of baby boomers are not all going to have the same preretirement experiences as the oldest baby boomers, because the entire group was born over a nearly 20-year span between 1946 and 1963. The different subgenerations have had quite different economic experiences since reaching adulthood, and these different experiences are likely to have affected asset accumulation for retirement. However, it is likely that there are enough similarities among the subgroups to be able to gain insight into the potential behavior of at least the older half of the baby boom generation by studying the economic readiness to retire and health insurance coverage of the current cohort of 55- to 64-year-olds.

Much has been written about the retirement incentives inherent in access to employer-sponsored health insurance for retirees (e.g., Gust-

man and Steinmeier 1994; Karoly and Rogowski 1994; Gruber and Madrian 1995; Blau and Gilleskie 1997; Loprest 1998; Madrian and Beaulieu 1998; Johnson, Davidoff, and Perese 1999), but we know much less about the types of health insurance coverage (or lack thereof) among people who are within 10 years of becoming eligible for Medicare coverage. What we do know has come from Swartz and Moon (1986), Jensen (1992), Johnson and Crystal (1997), and Loprest and Uccello (1997). With all of the fast-paced changes occurring in health insurance coverage and premiums—and employer-sponsored retiree health insurance in particular—policymakers need to know what types of health insurance coverage are held by people who currently are 55 to 64 years of age. Understanding who has what types of health insurance now will identify the types of people who are potentially at financial risk when faced with expensive medical care needs. Further, identifying the characteristics of people who may need government assistance in obtaining health coverage prior to Medicare eligibility will help in assessing the likely costs of such a program. Finally, such knowledge will also help identify the types of people most unlikely to have employer-sponsored health benefits when they retire.

In 1999, 22.9 million Americans were ages 55 to 64, according to the March 1999 Current Population Survey (CPS). Only 16.6 percent of this age group were retired, with just over half of the retirees being 62 to 64 years of age. Two-thirds (65.6 percent) of the 55- to 64-year-olds had employer-sponsored health insurance, and another 8.4 percent had private, nongroup coverage. Just over 9 percent had some form of public health insurance (Medicare, Medicaid, a combination of Medicare and Medicaid or Medicaid and private coverage, or Champus/VA) during the year. Fifteen percent had no form of health insurance. Historically, 55- to 64-year-olds have accounted for the smallest percentage of the total population of the uninsured. For example, estimates from the March 1999 Current Population Survey (CPS), indicate that 3.434 million uninsured people (less than 8 percent of the non-elderly uninsured) were 55 to 64 years of age. This is very close to the 8.3 percent estimated from the March 1984 CPS (Sulvetta and Swartz 1986).

However, what is different between 1999 and 1984 is that the proportion of the 55- to 64-year-old cohort without any coverage has increased from 13 percent to 15 percent. In part, this increase reflects

the growth since 1984 in the total percentage of the population without health insurance. The proportion of each of the younger adult-age cohorts without health insurance has also increased in the intervening 15 years (Table 1; tables start on p. 27). This implies that as all the baby boomers move through the 55- to 64-year-age range, we should anticipate higher fractions of near-retirees being uninsured.

The increase in the fraction of people approaching retirement who are without any health insurance coverage is cause for concern. As people age, they are statistically more likely to need medical care, and if they are uninsured, they are less likely to obtain preventive care. The delays in obtaining preventive care may lead to an increase in the cost of their medical care once they reach age 65 and are eligible for Medicare coverage. Thus, an increase in the average expenditure per Medicare recipient is likely just because higher percentages of younger age cohorts are uninsured prior to age 65. In turn, this suggests that projected expenditures for Medicare in the future may need to be revised upwards.

The Clinton administration has proposed (and is expected to propose again) that near-retirees who are uninsured be permitted to buy into Medicare. By providing them early Medicare coverage, there may be long-run savings stemming from obtaining timely preventive care. However, the potential for adverse selection with such a plan means that more information is needed about 55- to 64-year-olds who are uninsured in order to evaluate such a plan (Reischauer 1998; Swartz 1998).

In addition, with the corporate downsizing that has occurred in the past decade, people 55 to 64 years of age were especially likely to lose their jobs or to become self-employed as consultants or contract workers for projects of specified duration. Such workers have two federal protections that permit them to maintain insurance coverage. Under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), such workers are permitted to continue their former employer-group coverage for up to 18 months so long as they pay up to 102 percent of the total premium. Further, under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), workers who have had group coverage are able to convert such policies to individual coverage without fearing loss of coverage for preexisting medical conditions. Yet, neither of these acts guarantees that the premium to be

paid will be low or close to what a person may have paid for group coverage. The number of 55- to 64-year-olds with nongroup coverage declined between 1998 and 1999 by 273,000 (from 9.9 percent to 8.4 percent of the age cohort). It may be that this decline is a reflection of the rising costs of individual, nongroup policies. If so, the double-digit increases in premiums that are projected for the next several years may cause further erosion in the number of 55- to 64-year-olds covered by nongroup policies.

The proportion of 55- to 64-year-olds with employer-group coverage might be expected to provide an indication of the number of people who are likely to have employer-sponsored retiree health benefits to supplement Medicare coverage once they are 65 or older. However, within the past decade, employers have been reducing retiree health benefits and often are restricting such benefits to the worker rather than the worker and dependents (GAO 1997). Consequently, while it is important to know who among the 55- to 64-year-old cohort has employer-group coverage, it is likely that having employer-sponsored coverage before retirement is no longer a strong predictor of who will have employer-sponsored health benefits when they retire.

In this paper, we present findings from an analysis of health insurance coverage among people 55 to 64 years of age in 1999—the age cohort born between 1935 and 1944, just before the baby boom began in 1946. This age cohort has been small by historical standards and has benefited financially from its relatively small size. As a result, it is not clear that its experiences with health insurance are good indicators of the experiences subsequent age cohorts will experience when they are 55 to 64. But, if we view this age cohort's experiences as the most optimistic scenarios for subsequent age cohorts, they permit policymakers to plan more realistically for the need for publicly funded or subsidized health insurance programs for near-retirees in the future. We particularly focus on the characteristics of the people who are in the major types of health insurance categories: employer-sponsored (with and without other private insurance), individual/nongroup coverage only, Medicaid, and no health insurance. Our intent is twofold: first, to identify the types of people who may not be able to afford medical care and face health risks, and second, to show how socioeconomic characteristics are related to different types of health insurance coverage.

OVERVIEW

As noted above, there were almost 23 million people 55 to 64 years of age in 1999.[1] This age cohort accounts for about 8.5 percent of the total U.S. population. To place the size of this cohort in perspective, the baby boomers in 1999 were in the 35- to 44-year-old and 45- to 54-year-old cohorts, which had 44.8 million and 35.3 million people, respectively.

Table 2 shows the distribution of types of health insurance that people 55 to 64 years of age had according to the March 1999 Current Population Survey (CPS). Two-thirds of the near-retirees have employer-sponsored health insurance (ESI) and/or individual, nongroup coverage and another 8.4 percent have individual, nongroup coverage—so, three-quarters of all 55- to 64-year-olds have some type of private health insurance. About 10 percent of the age cohort have Medicaid, Medicare, Champus/VA, or a mix of these public types of coverage and private coverage during the year. Finally, 15 percent of the near-retirees are uninsured. We describe the characteristics of the people who have these major types of coverage in more detail below.

In analyzing the types of characteristics that may be associated with different types of health insurance, it is useful to think about the near-retirees as being composed of two major groups. In one group are people who are seemingly healthy, working, with higher educational levels and earning high incomes, i.e., people who are likely to work until age 65 unless they decide that they have accumulated high enough assets that they can retire early. The second group consists of people who are less healthy, unemployed, or simply poor. This group includes the less educated or less skilled, those forced into early retirement because of employer downsizing, and those who have had other types of bad luck (perhaps in the form of becoming widowed or divorced, having lower incomes [in part because of no longer being married], or having to leave the labor force in order to care for an ailing spouse or elderly parent). A simple way of thinking of the two groups is to regard the first group as fortunate and the second group as unfortunate. One might expect the fortunate group to be largely covered by private health insurance, while those less fortunate might be expected to have a greater reliance on public coverage (Medicaid, Medicare, Medicaid

and Medicare, Medicaid and private coverage, or Champus/VA). As we show in the next section, both of these assumptions are true.

Although having employer-sponsored coverage prior to retirement is not a perfect predictor of retiree health insurance benefits, it is still a useful indicator. Thus, the fact that people in our first group, the fortunate near-retirees, are more likely to have employer-sponsored coverage implies that proposals to shift the age of eligibility for Medicare to match the Social Security eligibility age will disproportionately hurt people who already have problems with health insurance coverage in their near-retirement years. Further, as the life expectancy of people increases, it is likely that a significant portion of the baby boomers will face choices between working to continue their own access to health insurance and reducing work efforts in order to care for elderly parents. This is especially likely to occur for those between the ages of 62 and the age of eligibility for full Social Security benefits. Thus, the patterns of health insurance coverage of the near-retirees point to the need to determine the consequences of proposals to enable people to buy into Medicare at age 62.

CHARACTERISTICS ASSOCIATED WITH TYPE OF HEALTH INSURANCE

Not surprisingly, the type of health insurance coverage a person has is strongly linked to the person's labor force activity (Table 3). Among 55- to 64-year-olds, there seem to be only two major labor force activities: either working or else not in the labor force (i.e., only 2 percent were either unemployed and looking for work or on lay-off). In 1999, almost three out of five 55- to 64-year-olds were working; the other 40 percent were not engaged in the workforce. Among those working, more than three-quarters were covered by employer-sponsored insurance, while among those not in the labor force, just under half had ESI.

Among the 9.2 million people who were not in the labor force, almost 90 percent provided reasons for not working (Table 4). Of those responding, almost half had retired, a third were ill or disabled and could not work, and almost a fifth worked without pay on family and home responsibilities. Among those who worked in the home without pay, 30 percent were uninsured, half had ESI, and 10 percent purchased their own nongroup coverage. Those who were retired were similar in their coverage, although there are fewer who are uninsured (17.5 percent). In sharp contrast, half of the ill and disabled had public coverage (Medicaid and/or Medicare), only a quarter had ESI, less than 8 percent had individual coverage, and 12 percent were uninsured.

Given the impact of being in the labor force on type of health insurance, it should come as no surprise that family income is a strong predictor of the type of coverage held by 55- to 64-year-olds (Table 5). Among 55- to 64-year-olds, family income is somewhat skewed: 21 percent had 1998 incomes below $20,000; 18 percent had incomes between $20,000 and $35,000; 16 percent had incomes between $35,000 and $50,000; and 45 percent had incomes at or above $50,000. Note that only when family incomes were above $20,000 do we observe at least half of the people in particular income groups with ESI, and family incomes have to exceed $35,000 before at least two-thirds of the income group has ESI.

Family income, however, can be deceptive because it is the sum of the incomes of all related people living in the same household. In the case of near-retirees, we know that living arrangements can change as an individual's financial situation changes. Thus, a widower or divorcee between the ages of 55 and 64 may find him- or herself living with adult children or with other adult relatives. In these circumstances, family income does not necessarily indicate the financial circumstances of the individual involved. Furthermore, insurance companies define "family" as including only married couples and their dependent children (or single parents and their dependent children), and therefore they do not permit elderly parents to be covered by a family policy of their adult children. Table 6 shows the insurance family unit types of 55- to 64-year-olds by whether or not the person has any type of health insurance. Clearly, any 55- to 64- year-old who is living in a nuclear family with or without children at home has the lowest probability of being without health insurance. Single adults (with or without children at home), single or married parents living with their adult children, and adults living in other arrangements with related people are more likely to be uninsured. Because one-fifth of all 55- to 64-year-olds live in households where family income is more than the person's insurance

family unit (IFU) income, it is important to examine the distribution of types of health insurance that people have by their IFU income. This provides a more accurate view of the insurance coverage of near-retirees relative to their available financial resources.

As a comparison of Tables 5, 7, and 8 indicate, uninsured near-retirees are less likely to be poor than the rest of the non-elderly uninsured population. In 1998, 52 percent of uninsured 55- to 64-year-olds had family incomes below 250 percent of the poverty level, compared with 65 percent of the all the non-elderly uninsured. Although 26 percent had family incomes at or above $50,000, over a quarter of this was the result of the uninsured near-elderly living with other relatives whose income was counted as part of the person's family income. That is, of the nearly 900,000 uninsured 55- to 64-year-olds with 1998 family incomes at or above $50,000, almost a quarter of a million had "insurance family unit" incomes less than $50,000. Thus, as with all the non-elderly, near-retirees with high IFU incomes were likely to have ESI, while those with low IFU incomes were more likely to be uninsured. When we examine only Tables 7 and 8 to distinguish the near-retirees in terms of 55- to 61-year-olds and 62- to 64-year-olds, we find that at the lower IFU income levels, the older near-retirees are more likely to have public coverage than to be uninsured. This may reflect age related higher probabilities of being eligible for Medicaid and Medicare if one is disabled.

Not surprisingly, people who identify themselves as healthy are far more likely to have ESI, while almost half of those who report poor health (7.9 percent of the near-retirees) have public coverage (Table 9). Among those reporting fair health (almost 15 percent of 55- to 64-year-olds), almost half have ESI and a quarter have public coverage.

Given the differences between men and women in employment patterns and marriage status as they age, it is useful to examine the distribution of health insurance types for men and women separately. Table 10 provides an overview of the distribution of health coverage among men and women, for 55- to 61-year-olds and 62- to 64-year-olds. Women are less likely to have ESI than men in each of the age subgroups, but women are more likely to have nongroup private coverage than their male counterparts. For both age groups, women are more likely than men to be uninsured. Table 11 permits us to examine the male-female health coverage differences in terms of how marital

status interacts with coverage options and decisions. Married people in all four sex/age subgroups are most likely to have ESI. Among men in both age subgroups, unmarried men are more likely to have either public coverage or no insurance. Both married and widowed women in the older age group are more likely to have nongroup coverage. This finding is consistent with the observation that women are often married to men one or more years older, and if the husband has retired or died, the woman may obtain nongroup coverage for the one to three years' time until eligible for Medicare. What is very clear from both tables is that being married is a big advantage in terms of having ESI and not being uninsured.

As with marriage, increasing levels of educational attainment raise the probability that a person will have ESI rather than have public coverage or be uninsured. Table 12 indicates the distribution of type of health insurance by educational level of near-retirees. Among the nearly 20 percent of 55- to 64-year-olds without a high school diploma, 50 percent are either uninsured or relying on public coverage, and only 40 percent have ESI. In contrast, of the 37 percent with a high school diploma, two-thirds have ESI. Among those with a college degree or post-graduate education, more than three-fourths have ESI. This pattern is not surprising, since higher levels of education allow people to choose jobs with better benefits and lower injury rates.

Finally, there are differences by race in the distribution of types of health insurance among 55- to 64-year-olds. Table 13 shows the distribution for the two age subgroups (55 to 61 and 62 to 64 years of age). Approximately two-thirds of white near-retirees have ESI and about 14 percent are uninsured. In contrast, just over half of 55- to 61-year-old blacks have ESI, and only 41.5 percent of 62 to 64 year old blacks have ESI. People in "other" racial categories (Asian, Native American, Pacific Islander, and other), who comprise 4 percent of near-retirees, are also more likely to have public coverage or no insurance at all.

In sum, near-retirees who have ESI coverage are most likely to be in higher income categories, to be married, white, in good health, and to have higher educational levels. For these people, raising the age of eligibility for Medicare to 67 is unlikely to leave them uninsured. However, for those near-retirees who are unmarried, nonwhite, in poor health, or simply have less education, raising the Medicare eligibility

age is likely to exacerbate the already high percentage who are uninsured or relying on public coverage.

RELATIVE EFFECTS OF DIFFERENT CHARACTERISTICS ON TYPE OF HEALTH INSURANCE

Examining the near-retirees' types of health insurance in terms of different characteristics does not provide us with the relative importance of each of the characteristics in predicting the type of coverage that a near-retiree may have. It is important to understand the relative effects because many of the characteristics examined in the previous section are correlated with one another (for example, education and income, or marital status and income). To estimate the relative effects of these characteristics and determine which are most important for predicting type of health coverage, we estimated a multinomial logit model with four outcomes: ESI coverage (including possibly double-coverage with nongroup), nongroup only, public coverage, and no insurance. Table 14 contains the estimated coefficients for the model with insurance family unit (IFU) income and other characteristics, along with z-statistics. The coefficients indicate the effect of each characteristic on the probability (relative to having ESI) of having nongroup coverage, public coverage, or no insurance. We also estimated the same model with family income substituted for IFU income. Although the overall results do not change substantially when family income is used instead of IFU income (as will be illustrated below), the model with IFU income is slightly better in terms of goodness of fit measures.

What is interesting about Table 14 is that almost all of the characteristics are statistically significant in their effect on the probability that an individual would have each of the types of coverage. However, holding all the other characteristics constant, being 55 to 61 years of age rather than 62 to 64 is significant only in predicting nongroup coverage relative to ESI, not in predicting public coverage or no insurance relative to ESI. Whether a person is a male or female also is not significant in predicting no insurance relative to ESI when all other characteristics are held constant, which is surprising given the data in Table 10. Being married (as opposed to any nonmarried marital state) is statistically significant only in predicting no insurance relative to having ESI. Whether or not a person is working is not statistically significant in predicting whether a person has nongroup private insurance relative to ESI, but if a person is working he or she is statistically significantly less likely to have public coverage or be uninsured. In contrast, being ill/disabled and unable to work or being retired and not working are both statistically significant characteristics for predicting type of health insurance. Similarly, being white (as opposed to nonwhite) is a statistically significant characteristic, making a person less likely to have either public coverage or be uninsured relative to having ESI. In general, IFU income, educational attainment, and health status are the characteristics that have the largest effects on the probabilities of having each type of coverage, which is consistent with the theme we began with, that the near-retirees consist of two distinct groups of people.

Tables 15 and 16 provide illustrations of prototypical male and female (respectively) near-retirees and their probabilities of having each of the four major types of insurance coverage. Both tables also indicate how using IFU income (rather than family income) yields somewhat different predicted probabilities of having each of the types of insurance, but does not yield different outcomes in terms of the types of insurance with the highest probability. This result is reassuring given that family income is easier to obtain than IFU income, which often involves parsing out components of family income to the separate IFUs in a household. The illustrations clearly show that having higher income, more education, and better health status increase the probability of having ESI rather than public coverage or being uninsured. Further, being ill/disabled and in poor health significantly lowers the probability of having ESI and increases the probability of having public coverage. Controlling for marital status, we find that early retirement (for reasons other than illness/disability) significantly lowers the probability of having ESI for men, but not for women. Undoubtedly, this is indicative of access to a husband's ESI coverage for women who retire early, while the reverse is less likely to be true for men.

To place the prototypical examples in perspective, Table 17 shows the distribution of near-elderly across the four types of health insurance and the proportions with various characteristics in each type. Among

the people who have ESI coverage, for example, far greater proportions of the men and women are married than is true of the men and women with public coverage or no insurance at all. Similarly, the people who have ESI are far more likely to have higher levels of education than the people with public coverage or no insurance.

CONCLUSIONS

The age cohort of 55- to 64-year-olds can be roughly divided into two groups. The fortunate group consists of people who are able to work until at least age 65; this group is more likely to have higher education and income levels, and better health, as well as employer-sponsored insurance. The unfortunate group is that who either have developed health conditions or otherwise find it difficult to continue working, and have fewer financial resources (including ESI) in the years before they reach age 65. The policy implication of this finding is that proposals to extend the age of eligibility for Medicare to match the age of eligibility for full Social Security benefits are more likely to harm the second group of near-retirees.

In terms of developing public policies to help near-retirees who do not have ESI and are uninsured, the major empirical issue is the extent to which adverse selection might occur if 55- to 64-year-olds were provided with a public program (Swartz 1998). One such option, proposed by the Clinton administration, is to permit people to purchase Medicare coverage under restricted circumstances. Creating and evaluating a demonstration program targeted at 55- to 64-year-olds to learn how severe adverse selection might be would provide the empirical evidence needed to estimate the costs of permitting early enrollment in Medicare.

Finally, people who do not have health insurance prior to reaching age 65 are less likely to have retiree health insurance benefits or to buy Medigap policies to supplement Medicare. The fact that 15 percent of people currently 55 to 64 years of age are uninsured has implications for the health needs and costs of people when they reach age 65 and begin to be covered by Medicare, but to understand why near-retirees may not have health insurance, we need analyses of longitudinal data

on people 50 years of age and older. We need to understand how changes in employment, income, health status, marital status and family responsibilities over the ages of 50 to 65 affect access to health insurance for people of different educational and occupational backgrounds. If all the 55- to 64-year-olds without health insurance lost such coverage because of health problems, that would suggest a strong need for expanding Medicare. Similarly, longitudinal analyses would provide estimates of the numbers of near-retirees who stopped working in order to care for older spouses or aging parents and used up their own savings in the process. Determining why near-retirees become uninsured, as well as how many people face pressures to retire early and lose insurance coverage, would enable us to develop better-targeted public policies to help near-retirees maintain and obtain health insurance coverage.

Notes

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1. Data from the March 1999 Supplement to the Current Population Survey (CPS) are the basis for the estimates of the numbers of people with various types of health insurance and their socioeconomic and demographic characteristics. Analysts disagree as to whether the CPS numbers on the uninsured refer to a point in time (i.e., March of the year of the survey) or to the previous calendar year. We believe the uninsured numbers are closer to point-in-time estimates than to estimates of the number who were uninsured during all of the previous year, and therefore we refer to the year of the CPS when describing the uninsured as a particular year. See Swartz (1986) for more details.

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Table 1 Changes in the Percentage of Non-Elderly Age Cohorts without Health Insurance, 1984 and 1999

	Share of uninsured (%)		Share of age cohort uninsured (%)	
Cohort	1984	1999	1984	1999
Less than 18 years	33.0	25.2	18.6	15.4
18–24 years	23.6	17.7	29.0	30.0
25–34 years	17.7	20.8	15.4	23.7
35–44 years	9.7	17.5	11.3	17.2
45–54 years	7.7	10.9	12.0	13.6
55–64 years	8.3	7.8	13.0	15.0

SOURCE: March 1984 and March 1999 Current Population Survey.

Table 2 Distribution of Types of Health Insurance of 55- to 64-Year-Olds

Type of health insurance	Number (millions)	Percent
Private (employer-group only and employer-group + nongroup)	15.028	65.6
Nongroup only	1.924	8.4
Medicaid only	0.724	3.2
Medicare only	0.760	3.3
Medicaid and Medicare	0.476	2.1
Medicaid and private	0.182	0.8
Champus/VA	0.349	1.5
Not otherwise defined	0.033	0.1
Uninsured	3.434	15.0
Total	22.909	100.0

SOURCE: March 1999 Current Population Survey.

Table 3 Health Insurance Coverage by Labor Force Activity of 55- to 64-Year-Olds

Labor force activity	Private[a] (%)	Nongroup only (%)	Public[b] (%)	Uninsured (%)	Total (%)	Total number (millions)
Working	77.5	7.3	2.5	12.7	100	13.293
Unemployed	60.5	7.9	5.9	25.7	100	0.338
On lay-off	78.7	2.4	2.7	16.2	100	0.111
Not in labor force	48.3	10.0	23.8	17.9	100	9.159

SOURCE: March 1999 Current Population Survey.
[a] "Private" includes employer-group only and employer-group + nongroup.
[b] "Public" includes Medicaid, Medicare, Medicaid + Medicare, Champus/VA, Medicaid + private, and other combinations.

Table 4 Health Insurance Coverage by Reasons for Not Working for 8.013 Million 55- to 64-Year-Olds

Reason for not working	Private[a] (%)	Nongroup only (%)	Public[b] (%)	Uninsured (%)	Total (%)	Total number (millions)
Ill/disabled	24.1	7.6	56.4	11.9	100	2.529
Retired	56.8	12.0	13.7	17.5	100	3.808
Home/family	49.9	9.9	10.7	29.5	100	1.470
Other	39.8	—[c]	17.5	42.7	100	0.206

SOURCE: March 1999 Current Population Survey.
[a] "Private" includes employer-group only and employer-group + nongroup.
[b] "Public" includes Medicaid, Medicare, Medicaid + Medicare, Champus/VA, Medicaid + private, and other combinations.
[c] A dash (—) indicates a sample size too small for a statistically reliable estimate.

Table 5 Health Insurance Coverage by Family Income for 55- to 64-Year-Olds

Family income	Private[a] (%)	Nongroup	Public[b]	Uninsured (%)	Total (%)	Total number (millions)
less than $10,000	20.8	11.1	38.5	29.6	100	2.195
$10,000–19,999	38.5	11.1	25.7	24.7	100	2.551
$20,000–29,999	57.4	10.7	12.8	19.1	100	2.813
$30,000–39,999	64.9	10.8	8.0	16.3	100	2.649
$40,000–49,999	71.9	9.2	6.7	12.2	100	2.424
$50,000–74,999	80.9	5.8	3.5	9.8	100	4.323
$75,000–99,999	81.7	5.5	3.5	9.3	100	2.699
$100,000 and more	86.3	5.9	1.3	6.5	100	3.256

SOURCE: March 1999 Current Population Survey.
[a] "Private" includes employer-group only and employer-group plus nongroup.
[b] "Public" includes Medicaid, Medicare, Medicaid + Medicare, Champus/VA, Medicaid + private, and other combinations.

Table 6 Insurance Family Unit Type in which 55- to 64-Year-Olds Live, by Insurance Status

Insurance family unit type	Insured (%)	Uninsured (%)	Number (millions)	% of All 55–64 in IFU type
Single adult, no kids	81.2	18.8	4.914	21.5
Married couple, no kids	87.8	12.2	11.412	49.8
Married couple, kids	89.5	10.5	1.606	7.0
Single adult, kids	74.0	26.0	0.298	1.3
Single parent living with adult kids	73.5	26.5	1.155	5.0
Married parent living with adult kids	85.4	14.6	2.791	12.2
Other	78.9	21.1	0.733	3.2
All	85.0	15.0	22.909	100

SOURCE: March 1999 Current Population Survey.

Table 7 Health Insurance Coverage by IFU Income among 55- to 61-Year-Olds

IFU Income	Private[a] (%)	Nongroup (%)	Public[b] (%)	Uninsured (%)	Total (%)	Total number (millions)
Less than $10,000	18.3	11.3	26.7	33.7	100	2.157
$10,000–19,999	41.6	9.2	21.6	27.6	100	1.979
$20,000–29,999	62.3	10.9	7.6	19.2	100	2.016
$30,000–39,999	72.9	8.1	5.1	13.9	100	1.920
$40,000–49,999	81.2	7.2	4.2	7.1	100	1.605
$50,000–59,999	84.5	4.9	2.8	7.8	100	1.473
$60,000–69,999	85.7	5.8	1.7	6.8	100	1.154
$70,000–79,999	85.0	4.8	2.6	7.6	100	0.945
$80,000–89,999	85.6	3.5	1.9	9.0	100	0.792
$90,000–99,999	85.2	3.2	4.5	7.1	100	0.559
$100,000 and more	89.3	5.5	0.7	4.3	100	2.295
All	67.6	7.5	10.0	14.9	100	16.923

SOURCE: March 1999 Current Population Survey.
[a] "Private" includes employer-group only and employer-group plus nongroup.
[b] "Public" includes Medicaid, Medicare, Medicaid + Medicare, Champus/VA, Medicaid + private, and other combinations.

Table 8 Health Insurance Coverage by IFU Income among 62- to 64-Year-Olds

IFU Income	Private[a] (%)	Nongroup (%)	Public[b] (%)	Uninsured (%)	Total (%)	Total number (millions)
Less than $10,000	20.8	9.4	41.8	28.0	100	0.866
$10,000–19,999	39.3	14.0	23.9	22.8	100	1.030
$20,000–29,999	64.4	10.9	11.6	13.1	100	0.982
$30,000–39,999	68.5	15.3	6.4	9.8	100	0.715
$40,000–49,999	73.6	10.5	5.0	10.9	100	0.642
$50,000–59,999	81.2	5.2	2.9	10.7	100	0.401
$60,000–69,999	84.3	4.8	2.5	8.4	100	0.317
$70,000–79,999	82.7	8.5	1.7	7.1	100	0.236
$80,000–89,999	75.0	13.6	3.5	7.9	100	0.195
$90,000–99,999	77.5	13.1	0	9.4	100	0.157
$100,000 and more	78.7	8.5	1.7	11.1	100	0.444
All	59.9	10.9	14.0	15.2	100	5.986

SOURCE: March 1999 Current Population Survey.
[a] "Private" includes employer-group only and employer-group plus nongroup.
[b] "Public" includes Medicaid, Medicare, Medicaid + Medicare, Champus/VA, Medicaid + private, and other combinations.

Table 9 Health Insurance Coverage by Health Status among 55- to 64-Year-Olds

Health status	Private[a] (%)	Nongroup (%)	Public[b] (%)	Uninsured (%)	Total (%)	Total number (millions)
Excellent	77.0	9.1	2.9	11.0	100	4.319
Very good	75.0	8.3	3.4	13.3	100	6.763
Good	67.1	8.1	7.4	17.4	100	6.629
Fair	47.9	9.2	24.5	18.4	100	3.383
Poor	31.2	6.9	46.4	15.5	100	1.816

SOURCE: March 1999 Current Population Survey.
[a] "Private" includes employer-group only and employer-group plus nongroup.
[b] "Public" includes Medicaid, Medicare, Medicaid + Medicare, Champus/VA, Medicaid + private, and other combinations.

Table 10 Health Insurance Coverage, by Sex among 55- to 61-Year-Olds and 62- to 64-Year-Olds

Age/sex	Private[a] (%)	Nongroup (%)	Public[b] (%)	Uninsured (%)	Total (%)	Total number (millions)
55–61/males	71.6	6.3	9.2	12.9	100	8.180
62–64/males	64.9	9.3	13.2	12.6	100	2.787
55–61/females	63.9	8.7	10.6	16.8	100	8.743
62–64/females	55.6	12.3	14.5	17.6	100	3.199

SOURCE: March 1999 Current Population Survey.

[a] "Private" includes employer-group only and employer-group plus nongroup.

[b] "Public" includes Medicaid, Medicare, Medicaid + Medicare, Champus/VA, Medicaid + private, and other combinations.

Table 11 Type of Health Insurance among 55- to 61-Year-Olds and 62- to 64-Year-Olds by Sex and Marital Status

Age/sex/marital group	Private[a] (%)	Nongroup (%)	Public[b] (%)	Uninsured (%)	Total (%)	Total number (millions)
55 to 61/males						
Married	74.1	5.6	10.2	10.1	100	6.670
Widowed	46.9	6.2	20.1	26.8	100	0.194
Divorced	52.9	5.8	19.2	22.1	100	0.995
Separated	43.6	—[c]	—	26.1	100	0.165
Never married	49.1	11.1	25.2	14.6	100	0.460
62 to 64/males						
Married	69.9	9.1	10.3	10.7	100	2.192
Widowed	43.0	—	—	—	100	0.114
Divorced	49.8	8.5	23.3	18.4	100	0.293
Separated	—	—	—	—	100	0.052
Never married	43.1	—	—	24.8	100	0.137
55 to 61/females						
Married	71.7	7.9	5.8	14.4	100	5.676
Widowed	45.3	12.3	19.7	22.7	100	0.907
Divorced	57.8	9.1	15.7	17.4	100	1.435
Separated	26.6	12.1	32.7	28.6	100	0.248
Never married	46.5	8.9	18.0	26.6	100	0.447
62 to 64/females						
Married	59.9	13.3	9.3	17.5	100	2.044
Widowed	45.2	12.1	24.4	18.3	100	0.580
Divorced	55.6	9.3	21.9	13.2	100	0.378
Separated	—	—	—	—	100	0.044
Never married	49.7	—	—	23.1	100	0.147

SOURCE: March 1999 Current Population Survey.

[a] "Private" includes employer-group only and employer-group + nongroup.

[b] "Public" includes Medicaid, Medicare, Medicaid + Medicare, Champus/VA, Medicaid + private, and other combinations.

[c] A dash (—) indicates a sample size too small for a statistically reliable estimate.

Table 12 Health Insurance Coverage by Educational Attainment among 55- to 64-Year-Olds

Education level	Private[a] (%)	Nongroup (%)	Public[b] (%)	Uninsured (%)	Total (%)	Total number (millions)
Less than high school	40.4	8.0	25.9	25.7	100	4.314
High school diploma	66.1	9.1	10.0	14.8	100	8.449
Some college (1–3 yr.)	72.3	8.3	7.5	11.9	100	4.943
College degree	75.7	8.7	4.5	11.1	100	3.035
Postgraduate study	84.4	6.1	2.5	7.0	100	2.168

SOURCE: March 1999 Current Population Survey.

[a] "Private" includes employer-group only and employer-group + nongroup.

[b] "Public" includes Medicaid, Medicare, Medicaid + Medicare, Champus/VA, Medicaid + private, and other combinations.

Table 13 Health Insurance Coverage by Race among 55- to 61-Year-Olds and 62- to 64-Year-Olds

Race and age group	Private[a] (%)	Nongroup (%)	Public[b] (%)	Uninsured (%)	Total (%)	Total number (millions)
55- to 61-yr.-olds						
White	69.9	7.9	8.4	13.8	100	14.560
Black	51.4	5.7	21.0	21.9	100	1.676
Other	59.7	5.1	14.4	20.8	100	0.687
62- to 64-yr.-olds						
White	63.0	10.9	12.0	14.1	100	5.165
Black	41.5	9.5	25.7	23.3	100	0.609
Other	38.7	14.6	26.4	20.3	100	0.212

SOURCE: March 1999 Current Population Survey.

[a] "Private" includes employer-group only and employer-group + nongroup.

[b] "Public" includes Medicaid, Medicare, Medicaid + Medicare, Champus/VA, Medicaid + private, and other combinations.

Table 14 Estimated Multinomial Logit Model Predicting Type of Health Insurance for 55- to 64-Year-Olds[a]

Characteristic	Nongroup		Public		No insurance	
	Coefficient	z-stat.	Coefficient	z-stat.	Coefficient	z-stat.
Age 55–61	–0.2939	–3.711	0.1091	1.566	–0.1097	–1.257
Male	–0.2515	–3.407	–0.1089	–1.774	0.1156	1.422
High school	–0.0406	–0.385	–0.5955	–7.718	–0.5819	–5.950
Some college	–0.0582	0.494	–0.6727	–7.293	–0.4068	–3.412
College degree	–0.0595	0.431	–0.6137	–5.479	–0.6383	–3.844
Postgraduate	–0.2082	–1.255	–1.0672	–7.239	–1.1243	–4.859
Married	0.1191	1.342	–0.0661	0.923	–0.4095	–4.400
Working	–0.0478	–0.454	–0.3546	–4.418	–1.0259	–7.656
Ill/disabled	0.4147	2.471	–0.5319	–3.897	1.6035	11.830
Retired	0.1802	1.502	–0.3972	–4.046	0.4821	3.835
White (vs. nonwhite)	0.3987	3.213	–0.1988	–2.387	–0.2783	–2.668
IFU income[b]						
$10–19,999	–0.8049	–5.759	–1.0452	–10.005	–0.7953	–6.637
$20–34,999	–1.2146	–9.169	–1.9010	–18.224	–1.8870	–14.341
$35–49,999	–1.5267	–10.514	–2.5968	–21.010	–2.3618	–14.132
$50,000 plus	–2.0712	–14.236	–2.7953	–24.060	–2.4369	–15.299

(continued)

Table 14 (continued)

Characteristic	Nongroup		Public		No insurance	
	Coefficient	z-stat.	Coefficient	z-stat.	Coefficient	z-stat.
Health status						
Very good	–0.1771	–1.742	0.0256	0.280	–0.1248	–0.742
Good	–0.1630	–1.588	0.1273	1.409	0.3627	2.363
Fair	–0.0806	–0.627	0.2476	2.290	0.9210	5.774
Poor	–0.1595	–0.866	0.3191	2.185	1.2437	7.017
Constant	–0.6002	–2.857	1.3315	8.375	0.1870	0.865
Unweighted N	11,128					
log(likelihood)	–9050.396					
Pseudo R^2	0.2044					

SOURCE: March 1999 Current Population Survey.

[a] The coefficients indicate the affect of each characteristic on the probability of having nongroup coverage, public coverage, or no insurance relative to having employer-group coverage only and employer-group plus nongroup.

[b] IFU = insurance family unit.

Table 15 Predicted Probabilities of Four Types of Insurance Coverage for Prototypical Men

Characteristics of person	Private[a] (%)	Nongroup (%)	Public[b] (%)	Uninsured
Using IFU income				
1) 55- to 61-yr-old male, married, did not complete HS, working, white, IFU income $20,000–34,999, very good health	0.472	0.090	0.041	0.396
2) same as #1 except HS graduate	0.590	0.108	0.029	0.273
3) same as #2 except ill/ disabled and poor health	0.224	0.066	0.594	0.116
4) same as #2 except retired	0.528	0.121	0.116	0.234
5) same as #2 except nonwhite	0.571	0.070	0.037	0.322
6) same as #1 except 62–64 yrs of age	0.475	0.121	0.046	0.357
7) same as #6 except HS graduate	0.583	0.143	0.032	0.032
8) same as #7 except ill/ disabled and poor health	0.207	0.082	0.614	0.097
9) same as #7 except retired	0.512	0.158	0.126	0.204
10) same as #7 except nonwhite	0.574	0.095	0.041	0.290
Using family income				
1) 55- to 61-yr-old male, married, did not complete HS, working, white, family income $20,000–34,999, very good health	0.505	0.096	0.039	0.361
2) same as #1 except HS graduate	0.645	0.108	0.025	0.222
3) same as #2 except ill/ disabled and poor health	0.237	0.070	0.578	0.115
4) same as #2 except retired	0.556	0.123	0.107	0.215
5) same as #2 except nonwhite	0.605	0.074	0.035	0.286
6) same as #1 except 62–64 yrs of age	0.503	0.129	0.044	0.324

(continued)

Table 15 (continued)

Characteristics of person	Private[a] (%)	Nongroup (%)	Public[b] (%)	Uninsured
7) same as #6 except HS graduate	0.633	0.144	0.028	0.196
8) same as #7 except ill/ disabled and poor health	0.217	0.088	0.600	0.095
9) same as #7 except retired	0.537	0.160	0.116	0.187
10) same as #7 except nonwhite	0.604	0.010	0.039	0.257

SOURCE: March 1999 Current Population Survey.
[a] "Private" includes employer-group only and employer-group + nongroup.
[b] "Public" includes Medicaid, Medicare, Medicaid + Medicare, Champus/VA, Medicaid + private, and other combinations.

Table 16 Predicted Probabilities of Four Types of Insurance Coverage for Prototypical Women

Type of person	Private[a] (%)	Nongroup (%)	Public[b] (%)	Uninsured
Using IFU income				
1) 55- to 61-yr.-old female, some college (1–3 yr.), married, working, white, IFU income $50,000 or greater, very good health	0.836	0.087	0.013	0.065
2) same as #1 except IFU income of $20,000–34,999	0.682	0.166	0.020	0.132
3) same as #2 except not married	0.694	0.150	0.030	0.125
4) same as #1 except 62 to 64 yr. of age	0.850	0.066	0.011	0.073
5) same as #4 except retired	0.801	0.078	0.054	0.067
Using family income				
1) 55- to 61-yr.-old female, some college (1–3 yr.), married, working, white, family income $50,000 or greater, very good health	0.832	0.089	0.012	0.067
2) same as #1 except family income of $20,000–34,999	0.687	0.167	0.022	0.124
3) same as #2 except not married	0.642	0.164	0.041	0.153
4) same as #1 except 62 to 64 yr. of age	0.848	0.067	0.011	0.075
5) same as #4 except retired	0.785	0.081	0.054	0.079

SOURCE: March 1999 Current Population Survey.
[a] "Private" includes employer-group only and employer-group + nongroup.
[b] "Public" includes Medicaid, Medicare, Medicaid + Medicare, Champus/VA, Medicaid + private, and other combinations.

Table 17 Proportion of People with the Listed Characteristics by Type of Health Insurance, 1999

Characteristic	Private[a] (%)	Nongroup (%)	Public[b] (%)	Uninsured
All 55- to 64-year-olds				
Number (millions)	15.028	1.924	2.523	3.434
Share (%)	65.6	8.4	11.0	15.0
Married men (%)	84.5	74.6	52.9	64.6
Married women (%)	71.9	62.5	39.6	58.1
Less than HS education (%)	11.6	17.9	44.3	32.3
HS diploma (%)	37.2	40.0	33.4	36.5
Some college (%)	23.8	21.4	14.8	17.1
College degree or more (%)	27.5	20.7	7.5	14.2
With family income less than $50,000 (%)	43.4	69.3	88.7	74.1
Working (%)	68.6	50.9	12.6	49.2
In poor health (%)	3.8	6.5	33.4	8.2

SOURCE: March 1999 Current Population Survey.

[a] "Private" includes employer-group only and employer-group + nongroup.

[b] "Public" includes Medicaid, Medicare, Medicaid + Medicare, Champus/VA, Medicaid + private, and other combinations.