

FACT SHEET

FAQs about the Census Bureau Official Health Insurance Rate

September 2014

Each year, the Census Bureau releases data on health insurance coverage in the United States, and the National Women's Law Center analyzes these data to provide a picture of how women and their families are faring. The following frequently asked questions take a closer look at what the Census Bureau numbers tell us—and don't tell us—about health insurance.

1. What does the health insurance rate tell us?

Each year, the Census Bureau releases new estimates of the number of Americans who have health insurance. The data reveal how many Americans had health insurance in the previous year and the source of their insurance. Additionally, the data can be broken down many ways, including by income level, age, race, or sex.

The data is based on a national survey that asks respondents about their health insurance coverage in the previous calendar year. Respondents are considered insured if they were covered by any type of health insurance at any time in the previous year. Respondents are considered "uninsured" if they lacked health insurance for the entire previous calendar year.

2. Where does this data come from?

Once a year, the Census Bureau adds questions on health coverage and income to its monthly Current Population Survey. They use this set of supplemental questions, known as the Annual Social and Economic Supplement (ASEC), to survey 78,000 households. The ASEC questions regarding health insurance explore whether each member of the respondent household had insurance coverage throughout the previous calendar year, and if so, what kind of coverage. According to the Census Bureau, the ASEC is the most widely used source of data on health insurance coverage in the U.S.

This year, the Census Bureau is debuting revised questions to better understand the rate of the health insurance. These questions, which are only slightly altered from earlier survey questions, should provide a more accurate picture of how many Americans are insured. The new questions will provide a better baseline for understanding how the Affordable Care Act will increase the number of Americans with insurance.

Because of the changes to health insurance questions, data from the American Community Survey (ACS) will also be released on Tuesday. This data can be used for comparisons to past years, as well as state and local level information on health insurance coverage. Although there are differences between ASEC and ACS, the two surveys produce consistent statistics about health insurance coverage.¹

3. What types of insurance are measured?

The Census Bureau divides health insurance into two categories: private coverage or government coverage. Private coverage is defined as coverage an individual would hold through an employer or a union or purchase on their own from an insurance company. Government coverage refers to publicly-financed insurance such as Medicare, Medicaid, the Children's Health Insurance Program (CHIP), military health insurance, and individual state health programs.

4. What does it mean to be uninsured?

Uninsured Americans in the ASEC lacked health insurance for the entire previous year, which means they did not receive health insurance through their employer or the government, or buy it themselves. If they received health insurance for even part of the year, they would be considered insured.

In contrast, the American Community Survey is a rolling sample of households collected all year long. The survey asks if a person is currently covered by health insurance. ACS measures health insurance status based on whether people are uninsured at the point-in-time that they answered the survey rather than the entire year.

5. What doesn't the official health insurance rate tell us?

Because ASEC asks about health insurance for the entire previous year, the data can't tell us how many Americans had health insurance for only part of year or were insured at the time of the survey. Some Americans only had health insurance for a few months out of year, but despite periods of being uninsured, they would be counted as part of the insured rate. And, others could have been uninsured when they participated in the survey, but would be considered insured if they had coverage the previous year. Similarly, the health insurance rate doesn't tell us how long uninsured Americans have gone without coverage – for some, it could be much longer than just the previous year covered in the survey.

6. How will these rates change as a result of the Affordable Care Act?

The Affordable Care Act –also known as Obamacare – has many provisions that make it easier and more affordable for Americans to gain health insurance. However, the data released this year will not reflect the more than eight million Americans who enrolled in the insurance through the new health insurance Marketplaces or the millions of Americans who were newly covered through Medicaid because of the ACA. The health insurance data the Census Bureau collects and releases in 2015 will reflect the first year of the law's full implementation.

We expect the rate of insurance will continue to rise as more Americans gain coverage through the ACA. Some early looks at the effect of the ACA have already found that the number of uninsured Americans decreased by eight million between September 2013 and June 2014, or a 22 percent drop.² The Center for Medicaid and Medicare Services projects the number of uninsured Americans will drop by nearly half over the next decade.³

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1. Brett O'Hara, United States Census Bureau, "Health Insurance Coverage Measurement in Two Surveys," (September 11, 2014) retrieved from <http://blogs.census.gov/2014/09/11/health-insurance-coverage-measurement-in-two-surveys-2/>.
2. Sharon K. Long et al, The Urban Institute, "Taking Stock at Mid-Year: Health Insurance Coverage under the ACA as of June 2014," (July 29, 2014) retrieved from <http://hrms.urban.org/briefs/taking-stock-at-mid-year.html>.
3. Centers for Medicare & Medicaid Services, U.S. Department of Health and Human Services, "Number of Uninsured Projected to Decrease, Faster Health Expenditure Growth Expected as Coverage Expands and the Economy Improves, CMS Actuary Reports" (September 3, 2013) retrieved from <http://www.cms.gov/Newsroom/MediaReleaseDatabase/Press-releases/2014-Press-releases-items/2014-09-03.html>.