INSIGHT on the Issues

# Health Insurance Coverage for 50- to 64-Year-Olds

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**Adults age 50 to 64 face rising out-of-pocket costs for health care and declining access to employer-sponsored health coverage. The latest analysis shows nearly one in three adults in this age group live in families that spent at least 10 percent of their after-tax income on health care, compared with 18 percent of adults age 19 to 49.**

In 2010, more than 58 million U.S. adults were in their 50s and early 60s—approximately 19 percent of the population. The aging of the baby boomers will add another 4.5 million to this age group by 2015.[1] The rising cost of health care has made access to adequate, affordable health care coverage problematic for many in this age group. Without sufficient coverage and treatment, they face the prospect of declining health and insufficient care, consequences that will follow many of them into Medicare.

The Affordable Care Act (ACA) aims to improve the quality and increase the availability and affordability of health insurance, especially for those with lower incomes and medical conditions. Its implementation promises to reduce the financial and health risks currently faced by millions of adults age 50 to 64.

- Nearly one in three older adults were in families that spent 10 percent or more of after-tax family income on health care in 2007, compared with 18 percent of adults age 18 to 49.[2] Spending 10 percent or more of family income on health care is used as measure of the risk of high financial health burdens for families.[3] Burdensome costs can affect decisions about whether to seek care.
- More than three-quarters of those buying coverage in the private individual market spent at least 10 percent of their disposable family income on health care. Their average spending on premiums was over two and a half times that of their peers with employer coverage.[4]
- Medicaid and Medicare provide important coverage to 13 percent of this age group,[5] but 36 percent of those with public insurance were in families that spent at least 10 percent of their income mainly for health care.[6]
- More than 8.9 million adults age 50 to 64 were uninsured in 2010—3.7 million more than in 2000.

This *Insight on the Issues* explores health care spending and coverage issues for the 50 to 64 age group and how the ACA may help address some of the challenges they face—challenges that have only been heightened by the economic crisis.

## Health Spending Varies by Insurance Status

In 2007, nearly one in three of the 50- to 64-year-old population spent at least 10 percent of their after-tax income on health care services and/or premiums, a measure of high health cost burden. In comparison, 18 percent of the 19- to 49-year-old population had burdens at this level.[7]

The share of the older adult population with out-of-pocket spending amounting to at least 10 percent of their income increased by 25 percent between 2001 and 2007.

The likelihood of high out-of-pocket health spending is rising and greatest among insured older adults without access to employer coverage (table 1).

- Just over one in four older adults with employer health coverage had a high out-of-pocket spending burden—42 percent more than in 2001.
- More than three-quarters of those buying coverage in the individual market (other private) spent at least 10 percent of their after-tax family income on health—37 percent more than in 2001.
- Average out-of-pocket spending on premiums for adults in the individual market was two and a half times more than for those in employer coverage.

Despite the higher cost of coverage in the individual market, benefits tend to be somewhat less generous than those in the employer market.

Among people with public coverage, such as Medicaid and Medicare, high out-of-pocket health spending is more prevalent than among those with private coverage through an employer.

- More than one in three older adults on public coverage (e.g., Medicare, Medicaid, Veterans Administration) spent at least 10 percent of their disposable income on health care in 2007. The vast majority of this spending was on health services, rather than premiums.
- The share of the public coverage group with a high out-of-pocket burden declined from 40 percent in 2001 to 36 percent in 2007.
- Average out-of-pocket spending for health care services dropped 25% among older adults with public coverage between 2005 and 2007. The start of Medicare drug coverage in 2006 and people cutting back on health spending during the economic recession may help explain this.

**Table 1**
**Out-of-Pocket Burdens among Adults Age 50 to 64 Vary by Type of Insurance Coverage, 2007**

| Type of Insurance Coverage | Adults with High Total Family Burden | Health Spending for Premiums and Services | Spending on Premiums |
|---|---|---|---|
| **All** | 30% | $3,869 | $2,143 |
| **Private Employer** | 28% | $4,232 | $2,420 |
| **Individual Market** | 78% | $8,834 | $6,428 |
| **Public** | 36% | $1,430 | $434 |
| **Uninsured** | 22% | $1,752 | $233 |

Source: D. Bernard, Analysis of Medical Expenditure Panel Surveys, unpublished data, Agency for Healthcare Quality Research, 2011.

"High burden" is defined as spending 10 percent or more of after-tax family income on health insurance premiums and health care services.

Given that disability is the major eligibility criterion for public coverage in this age group, this level of spending on services shows that even with public coverage, those in the poorest health are particularly vulnerable to high health spending.

The uninsured must pay the full cost of any health services that they use. For people without health insurance:

- Total health spending is less than half the average for the age group as a whole.
- Lower health spending indicates that, on average, the uninsured use less health care than their peers.

Studies[8,9] have shown that uninsured older adults with health problems are likely to suffer worse health outcomes. The current low rates of spending for this group suggest that although some uninsured older adults are healthy and do not need care, others may be deferring care for health conditions, which may lead to serious health problems and higher spending in the future.

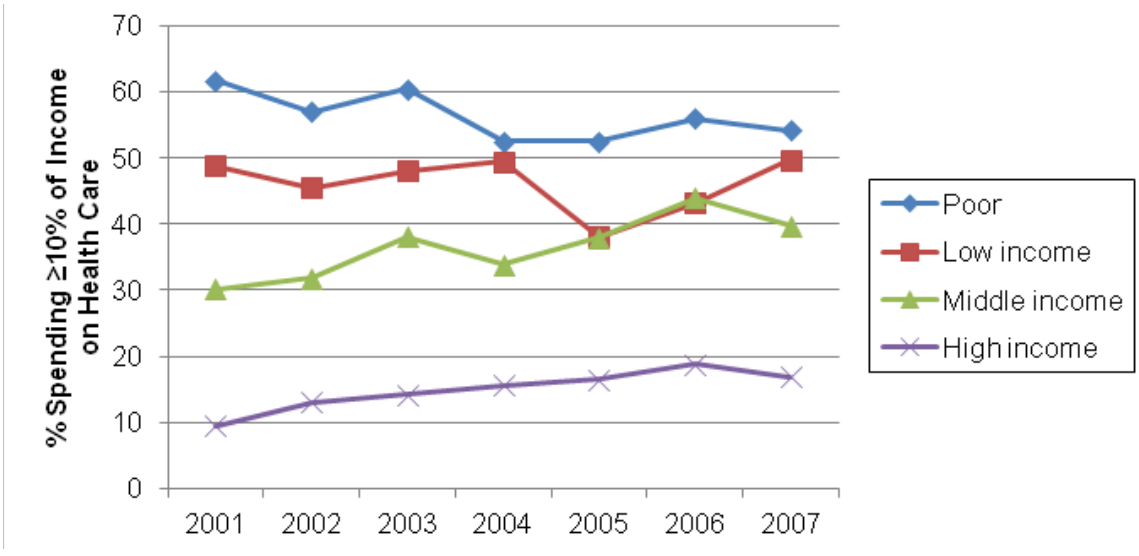
## High Health Spending Is More Prevalent at Lower Incomes

Even before the current economic downturn, health care costs were squeezing the family budgets of a growing number of poor and low- and middle-income older adults.

- Fifty-four percent of poor older adults spent 10 percent or more of their after-tax income on health care in 2007 (figure 1).
- Nearly half of older adults in low-income families also had high health spending burdens in 2007.
- Among middle-income older adults, the share with high health spending burdens has risen relatively steadily since 2001.

**Figure 1**

**Share of Adults Age 50 to 64 Who Spend 10 Percent or More of After-Tax Income on Health Care Is Higher with Lower Family Income, 2007**




Source: D. Bernard, Analysis of 2006, 2007 Medical Expenditure Panel Survey, unpublished data, Agency for Healthcare Research and Quality; J. Banthin and D. Bernard, Analysis of 2001–2005 Medical Expenditure Panel Survey, unpublished, Agency for Healthcare Research and Quality.

The federal poverty level (FPL) was $13,690 for a family of two in 2007

Poor is <100 percent FPL, Low is 100–199 percent FPL, Middle is 200–399 percent FPL, High is ≥400 percent FPL.

- While high health spending is less common among high-income older adults relative to their lower income peers, the prevalence of high health costs in this income group has grown since 2001.[10]

## Health Spending, Health Coverage, and Financial Security Interact

Surveys show that chronic health conditions are associated with higher total health costs, and an increased number of chronic health conditions increases total health costs.[11,12]

- More than seven in ten 50- to 64-year-olds report having been diagnosed with one or more chronic health conditions, and nearly half have two or more chronic conditions.
- Average total health spending for older adults with two chronic conditions is over one-and-a-half times that of older adults with only one chronic condition ($5,567 vs. $3,569), and more than four times the average total health spending for an adult with no chronic health conditions ($5,567 vs. $1,370).
- Average total health spending for older adults with two chronic conditions increased by 10 percent, from $5,066 in 2005 to $5,567 in 2009.

For older adults with serious health problems, health and economic security may interact.

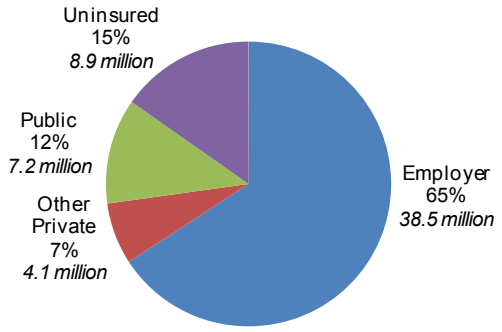
- Nine percent of uninsured adults age 50 to 64 reported that they were not working because of illness or disability—three times the share of younger uninsured.[13]
- As noted earlier, 36 percent of older adults with public coverage spend more than 10 percent of their after-tax income on health services, indicating that disabled adults may qualify for public coverage but may still have high health spending.
- Individuals under age 65 in fair or poor health or with functional limitations have a higher chance of spending more than 20 percent of their disposable income on health services, regardless of their coverage status.[14]
- Recent research found that median 51- to 64-year-old uninsured households with a newly ill member lost between 30 and 50 percent of their household assets, while comparable insured households with a newly ill, member did not suffer a decline in wealth.[15] Coverage appears to provide some measure of financial protection when illness strikes.

Illness and health insurance coverage can be particularly influential determinants of the financial well-being of older adults. Older adults who experience a significant loss in assets due to uncovered medical expenses may have limited opportunities to restore their nest egg.

## Older Adults Depend Heavily on Employer Coverage

Like younger adults, the vast majority of older adults rely on employer-sponsored health insurance (figure 2). However,

**Figure 2**
**Adults Age 50 to 64 Depend Heavily on Employer Coverage, 2010**




Source: AARP Public Policy Institute analysis of March 2011 Current Population Survey.

the share of older adults with employer-sponsored health insurance declined by 5.3 percentage points over the past decade (figure 3).

- More than 49 million of the over 58 million Americans age 50 to 64 had health coverage in 2010.
- More than one in five, or 10.6 million, older adults are covered as dependents on a family member's employer coverage.

The loss of employer-sponsored health coverage due to job loss or retirement is problematic for anyone age 50 to 64.

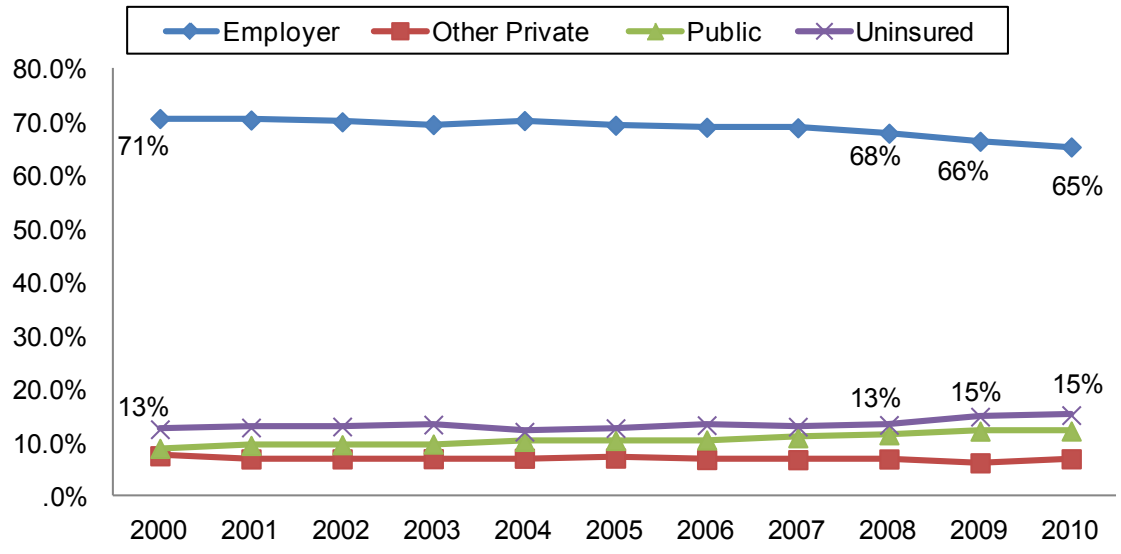
Even though employer-sponsored health coverage is the most common source of health insurance among 50- to 64-year-olds, access to such coverage is not automatic. Employer health coverage is subject to the following factors:

- Employers' decisions to offer coverage
- Employee eligibility for health benefits
- Ongoing employment
- Availability of coverage for dependents
- Affordability of coverage for the employee and dependents

Federal and state laws allow many to continue their employer's health coverage for certain periods of time after changes in their work or family situation. However, it is expensive to keep employer coverage, particularly if the loss of continued eligibility for employer coverage is accompanied by a reduction in family income.

One of the ACA's goals is to ensure access to affordable coverage through either the employer or a health benefits exchange. Starting January 1, 2014, employers with at least 50 full-time employees that do not provide adequate health insurance[16] will have to pay assessments if their workers receive premium subsidies to buy their own insurance. The assessments will be used to help cover the subsidies. These

**Figure 3**
**The Share with Employer-Sponsored Coverage Is Waning and the Share without Health Insurance Is Rising**




Unit of analysis: people age 50 to 64.

Source: AARP Public Policy Analysis of 2001–2011 Current Population Survey.

measures could increase the number of older workers and their dependents who are offered and enroll in employer health benefits. Those still lacking access to health coverage through their employer will have new options for getting coverage and, depending on their income, may be eligible for subsidies to help with the cost of coverage.

## Today, Older Adults without Employer Coverage Face High Cost and Access Barriers in the Individual Market

Until 2014, when the new health law is operational, the individual market is the alternative source of coverage for those who do not have access to employer health coverage. For many, however, it is not a realistic option.

The cost of coverage in the individual market is borne entirely by the individual and his or her family. If an employer has been contributing a major share of an individual's premiums, the full premium cost can be shocking. For that matter, compared with employer group benefits, individual market health coverage tends to have both less generous benefits (requiring higher deductibles, cost sharing, and sometimes benefit limits) and higher premiums. Consumers shopping for coverage in this market may have to make tough choices between health spending and other items in the family budget.

In addition, currently many individuals cannot buy coverage in the individual market because insurers can turn down their application.

- Between 20 and 29 percent of applicants age 50 to 64 were denied coverage in 2009, a higher share than in 2007.[17] The denial rates increase as people approach age 65.
- More people who fear that they may not qualify because of health problems may be discouraged from even applying.

Some states guarantee access to coverage through a high-risk pool. However, premiums in the state high-risk pools are commonly one-and-a-half to two times those in the individual market, and risk pools in some states are closed because of insufficient funding.

For applicants who are accepted, cost is a particular issue for adults in their 50s and early 60s because, in most states, insurers charge higher premiums based on an applicant's age and health.

- Industry data show that average individual market premiums for an individual in his or her early 60s are nearly twice the cost of the average premium for all nonelderly people (table 2). In contrast, all individuals with employer-sponsored coverage paid average annual premiums of $779 and $3,515 for individual and family coverage, respectively, in 2009.[18]
- At least one in six of those in poorer health were offered coverage at premiums higher than those in table 2, according to the same industry survey.

**Table 2**
**Average Annual Premiums for Private Health Insurance in the Individual Market, 2009**

| Age | Average Premium | |
|---|---|---|
| | Individual Coverage | Family Coverage |
| **50–54** | $4,127 | $7,331 |
| **55–59** | $4,895 | $8,414 |
| **60–64** | $5,755 | $9,252 |
| **<65** | $2,985 | $6,228 |

Source: AHIP, "Individual Health Insurance 2009: A Comprehensive Survey of Premiums, Availability, and Benefits" (October 2009).

- A study found a 14- to 17-fold increase in premiums for similar benefits based on age and health.[19]

Given the relatively low incomes of older adults buying coverage in this market (figure 4), it is not surprising that, as noted earlier, more than two-thirds of those who buy their own coverage in the individual market spent more than 10 percent of their disposable income on health care.

Because individuals who buy coverage in the individual market pay premiums from taxable income (unless they are self-employed), insurance is even more expensive for them than for those who have employer coverage, where the employee share is commonly paid with pretax dollars.

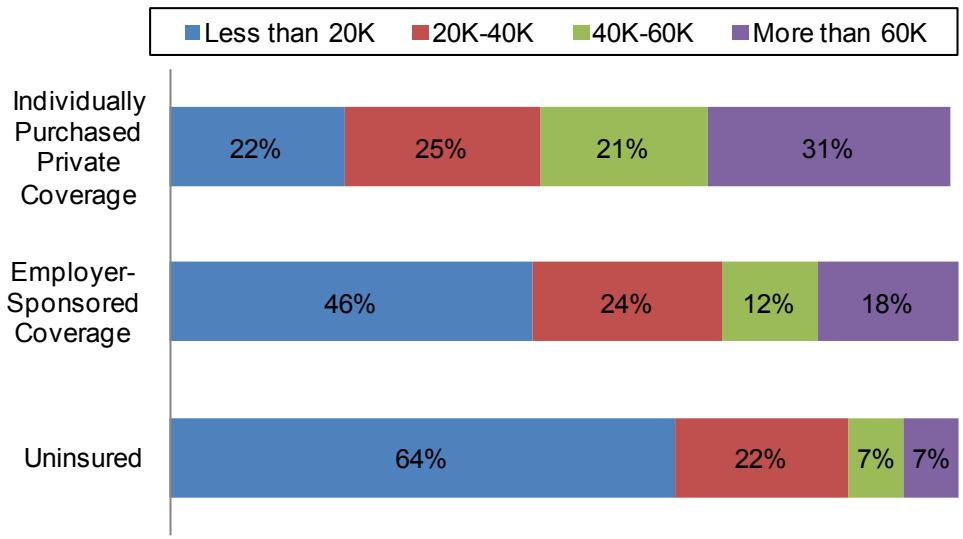
The ACA makes changes designed to improve access to and affordability of coverage in the individual market. Starting in 2014, insurers in the individual market must accept all applicants, including those with preexisting medical conditions. Insurers will no longer be able to turn down applicants or charge higher premiums based on their health status or claims experience, nor will they be able to exclude preexisting medical conditions from coverage. The practice of varying premiums by age will continue, but will be restricted. Premiums will be limited to no more than three times those of younger adults.

Even before 2014, the ACA created another option for uninsured people with medical conditions, the Preexisting Condition Insurance Program. Premiums in this program are set at standard market rates, making them lower than those in existing state high-risk pools.

By January 1, 2014, residents of every state must have access to an exchange. The exchanges will provide consumers with a new option for purchasing qualified health plans.

Premium and cost-sharing subsidies will be available to help relieve the cost burden for individuals and families with incomes between 138 percent and

**Figure 4**
**Adults Age 50 to 64 without Employer Coverage Tend to Be Poorer**




Totals may not add up to 100 percent due to rounding. Data are for 2010.

Source: AARP Public Policy Institute analysis of March 2011 Current Population Survey.

400 percent of the federal poverty level (FPL) buying coverage in the exchange.

- Premium assistance tax credits will be based on a sliding scale up to 400 percent of the FPL. In 2011 terms, individuals with income up to $43,560 and families of four with an income up to $89,400 would be eligible for assistance.
- Subsidies to help reduce cost sharing will be available to people with income up to 250 percent of the FPL.

Implementation of the ACA will increase the availability of public and private health insurance options for older adults who currently purchase coverage in the individual market.

- Up to 59 percent, or 2.5 million, of the 4.2 million older adults (figure 5) with individual market coverage in 2010 may be eligible for assistance through the exchange or Medicaid in 2014 (projections based on 2010 income).[20]
  - A total of 802,000 older adults who had individual market coverage and incomes below 138 percent of FPL in 2010 would be eligible to gain Medicaid.
  - A total of 1.7 million older adults who had individual market coverage and incomes between 138 and 400 percent of FPL in 2010 would be eligible to gain subsidized coverage through the insurance exchange.

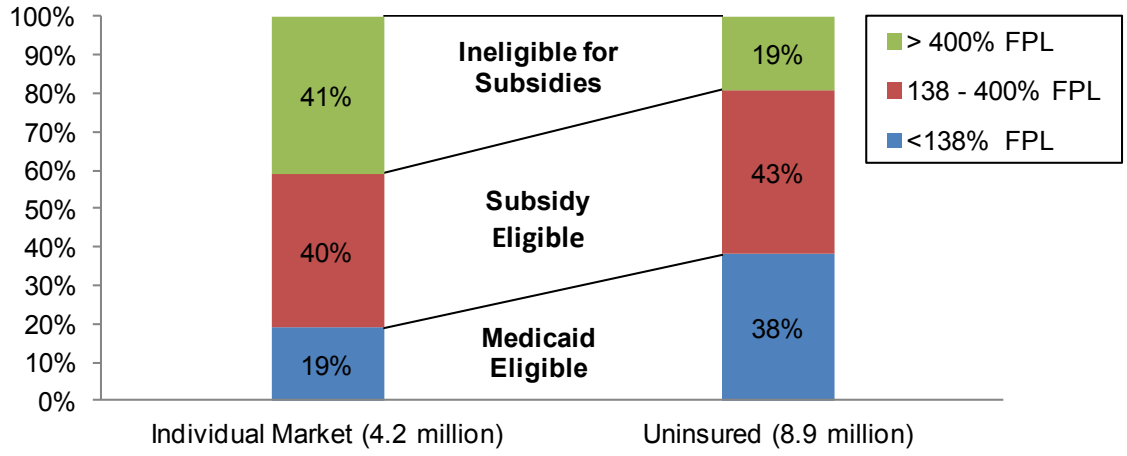
## Growing Numbers of Older Adults Are without Coverage

Although most 50- to 64-year-olds have health coverage, a growing number of this age group is uninsured.

- More than 8.9 million, or 15 percent, of 50- to 64-year-olds were uninsured in 2010.
- The ranks of uninsured older adults between the age of 50 and 64 have increased by 3.7 million since 2000. Contributing factors are growth in the 50- to 64-year-old population,

**Figure 5**

**Share of Older Adults without Employer-Sponsored Coverage Who Will Be Eligible in 2014 for Health Coverage Subsidies or Medicaid**




Unit of analysis: people age 50 to 64.

Note: 133 percent FPL is written into the law. However, 138 percent reflects the new income and asset eligibility requirements, including the standardized 5 percentage point income disregard. As such, 138 percent FPL is a more accurate measure of health coverage subsidy eligibility.

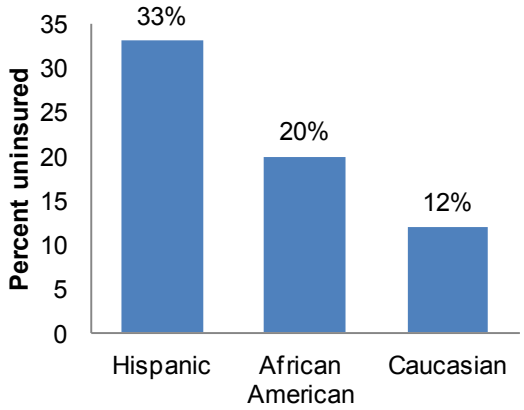
Source: AARP Public Policy Analysis of March 2011 Current Population Survey.

the rising costs of health care, and the impact of the recent economic downturn.

Older adults with low incomes and racial and ethnic minorities are more likely to be uninsured. For low-income uninsured older adults, the cost of buying coverage may be prohibitive, as may the out-of-pocket cost of getting needed care.

- Nearly one in two uninsured 50- to 64-year-olds (49 percent) had a family income below 200 percent of poverty—this was true of only one in five people in the age group as a whole.
- More than two-thirds of the 8.9 million uninsured 50- to 64-year-olds had incomes below $20,000—a much larger share than for those with employer-sponsored or individually purchased private insurance (figure 4).
- One out of three Hispanic and one out of five African American older adults were uninsured in 2010, compared with over one out of ten Caucasian older adults (figure 6).

**Figure 6**
**Uninsured Rates in 2010 Were High among African American and Hispanic Adults Age 50 to 64**




Source: AARP Public Policy Analysis of March 2011 Current Population Survey.

## New Public Coverage Option ahead for Low-Income Adults

Prior to the ACA, older adults who did not have access to or could not afford coverage in the private market could not rely on public programs as a backstop.[21] Those without insurance from an employer were more likely to be uninsured than to be covered by a public program or to buy coverage in the individual market.

Medicaid, which serves the poor, traditionally only served those who were *also* the parent of a minor child, pregnant, disabled, aged, or (in some states) medically needy. Medicare is open to adults under age 65 only if they are receiving Social Security disability income benefits. The Veterans Administration and other public programs have their own eligibility criteria.

Beginning in 2014, the ACA will expand Medicaid to all non-Medicare-eligible U.S. citizens under age 65 with incomes up to 138 percent of the FPL, regardless of whether they have dependent children. This significant public coverage expansion will particularly benefit poor older adults who previously did not qualify for public coverage and did not have access to or could not afford private insurance.

Implementation of the ACA will increase the availability of public and private health insurance options for uninsured older adults.

- Up to 81 percent, or 7.3 million, of the 8.9 million uninsured 50-to-64-year-olds in 2010 may be eligible for assistance through the exchange or Medicaid in 2014 (projections based on 2010 income; figure 5).[22]
  - A total of 3.4 million uninsured older adults with incomes below 138 percent of FPL in

2010 would be eligible to gain Medicaid.

– A total of 3.9 million uninsured older adults with incomes between 138 and 400 percent of FPL in 2010 would be eligible to gain subsidized coverage through the insurance exchange.

## Many Uninsured Older Adults Work

Roughly three in five uninsured 50- to 64-year-olds are employed. However, their employment situations suggest that many work for employers that do not offer coverage, or that they may not be eligible for employee health benefits. [23]

- Thirty-seven percent work for employers with fewer than 25 employees.
- Twenty-three percent are self-employed.
- Twenty-nine percent work part-time and/or part of the year.

Small employers are much less likely to offer health benefits, particularly if their employees are low-wage workers. As noted above, uninsured older adults are concentrated at the lower end of the income scale. Those who work part-time or part of the year may not work enough to be eligible for benefits, or may not earn enough to afford the coverage on their wage.

To improve small employers' options, the ACA also requires the creation of exchanges through which eligible small businesses can purchase qualified coverage for their employees. These are referred to as Small Business Health Options Program. In 2014, eligible employees will be able to participate. To encourage small employers to offer health coverage, the ACA also makes tax credits available for certain small employers.

## For Older Adults, Being Uninsured Is Often a Long-Term Problem

For most uninsured adults in this age group, being uninsured is not a matter of having a brief gap in coverage. Analysis of the 2010 National Health Interview Survey[24] reveals:

- Forty-two percent of uninsured 50- to 64-year-olds were uninsured for more than three years, while only 10 percent were uninsured for less than six months.
- Eighteen percent had never had health insurance.

Being uninsured for such extended periods puts these older adults' health and financial security in jeopardy.[25]

## Many Experience Shifts in Coverage with Retirement

As adults reach their late 50s and early 60s, the share retiring from the workforce grows. In 2010, 7.3 million adults ages 50 to 64 were retired. Research shows that access to coverage can be a factor in the retirement decision.[26] Sixty-one percent of older workers cited the need to maintain health insurance as a key factor in their decision to continue working.[27] Data on retiree coverage indicate that:

- Retired adults age 50 to 64 are less likely to have employer-sponsored coverage than those who are not retired (55 percent vs. 67 percent; table 3).
- Retirees from small firms (fewer than 200 employees) are markedly less likely than those from large firms to have the option of retiree health benefits (6 percent vs. 26 percent), according to the Kaiser Family Foundation.[28]

**Table 3**
**Retirement Brings Drops in Employer Coverage, 2010**

| Source of Insurance* | Retired | Not Retired |
|---|---|---|
| **Employer Coverage:** | 55% | 67% |
| In Own Name | 34% | 50% |
| As a Dependent | 21% | 17% |
| **Other Private** | 11% | 6% |
| **Public**** | 18% | 11% |
| **Uninsured** | 15% | 15% |

Note: Columns may not total 100 percent due to rounding. Unit of analysis: people age 50 to 64.

* This is the primary source of insurance. Some people may have coverage from multiple sources.

** Includes Medicare, Medicaid, and Veterans Administration or TriCare coverage.

Source: AARP Public Policy Institute analysis of March 2011 Current Population Survey.

- The percentage of large firms offering retiree health benefits has dropped by 21 percent since 2005.[29]
- Compared to workers with employer coverage, more retirees with employer coverage are covered as dependents—either on a working spouse's benefits or on a spouse's retiree coverage—than as in their own name (21 percent vs. 17).

While some workers are delaying retirement, others are leaving the workforce and retiring earlier than intended due to health problems, layoffs, or business closures.

- The 2011 Retirement Confidence Survey (RCS)[30] found that the top three reasons for early retirement were health problems or disability, followed by downsizing or business closures, and finally taking care of a spouse or another family member.
- Nearly half of retirees (45 percent) left the workforce earlier than planned, according to the 2011 RCS.[31]

Unplanned early retirement is a heavy financial burden for most. Those who retire earlier than planned are more likely than those who retire on time or later to report that they are concerned about their basic finances, including medical expenses.[32]

To help employers sustain coverage for early retirees, the ACA created the Early Retiree Reinsurance Program. This temporary program helps employers with the cost of providing health coverage to retirees over age 55 who are not yet eligible for Medicare.

For those who lose employer coverage upon retirement, a key concern is getting access to another source of coverage. Analysis shows the following to be true:

- Along with the growth of the age group overall, the number of uninsured early retirees grew from 874,000 to 1,112,240, a 27 percent increase between 2000 and 2010.
- While more than one in seven (15 percent) early retirees were uninsured in 2010, the rate of uninsurance among early retirees is not higher than for their peers who are not retired.
- Coverage by public programs increases among early retirees. This reflects an increase in the share of retirees covered by Medicare before age 65, and is consistent with the research indicating that disability is cited as one of the reasons for early retirement.
- Individually purchased private insurance also increases among retirees. For some it offsets the loss of employer coverage. Even so, individually purchased coverage generally costs more and covers less.

For early retirees who do not have access to retiree health benefits and may have difficulty accessing or affording

coverage, the implementation of the ACA, with the assistance of guarantee issue, exchange subsidies, and the Medicaid expansion in 2014, will provide some relief.

- Sixty-eight percent of early retirees with individually purchased private health insurance had incomes below 400 percent of FPL in 2010, and, as such, would be eligible to gain subsidized coverage through the exchange or Medicaid in 2014.
- Eighty percent of early retirees without health insurance had incomes below 400 percent of FPL in 2010, and as such, would be eligible for coverage and sliding-scale premium subsidies through the exchange or for Medicaid in 2014.

## Discussion

Older adults are particularly vulnerable to deterioration in function and health status if they do not have health coverage,[33] inevitably increasing their need for and use of health care. Research shows that uninsured adults in their 50s and early 60s, particularly those with cardiovascular disease and diabetes, experience worse health outcomes and use more services when they enter the Medicare program than those who were insured.[34] So, policies that help the 50- to 64-year-old population maintain health can offset later public costs.

Older adults share many of the same challenges as younger adults when it comes to accessing coverage and care. For older adults, however, the challenges to financial and health security can be greater and longer lasting.

As described above, today those without access to employer coverage can face real problems getting coverage from another source. Those with insurance are likely to spend a significantly higher share of household income on health than younger adults, particularly if they obtain health coverage in the private individual market. Many of those who cannot access or afford private coverage and lack eligibility for coverage through public programs will have new options in 2014.

Therefore, they have much to gain from implementation of reforms that address access and the cost of health coverage. The ACA is designed to address the following problems:

- Access to coverage for those not covered through an employer
- Cost and access barriers that adults in their 50s and early 60s face in the private individual market
- Absence of a backstop for many who cannot obtain or afford private coverage

It aims to do so by:

- Improving market rules that will assure everyone access to private coverage, regardless of age or health status
- Creating health benefit exchanges that will provide a new centralized point to access good, comprehensive coverage in the individual and small group markets
- Making premium subsidies available to make individual market coverage offered through the exchanges more affordable for people with incomes up to 400 percent of FPL
- Reducing the cost-sharing liability of those under 250 percent of FPL buying coverage through the exchange so that cost-sharing is not a barrier to getting care
- Expanding Medicaid to provide a coverage backstop for low-income adults who would otherwise not qualify for public coverage programs

In addition, the ACA has many promising provisions aimed at increasing access to care, especially for low-income and sick older adults. Just how well the ACA will be able to address these complex issues remains to be seen.

Implementation is in its early stage. Success depends upon the commitment and ongoing collaboration of many stakeholders. The population age 50 to 64 has a real stake in policy solutions that meet their needs and improve their health and financial security, as well as that of their children and grandchildren. As debates about how to improve our health care system proceed, it will be important to look at how well it serves people who are most at risk in our current system, including adults age 50 to 64.

## Appendix A. Uninsured Population Age 50 to 64, 2008–2010 Pooled

| State | Number | Percentage of Age 50–64 Population |
|---|---|---|
| Alabama | 115,295 | 12.5% |
| Alaska | 21,525 | 17.0% |
| Arizona | 214,406 | 18.2% |
| Arkansas | 82,206 | 15.5% |
| California | 1,173,578 | 20.0% |
| Colorado | 117,341 | 13.1% |
| Connecticut | 75,111 | 10.3% |
| Delaware | 17,909 | 11.0% |
| District of Columbia | 10,015 | 10.3% |
| Florida | 734,263 | 22.1% |
| Georgia | 321,680 | 19.6% |
| Hawaii | 19,224 | 7.8% |
| Idaho | 41,431 | 16.3% |
| Illinois | 316,958 | 14.7% |
| Indiana | 142,023 | 11.8% |
| Iowa | 57,541 | 9.6% |
| Kansas | 57,063 | 11.6% |
| Kentucky | 105,016 | 12.7% |
| Louisiana | 130,849 | 16.5% |
| Maine | 30,016 | 10.2% |
| Maryland | 127,177 | 12.0% |
| Massachusetts | 51,087 | 4.1% |
| Michigan | 228,935 | 12.2% |
| Minnesota | 73,370 | 7.7% |
| Mississippi | 89,726 | 17.3% |
| Missouri | 138,157 | 12.2% |
| Montana | 35,527 | 17.4% |
| Nebraska | 33,578 | 10.1% |
| Nevada | 81,338 | 17.6% |
| New Hampshire | 29,408 | 10.1% |
| New Jersey | 219,080 | 13.6% |
| New Mexico | 71,444 | 19.9% |
| New York | 506,137 | 14.5% |
| North Carolina | 264,142 | 16.1% |
| North Dakota | 13,488 | 11.8% |
| Ohio | 284,623 | 12.8% |
| Oklahoma | 112,945 | 18.5% |
| Oregon | 110,362 | 15.5% |
| Pennsylvania | 246,277 | 10.6% |
| Rhode Island | 21,480 | 10.9% |
| South Carolina | 134,998 | 16.3% |
| South Dakota | 18,835 | 12.9% |

| State | Number | Percentage of Age 50–64 Population |
|---|---|---|
| **Tennessee** | 171,627 | 14.6% |
| **Texas** | 947,394 | 24.5% |
| **Utah** | 42,716 | 11.2% |
| **Vermont** | 12,752 | 8.7% |
| **Virginia** | 180,291 | 12.5% |
| **Washington** | 151,469 | 12.0% |
| **West Virginia** | 55,806 | 13.7% |
| **Wisconsin** | 98,601 | 9.1% |

The sum of the uninsured in this appendix does not match the total number of uninsured 50- to 64-year-olds reported in the paper because the latter is based on 2011 data alone and the former is based on pooled 2009–2011 data.

Source: AARP Public Policy Institute analysis of 2009–2011 Current Population Survey.

## Endnotes

[1] U.S. Census Bureau, National Population Projections. Table 12 Projections of the Population by Age and Sex for the United States: 2010 to 2050. Release 2008 (based on Census 2000), http://www.census.gov/population/www/projections/summarytables.html.

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[4] Ibid.

[5] U.S. Department of Commerce, Census Bureau, Current Population Survey (CPS), data in March 2011. Unless otherwise noted, data in this report come from PPI analysis of 2011 CPS data.

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[11] AARP, "Chronic Care: A Call to Action for Health Reform," *Beyond 50.09* (Washington, DC: AARP Public Policy Institute, 2009).

[12] AARP Public Policy Institute analysis of 2009 Medical Expenditure Panel Survey data.

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[18] Kaiser Family Foundation and Health Research & Educational Trust, *Employer Health Benefits: 2009 Annual Survey* Washington, DC: Kaiser Family Foundation and Health Research & Educational Trust, September 2009).

[19] Research found that a healthy 25-year-old male could buy a $2,500-deductible policy covering prescription drugs and mental health care for $624 per year. For an unhealthy 63-year-old eligible for coverage in the high-risk pool, the cheapest premium for similar benefits (with an $1,800 deductible) was $10,800 per year. Source: N. C. Turnbull and N. M. Kane, *Insuring the Healthy or Insuring the Sick? The Dilemma of Regulating the Individual Health Insurance Market: Findings from a Study of Seven States* (New York, NY: The Commonwealth Fund, February 2005).

[20] AARP Public Policy Institute analysis of March 2011CPS data.

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[22] AARP Public Policy Institute analysis of March 2011CPS data.

[23] Ibid.

[24] Centers for Disease Control and Prevention, *National Health Interview Survey* (Atlanta, GA: Centers for Disease Control and Prevention, June 2010).

[25] Institute of Medicine, op. cit., and Cook et al., op. cit.

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