



New England Research Institutes

# Underinsurance is as Big a Problem as Uninsurance

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BACH is supported by NIH, NIDDK, U01 DK56842. Additional support for this research was provided by the National Center on Minority Health and Health Disparities.

## Background

- The attention of policy makers focuses on the 49.5 million Americans under age 65 who lack any health insurance (the uninsured).
- Much less attention is paid to the additional 42.5 million who are underinsured.
- It is estimated that over 60% of bankruptcies in 2007 are caused by medical bills, even though 75% of these had health insurance at the start of their illness.

## Research objective

- To examine the socio-demographic and health characteristics of the underinsured – people who have some health insurance but are having trouble paying for health care or medications.

## Methods

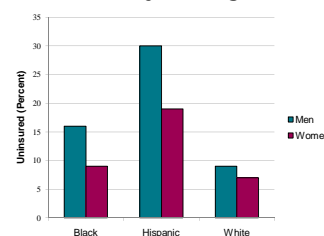
- The Boston Area Community Health (BACH) survey used a multi-stage stratified cluster sample to randomly select 5503 Boston residents aged 30-79 from 2002-5 (before health insurance become mandatory in Massachusetts).
- The sample includes 2301 men and 3202 women; 1767 Black, 1877 Hispanic, and 1859 White participants.
- Socioeconomic status was defined as a combination of education and income and categorized such that approximately ¼ of the population was lower, ½ middle, and ¼ upper.
- A person was said to be uninsured if they reported no private, public, or workman's comp (from employer, spouse's employer, military health, or self-pay).
- A person was considered to be underinsured if they had health insurance but reported trouble paying for health care or medications or adequately-insured if they had health insurance and did not report trouble paying for medical care.

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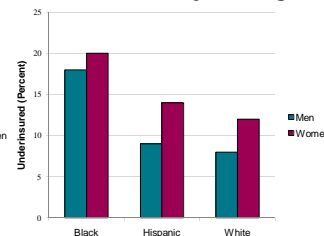
## Findings

Who are the underinsured?

Uninsured by race/gender



Underinsured by race/gender



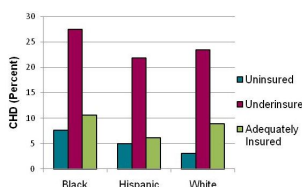
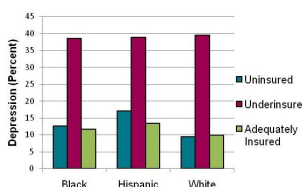
Insurance status varied by gender and race/ethnicity.

Minorities were more likely than Whites to be un- or under-insured.

Those of lower socioeconomic status were generally the most likely to be uninsured and underinsured regardless of race/ethnicity.

The health status of the underinsured

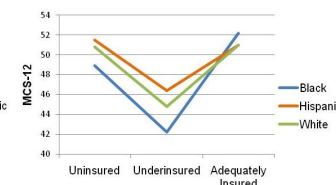
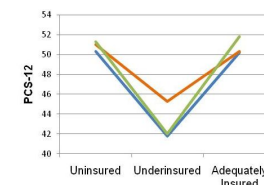
The health status (co-morbidities, health related quality-of-life as measured by the SF-12, and health care utilization) were similar in the uninsured and adequately insured.



However, those who were underinsured were older and had more co-morbidities such as depression and coronary heart disease (men only).

The health status of the underinsured

- The underinsured also had lower health related quality of life as evidenced by significantly lower physical and mental health component scores from the SF-12, and made greater use of the health care system.



- Using data from a representative, population-based sample, we have estimated the sizeable proportions of the population who are underinsured, and describe their socio-demographic characteristics, health status and utilization behavior.
- While much attention is justifiably focused on the national challenge of uninsurance, which is the situation for some 49 million Americans, we have highlighted what may be an even more insidious problem: the underinsurance of an additional 42 million people in the US.
- Our data permit us to describe in some detail who exactly the underinsured are and provide new information on their health status, utilization behavior and quality of life.

## Conclusions

- Since the underinsured are older and sicker and are greater users of health services, they require as much policy maker attention as the uninsured.
- Simply mandating health insurance for all may be insufficient.
- Adequacy of coverage and affordability appear to be equally important.