

# North Carolina's Increase in the Uninsured: 2007-2009

Prepared by the North Carolina Institute of Medicine & the Cecil G. Sheps Center for Health Services Research, University of North Carolina at Chapel Hill

March 2009

Data Snapshot 2009-1

North Carolina has experienced a sharp increase in the unemployment rate, consistent with the experience of many states during this nationwide economic downturn. Because our health insurance system is built largely upon employer-based insurance coverage, the increase in the number of unemployed people leads to a commensurate rise in the numbers of uninsured.

Interest in health reform continues to be one of the public's top priorities for the President and Congress.<sup>1</sup> Policy makers need current data on the numbers of uninsured to develop appropriate policy responses at both the federal and state levels. Unfortunately, most estimates of the number of uninsured can be quite dated, especially during a period of rapid economic change.

Historically, there has been a strong association between unemployment and uninsurance. Using this relationship, researchers at the North Carolina Institute of Medicine and the University of North Carolina's Cecil G. Sheps Center for Health Services Research estimated the change in the number of uninsured that has occurred in each state since 2007. These data are based on current unemployment rates from the Bureau of Labor Statistics and the most recent Current Population Survey Annual Social and Economic Supplement, which is commonly viewed as the definitive source for state-specific uninsured estimates.<sup>2</sup> This Data Snapshot focuses on the estimates for North Carolina.

## Summary of North Carolina Findings

- From 2007 to January 2009, North Carolina's *unemployment* rate has increased from 4.7 percent to 9.7 percent. The increase of 5 percentage points is the second largest increase in the country.
- Estimates based on the increase in unemployment suggest that from 2007 to January 2009, North Carolina's *uninsured* rate climbed 3.1 percentage points. This translates into an increase in the number of North Carolina uninsured of 322,000. The increase in the number uninsured is the 4<sup>th</sup> largest in the country, trailing only California, Texas, and Florida.
- The number of uninsured in North Carolina increased by 22.5 percent from 2007 to 2009. This was the largest percentage increase in the country.
- North Carolina's estimated number of uninsured as of January 2009 was between 1.75 and 1.80 million. This translates to 21.2 to 21.7 percent of all non-elderly North Carolinians.

## States with the Five Largest Percentage Increases and Absolute Increases in Number Uninsured

State	Percent Growth in Uninsured (2007-2009)	State	Growth in Number Uninsured [Thousands] (2007-2009)
North Carolina	22.5	California	890
Rhode Island	22.3	Texas	551
Indiana	22.0	Florida	506
Nevada	21.0	North Carolina	322
Michigan	20.2	Georgia	285
United States	13.7	United States	6,263

1. Health Provisions Among Public's Top Priorities for Economic Stimulus. Kaiser Family Foundation and Harvard School of Public Health. January 15, 2009. Available at: <http://www.kff.org/kaiserpolls/kaiserpolls011509nr.cfm>
2. The Findings Brief which describes the estimation method and discusses estimates of all states is available at <http://www.shepscenter.unc.edu>.

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Figure 1: Percent Growth in Uninsured  
2007-2009 based on Unemployment

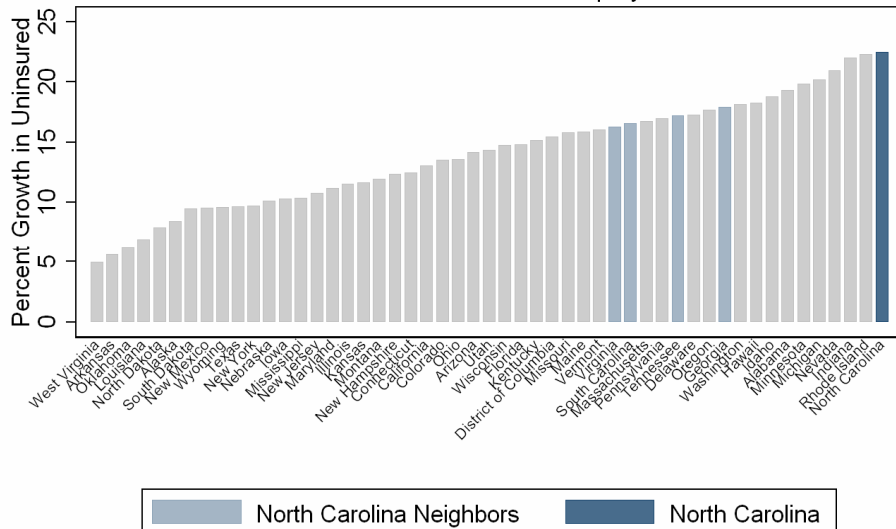


Figure 1:  
North Carolina's  
Percentage Growth in the  
Number of Uninsured is the  
Largest in the United States

Figure 2: Growth in Number of Uninsured  
2007-2009 based on Unemployment

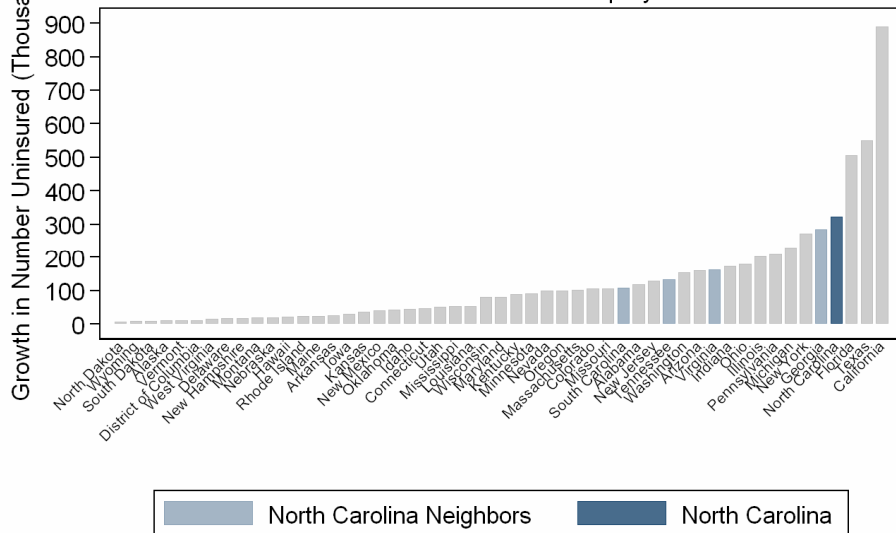


Figure 2:  
North Carolina's  
Estimated Increase in the  
Number of Uninsured is the  
4th Largest in the United  
States

*About the North Carolina Institute of Medicine*

The North Carolina Institute of Medicine (NCIOM) is an independent, quasi-state agency that was chartered by the North Carolina General Assembly in 1983 to provide balanced, nonpartisan information on issues of relevance to the health of North Carolina's population. The NCIOM convenes task forces of knowledgeable and interested individuals to study complex health issues facing the state in order to develop workable solutions to address these issues. <http://www.nciom.org>

*About the Cecil G. Sheps Center for Health Services Research*

The Cecil G. Sheps Center for Health Services Research, a unit of the University of North Carolina's Division of Health Affairs, seeks to improve the health of individuals, families, and populations by understanding the problems, issues, and alternatives in the design and delivery of health care services. <http://www.shepscenter.unc.edu>