

# Minorities Less Likely to Have Employer-Sponsored Health Insurance

By Houkje Ross

Closing the Gap, The Problem of Accessing Health Care • August/September 1999

**M**inorities in full- or part-time jobs are less likely than whites to obtain insurance offered by their employers, according to a recent study conducted by The Commonwealth Fund. *Employer-Sponsored Health Insurance: Implications for Minority Workers* examines the relationship between minority status and the use of employer-sponsored health insurance.

The study reveals that in small companies (those with less than 100 workers) 63 percent of whites receive health coverage from their employers, compared with 47 percent of blacks and 38 percent of Hispanics. In medium-sized companies (those with 100 to 1,000 workers) 84 percent of whites have coverage, compared with 68 percent of blacks and 61 percent of Hispanics. In large companies (those with more than 1,000 workers), whites are covered at a rate of 85 percent, compared to blacks at 76 percent and Hispanics at 72 percent.

The findings are surprising because the country's economy is strong, says Karen Scott Collins, MD, MPH, co-author of the study and assistant vice president at The Commonwealth Fund. "All the factors that facilitate the coverage of health insurance should be there," she says. "We expect most people will get health insurance when they have full-time employment." But disparities exist even between minorities and whites in similar positions.

Racial disparities in coverage exist in many industries such as manufacturing and transportation, Dr. Collins says. Even within professions that typically have high rates of employer-sponsored health insurance, such as executive management positions and specialty occupations, minorities—and especially Hispanics—are less likely to have coverage. Compared with 83 percent of whites in executive positions who have health insurance, only 70 percent of Hispanics in similar jobs have health insurance, according to the study.

The study also shows that the odds of having employer-sponsored health insurance increase with educational level. Workers with

advanced degrees are almost twice as likely to have coverage than workers with less than a high school education. Of those workers without a high school education, 48 percent have insurance through their employers. That rate jumps to 68 percent for those with a high school diploma.

Other findings reveal that workers who live in suburban areas are more likely to have health coverage than inner city and rural residents. Those living in the Southwestern and South central states are less likely to have coverage than workers in the North. Lower wage workers are less likely than higher paid workers to have health insurance through their employer, with minorities showing the lowest rates in all wage subgroups.

The Commonwealth study reveals that for minorities, having a job does not even the chances of obtaining employer-sponsored health insurance. While the Fund's study doesn't pinpoint definitive reasons for these racial differences, researchers suggest that barriers could include issues of cost sharing and premiums. The authors point to out-of-pocket costs—the portion of costs paid by employees—as a possible barrier to obtaining health coverage. Out-of-pocket-costs can represent a significant expense, especially for low-wage workers.

"This is one hypothesis we are going to test with further data analyses," Dr. Collins said. Understanding the barriers minority workers face will play a key role in dealing with these inequities.

The Commonwealth Fund plans to obtain data from the HHS Agency for Health Care Policy and Research (AHCPR) to further explore this research. A new study analyzing these data will be available early next year, Collins says.

The Commonwealth Fund is a private foundation in New York that supports independent research on health and social issues.

*For more information about Commonwealth Fund studies, contact: Mary Mahon, Public Information Officer, (212) 606-3853, or visit their web site at: <http://www.cmwf.org>* ❖

## Commonwealth Report Focuses on Minorities

The Commonwealth Fund recently released a 160-page report of the status of minority health care in the United States. U.S. Minority Health: A Chartbook reports that minority Americans fall behind on almost every health indicator, including health care coverage, access to care, life expectancy, and disease rates. The chartbook compares findings from several Commonwealth Fund surveys and national data sources. Chart topics include: life expectancy, trends in births to teenage mothers, leading causes of death, receipt of vaccines and, enrollment in managed care.

*For more information about the chartbook, call Mary Mahon, Public Information Officers, The Commonwealth Fund, 212-606-3853, or visit the Fund's website at: <http://www.cmwf.org>.* ❖

