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EDITORS, NEWS DIRECTORS: This is a sidebar to our previous release on today's Census report on poverty, income and health insurance data for Iowa.

Health Care Coverage Falling Off for Iowans New Census Data Show 1 in 10 Iowans Lacks Coverage

MOUNT VERNON, Iowa (Aug. 26, 2004) – The ranks of the uninsured grew in greater proportions in Iowa than in all but two states in recent years as the number of Iowans lacking health coverage grew to more than 1 in 10, according to the Census Bureau.

Using two-year averages, Iowa ranked third among the 20 states that the Census showed on Thursday to have a greater proportion of uninsured in 2002-03 than in 2001-02. Iowa had a 1.9 percentage-point increase, behind a 2.9-point increase for Montana and 2.2-point increase for Oregon.

The number of uninsured grew from 246,500 in 2001-02 to 303,000 in 2002-03, according to the Census, or from 8.5 percent of Iowans to 10.4 percent.

Iowa Policy Project analysts, citing Census data, attributed the growing ranks of uninsured to a decline in employer-provided health-care benefits. According to the Census, 67.3 percent of Iowans had employer-provided health benefits in 2001-02, with that average falling to 65.4 percent for 2002-03 – a 1.9-point drop, matching the increase in the proportion of Iowans uninsured.

“This presents special challenges to our state elected officials,” said David Osterberg, a former legislator and now executive director of the IPP. “As legislators and the governor prepare for a possible special session to revive an economic development program, they should take note of this report. We need jobs that will include health-care benefits. Not only are our job numbers down, but our job quality is suffering as well.”

Earlier this year, the nonpartisan Economic Policy Institute in Washington, D.C., reported that Iowa is among 45 states where jobs have shifted to industries that cover a smaller share of their workers with health insurance, on average.

The Census recommends two-year averages of its Current Population Survey data for state-level analysis. Those averages for Iowa show:

■ In 2002-03, 303,000 Iowans were without health insurance, or 10.4 percent. That compared with 246,500 in 2001-02, 8.5 percent, and 235,000 in 1999-2000, 8.2 percent.

■ In 2002-03, 1,905,000 Iowans had employment-based health coverage, or 65.4 percent. That compared with 1,939,000 in 2001-02, 67.3 percent, and 1,993,000 in 1999-2000, 69.7 percent.

■ In 2002-03, 710,000 Iowans had government-provided health coverage, or 24.4 percent. That compared with 681,000 in 2001-02, 23.6 percent, and 646,000 in 1999-2000, 22.6 percent.

■ In 2002-03, 477,000 Iowans had direct-purchased private health coverage, or 16.4 percent. That compared with 502,000 in 2001-02, 17.4 percent, and 468,000 in 1999-2000, 16.3 percent.

The Iowa Policy Project is a nonpartisan, nonprofit research organization headquartered in Mount Vernon. IPP reports are available to the public on the web at <http://www.iowapolicyproject.org>.