

**The Dynamics of Health Insurance Coverage:
Factors Correlated with Insurance Gain and Loss among Adults**

Final Report submitted to the U.S. Department of Labor

August 31, 2005

Robert W. Fairlie
Department of Economics
University of California, Santa Cruz, IZA,
and National Poverty Center
rfairlie@ucsc.edu

Rebecca A. London
Center for Justice, Tolerance, and Community
University of California, Santa Cruz
and National Poverty Center
rlondon@ucsc.edu

We would like to thank Carlos Dobkin, Donald Wittman and Elaine Zimmerman for useful comments and suggestions. Oded Gurantz provided excellent research assistance.

1. Introduction

In 2003, nearly 45 million people, or 16 percent of the U.S. population, lacked health insurance (DeNavas-Walt, Proctor, and Mills 2004). Trends indicate that both the number and rate of uninsurance have increased since the late 1980s. Low-income individuals are especially vulnerable, with 24 percent lacking health insurance in 2003. Working, however, does not guarantee coverage. Nearly 19 percent of the workforce lacked health insurance in 2003. Among those with insurance, employer-provided insurance accounts for the largest source—72 percent of covered individuals had an employment-based plan (DeNavas-Walt, Proctor, and Mills 2004). Yet, there is evidence that among workers, the rate of employer-sponsored health coverage declined in the 1980s and 1990s (Farber and Levy 2000), and this decline was most pronounced among low-income workers (Holahan 2003).

It is important to understand the reasons for lack of health insurance and the characteristics of the uninsured because the absence of health insurance can result in negative externalities for society and worse health outcomes for individuals. The corollary, that the presence of health insurance is associated with better health status, has been shown to be particularly true for low-income groups and other vulnerable populations (Levy and Meltzer 2001). People who are uninsured are three times as likely as those who are insured to delay seeking health services due to their expense (Kaiser Commission on Medicaid and the Uninsured 2003). The uninsured are also far less likely to receive medical care in a doctor's office or other sources of regular care and are more likely than those with insurance to be seen in hospital emergency rooms. Beyond health concerns, lack of health insurance may also place the uninsured at substantial financial risk. The value of uncompensated health care services to the uninsured has been estimated at \$35 billion annually (Institute of Medicine of the National Academies 2003). A lower bound of total economic losses resulting from uninsurance (including social costs) is estimated to be \$65-\$130 billion (Miller et al. 2004).

Previous studies of health insurance coverage have focused on point-in-time coverage, which may greatly understate the problem of uninsurance in the United States. Studies have shown that health insurance coverage can be volatile, especially for low-skilled workers. For example, estimates from the Survey of Income and Program Participation (SIPP) indicate that among full-time workers in 1999, 16 percent experienced at least one month without health insurance (Bhandari and Mills 2003). Nearly 25 percent of individuals without a high school diploma were uninsured for at least one month in the same year. Data from the National Survey of America's Families shows that among the 20 percent of the non-elderly population that is uninsured in a one-year period, 53 percent have uninsurance spells that last for 12 or more months (Zuckerman and Haley 2004). New estimates from the Current Population Survey presented in this article indicate that 7.5 percent of working-age adults who report having health insurance in one year have no health insurance in the following year. Furthermore, less than one half of adults who were not covered in one year gain health insurance coverage in the following year.

The emerging portrait of the uninsurance is more one of intermittent coverage, which appears to be much less beneficial than continuous coverage and results in outcomes that more closely resemble the outcomes of the continuously uninsured (Baker et al. 2001). Intermittent coverage has been shown to result in use of fewer preventive health services (Sudano and Baker 2003) and increased problems in accessing medical care and following up on this care (Schoen and DesRoches 2000). Previously uninsured or intermittently insured adults who gain access to health insurance tend to show improvements in their use of medical services, although it may take several years for this to occur (Sudano and Baker 2003; McWilliams et al. 2003).

Low point-in-time rates of health insurance among certain demographic and employment groups, such as disadvantaged minorities, less-skilled workers, part-time workers, and the self-employed, have been well documented. Yet, we know relatively little about the dynamic patterns of health insurance

coverage among these groups. To the extent that lapses in health insurance coverage measured in a static model are associated with turnover in coverage, it is important to understand the extent of this issue and its causes. For example, the low rates of coverage among a particular group may be due to high rates of insurance loss, low rates of gaining insurance, or a combination of the two. Furthermore, very little is known about the extent to which *changes* in job characteristics over time are associated with gains and losses of health insurance. This may be especially important for less-skilled workers, who have higher rates of job turnover.

In this study, we examine annual transitions into and out of health insurance coverage using matched data from the 1996 to 2004 Annual Demographic Files (ADF) of the Current Population Survey (CPS). Although the CPS ADFs have primarily been used as cross-sectional samples, we create a two-year panel by linking consecutive surveys.¹ The large sample sizes and longitudinally matched CPS data allow us to explore the relationship between changes in detailed employment characteristics and health insurance transitions over a two-year period. To our knowledge, the matched CPS data have not been previously used to explore the dynamics of health insurance coverage. The CPS measures health insurance coverage over the entire year prior to the survey, capturing movement between year-long uninsurance and part- or full-year insurance over a two-year period.² Our study therefore focuses on transitions between relatively long spells of uninsurance (at least one year) and any length spell of coverage. This allows us to focus specifically on intermittent insurance coverage that leads to longer spells of uninsurance, spells that are the most likely to result in adverse health or financial outcomes.

¹ We discuss advantages of the CPS relative to other data sources in the data section of this article.

² Based on comparisons of estimates of the number of uninsured from alternative datasets that include point-in-time measures of health insurance, CPS respondents may be underreporting health insurance coverage at any point over the previous calendar year because of recall bias or because they simply report their current coverage (Bennefield 1996, Swartz 1986, CBO 2003, and Bhandari 2004 for further discussion). We discuss this issue further below.

We address several research questions using the two-year CPS panel. First, we examine differences in the incidence of health insurance transitions across detailed demographic and employment characteristics. The focus is on identifying whether low rates of health insurance among certain groups, such as minorities, less-educated workers, part-time workers, and workers at small employers, are due to high rates of health insurance loss, low rates of obtaining health insurance, or both. Second, we examine the incidence of health insurance transitions between public and private coverage, and between each of these and uninsurance. Third, we examine whether dynamic factors, such as job loss, movement from full-time to part-time work, movement from a large employer to a small employer and other changes in job characteristics are associated with health insurance loss. We also explore whether changes in employment and job characteristics are associated with gaining health insurance. We then examine dynamic factors that are related specifically to the loss and gain of private health insurance. Although it is difficult to identify causal factors of health insurance transitions, the analysis of the relationship between changes in health insurance coverage and changes in potentially correlated factors using the large two-year panel data in the CPS improves on cross-sectional analyses and offers some of the first estimates of the relationship between changes in employment characteristics on dynamic health insurance outcomes.

2. Previous Literature

The literature on health insurance dynamics has concentrated largely in two areas: studies of the effects of health insurance on job mobility and analyses of the duration and characteristics of uninsurance spells. In this section, we provide a brief overview of the findings from each of these literatures.

Health Insurance and Job Turnover

The health insurance literature has established a relationship between health insurance and labor supply. Research has shown that when the source of health insurance is not linked to one's own employment, individuals are less likely to be employed (Gruber and Madrian 2001). This is particularly the case among married women, whose propensities to work depend on the availability of health insurance from their husbands.

This link between health insurance and labor supply may also have the inverse effect—the presence of health insurance may reduce job mobility. The literature on job turnover and health insurance has concentrated largely on the role of health insurance in creating “job lock,” a phenomenon which results when employees opt to stay at their jobs because of their health insurance coverage. A problem with examining the effects of health insurance on job mobility is the potential endogeneity of health insurance coverage with other unmeasurable job characteristics. Jobs that provide health insurance might also be qualitatively better jobs for other reasons, leading to a reduced desire to leave these jobs for reasons unrelated to health benefits. The literature has dealt with this endogeneity problem in several ways (Gruber and Madrian 2001) and studies demonstrate wide divergence in estimated effects of health insurance on job lock. For instance, Madrian (1994) estimates that job lock results in a 25 percent reduction in job turnover. In response to Madrian (1994), Kapur (1998) uses comparable data and different econometric specifications and finds no evidence of job lock. In a review of the job lock literature, Gruber and Madrian (2001) conclude that job lock estimates range from a lower bound of 10 percent to an upper bound of 25-30 percent. Consistent with this, research has shown that job lock may pertain only to certain groups (Gilleskie and Lutz 2002). Even where job lock exists, the literature seems to indicate that it is a short-term problem, due at least in part to the availability of

employer-provided insurance for former employees through the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) (Gilleskie and Lutz 2002; Gruber and Madrian 1994).

Expanding the consequences of job lock to the children of low-income parents, Marquis and Kapur (2003) find that parents who do not have health insurance coverage remain in their jobs for shorter durations than those who have health coverage. When they control for other factors, the authors find that the role of insurance coverage diminishes, suggesting that other factors also play an important role in parents' job moving decisions.

Health Insurance Dynamics

The literature on health insurance dynamics emphasizes that a dynamic approach to studying health insurance coverage represents an improvement over point-in-time analyses. If spells of uninsurance are short and end with regained insurance coverage, we might be less concerned about the problem of insurance. If, however, those who are uninsured remain uninsured for long periods, or repeatedly gain and lose insurance, we might be more concerned about the well-being of the uninsured.

Studies of health insurance dynamics have mostly focused on the duration of uninsurance spells, and the characteristics of individuals with longer spells. One of the pioneering studies in this area found that half of uninsurance spells end within four months, and 15 percent last more than two years (Swartz and McBride 1990). More recent data published by the Congressional Budget Office indicate an increase in the share with longer spells—41 percent of uninsurance spells lasted less than four months and 18 percent lasted more than two years (CBO 2003). Poor, less educated, and Latino families are more likely than others to have longer uninsurance spells (CBO 2003; Zuckerman and Haley 2004). Certain factors lead to higher probabilities of exit from spells of uninsurance, including higher educational attainment, non-poverty family income, and prior employment in various industries (e.g.,

manufacturing, trade, utilities, finance/insurance/real estate, and business and professional services) (Swartz, Marcotte, and McBride 1993). Focusing specifically on poverty and uninsurance, McBride (1997) finds that one-quarter of the uninsured are poor individuals who have been uninsured for more than a year. Forty-two percent of the uninsured have incomes less than 150 percent of the federal poverty line and have been uninsured for more than a year.

Taking a slightly longer time perspective than other studies, Short and Graefe (2003) identify that the majority of individuals who were uninsured lacked insurance for more than 12 months over a four-year period. During this four-year period, one out of three working-age adults had a lapse in coverage of some duration. They identify several patterns of insurance coverage associated with these lapses, including one-time coverage gaps as well as repeated gaps in coverage.

Although much of the literature on health insurance transitions relies on monthly data, Monheit, Vistnes, and Zuvekas (2001) provide estimates of annual transitions in health insurance from using the 1996 MEPS. They find that 30 percent of individuals who were uninsured in January 1996 gained insurance in the subsequent year. Conversely, among those with private insurance in January 1996, 8 percent lost coverage during the subsequent year (19 percent for those with public insurance).

Very few studies focus on dynamic factors that are associated with health insurance transitions. A recent exception is Czajka and Olsen (2000), who study "trigger events" for children's health insurance transitions using the SIPP. They examine several potential "triggers" of changes in health insurance coverage among children, such as changes in the family economic situation or family composition. They find that when a parent loses a job, experiences an hours worked reduction, or changes jobs children are more likely to lose employer-sponsored health insurance and become uninsured. Decreases in family income and family size are also found to be associated with insurance loss. The findings are less clear for factors associated with children gaining health insurance, but

increases in parental hours worked, family income and parents in the family appear to be associated with becoming insured. Of course, these factors may be endogenous and the authors do not argue that they should be viewed as exogenous factors affecting health insurance transitions.

The findings from the previous literature point to the importance of studying health insurance dynamics, however, previous studies have not examined in detail the employment and job characteristics associated with individuals who gain and lose health insurance. The CBO report includes statistics on spell duration for those in different firm sizes, but is purely descriptive. Czajka and Olsen (2000) examine the relationship between a few parental job characteristics and children's health insurance transitions, but do not examine changes in more detailed employment and job characteristics. Our study contributes to the literature by identifying numerous potential trigger events associated with health insurance gain and loss, such as changes in employment, employer size, employer type, hours and weeks worked, spousal employment, marital status, presence of children, and receipt of public assistance. This research also adds to the literature in that we model both sides of the transition: gain and loss of health insurance. The large sample sizes available in the CPS are especially important for identifying factors associated with gaining health insurance because the analysis relies on the uninsured sample in the first survey year.

3. Data

We use data from the 1996 to 2004 Annual Demographic and Income Surveys (March) of the Current Population Survey (CPS). The survey, conducted by the U.S. Census Bureau and the Bureau of Labor Statistics, is representative of the entire U.S. population and interviews approximately 50,000 households and more than 130,000 people. It contains detailed information on health insurance coverage, employment, demographic characteristics and income sources. We limit the sample to

working age adults, ages 25-55 to avoid problems associated with including young adults who are in school and older adults who retire—groups who we expect to have a weaker attachment to the labor force.

Although the CPS is primarily used as a cross-sectional dataset offering a point-in-time snapshot, it is becoming increasingly common to follow individuals for two consecutive years by linking surveys. Households in the CPS are interviewed each month over a 4-month period. Eight months later they are re-interviewed in each month of a second 4-month period. The rotation pattern of the CPS makes it possible to match information on individuals in March of one year who are in their first 4-month rotation period to information from March of the following year, which represents their second 4-month rotation period. This creates a one-year panel for up to half of all respondents in the first survey. To match these data, we use the same criteria as Madrian and Lefgren (2000) for matching the CPS March files from 1996 to 2000, but use modified criteria for the 2001 to 2004 data.³ Across, the 1996-2004 CPS surveys, we find that roughly 75 percent of CPS respondents in one survey can be identified in the subsequent year's survey.

Using the matched CPS, we can identify changes in an individual's health insurance status, as well as in employment, hours worked and employer size. One drawback to these data is that when respondents leave a particular household they are not followed to their next household. A consequence of this is that when households dissolve due to marital breakup, the CPS does not re-interview both marital partners. We are therefore unable to reliably examine insurance gain and loss due to marital status changes, and focus instead on gain and loss due to changes in employment characteristics. We can, however, examine the relationship between spousal job changes and health insurance transitions for adults whose marriages remain intact.

³ Prior to matching years we remove the supplemental samples to the 2001 to 2004 ADFs, which are generally not reinterviewed in the following March.

The health insurance variables used for this analysis refer to the respondent's health insurance in the year prior to the March survey. The transition therefore identifies changes in coverage people experience over the course of one year to what they experience over the course of the next year. We rely on labor market variables that cover the same time period. The transitions can therefore be thought of as covering two full years, the 12 months prior to the first survey year and the 12 months prior to the second survey year. Thus, in our health insurance loss analysis, we examine movement between having insurance for any part of the first survey year and not having insurance for the entire second survey year.

The percent of individuals who report not having insurance over the previous year provides an estimate of the percent of individuals who are currently experiencing an uninsurance spell of at least one year. We can also estimate the percent of individuals who are currently experiencing an uninsurance spell of at least two years by examining the percent of individuals who were uninsured in the first survey year and the second survey year. Estimates from our matched CPS sample indicate that 15 and 8 percent of adults are currently experiencing an uninsured spell of at least 1 and 2 years, respectively. Although not directly comparable, estimates from the SIPP indicate that approximately 13 percent of individuals are currently experiencing an uninsured spell of more than 12 months (CBO 2003).

Comparisons of estimates of health insurance coverage using the CPS and other datasets that include a point-in-time measure of health insurance reveal similar numbers of uninsured individuals. Estimates from the Survey of Income and Program Participation (SIPP), Medical Expenditure Panel Survey (MEPS) and National Health Interview Survey (NHIS) indicate that roughly 40 million individuals are uninsured at the time of the survey in 1998 (CBO 2003). Estimates from the CPS for the number of individuals with no insurance for the entire year are also roughly 40 million, suggesting that the CPS overstates the number of individuals who are uninsured over the entire year. Indeed, estimates from SIPP and MEPS, which also include multiple observations over the year, indicate that 21.1 and

31.1 million people are uninsured for the entire year, respectively. Bhandari (2004) finds similar estimates of insurance coverage rates in the CPS and point-in-time estimates from the SIPP even within several demographic groups. Thus, CPS respondents may be underreporting health insurance coverage over the previous calendar year because of recall bias or because they simply report their current coverage (see Bennefield 1996, Swartz 1986, CBO 2003, and Bhandari 2004 for further discussion). Even if the CPS estimates capture a point-in-time measure of health insurance coverage, the measure of health insurance status does not change from year to year and thus allows for an analysis of transitions in status. However, this would alter the interpretation of our results. In our interpretation, we assume that respondents interpret the question correctly.

4. Health Insurance Transitions

Table 1 reports health insurance coverage and transition rates using the CPS sample. The coverage rates measure health insurance at any point in the calendar year prior to the survey date (which we refer to as the survey year), and capture all types of health insurance coverage. In total, 85.6 percent of adults ages 25-55 in the CPS sample have health insurance in the reference year, which we refer to as the first survey year or year t . Among the 14.4 percent of individuals without insurance in the first survey year, column 2 shows that 46.2 percent gain insurance in the subsequent year. For those who are insured in year t , column 3 reports that 7.5 percent lose coverage in the subsequent year. We also find that 79.2 percent of individuals have health insurance in both survey years.

By examining transitions into and out of coverage, we are able to better understand the reasons that some groups have higher and lower rates of uninsurance. In fact, the steady-state health insurance coverage rate is simply equal to $G/(G+L)$, where G is the rate of gaining health insurance and L is the rate of losing health insurance. Men and women have coverage rates that differ by approximately 2

percentage points. They also differ in rates of coverage over the two-year period. The rates of health insurance loss for men and women are nearly identical, but the rates of gain among the uninsured are not. Men have a lower propensity to gain insurance than women; 43 percent of uninsured men gain insurance in the subsequent year compared to 49 percent of women. Thus, the low rate of health insurance coverage for men relative to women is due entirely to the lower rate of gaining insurance among uninsured men. Apparently, the delayed timing in becoming reinsured or lower likelihood of becoming insured among men lowers their overall rate of coverage relative to women.

Examining health insurance patterns by race and ethnicity, we find that the health insurance coverage rate for African-Americans is 80.5 percent, compared to 89.2 percent for white, non-Latinos. This difference is due almost entirely to higher rates of insurance loss, which are nearly double for African-Americans than for whites. Latinos have an even lower rate of coverage at 66.9 percent. Unlike African-Americans, the lower rate is due both to a lower rate of health insurance gain (33.3 percent compared to 50.4 percent for whites) and a higher rate of health insurance loss (16.3 percent compared to 5.8 percent for whites). Asians also have a lower rate of health insurance coverage than whites at 81.5 percent. Similar to African Americans, the difference is due entirely to higher rates of insurance loss.

Large differences in health insurance coverage and transition rates can be seen by education level as well. High school dropouts are 28 percentage points less likely to be covered than college graduates, and 18 percentage points less likely to be covered than high school graduates. More than one third of all high school dropouts are uninsured. This low rate is caused by a health insurance loss rate of 17.4 percent and a health insurance gain rate of 34.4 percent. For each added level of education we find a higher insurance rate, higher gain rate and lower loss rate. Clearly, the strong relationship between

education and health insurance coverage is driven by both higher likelihoods of losing health insurance and lower likelihoods of gaining health insurance.

Finally, health insurance coverage varies by region of the country. Residents of the South and West have lower rates of coverage overall, compared to those in the East and Midwest. These lower rates stem from both higher rates of insurance loss among the insured and lower rates of insurance gain among the uninsured.

Health insurance transition rates by employment characteristics

Table 2 reports health insurance coverage and transition rates by labor force status and employment characteristics. These characteristics are measured in the first survey year and refer to labor force participation and employment in the year prior to the survey.

In total, 77.5 percent of those without a job during the full year had health insurance. Among those without a job, unemployed individuals fare far worse than those who are not in the labor force in both their static and dynamic measures of health insurance coverage. For example, those who spend all of the first survey year unemployed have an insurance coverage rate of 61.7 percent compared to 78.5 percent of those who are not in the labor force. Individuals who are not in the labor force retain coverage at higher rates than those who are unemployed possibly because they are covered by a spouse or government program.

As would be expected, employed workers are more likely to be insured than those without employment. A total of 86.9 percent of those who had any employment in year t were insured. The higher coverage rates are due to both higher rates of gaining insurance and lower rates of losing insurance. Those working full-time (35+ hours per week) and full-year (50+ weeks per year) have the highest rates of insurance coverage and health insurance gain, and the lowest rate of health insurance

loss among the employment groups. Working full-year even if it is in a part-time job protects against health insurance losses, but does not necessarily improve health insurance gains over part-year employment. Those working part-year, particularly when accompanied by unemployment in the remainder of the year, have the lowest rates of insurance coverage and the highest rates of health insurance loss. As was shown in the statistics for those who are not working, being unemployed is far more damaging to health insurance coverage and health insurance loss than being out of the labor force.

Overall, unemployment, especially over the entire year, and part-time status are associated with lower rates of health insurance coverage. Our estimates of transition rates from the CPS clearly indicate that these differences are driven by both higher probabilities of losing health insurance and lower probabilities of gaining health insurance for these groups.

Employer size is also a key factor in health insurance coverage, gain and loss. As employer size increases, health insurance coverage and the probability of moving from no insurance into insurance increase and the probability of losing health insurance declines. Working at a very small firm is particularly damaging to health insurance coverage. Those working at very small firms of less than 10 employees have a health insurance loss rate that is the same as those who do not work during the year.

As one might expect, government employees are far more likely to be covered than those working for a private employer. Self-employed individuals are less likely than the other two groups to have health insurance, with rates comparable to those who have no job. The rate of health insurance gain for government employees is very high and the rate of insurance loss is quite low—the extremes we see in the table. Those working for private employers and in self-employed jobs have higher rates of loss and lower rates of gain. Self-employed workers are at high risk of losing health insurance from one year to the next (9.3 percent) and if uninsured have a relatively low rate of regaining insurance (41.7 percent).

Health insurance transition rates between types of coverage

The CPS also provides detailed information on types of health insurance coverage. Because people can report multiple sources of coverage in the CPS, we create the following mutually exclusive categories: no insurance, public insurance only, and any private insurance. Table 3 provides estimates of health insurance coverage and transition rates by type of coverage using the CPS sample. Of all insured adults, the most common type of coverage is private insurance, representing 93.1 percent in year t . Just 5.9 percent of individuals have public health insurance coverage, representing only 6.9 percent of all insured adults.

Examining transitions between types of coverage reveals some interesting patterns. First, for individuals who do not have health insurance, 39.1 percent have private insurance in the following year. The percent of uninsured individuals who gain public insurance is much lower at 7.1 percent. We also find that most individuals losing health insurance lose private coverage and not public coverage. Most movement from uninsurance to insurance appears to be largely to and from private insurance coverage.

However, individuals who have public insurance are at a higher risk of losing health insurance than are individuals who have private insurance. The percent of publicly insured individuals losing health insurance is 15.8 percent compared to 6.9 percent of privately insured individuals.

The estimates reported in Table 3 also indicate that very few individuals switch from private to public coverage on an annual basis. Only 1.5 percent of individuals with private coverage in the year t switch to public coverage in the following year. The likelihood of individuals moving from public to private insurance, however, is much higher. Twenty percent of all individuals who have public health insurance switch to private health insurance in the subsequent year.

Dynamic Factors Associated with Health Insurance Loss and Gain

What are the causes of health insurance loss and gain? Although it is well known that identifying causal relationships in the health insurance literature represents a difficult task (see Chernew and Hirth 2002 for a discussion of the issues), an analysis of correlated dynamic factors may be informative. For example, job loss or gain, moving between full-time and part-time employment, and employment size changes represent dynamic factors that could potentially trigger a change in health insurance coverage.⁴ The fundamental problem is that preferences for health insurance coverage are likely to inform employment decisions, and thus changes in employment characteristics may be caused by changes in health care insurance needs.

Before turning to estimates from multivariate regressions, we first examine the relationship between changes in job characteristics and loss of health insurance. Tables 4-7 present tabulations of health insurance loss and gain by employment status and characteristics at both year t and year $t+1$. To place some structure on the presentation of these results we focus on a limited set of changes instead of the numerous possible combinations of changes in job characteristics.

Table 4 reports matrices of health insurance loss and gain by employment status in year t and year $t+1$. The loss transition matrix shows, for example, that not having health a job in both survey years is associated with a 9.3 percent loss in health insurance. Continued employment over the two year period (though perhaps not at the same job) is associated with a 6.6 percent loss in insurance. Mobility between the two states is associated with health insurance loss at much higher rates. For instance, movement from a job in year t to no job in year $t+1$ is associated with a 19.9 percent decline in health insurance. These results suggest that job loss is a key contributor to health insurance loss. Movement from no job in year t to a job in year $t+1$, however, is also associated with a large loss of health

⁴ Similar to Czajka and Olsen (2000) we view these dynamic factors as "trigger events" instead of as truly exogenous determinants of health insurance transitions.

insurance at 16.0 percent. This may be the result of waiting periods associated with gaining health insurance, loss of government-provided insurance, or other characteristics of the jobs into which individuals are moving.

There is far less contrast in the health insurance gain model across the four cells. Movement from either a job or no job in year t to no job in year $t+1$ is associated with a 41 to 42 percent gain in insurance. Movement from either employment state into a job in year $t+1$ is associated with slightly higher rates of insurance gain, particularly if one is employed in both periods. But, the difference between the four states is relatively small, compared to the differences seen in the health insurance loss matrix.

To explore this further, we present comparable transition matrices by employment characteristics among those who were employed in both year t and year $t+1$. Table 5 shows the transition matrix by employer size. Employer size appears to be strongly associated with both gaining and losing health insurance. Movement from any employer size into the smallest size (1-9 employees) is associated with the highest rates of insurance loss and the lowest rates of insurance gain. Insurance loss rates decline and gain rates increase as employer size increases. Any movement in employer size, however, is associated with higher rates of insurance loss, which is likely due to the correlation with employer changes. We explore this issue further in the next section. The differences between the largest and smallest employer sizes is striking, and is consistent with the conclusion of the previous analyses that employer size is a key driver behind health insurance loss and gain.

Table 6 reports estimates of health insurance transitions by changes in work commitment. Moving from part-year employment and part-year unemployment into any other state is associated with the highest rates of health insurance loss. And, moving from any state into part-year employment and part-year unemployment is associated with comparably high rates of insurance loss. In contrast,

movement into full-time, full-year work is associated with the lowest rates of insurance loss. The transition matrix for health insurance gain indicates also that part-year employment in year t or year $t+1$ (with or without unemployment) is associated with the lowest rates of health insurance gain. Movement into full-time full-year employment is associated with the highest rates of gain.

Table 7 reports estimates of health insurance loss and gain rates by changes in employment type—private, government, and self-employment. Movement from government employment is associated with a high likelihood of losing health insurance, especially if the worker becomes self-employed. A striking 20.7 percent of government employees who become self-employed lose their health insurance coverage. Employees in private firms who become self-employed also have a relatively high chance of losing health insurance. Estimates reported in Table 7 also indicate that private employer or government workers who become self-employed have the relatively low rates of gaining health insurance and that any type of worker who becomes a government worker has a relatively high likelihood of gaining insurance.

5. Identifying Dynamic Factors Correlated with Health Insurance Loss

The estimates reported in Tables 4-7 point to the importance of examining changes in employment characteristics in understanding the reasons that individuals lose or gain health insurance coverage. It is likely, however, that many of the dynamic employment characteristics are correlated. For example, moving from a government employer to private employer and large employer to small employer are both correlated with health insurance loss, and are likely to be correlated with each other. To identify the independent effects of these dynamic characteristics, we estimate probit regressions for health insurance transitions. We first examine the dynamic factors associated with the probability of losing health insurance from the first to second survey years, which are reported in Table 8. We are

reluctant to identify these as causal factors because employment choices may be made to facilitate preferred health insurance status. We instead view them as "trigger events" or dynamic factors that are associated with health insurance loss. These factors, however, are chosen because they are theoretically likely to have strong causal effects on health insurance loss.

We focus on major dynamic factors associated with health insurance loss. These include changes in employment, full-time, full-year status, employment size, and type of employer as presented above. Although there exist many permutations of changes between these states, we limit the number of included explanatory factors in the regressions to ease the interpretation of results. We also include changes in presence of children, marital status, spousal employment, welfare receipt and SSI receipt as additional potentially correlated dynamic factors.⁵ A limitation of the CPS is that we are unable to identify directly whether individuals switch employers during the two year period. Instead, we create a measure of employer changes from a comparison of industries, employer size and class of worker and by using information on having multiple jobs during the second survey year. If the individual is employed in both years and has a change in major industry or class of worker then we code that person as changing employers. We also code workers whose reported employer size changes substantially (more than one classification) in the second survey year and workers with more than one job (not at the same time, but over the year) in the second survey year as having an employer change. This approximation is likely to overstate employer changes as individuals might respond differently to these questions over time and multiple jobs in the second year may represent a job change near the end of that year. We find that 38.9 percent of our sample has an employer change using this approximation. Controlling for possible employer changes, however, is important because many of the changes in

⁵ We also include year fixed effects to control for unobservable or difficult to measure policies, prices and other factors that may change over time.

employer size, hours worked, and other characteristics may be due to job switching, which likely has an independent effect on health insurance transitions.

Specification 1 of Table 8 reports estimates for our base model (see Appendix A for sample means of the included and left-out category variables). Changes in one's own employment and job characteristics are strongly associated with health insurance loss. We first discuss the results for the four possible transitions between employment and non-employment status. The reference category is having a job in both years. Non-employment in both years is associated with a 5.3 percentage point higher probability of losing health insurance relative to having a job in both years. This may be due to length of time without a job and the 18-month period of COBRA binding.

Job loss has the strongest relationship with health insurance loss. Workers who lose their jobs have a 12.1 percentage point higher likelihood of losing health insurance coverage than workers who remain employed. The estimated relationship is strong and even larger than the mean rate of health insurance loss in the sample of 7.2 percent. Although we cannot determine if the estimated effect is causal, the strength of the relationship suggests that job loss certainly triggers many people to lose coverage.

We also find that individuals who are not employed in the first year but become employed in the second year are more likely to lose health insurance than are individuals who are employed in both years. The relationship may be due to an overall higher rate of job instability among this group, the types of jobs performed by people with unstable employment, or waiting periods for the start of new employer coverage.

We have previously discussed the strong relationship between employer size and health insurance coverage. The multivariate analysis supports this finding, providing evidence that workers who move down in employment size (at least across our broad categories) are 4.3 percentage points

more likely to lose health insurance than are workers who do not change employer size. We also find that workers who move up a category in employment size have a higher likelihood of losing health insurance than workers who do not change employer size, but the relationship is not strong. This may be due to employer changes that are not captured in our approximation.

Movement from a private employer to self-employment is also associated with health insurance loss, net of other trigger events. Workers who move from private firms to self-employment are 4.2 percentage points more likely to lose health insurance than are workers who do not change employer types. Movement from government employment to self-employment is associated with an even larger loss of health insurance of 5.3 percent. Finally, movement from government employment to private employment is not associated with a statistically significant higher probability of losing health insurance. Overall, health insurance loss generally appears to be related to movement down the hierarchy of types of employment in terms of coverage—government, private and self-employment. The relationship between employment type and health insurance loss holds even after controlling for changes in employer size. Thus, the effects of moving from government employment or to self-employment are not entirely due to changes in employer size.

Any type of employer change, which is imputed from employer type, employer size, and major industry category changes and multiple jobs in the second survey year, is associated with the loss of health insurance. Workers moving to a new employer from the first survey year to the following survey year are 3.6 percentage points more likely to lose health insurance than workers who do not change employers. Although this approximation of employment change is not perfect, it does appear to capture job changes that are associated with losing health insurance.

We include dummy variables indicating whether the individual loses welfare or Supplemental Security Income (SSI), both of which confer almost universal Medicaid eligibility, from the first year to

the following year. Welfare loss is associated with a 9.6 percentage point higher probability of losing health insurance, and SSI loss is associated with a 6.4 percentage point higher probability of losing health insurance.

Focusing on dynamic demographic factors, we do not find evidence that individuals lose health insurance when children leave the household. Instead, movement of children out of the household is associated with a lower rate of health insurance loss. As one might expect, divorce appears to be correlated with losing health insurance. We should note, however, that the matched CPS are not ideal for studying the effects of changes in marital status on health insurance because individuals who move from the original household are not followed in the CPS.

Conditioning on being married in both years, we find evidence that the loss of a spouse's job is associated with health insurance loss. Individuals who have a spouse who lost his or her job are 4.7 percentage points more likely to lose health insurance. This loss is most likely due to losing coverage under the spouse, but also could be due to the resulting loss of income.

Specifications 2-4 report estimates for more detailed sets of employment characteristics. Specification 2 adds dummy variables measuring several changes between full-time and part-time, and full-year and part-year status. Specification 3 adds these and also more detailed employer firm size changes. Specification 4 adds both these set of characteristics, and also demographic controls that do not change over time. Although these cannot trigger health insurance loss, they may be correlated with our dynamic factors. We include controls for sex, race/ethnicity, immigrant status, marital status, number of children, education, age, disability, veteran status, region, urbanicity and year effects. The results across Specifications 2-4 are very similar, and we discuss Specification 3 findings for brevity.

Focusing first on the more detailed employment commitment variables, we find that any movement that reduces hours per week (full-time to part-time) or weeks per year (full-year to part-year)

is associated with a higher probability of health insurance loss. The reference category is workers who do not change hours and weeks worked across our categories, which represents 68.1 percent of insured adults. Workers who lose full-time, full-year jobs have the highest probability of losing health insurance. They are 16.3 percentage points more likely to lose health insurance than are workers who remain employed and do not change statuses. Movement from full-time, full-year work to either part-year work or to part-time work is also associated with a high level of health insurance loss. Full-time, full-year workers who become employed only part year are 5.0 percentage points more likely to lose health insurance, and full-time, full-year workers who become employed only part time are 5.7 percentage points more likely to lose health insurance. Evidently, movement to part-time or part-year status is related to losing health insurance even after controlling for other changes in job characteristics. These estimates suggest that the effects of this movement are likely to be large.

Using the large sample sizes of the CPS, we can also examine the relationship between movement between additional hours and weeks worked categories. We find that movement from part-time, full-year work to non-employment is associated with a very large probability of losing health insurance. These workers are 9.7 percentage points more likely to lose health insurance than the reference group of workers who do not change statuses. Another group that also experiences a high rate of health insurance loss is part-year workers who lose their jobs. They are 11.0 percentage points more likely to lose health insurance coverage. Finally, we find that part-time, full-year workers who switch to part-year work experience a relatively high level of health insurance loss although not as large as the previous two groups.

These results indicate that there is a strong relationship between time commitment on a job and health insurance loss. Again, we cannot identify the causal effect, but these results are clearly consistent with idea that reducing work commitment can result in loss of health insurance. The estimates also

emphasize the importance of job loss in determining health insurance loss, especially for full-time, full-year workers.

Returning to employer size, we are particularly interested in examining whether there are differential relationships when moving one category in employment size or moving more than one category in employment size. The estimates reported in Table 6 indicate that this is the case. The reference category for this set of variables is workers who do not change employer size. We define large firms as those with 100 or more employees, medium firms as those with 25-99 employees, small firms as those with 10-24 employees, and very small firms as those with 1-9 employees.⁶

Movement from large firms to any other size employer is associated with health insurance loss and the magnitude of the loss is larger as the resulting employer size decreases. Workers at large firms who switch to medium size firms are 3.0 percentage points more likely to lose health insurance than workers who do not change employer size. Workers at large firms who switch to small firms are 6.6 percentage points more likely to lose health insurance, and workers at large firms who switch to very small firms are 8.0 percentage points more likely to lose health insurance.

We also find that movement from medium size firms to smaller firms is associated with a high probability of losing health insurance and the size of the loss is larger when the movement is to a firm with 1-9 employees instead of 10-24 employees. Movement from a medium size employer to a small employer is associated with a 6.7 percentage point higher probability of losing health insurance, and movement from a medium size employer to a very small employer is associated with a 9.7 percentage point higher probability of losing health insurance.

Finally, we find that movement from a small employer to a very small employer is associated with a higher probability of losing health insurance. Overall, these estimates clearly indicate that

⁶ We collapse larger firms into one category to clarify the presentation of results. By including separate categories for larger firms we would need to include many more dummy variables indicating movement across categories.

downward movement in employer size is associated with health insurance loss and the magnitude of this loss is related to size of the change in employer size. It is also useful to note that these findings hold even after controlling for changes in type of employer (e.g. government employment to private employment or self-employment).

Although not reported, in Specification 4 we find that men, minorities, immigrants, and the less educated are more likely to lose health insurance. The estimates reported in Specification 4 indicate that the coefficient estimates on the dynamic factors are not sensitive to the inclusion of these controls. We continue to find a strong relationship between health insurance loss and employment changes, employer size changes, and type of employment changes.

Factors Associated with Losing Private Health Insurance

Estimates from Table 3 indicate that most cases of health insurance loss are from private health insurance. It is possible, however, that the dynamic factors associated with losing private coverage differ somewhat from the dynamic factors associated with losing health insurance coverage in general. Table 9 reports estimates for probit regressions for the probability of losing private health insurance. We find very similar results to those for transitions out of any health insurance coverage. Job loss, spousal job loss, employer size loss, movement from government employment, movement to self-employment, movement to less work commitment, and divorce are associated with higher probabilities of losing private health insurance. As expected, the main difference in results is that the association between loss of welfare or SSI is weaker for private health insurance loss than it is for any health insurance loss. Therefore, the results reported in Table 8 appear to be driven primarily by changes between private insurance and no insurance.

6. Identifying Dynamic Factors Correlated with Health Insurance Gain

We next examine the factors that are associated with health insurance gain in Table 10. The estimates reported in Tables 4-7 indicate that changes in many employment characteristics are strongly related to gaining health insurance from one year to the next. Again, we are concerned that many of the changes in employment characteristics associated with health insurance gain are correlated, and thus estimate probit regressions to identify the independent effects of these dynamic factors. Similar to the regression results for the probability of health insurance loss we do not attempt to identify causal factors.

Specification 1 of Table 10 reports estimates for our base model (see Appendix B for sample means). Changes in employment and job characteristics are strongly associated with health insurance gain. As expected, we find that moving from non-employment to employment is associated with a higher probability of gaining health insurance. Individuals becoming employed are 4.4 percentage points more likely to gain health insurance than individuals who are employed in both years. Note that this is substantially lower than the association between job loss and health insurance loss (12.1 percentage points).

The relationship between finding a job and gaining health insurance appears to be primarily driven by movement into full-time, full-year jobs. As in Tables 8 and 9, Specifications 2-4 report estimates for more detailed correlated factors than in Specification 1. Specifically, we include dummy variables measuring several changes between full-time and part-time, and full-year and part-year status. Increases in work commitment are reported in these regressions for the probability of gaining health insurance. The reference category remains working in the same hours and weeks category in both years. Focusing on Specification 3, we find that workers who transit from non-employment to full-time, full-year jobs are the only ones who experience a large, positive and statistically significant increase in the probability of gaining health insurance. They are 11.3 percentage points more likely to gain health

insurance than are workers who remain in the same work commitment. In contrast, the uninsured who do not have jobs in the first survey year and move into part-year employment or part-time, full-year employment in the following survey year are no more likely to gain health insurance. In fact, we find a negative relationship between movement into part-year employment relative to remaining at the same level of work commitment, which is statistically significant in Specifications 3 and 4. These findings are consistent with the hypothesis that only movement into full-time, full-year work enables the uninsured who are not employed to gain insurance. Movement into part-year or part-time employment appears to be less beneficial.

Estimates from the CPS generally indicate that individuals who are not employed in both years and individuals who experience job loss are less likely to gain health insurance than individuals who have the same work commitment over the two years. We find negative coefficients in all reported specifications and statistically significant coefficients in some specifications. Lengthy spells of non-employment and job loss appear to limit the ability of uninsured individuals to acquire health insurance.

The relationship between employer size and gaining health insurance is also strong. Workers who move up in employer size are much more likely to gain health insurance. These workers are 10.9 percentage points more likely to gain health insurance than workers who do not change employer size categories (Specification 1). This positive relationship combined with the strong relationship between employer size loss and health insurance loss are the underlying reasons for why health insurance coverage increases with employer size. We also find that workers moving down in the employer size distribution have a higher likelihood of gaining health insurance, which is counterintuitive. As noted above, this may partly reflect movement to new employers not captured in our employer change measure.

Looking at the more detailed employer size changes shown in Specification 3, we find evidence that movement from smaller employers to larger employers results in a higher probability of gaining health insurance, and that the increase in probability is larger when the movement in employer size is larger. (The reference category is workers who do not change employer size categories between survey years.) As evidence of the latter, we find that movement from a very small employer to a large employer is associated with 5.5 percentage point larger increase in the probability of gaining health insurance than movement from a medium employer to a large employer.

One of the strongest factors associated with health insurance gain is movement from a private employer to a government employer. Workers who move from private to government work are 13.0 to 19.5 percentage points more likely to gain health insurance than are workers remaining in private work. Government employment appears to be a powerful route to becoming insured. The estimates for movement from self-employment to government employment are also positive and large in magnitude in most specifications, but are not statistically significant. Movement from self-employment to private employment is generally not associated with gaining health insurance.

Another important factor is whether the worker experienced an employer change. Employer changes are associated with a 5.5 to 6.7 percentage point higher probability of gaining health insurance. The relationship may be partly caused by the change in employer providing a new set of more attractive health insurance alternatives than the old employer. Of course, the relationship may also be partly due to workers moving to new employers because of health insurance coverage provision or because of better choices or lower costs health insurance.

As expected, acquiring welfare or SSI is associated with very high rates of gaining health insurance. Mirroring the findings for health insurance loss, we find that the addition of children to the household is associated with a higher probability of gaining health insurance. We also find that

marriage is associated with a higher likelihood of gaining insurance, and spousal job gain is associated with health insurance gain.

We also estimate probit regressions for the probability of gaining private health insurance (see Table 11). We find similar results for most variables. The main exceptions are that we find smaller coefficients on the welfare and SSI gain variables.

8. Conclusions

Our analysis of transitions in health insurance coverage using matched CPS data demonstrates that certain “trigger events” are associated with a higher propensity to gain or lose health insurance. We focus on identifying employment-related triggers and find that the following employment characteristics are the most important risk factors: job gain and loss, changes in hours worked per week or weeks worked per year, employer size changes, and changes in employment type. Several key findings are highlighted below.

First, job loss is one of the most important factors associated with health insurance loss. Netting out the effects of other trigger events, movement from employment in the first survey year to non-employment in the second survey year is associated with a 12.1 percentage point loss in health insurance. This represents a strong relationship as the average rate of losing health insurance is 7.2 percent. An important corollary, that job gain is strongly associated with increases in insurance coverage, does not hold in our analysis. Movement from no employment to employment across two years is associated with a smaller 4.4 percentage point gain in insurance. The lack of symmetry in the relationship between job and health insurance transitions may be due to differential timing of the response. Job loss may trigger an immediate response of losing health insurance, whereas the uninsured who are not employed may smooth out obtaining insurance over time resulting in a weaker relationship

between re-employment and gaining health insurance. Uninsured job losers may seek coverage through spouses or public assistance or self-insure prior to becoming reemployed. Waiting periods associated with new employment may also delay entry into insurance programs.

Transitions between full-time and part-time employment and transitions between full-year and part-year employment also appear to be important factors in determining health insurance gain and loss. As one might expect, movement out of full-time, full-year employment into non-employment is the most damaging in terms of health insurance loss, but movement into part-time or part-year employment is also associated with high rates of insurance loss. The gains in health insurance associated with acquiring full-time, full-year employment from non-employment are also large, but the gains from movement from part-year or part-time employment into full-time, full-year employment are much smaller.

Changes in employer size are also important triggers for insurance loss and gain. Movement to smaller employers is associated with a 4.3 percentage point loss in insurance even after controlling for changes in employer types, movement to part-time or part-year status and employer changes. Increasing employer size also has a strong association with health insurance gain -- 10.9 percentage points. Examining movement between specific employer sizes, we generally find that any downward (upward) movement in employer size is positively associated with health insurance loss (gain) and that larger movements in employer size are associated with larger changes in the probabilities of health insurance transitions. These dynamic relationships between changes in employer size and changes in health insurance coverage are the underlying causes of the higher rates of health insurance coverage as employer size increases.

We also find that movement to and from very small employers (fewer than 10 employees) are especially related to health insurance transitions. For instance, movement from a large employer (100 or

more employees) to a very small employer is associated with an 8.0 percentage point loss in health insurance. Movement into large firms from very small ones is associated with a 14.4 percentage point gain in insurance coverage. Nearly half of those who are employed in firms of less than 10 employees are self-employed, and these effects are net of movement into and out of self-employment specifically. Estimates from the CPS clearly indicate that workers who move to small businesses are especially vulnerable to losing health insurance. Mandated health insurance plans that have been proposed in several states (e.g. California, Massachusetts, and Oregon) do not focus on these businesses, but their workers appear to be at high risk of losing insurance.

Finally, employment type change is also an important trigger event related to health insurance loss and gain. Movement into self-employment from both government and private employment is associated with between 4 and 6 percentage point losses in insurance coverage. In contrast, movement from self-employment to government or private employment is not associated with gaining health insurance. On the other hand, movement from private to government employment is strongly associated with gaining health insurance. The finding for self-employment is important: creating businesses appears to be associated with loss of health insurance and the high costs of self-insuring for self-employed business owners may be limiting business creation in the United States. Although mandated health insurance proposals do not target the self-employed, recent federal proposals to provide refundable health insurance tax credits and create large purchasing pools or association health plans that allow small businesses to collectively purchase health insurance may help lower insurance costs. More research on this topic is needed to fully understand how health insurance gain and loss are related to business creation.

This study contributes to the literature on the dynamics of health insurance by identifying dynamic “trigger events” instead of base-year characteristics associated with health insurance coverage.

Although we cannot reliably identify causal effects, the factors we examine are theoretically likely to have large effects on changing health insurance coverage. Our findings suggest that changes in several employment and job characteristics lead to major disruptions in health insurance coverage. We find that these events are critical points of transition where our current health insurance system, dominated by employer sponsored insurance, leaves many people uninsured or with gaps in coverage.

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Table 1
Health Insurance Transition Rates for Selected Demographic Groups
Current Population Survey, Matched Annual Demographic Surveys (1996-2004)

	Share of Total Sample with Health Insurance Coverage in First Survey Year		Share of Total Sample with Health Insurance Gain (Among Uninsured)		Share of Total Sample with Health Insurance Loss (Among Insured)		Share of Total Sample with Health Insurance Coverage in Both Survey Years	
	Percent	# Obs	Percent	# Obs	Percent	# Obs	Percent	# Obs
Total	85.6%	143,387	46.2%	10,656	7.5%	10,299	79.2%	132,731
Men	84.7%	67,745	43.4%	5,077	7.4%	4,759	78.5%	62,668
Women	86.5%	75,642	49.1%	5,579	7.6%	5,540	79.9%	70,063
White	89.2%	115,348	50.4%	6,997	5.8%	6,708	84.0%	108,351
Black	80.5%	12,029	49.2%	1,402	11.7%	1,375	71.1%	10,627
Latino	66.9%	9,125	33.3%	1,485	16.3%	1,462	56.0%	7,640
Asian	81.5%	5,165	50.0%	533	10.5%	491	72.9%	4,632
H.S. Dropout	65.6%	11,345	34.4%	1,951	17.1%	1,799	54.4%	9,934
H.S. Graduate	83.2%	45,578	46.2%	4,099	9.1%	4,045	75.7%	41,479
Some College	88.0%	40,770	52.1%	2,800	6.7%	2,679	82.1%	37,970
College Graduate	93.6%	45,694	59.5%	1,806	4.0%	1,776	89.8%	43,888
East	87.3%	32,536	50.0%	2,241	7.1%	2,170	81.1%	30,295
Midwest	89.7%	37,130	52.5%	2,199	5.9%	2,194	84.4%	34,931
South	83.4%	40,910	43.6%	3,348	8.5%	3,369	76.3%	37,472
West	83.0%	32,811	43.3%	2,778	8.2%	2,566	76.2%	30,033

Notes: (1) The sample consists of individuals (ages 25-55) in the first year surveyed. (2) Health insurance coverage is defined as coverage at any time during the calendar year prior to the survey date (survey year). Health insurance coverage transitions are measured from the first to second survey years. (3) All percents are calculated using sample weights provided by the CPS. Number of observations is unweighted and refers to the numerator of the percent calculation.

Table 2
Health Insurance Transition Rates for Selected Employment and Job Characteristics
Current Population Survey, Matched Annual Demographic Surveys (1996-2004)

	Share of Total Sample with Health Insurance Coverage in First Survey Year		Share of Total Sample with Health Insurance Gain (Among Uninsured)		Share of Total Sample with Health Insurance Loss (Among Insured)		Share of Total Sample with Health Insurance Coverage in Both Survey Years	
	Percent	# Obs	Percent	# Obs	Percent	# Obs	Percent	# Obs
No Job – All	77.5%	17,601	42.2%	2,062	10.6%	1,744	69.3%	15,539
No Job – NILF	78.5%	16,770	43.1%	1,893	10.2%	1,608	70.5%	14,877
No Job - Unemployed	61.7%	831	34.4%	169	17.7%	136	50.8%	662
Has Job – All	86.9%	125,747	47.2%	8,594	7.1%	8,555	80.8%	117,192
Part-Year - No Unemployment	82.2%	13,238	43.7%	1,210	9.3%	1,175	74.6%	12,028
Part-Year - Unemployed	72.4%	7,405	42.4%	1,118	14.0%	1,019	62.2%	6,287
Full-Year - Part-Time	81.8%	8,825	43.5%	806	8.2%	667	75.2%	8,019
Full-Year - Full-Time	89.4%	96,318	49.9%	5,460	6.2%	5,694	83.9%	90,858
Employer Size: 1-9	73.8%	22,295	39.4%	2,836	10.7%	2,235	65.9%	19,459
Employer Size: 10-24	79.5%	10,103	44.6%	1,073	9.3%	878	72.1%	9,030
Employer Size: 25-99	85.6%	15,606	47.7%	1,182	8.4%	1,257	78.4%	14,424
Employer Size: 100-499	90.1%	18,605	55.0%	1,059	6.3%	1,126	84.5%	17,546
Employer Size: 500+	93.2%	59,177	57.9%	2,444	5.4%	3,059	88.2%	56,733
Private Employer	86.5%	90,119	47.4%	6,430	7.5%	6,517	80.0%	83,689
Government Employer	95.0%	22,592	62.6%	737	4.0%	872	91.2%	21,855
Self-Employed	77.8%	13,075	41.7%	1,427	9.3%	1,166	70.5%	11,648

Notes: (1) The sample consists of individuals (ages 25-55) in the first year surveyed. (2) Health insurance coverage is defined as coverage at any time during the calendar year prior to the survey date (survey year). Health insurance coverage transitions are measured from the first to second survey years. (3) All percents are calculated using sample weights provided by the CPS. Number of observations is unweighted and refers to the numerator of the percent calculation.

Table 3
 Type of Health Insurance Transition Matrices
 Current Population Survey, Matched Annual Demographic Surveys (1996-2004)

Second Survey Year (t+1)

First Survey Year (t)	No insurance	Public insurance	Private insurance	Share of year t total	N
No insurance	53.8%	7.1%	39.1%	14.4%	23,093
Public insurance	15.8%	64.1%	20.1%	5.9%	9,736
Private insurance	6.9%	1.5%	91.6%	79.7%	133,294

Notes: (1) The sample consists of individuals (ages 25-55) in the first year surveyed. (2) Health insurance coverage is defined as coverage at any time during the calendar year prior to the survey date (survey year). (3) All estimates are calculated using sample weights provided by the CPS.

Table 4
 Health Insurance Transitions by Changes in Job Status
 Current Population Survey, Matched Annual Demographic Surveys (1996-2004)

	Health Insurance Loss	
	No Job in t+1	Job in t+1
No Job in t	9.3%	16.0%
Job in t	19.9%	6.6%

	Health Insurance Gain	
	No Job in t+1	Job in t+1
No Job in t	41.0%	45.0%
Job in t	42.3%	47.7%

Notes: (1) The sample consists of individuals (ages 25-55) in the first year surveyed. (2) Health insurance coverage is defined as coverage at any time during the calendar year prior to the survey date (survey year). Health insurance coverage transitions are measured from the first to second survey years. (3) All estimates are calculated using sample weights provided by the CPS.

Table 5
Health Insurance Transitions by Changes in Employer Size
Current Population Survey, Matched Annual Demographic Surveys (1996-2004)

	Health Insurance Loss				
	1-9	10-24	25-99	100-499	500+
	employees in t+1	employees in t+1	employees in t+1	employees in t+1	employees in t+1
1-9 employees in t	10.3%	12.0%	10.7%	10.9%	9.3%
10-24 employees in t	13.6%	6.9%	7.4%	11.0%	8.3%
25-99 employees in t	21.0%	12.4%	5.3%	5.7%	6.8%
100-499 employees in t	19.7%	14.3%	7.5%	3.4%	4.6%
500+ employees in t	19.9%	16.7%	10.1%	6.2%	3.0%

	Health Insurance Gain				
	1-9	10-24	25-99	100-499	500+
	employees in t+1	employees in t+1	employees in t+1	employees in t+1	employees in t+1
1-9 employees in t	31.6%	38.9%	52.6%	58.9%	67.7%
10-24 employees in t	38.3%	36.9%	43.8%	60.3%	61.5%
25-99 employees in t	34.2%	44.6%	43.8%	52.9%	62.8%
100-499 employees in t	42.2%	49.6%	52.2%	57.2%	63.8%
500+ employees in t	40.9%	45.1%	59.7%	63.4%	63.0%

Notes: (1) The sample consists of individuals (ages 25-55) in the first year surveyed. (2) Health insurance coverage is defined as coverage at any time during the calendar year prior to the survey date (survey year). Health insurance coverage transitions are measured from the first to second survey years. (3) All estimates are calculated using sample weights provided by the CPS.

Table 6
 Health Insurance Transitions by Changes in Employment Characteristics
 Current Population Survey, Matched Annual Demographic Surveys (1996-2004)

	Health Insurance Loss			
	Part Year No Unemp in t+1	Part Year Unemp in t+1	Full Year Part Time in t+1	Full Year Full Time in t+1
	Part Year, No Unemp in t	7.1%	11.5%	8.4%
Part Year, Unemp in t	14.3%	15.3%	16.3%	10.9%
Full Year, Part Time in t	6.9%	16.6%	6.9%	9.2%
Full Year, Full Time in t	10.1%	15.5%	13.9%	5.0%

	Health Insurance Gain			
	Part Year No Unemp in t+1	Part Year Unemp in t+1	Full Year Part Time in t+1	Full Year Full Time in t+1
	Part Year, No Unemp in t	35.7%	33.0%	42.7%
Part Year, Unemp in t	38.2%	32.7%	38.0%	52.6%
Full Year, Part Time in t	45.5%	34.4%	39.9%	49.6%
Full Year, Full Time in t	46.3%	39.4%	42.1%	51.9%

Notes: (1) The sample consists of individuals (ages 25-55) in the first year surveyed. (2) Health insurance coverage is defined as coverage at any time during the calendar year prior to the survey date (survey year). Health insurance coverage transitions are measured from the first to second survey years. (3) All estimates are calculated using sample weights provided by the CPS.

Table 7
 Health Insurance Transitions by Changes in Employment Type
 Current Population Survey, Matched Annual Demographic Surveys (1996-2004)

	Health Insurance Loss		
	Private in t+1	Government in t+1	Self- Employment in t+1
Private in t	6.6%	7.2%	16.2%
Government in t	10.2%	2.1%	20.7%
Self-Employment in t	10.0%	10.0%	8.7%

	Health Insurance Gain		
	Private in t+1	Government in t+1	Self- Employment in t+1
Private in t	47.5%	72.7%	36.0%
Government in t	62.5%	65.6%	38.1%
Self-Employment in t	50.2%	63.5%	36.7%

Notes: (1) The sample consists of individuals (ages 25-55) in the first year surveyed. (2) Health insurance coverage is defined as coverage at any time during the calendar year prior to the survey date (survey year). Health insurance coverage transitions are measured from the first to second survey years. (3) All estimates are calculated using sample weights provided by the CPS.

Table 8
 Probit Regressions for Probability of Health Insurance Loss - Marginal Effects
 Current Population Survey, Matched Annual Demographic Surveys (1996-2004)

Correlated Factor	Specification							
	(1)		(2)		(3)		(4)	
No job in both years	0.0527	**	0.0597	**	0.0594	**	0.0513	**
	(0.0024)		(0.0024)		(0.0024)		(0.0026)	
Job loss	0.1212	**						
	(0.0031)							
No job to job	0.0956	**	0.1023	**	0.1017	**	0.0896	**
	(0.0037)		(0.0037)		(0.0037)		(0.0036)	
Employer size loss	0.0429	**	0.0419	**				
	(0.0019)		(0.0019)					
Employer size gain	0.0098	**	0.0088	**				
	(0.0021)		(0.0021)					
Private employer to self-employment	0.0424	**	0.0410	**	0.0187	**	0.0310	**
	(0.0039)		(0.0039)		(0.0042)		(0.0039)	
Government employer to private employer	0.0067		0.0051		0.0094	*	0.0128	**
	(0.0041)		(0.0041)		(0.0041)		(0.0039)	
Government employer to self-employment	0.0528	**	0.0466	**	0.0146		0.0308	**
	(0.0116)		(0.0116)		(0.0118)		(0.0110)	
Other employer type change	0.0083	*	0.0066	*	0.0039		0.0143	**
	(0.0033)		(0.0033)		(0.0033)		(0.0031)	
Employer change	0.0361	**	0.0329	**	0.0302	**	0.0255	**
	(0.0018)		(0.0018)		(0.0018)		(0.0017)	
Welfare loss	0.0964	**	0.0938	**	0.0933	**	0.0561	**
	(0.0052)		(0.0052)		(0.0052)		(0.0049)	
SSI loss	0.0643	**	0.0638	**	0.0632	**	0.0439	**
	(0.0058)		(0.0057)		(0.0057)		(0.0054)	
Children to no children	-0.0089	*	-0.0090	*	-0.0086	*	0.0016	
	(0.0044)		(0.0044)		(0.0044)		(0.0042)	
Married to not married	0.0478	**	0.0467	**	0.0457	**	0.0534	**
	(0.0058)		(0.0058)		(0.0058)		(0.0054)	
Spousal job loss	0.0470	**	0.0474	**	0.0464	**	0.0538	**
	(0.0037)		(0.0037)		(0.0037)		(0.0035)	

(continued)

Table 8 (Continued)

Correlated Factor	Specification			
	(1)	(2)	(3)	(4)
Full-time, full-year to no job		0.1644 ** (0.0049)	0.1633 ** (0.0049)	0.1396 ** (0.0046)
Full-time, full-year to part year		0.0506 ** (0.0026)	0.0495 ** (0.0026)	0.0424 ** (0.0025)
Full-time, full-year to part-time, full-year		0.0605 ** (0.0048)	0.0569 ** (0.0048)	0.0541 ** (0.0046)
Part-time, full-year to no job		0.0972 ** (0.0103)	0.0966 ** (0.0102)	0.0916 ** (0.0096)
Part-time, full-year to part-year		0.0261 ** (0.0062)	0.0248 ** (0.0062)	0.0358 ** (0.0059)
Part-year to no job		0.1107 ** (0.0040)	0.1099 ** (0.0039)	0.1010 ** (0.0038)
Other work commitment change		0.0295 ** (0.0023)	0.0281 ** (0.0023)	0.0276 ** (0.0022)
Large employer firm to medium employer firm			0.0304 ** (0.0033)	0.0213 ** (0.0031)
Large employer firm to small employer firm			0.0664 ** (0.0043)	0.0536 ** (0.0040)
Large employer firm to very small employer firm			0.0804 ** (0.0036)	0.0700 ** (0.0034)
Medium employer firm to small employer firm			0.0666 ** (0.0053)	0.0534 ** (0.0050)
Medium employer firm to very small employer firm			0.0969 ** (0.0056)	0.0851 ** (0.0052)
Small employer firm to very small employer firm			0.0684 ** (0.0052)	0.0591 ** (0.0049)
Other employer size change			0.0248 ** (0.0023)	0.0161 ** (0.0021)
Demographic controls	No	No	No	Yes
Mean of dependent variable	0.0720	0.0720	0.0720	0.0720
Log Likelihood value	-36147	-35818	-35523	-33295
Sample size	143,030	143,030	143,030	143,030

Notes: (1) The sample consists of individuals (ages 25-55) who have health insurance in the first survey year. (2) Marginal effects and their standard errors are reported. Statistical significance at the 0.05 and 0.01 levels are denoted by * and **, respectively. (3) All specifications include year effects. Specification 4 also includes controls for sex, race/ethnicity, immigrant status, marital status, number of children, education, age, disability, veteran status, Census divisions, and central city status measured at the first survey date. (4) All estimates are calculated using sample weights provided by the CPS. (5) Employer changes are imputed from changes in industry, employer size and class of worker, and having multiple jobs in the second survey year.

Table 9
 Probit Regressions for Probability of Private Health Insurance Loss - Marginal Effects
 Current Population Survey, Matched Annual Demographic Surveys (1996-2004)

Correlated Factor	Specification							
	(1)		(2)		(3)		(4)	
No job in both years	0.0549	**	0.0611	**	0.0605	**	0.0610	**
	(0.0027)		(0.0027)		(0.0026)		(0.0027)	
Job loss	0.1218	**						
	(0.0031)							
No job to job	0.0838	**	0.0898	**	0.0890	**	0.0838	**
	(0.0042)		(0.0041)		(0.0041)		(0.0039)	
Employer size loss	0.0421	**	0.0410	**				
	(0.0019)		(0.0019)					
Employer size gain	0.0092	**	0.0085	**				
	(0.0021)		(0.0021)					
Private employer to self-employment	0.0411	**	0.0400	**	0.0178	**	0.0297	**
	(0.0038)		(0.0038)		(0.0040)		(0.0038)	
Government employer to private employer	0.0071		0.0056		0.0096	*	0.0127	**
	(0.0040)		(0.0040)		(0.0040)		(0.0038)	
Government employer to self-employment	0.0516	**	0.0460	**	0.0146		0.0301	**
	(0.0111)		(0.0111)		(0.0113)		(0.0106)	
Other employer type change	0.0092	**	0.0078	*	0.0052		0.0149	**
	(0.0032)		(0.0032)		(0.0032)		(0.0030)	
Employer change	0.0344	**	0.0315	**	0.0291	**	0.0249	**
	(0.0018)		(0.0018)		(0.0017)		(0.0016)	
Welfare loss	0.0689	**	0.0657	**	0.0644	**	0.0340	**
	(0.0115)		(0.0114)		(0.0114)		(0.0106)	
SSI loss	0.0321	*	0.0301	*	0.0305	*	0.0190	
	(0.0134)		(0.0133)		(0.0132)		(0.0123)	
Children to no children	-0.0085		-0.0086	*	-0.0080		0.0030	
	(0.0044)		(0.0044)		(0.0044)		(0.0042)	
Married to not married	0.0481	**	0.0471	**	0.0459	**	0.0537	**
	(0.0057)		(0.0057)		(0.0057)		(0.0053)	
Spousal job loss	0.0451	**	0.0454	**	0.0445	**	0.0513	**
	(0.0036)		(0.0036)		(0.0036)		(0.0034)	

(continued)

Table 9 (Continued)

Correlated Factor	Specification			
	(1)	(2)	(3)	(4)
Full-time, full-year to no job		0.1595 ** (0.0047)	0.1581 ** (0.0047)	0.1342 ** (0.0044)
Full-time, full-year to part year		0.0489 ** (0.0025)	0.0480 ** (0.0025)	0.0406 ** (0.0024)
Full-time, full-year to part-time, full-year		0.0560 ** (0.0047)	0.0523 ** (0.0047)	0.0509 ** (0.0044)
Part-time, full-year to no job		0.0942 ** (0.0104)	0.0933 ** (0.0103)	0.0912 ** (0.0097)
Part-time, full-year to part-year		0.0224 ** (0.0063)	0.0211 ** (0.0062)	0.0346 ** (0.0059)
Part-year to no job		0.1110 ** (0.0041)	0.1099 ** (0.0040)	0.1027 ** (0.0039)
Other work commitment change		0.0259 ** (0.0023)	0.0246 ** (0.0023)	0.0247 ** (0.0022)
Large employer firm to medium employer firm			0.0288 ** (0.0032)	0.0198 ** (0.0030)
Large employer firm to small employer firm			0.0650 ** (0.0041)	0.0525 ** (0.0039)
Large employer firm to very small employer firm			0.0775 ** (0.0035)	0.0674 ** (0.0033)
Medium employer firm to small employer firm			0.0636 ** (0.0051)	0.0507 ** (0.0049)
Medium employer firm to very small employer firm			0.0953 ** (0.0053)	0.0841 ** (0.0050)
Small employer firm to very small employer firm			0.0659 ** (0.0051)	0.0583 ** (0.0048)
Other employer size change			0.0229 ** (0.0022)	0.0150 ** (0.0021)
Demographic controls	No	No	No	Yes
Mean of dependent variable	0.0661	0.0661	0.0661	0.0661
Log Likelihood value	-31785	-31478	-31189	-29030
Sample size	133,294	133,294	133,294	133,294

Notes: (1) The sample consists of individuals (ages 25-55) who have private health insurance in the first year surveyed. (2) Marginal effects and their standard errors are reported. Statistical significance at the 0.05 and 0.01 levels are denoted by * and **, respectively. (3) All specifications include year effects. Specification 4 also includes controls for sex, race/ethnicity, immigrant status, marital status, number of children, education, age, disability, veteran status, Census divisions, and central city status measured at the first survey date. (4) All estimates are calculated using sample weights provided by the CPS. (5) Employer changes are imputed from changes in industry, employer size and class of worker, and having multiple jobs in the second survey year.

Table 10
 Probit Regressions for Probability of Health Insurance Gain - Marginal Effects
 Current Population Survey, Matched Annual Demographic Surveys (1996-2004)

Correlated Factor	Specification			
	(1)	(2)	(3)	(4)
No job in both years	-0.0162 (0.0106)	-0.0237 (0.0108)	* -0.0482 (0.0107)	** -0.0532 (0.0110)
Job loss	-0.0186 (0.0146)	-0.0262 (0.0147)	-0.0507 (0.0146)	** -0.0478 (0.0143)
No job to job	0.0440 (0.0138)	**		
Employer size loss	0.0451 (0.0100)	**	0.0443 (0.0100)	**
Employer size gain	0.1088 (0.0095)	**	0.1071 (0.0095)	**
Self-employment to private employer	-0.0115 (0.0168)		-0.0093 (0.0168)	-0.0241 (0.0172)
Private employer to government employer	0.1952 (0.0233)	**	0.1972 (0.0232)	** 0.1841 (0.0233)
Self-employment to government employer	0.0831 (0.0631)		0.0855 (0.0630)	0.0267 (0.0638)
Other employer type change	-0.0333 (0.0159)	*	-0.0311 (0.0159)	*
Employer change	0.0552 (0.0088)	**	0.0565 (0.0088)	** 0.0666 (0.0088)
Welfare gain	0.6358 (0.0435)	**	0.6408 (0.0435)	** 0.6419 (0.0434)
SSI gain	0.7123 (0.0468)	**	0.7132 (0.0466)	** 0.7133 (0.0465)
No children to children	0.0941 (0.0262)	**	0.0918 (0.0261)	** 0.0888 (0.0262)
Not married to married	0.1658 (0.0276)	**	0.1643 (0.0275)	** 0.1664 (0.0275)
Spousal job gain	0.0419 (0.0191)	*	0.0376 (0.0191)	* 0.0376 (0.0191)

(continued)

Table 10 (Continued)

Correlated Factor	Specification			
	(1)	(2)	(3)	(4)
No job to full-time, full-year		0.1376 ** (0.0214)	0.1130 ** (0.0213)	0.1224 ** (0.0208)
Part-year to full-time, full-year		0.0233 * (0.0116)	0.0243 * (0.0116)	0.0291 ** (0.0112)
Part-time, full-year to full-time, full-year		0.0016 (0.0200)	0.0006 (0.0200)	-0.0116 (0.0195)
No job to part-time, full-year		0.0170 (0.0362)	-0.0076 (0.0362)	-0.0221 (0.0350)
Part-year to part-time, full-year		-0.0767 ** (0.0239)	-0.0753 ** (0.0239)	-0.0933 ** (0.0232)
No job to part-year		-0.0332 (0.0187)	-0.0577 ** (0.0186)	-0.0530 ** (0.0182)
Other work commitment change		-0.0656 ** (0.0111)	-0.0661 ** (0.0111)	-0.0631 ** (0.0107)
Medium employer firm to large employer firm			0.0885 ** (0.0175)	0.1119 ** (0.0170)
Small employer firm to large employer firm			0.0998 ** (0.0207)	0.1058 ** (0.0201)
Very small employer firm to large employer firm			0.1437 ** (0.0169)	0.1536 ** (0.0164)
Small employer firm to medium employer firm			-0.0131 (0.0252)	0.0313 (0.0245)
Very small employer firm to medium employer firm			0.0599 * (0.0233)	0.0869 ** (0.0226)
Very small employer firm to small employer firm			-0.0635 ** (0.0199)	-0.0295 (0.0194)
Other employer size change			-0.0235 * (0.0103)	-0.0065 (0.0100)
Demographic controls	No	No	No	Yes
Mean of dependent variable	0.4614	0.4614	0.4614	0.4614
Log Likelihood value	-15302	-15254	-15245	-14408
Sample size	23,093	23,093	23,093	23,093

Notes: (1) The sample consists of individuals (ages 25-55) who do not have health insurance in the first year surveyed. (2) Marginal effects and their standard errors are reported. Statistical significance at the 0.05 and 0.01 levels are denoted by * and **, respectively. (3) All specifications include year effects. Specification 4 also includes controls for sex, race/ethnicity, immigrant status, marital status, number of children, education, age, disability, veteran status, Census divisions, and central city status measured at the first survey date. (4) All estimates are calculated using sample weights provided by the CPS. (5) Employer changes are imputed from changes in industry, employer size and class of worker, and having multiple jobs in the second survey year.

Table 11
 Probit Regressions for Probability of Private Health Insurance Gain - Marginal Effects
 Current Population Survey, Matched Annual Demographic Surveys (1996-2004)

Correlated Factor	Specification							
	(1)		(2)		(3)		(4)	
No job in both years	-0.0969	**	-0.1061	**	-0.1326	**	-0.1294	**
	(0.0114)		(0.0116)		(0.0115)		(0.0117)	
Job loss	-0.0998	**	-0.1090	**	-0.1354	**	-0.1254	**
	(0.0160)		(0.0161)		(0.0160)		(0.0156)	
No job to job	0.0338	*						
	(0.0141)							
Employer size loss	0.0477	**	0.0467	**				
	(0.0101)		(0.0101)					
Employer size gain	0.1133	**	0.1112	**				
	(0.0096)		(0.0095)					
Self-employment to private employer	-0.0056		-0.0024		-0.0171		-0.0492	**
	(0.0169)		(0.0168)		(0.0173)		(0.0167)	
Private employer to government employer	0.2018	**	0.2044	**	0.1905	**	0.1337	**
	(0.0233)		(0.0232)		(0.0233)		(0.0223)	
Self-employment to government employer	0.0758		0.0801		0.0189		-0.0582	
	(0.0639)		(0.0636)		(0.0644)		(0.0622)	
Other employer type change	-0.0350	*	-0.0321	*	-0.0272		-0.0444	**
	(0.0161)		(0.0160)		(0.0161)		(0.0154)	
Employer change	0.0545	**	0.0565	**	0.0665	**	0.0617	**
	(0.0089)		(0.0089)		(0.0088)		(0.0085)	
Welfare gain	0.2123	**	0.2155	**	0.2162	**	0.2672	**
	(0.0666)		(0.0664)		(0.0664)		(0.0638)	
SSI gain	0.4400	**	0.4432	**	0.4405	**	0.4476	**
	(0.0650)		(0.0645)		(0.0645)		(0.0615)	
No children to children	0.0951	**	0.0928	**	0.0894	**	0.0712	**
	(0.0268)		(0.0267)		(0.0267)		(0.0260)	
Not married to married	0.1712	**	0.1688	**	0.1711	**	0.2383	**
	(0.0281)		(0.0280)		(0.0280)		(0.0270)	
Spousal job gain	0.0457	*	0.0405	*	0.0412	*	0.0126	
	(0.0195)		(0.0194)		(0.0194)		(0.0190)	

(continued)

Table 11 (Continued)

Correlated Factor	Specification			
	(1)	(2)	(3)	(4)
No job to full-time, full-year		0.1427 ** (0.0214)	0.1160 ** (0.0213)	0.1276 ** (0.0206)
Part-year to full-time, full-year		0.0249 * (0.0116)	0.0261 * (0.0116)	0.0343 ** (0.0112)
Part-time, full-year to full-time, full-year		0.0045 (0.0200)	0.0031 (0.0200)	-0.0069 (0.0193)
No job to part-time, full-year		0.0025 (0.0371)	-0.0242 (0.0371)	-0.0391 (0.0355)
Part-year to part-time, full-year		-0.0894 ** (0.0244)	-0.0884 ** (0.0244)	-0.1035 ** (0.0235)
No job to part-year		-0.0651 ** (0.0195)	-0.0916 ** (0.0194)	-0.0771 ** (0.0188)
Other work commitment change		-0.0888 ** (0.0114)	-0.0891 ** (0.0114)	-0.0861 ** (0.0109)
Medium employer firm to large employer firm			0.0872 ** (0.0176)	0.1112 ** (0.0169)
Small employer firm to large employer firm			0.1086 ** (0.0207)	0.1134 ** (0.0198)
Very small employer firm to large employer firm			0.1511 ** (0.0169)	0.1581 ** (0.0163)
Small employer firm to medium employer firm			-0.0167 (0.0255)	0.0302 (0.0246)
Very small employer firm to medium employer firm			0.0437 (0.0238)	0.0707 ** (0.0228)
Very small employer firm to small employer firm			-0.0679 ** (0.0202)	-0.0336 (0.0195)
Other employer size change			-0.0261 * (0.0104)	-0.0058 (0.0101)
Demographic controls	No	No	No	Yes
Mean of dependent variable	0.4206	0.4206	0.4206	0.4206
Log Likelihood value	-14116	-14044	-14033	-13058
Sample size	21,465	21,465	21,465	21,465

Notes: (1) The sample consists of individuals (ages 25-55) who do not have health insurance in the first year surveyed. (2) Marginal effects and their standard errors are reported. Statistical significance at the 0.05 and 0.01 levels are denoted by * and **, respectively. (3) All specifications include year effects. Specification 4 also includes controls for sex, race/ethnicity, immigrant status, marital status, number of children, education, age, disability, veteran status, Census divisions, and central city status measured at the first survey date. (4) All estimates are calculated using sample weights provided by the CPS. (5) Employer changes are imputed from changes in industry, employer size and class of worker, and having multiple jobs in the second survey year.