



**Prices and
Affordability
of
Health Insurance
for
Colorado's
Uninsured Population**

Statement of Values:

The Coalition's Vision for Colorado

The members of the Colorado Coalition for the Medically Underserved are united by a shared commitment to the following vision:

Nearly 600,000 Coloradans do not have health insurance coverage. A similar number of our citizens are estimated to be underinsured, exposing them to economic calamity if they experience a catastrophic illness or injury. Most of the uninsured and underinsured are employed. Most did not choose their uninsured status. Yet they face the very real prospect of not being able to obtain medical care when they need it. The result is that the uninsured get inadequate or insufficient health care and their health suffers as a result. The lack of health insurance, independent of income or social class, has become a predictor of ill health.

The Colorado Coalition for the Medically Underserved views this state of affairs as unacceptable. Colorado's resources and its community values make it possible to institute a better approach to meeting the health care needs of our citizens. The Coalition believes that all Coloradans can and should have access to quality health care and prevention programs. The Coalition believes that it is critical that Colorado achieves health insurance coverage for all of its citizens. We seek to make this vision become a reality.

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by Judith Glazner

Briefing Note and Commentary

by the Colorado Coalition for the Medically Underserved

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The *Briefing Note and Commentary* was written by Barbara Yondorf and Chet Seward.

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Briefing Note and Commentary

by Barbara Yondorf and Chet Seward

Despite the continued economic boom, the number of uninsured Americans has grown to over 44 million. The number of uninsured Coloradans is also alarmingly high. Almost 580,000 Coloradans are uninsured, approximately 15% of the total population. This includes 342,000 people living in households with incomes under 300% of the Federal Poverty Level (FPL), which amounts to \$24,150 per year for a single person and \$49,350 for a family of four. The focus of this paper and the attached report is on uninsured Coloradans with below-average incomes.

In December 1998 the Colorado Coalition for the Medically Underserved¹ (CCMU) published a 10-year plan that outlined goals and objectives to ensure that by 2007 all Coloradans have access to affordable, quality health care and preventive programs. The plan outlines three goals: 1) achieve health insurance coverage for all Coloradans by 2007; 2) take interim steps to meet the needs of Colorado's medically underserved and to phase in affordable coverage solutions; and 3) ensure that achieving these goals remains a public policy priority.

The Coalition commissioned a study regarding the affordability of health insurance for the uninsured. *Prices and Affordability of Health Insurance for Colorado's Uninsured Population*, written by health economist Judith Glazner, serves to inform the debate about access to affordable health

¹ *The Colorado Coalition for the Medically Underserved is composed of over 150 individuals and organizations representing health care providers, consumers, business, government agencies, philanthropic organizations and others.*

care. Glazner's study represents a positive step toward achieving the Coalition's goals.

Prices and Affordability of Health Insurance for Colorado's Uninsured Population seeks to answer two questions: 1) How much can low-income people afford to pay for health insurance? and 2) How much will it cost to make health insurance accessible for Colorado's uninsured population?

Major findings

- The average low-income Colorado individual/ household with an income below 185% FPL has no disposable income left to spend on health insurance after paying for essentials, such as food, housing and transportation. (Table 1, Page 5)
- Those with incomes between 185% and 250% FPL have little or no funds available to devote to health insurance coverage after meeting basic living expenses. Between 250% and 350% FPL, there is a noticeable increase in household income that could be used for health insurance coverage, although many households still cannot afford the full cost of coverage without a partial subsidy. (Tables 2-3, Page 7)
- The first two findings suggest that most low-income individuals/households that are currently paying the full cost of health insurance coverage are doing so either by going into debt, or by cutting into spending for essentials.
- Data show that health insurance is expensive, and unless a low-income Colorado family gets a premium contribution from an employer or a subsidy from the government, the family simply

Table 1. Average Annual Expenditures for a 4-Person Household, at Just Under 100% and 185% FPL, 1997

Annual Income	\$10,000-\$14,999	\$20,000-\$29,999
% Federal Poverty Level	62 - 93.5%	125 - 187%
Mean Annual Income After Taxes	\$12,904	\$24,230
Essential Expenditures (except health care):		
Food	\$ 4,607	\$ 4,899
Housing (including child care)	7,766	9,547
Apparel & Services	1,228	1,568
Transportation	3,755	6,569
Education (including school supplies)	165	328
Cash contributions (including alimony and child support)	58	535
Insurance, pensions	666	2,185
Total Annual Expenditures on Essentials (excluding health care and other miscellaneous expenditures, such as entertainment)	\$18,245	\$25,631
Mean Annual Income Left After Expenditures on Essentials	-\$ 5,341	-\$ 1,401

cannot afford coverage. A good, comprehensive HMO plan costs an average of about \$6,000 per year for family coverage. (Table 3, Page 7)

- The greater the subsidy, the greater the number of uninsured persons who will sign up for coverage. Only with substantial subsidies will very low-income uninsured families purchase coverage. (Table 4, Page 7)
- The cost of a premium subsidy program for the low-income uninsured will depend on several factors. These include the size of the subsidy, who is eligible for the subsidy, assumptions about participation rates at various income levels and subsidy levels, and assumptions about the cost of coverage.

Practical applications

Prices and Affordability of Health Insurance for Colorado's Uninsured Population provides concrete answers to the complex and difficult question of how much it will cost to make health insurance affordable for uninsured Coloradans. The report estimates the cost of subsidizing health insurance for low-income uninsured Coloradans under a range of subsidy levels. Costs are based on the price of a comprehensive, standard HMO plan that includes prescription drug and mental health coverage, along with other traditional medical benefits.

For example, the report finds that, assuming high participation rates, a mature subsidized health insurance program could reduce the number of low-income

uninsured Coloradans by 229,000 if uninsured individuals/households with incomes:

- Less than 185% FPL received a 100% premium subsidy;
- Between 185-250% FPL paid 2.0% of their income for premiums; and
- Between 250-300% FPL paid 3.0% of their income for insurance.

Such a program would cost a little over \$320 million per year in subsidies, of which an estimated \$108 million would come from the federal government in the form of matching dollars available under existing programs (e.g., Medicaid and the children's basic health plan). Thus, the cost to the state of such a program would be \$212 million per year, or \$77 per month per subsidized person.

Using the same assumptions, but limiting the program to those under 185% FPL only and giving them a 100% subsidy, the program would cost \$232 million per year and cover 136,000 uninsured persons. Federal matching funds would cover more than half the total cost, leaving a state-funding requirement of less than \$116 million per year. The tables in *Prices and Affordability of Health Insurance for Colorado's Uninsured Population* also allow the reader to assess the costs and impact on the numbers of uninsured of other subsidy levels, using varying participation assumptions.

A subsidized health insurance program for low-income uninsured persons would improve the health of those covered by the program and reduce some of the overall stress on the health care system.

Policy implications

Many low-income people cannot afford to pay for health insurance. There are a number of different ways to finance a

premium cost-sharing program. Using Glazner's findings, one can calculate both estimated levels of participation and total subsidies necessary to provide health insurance to uninsured Coloradans.

Prices and Affordability of Health Insurance for Colorado's Uninsured Population paints a compelling picture and reinforces the need to conduct a comprehensive reanalysis of Colorado's health care system. Generally, those with incomes below 185% FPL have no money to spend on health insurance after meeting their basic needs for such things as food, shelter, clothing and transportation.

The Colorado Coalition for the Medically Underserved encourages policy makers to use these data when considering changes to the premium structure of the children's basic health plan (CBHP), examining ways to expand the Medicaid program, or devising new programs to serve the thousands of uninsured Coloradans who are not covered by either CBHP or Medicaid.

Colorado should pursue a three-pronged strategy to: 1) maximize enrollment in CBHP and Medicaid, 2) conduct a comprehensive review of the health care system, and 3) develop a premium cost-sharing program. Such a program could be phased in over time. Colorado can use these efforts to make huge strides towards improving the health and welfare of its citizens. The CCMU is committed to investigating and analyzing these strategies.

It is clear that before such a commitment is made all Coloradans must engage in dialogue about the value of health and its impact on the overall well being of both the state and its citizens. The Colorado Coalition for the Medically Underserved stands ready to assist in any way possible with this effort. This study can and should serve as the starting point for this investment in change for the future.

Table 2. Average Annual Income Left After Expenditures on Essentials (e.g., food, housing), by Federal Poverty Level Income

Household Size	Percent of the Federal Poverty Level		
	125-185% FPL	186-250% FPL	250-350% FPL
1-person household	[-\$543]	[-\$521]	\$3,018
2-person household	[-\$2,076]	\$641	No data
3-person household	[-\$4,186]	[-\$1,159]	\$4,219
4-person household	[-\$1,401]	\$250	\$5,641
5-person household	[-\$2,751]	\$167	\$5,340

Table 3. HMO Premiums for Family of Four Coverage and as a Percent of Income, Colorado, 2000

Age of Head of Household*	Annual Family HMO Premium	Premium as a Percent of Income, by Income		
		\$16,450/year (100% FPL)	\$32,900/year (200% FPL)	\$49,350/year (300% FPL)
Age 25	\$3,888	24%	12%	8%
Age 35	\$5,292	32%	16%	11%
Age 45	\$6,264	38%	19%	13%
Age 55	\$8,856	54%	27%	18%

* Where households purchase insurance on their own, the cost of coverage is based on the ages of those covered.

Table 4. Impact of Different Premium Contribution Requirements on Enrollment Rates of the Currently Uninsured for Households with Incomes Under 185% FPL, Colorado

Amount the Household Contributes	Reduction in Number of Currently Uninsured With Incomes < 185%	Number Remaining Uninsured With FPL Incomes < 185% FPL
100%	0	170,000
3%	76,500	93,500
2%	95,200	74,800
1%	110,500	59,500
0%	136,000	34,000*

* Assumes that even with a 100% subsidy, 20% of households will not sign up for a voluntary health insurance program.

Executive Summary

by Judith Glazner

Designing ways to assure that all of Colorado's population has access to health insurance is a complex undertaking. It requires substantial information about the needs and characteristics of the uninsured population, as well as the price of health insurance and its effects on demand. An important question to consider is what uninsured people can afford to pay as their share of health

“Very few can afford to pay any amount (for health insurance) after spending for essentials.”

insurance premiums. This study provides the information necessary, based on existing data and research, to estimate the fiscal effects of different insurance premium cost-sharing strategies for Colorado's population.

How much can low-income groups afford to pay for health insurance?

Very few can afford to pay any amount after spending for essentials.

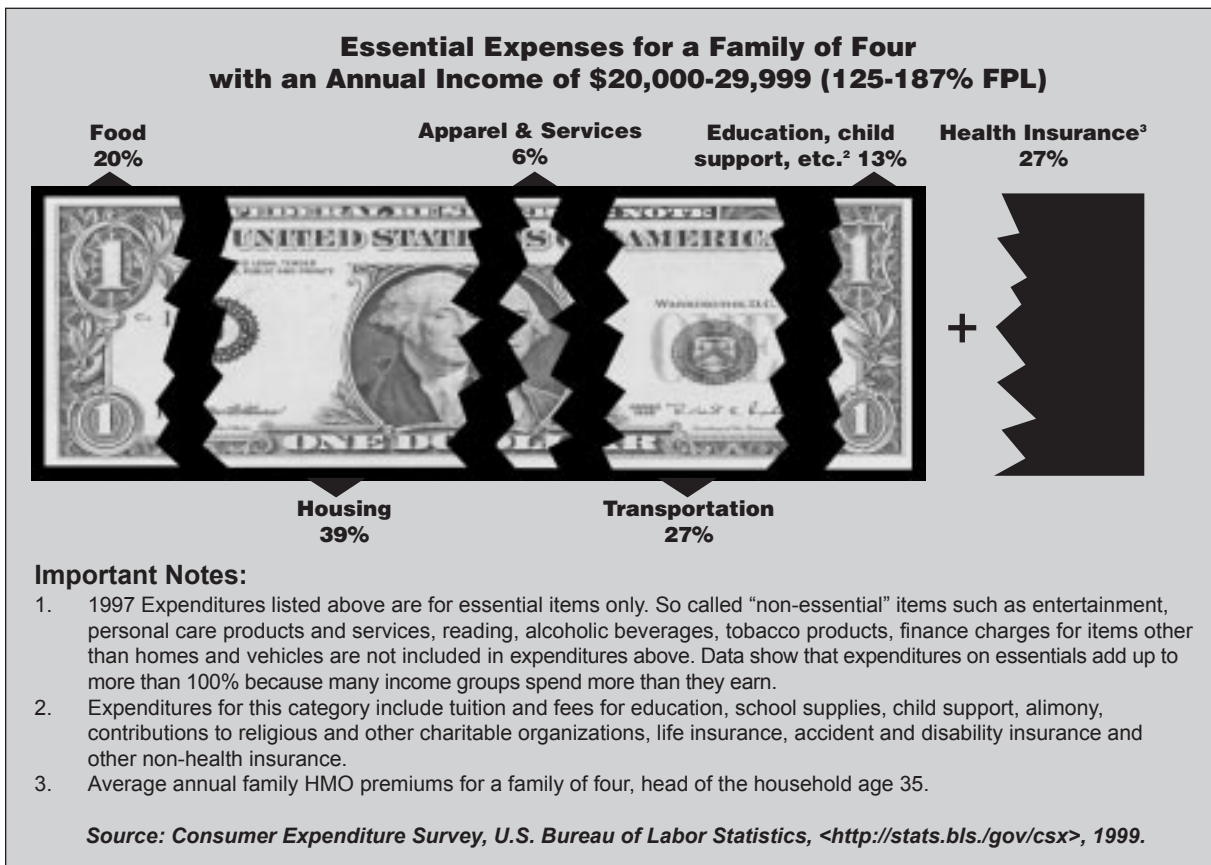
An initial question to be answered in determining how much uninsured people can afford to pay for health insurance is that of how much disposable income people in different income strata have. To answer this question, we examined data provided by the Consumer Expenditure Survey conducted periodically by the U.S. Bureau of Labor Statistics. The Survey indicated that, on average, all groups with incomes below \$50,000/year in 1997 spent more than their income. The very lowest income groups, those most likely to be uninsured, have the greatest excess of expenditures over income. For instance, two-person households with annual incomes between \$5,000 and \$9,999 have average incomes of \$7,297 and average expenditures of \$18,511. Even when categories of expenditure not usually considered essential are subtracted from each group's expenditures, only seven of 28 household size/income categories with incomes under 300% of the federal poverty level (FPL) had, on average, any disposable income. This adds to the difficulty of making decisions about reasonable levels of contribution to require of these low-income families toward the price of health insurance.

How much will it cost to make health insurance accessible for Colorado's uninsured population?

The answer depends on many factors, one of the most important of which is the price of insurance to the individual (the premium cost-sharing amount) because it affects the number participating.

To estimate the cost of health insurance for Colorado's uninsured population and to aid in determining the fiscal consequences of decisions about premium cost-sharing, estimates were made of the total cost of health insurance for different income groups. We also calculated the amounts different income groups would contribute to

insurance premiums if they were to pay different percentages of their incomes. These estimates can be used to determine the fiscal consequences of numerous premium cost-sharing arrangements. As an example, if uninsured people with incomes less than 185% of the federal poverty level (FPL) were to contribute nothing to premium cost, if those with incomes between 185 and 250% FPL were to contribute 2%, and if those with incomes between 250 and 300% FPL were to contribute 3%, the cost of the subsidy necessary to cover premium costs for a typical HMO remaining after their contributions would be about \$320 million per year. Different premium cost-sharing structures would have different fiscal implications, with as much as a three-fold difference among them.



Technical Report

by Judith Glazner

Introduction

In order to fulfill its purpose to develop a financing mechanism for making health insurance available and affordable to currently uninsured Coloradans, the Colorado Coalition for the Medically Underserved (CCMU) requested that a study be conducted to develop information on the amount of income that uninsured Coloradans at various income levels could feasibly spend on health insurance. The Coalition further requested that estimates be made of the amount of subsidy required at various premium cost-sharing levels for different income groups. This report presents the findings of that study.

Methods and Assumptions

Determination of Income Available to Spend on Health Insurance

The first task of the study was to determine, for various income groups, how much after-tax income was available to spend on health insurance. The Consumer Expenditure Survey (CES) conducted by the U.S. Bureau of Labor Statistics (BLS, 1999) was used to make this determination. The CES has two components: (1) a diary in which all expenditures are recorded by each sample household for a two-week period and (2) an interview conducted once a quarter for five consecutive quarters. The sample size is large—thousands of households in each income group participate. There are nine household income categories, which range

from less than \$5,000 per year to \$70,000 or more per year. There are numerous categories of expenditures included; they are designed to be collectively exhaustive of all consumer expenditures. The survey data are available at the national level only; no state-specific data are published.

Using the most recent (1996-1997) CES data on expenditures according to household size and income, tables were constructed showing the major categories of expenditures and the amounts spent on each category by each household size and income group. The Coalition examined the expenditure data and determined that certain categories represented what most would consider essential expenditures and that others could be combined into an “other” category. The categories representing essential expenditures were: food, housing, apparel, transportation, health care, education, insurance and pensions, and cash contributions. In exploring what was included in cash contributions, the Coalition found that among low-income groups, on average, about half of all cash contribution expenditures were composed of child support and alimony; most of the remainder were contributions to religious organizations. The committee therefore decided to include the cash contribution category as an essential.

To determine the amount of each income group’s after-tax income available to spend on health insurance after essentials were paid for, the CCMU subtracted total expenditures for the “essential” categories, except for health care expenditures, from average income after taxes for each income category. This resulted in negative amounts for most income categories. This is because all but the highest income groups reported spending more on essentials, on average,

than they brought in. One likely reason for this is that income was to some extent underreported. This, however, is unlikely to completely explain the difference between income and expenditures, especially at the lower income levels, where the disparity is greatest. Another possible explanation is that some household earners experienced spells of unemployment and drew down savings. Another may be that there were self-employed respondents whose business losses yielded negative income. A final explanation is that some people were financing their expenditures through credit-card debt.

To provide the reader some context for the income groups whose expenditures are presented in Table 1 (page 20), the percentage of the federal poverty level (FPL) represented by the income range is shown directly beneath the income category label. This was determined by dividing the before-tax income range for each income category by the 1997 federal poverty level for each household size (Federal Register, 1997). For households with five or more members (the largest household size for which CES data were available), we determined income as a percent of FPL using the poverty guidelines for families with five members, because that household size undoubtedly represents the largest number of households in this size category.

Determining Premiums for Health Insurance in Colorado

HMO Premiums

In order to determine an estimate of the subsidy needed to enroll Colorado's low-income population in an HMO, the Coalition obtained the age-specific premiums for The Alliance's² standard HMO product.

² *The Alliance is a not-for-profit membership organization for large and small employers in Colorado that collectively purchases health care insurance.*

***Helen** should have been having the time of her life. At 58, she should be looking forward to retirement, celebrating birthdays and other special occasions with family members. Instead, Helen* is panicked about her health insurance. A disability has left her unemployed and she requires frequent medical attention. Her meager monthly income consists of \$514 from Social Security and disability payments. Medicaid has been Helen's only option for health insurance coverage since she is unable to afford commercial insurance due to her age and medical history.*

Helen recently learned she will receive \$100 more from Social Security each month. She was thrilled! But then she discovered that the extra \$100 renders her ineligible for Medicaid—and now she is uninsured.

Helen qualifies for the Colorado Uninsurable Health Insurance Program (CUHIP), but she can't even afford the least expensive HMO plan at \$342.12 per month—more than half of her income. A CUHIP policy would leave her with just \$271.88 for all of her monthly expenses (including food, shelter, prescriptions and co-payments for her doctor visits). She could go without health insurance, but risks financial ruin should any medical problems arise. With Helen's medical history, this would be asking for disaster. Either way, Helen is financially burdened.

* Name changed to protect this individual's privacy. Information provided by Colorado Uninsurable Health Insurance Program

“No matter how hard we try we can’t seem to get ahead.”

Mark and Shanda are a typical all-American family, pursuing a dream of raising their two little girls, four-year-old Raelynn and two-year-old Leanne, in a small western Colorado town. However, Mark works for a construction company that doesn’t provide any health insurance. Shanda has her own policy that costs \$230 per month. Until recently, Raelynn and Leanne had health insurance through the children’s basic health plan (CBHP). When Mark received a promotion his income rendered the children ineligible for CBHP. The family was already ineligible for Medicaid.

To make matters worse, little Leanne has severe esophageal reflux disease that keeps her from gaining weight. Complications from a routine tonsillectomy left her unable to maintain necessary oxygen levels and she now has numerous bouts with pneumonia. The out-of-pocket costs for Leanne’s doctor visits are having a devastating impact on the family. Shanda works at home to take care of the girls and they’re living month to month just to get by. “The raise was supposed to make our lives better, but it has screwed up everything,” she says.

Shanda will soon be forced to drop her insurance coverage to pay for the children’s health care. The whole family will be uninsured, and pre-existing health conditions will likely prevent Shanda from ever obtaining affordable commercial coverage again. Leanne is eligible for coverage under the Colorado Uninsurable Health Insurance Program (CUHIP), but she has been uninsured for more than 90 days and will be subject to a six-month pre-existing condition limitation. Despite Leanne’s eligibility for CUHIP, Shanda doubts they will be able to afford the premiums. “We’re penalized for making just enough money to provide for our family...no matter how hard we try we can’t seem to get ahead,” she concludes.

Estimating the Size of the Subsidy Necessary to Provide Health Insurance to the Low-Income Uninsured in Colorado

Estimating Age and Income Distribution of the Uninsured Population

Once the determination had been made about the amounts of after-tax income available to spend on health insurance for various income groups and household sizes, as well as the cost of health insurance in Colorado, it was necessary to examine the uninsured population of Colorado, specifically its income status and age. For this purpose, the Coalition used the U.S. Census Bureau’s Current Population Survey (CPS) for Colorado (Bureau of the Census, 1999). The Colorado Department of Health Care Policy and Financing maintains CPS files for Colorado and provided the data we requested for this study. Information was requested on the uninsured population for several variables, including age of householder, employment status, and disability status, all according to household income and type and size of household. The information received was based on a merging of four years (1995, 1996, 1997, and 1998) of CPS data on the uninsured in Colorado. The household types that included uninsured persons were as follows:

- husband/wife families with two members, three members, four members, and five or more members;
- families with single female householders with two members, three members, four members, and five or more members;
- families with single male householders with two members, three members, four members, and five or more members;
- nonfamily households with single

female householders with one member, two members, three members, four members, and five or more members; and

- nonfamily households with single male householders with one member, two members, three members, four members, and five or more members.

Thus, there were 22 distinct categories of household type and size included in the analysis.³ From the CPS data, estimates were made about the number of uninsured people in each age group at the income levels used in the CES. Because of the way in which CPS household income data had to be analyzed for this study, the Coalition had to make assumptions about the household composition of each category of household type and size in order to estimate age distribution. For instance, for two-person husband/wife families, we assumed that both household members were adults and that they were both in the same age group as the householder (the only person whose age we knew according to household income category). For three-person husband/wife families, we made the same assumption about age for two household members, but assumed that the third household member was a child (<19). For families with single female or single male householders, the CCMU assumed that one household member was an adult and all the rest were children. For nonfamily households, the Coalition assumed all household members were adults in the same age category as the householder. Comparisons were made to validate these estimates using published data on Colorado's uninsured population (Abel, 1998), which were based on three years' of the CPS, rather than four. The estimates of age distribution were similar, but not identical, to those published. The differences occur for two reasons: (1) the

two estimates are based on different CPS data (the published data are based on the CPS for the period 1995-1997; the estimates for this study are based on four years of CPS data—1995-1998); and (2) the age assumptions necessitated by the way the CPS data had to be organized to produce household data according to household income for this study did not provide information on the age of all household members. While the net result is that the current study probably overestimates the number of uninsured children and underestimates the number of uninsured adults, there was no basis on which to make estimates differently.

For the interested reader, descriptive summaries of each income group for the variables examined appear in Appendix 1.

The CPS data provided information on households at varying levels of income. In order to make the data usable by policy makers, who, for reasons of equity, often vary household contributions to subsidized health insurance according to the household's income as a percent of the federal poverty level, the CCMU converted each dollar range of income to its approximate corresponding poverty-level percentage.

Level of Participation at Different Premium Cost Sharing Levels

It was necessary to find an estimate of the level of participation under different assumptions about premium cost sharing in order to estimate the size of the subsidy needed at different income levels and insurance premium levels. Even Medicaid, which requires no monthly premium for its enrollees, does not have full participation. Participation (demand) would be expected to decline as premiums increase. A recent report on participation in state-subsidized insurance programs included estimates of

³ CPS categories are different than those used by CES.

participation rates at different levels of premium cost sharing as a percentage of income (Ku and Coughlin, 1997). These estimates were based on actual participation in the state-subsidized plans existing in Hawaii, Minnesota and Washington. The CCMU was unable to find other analyses of participation rates that were determined as a percent of income for a continuous income scale or that used actual data from more than one state. Participation rates published in the Ku report were therefore used to estimate the subsidy necessary at each income and premium cost-sharing level. It may be wise for policy analysts to vary participation rates from those presented herein, since some states have reported lower participation rates, at least early in their experience, with the Children's Health Insurance Program (Ellwood, 1999). (Variations in participation rates are provided in Tables 5a and 5b.)

Results

Income Remaining After Paying for "Essentials"

Table 1 (page 20-24) shows, for five household sizes (one person through five or more persons), and for all income groups up to approximately 300% of the federal poverty level, data on average household income after taxes, average household total expenditures, average household expenditures by major expenditure category, total household expenditures for "essentials" and average household income left after expenditures for essentials (not including the average amount spent on health care) for each income group.

The striking finding from this analysis is that the vast majority of the income groups have negative amounts left after spending for essentials, meaning that they have nothing (or less than nothing) to spend on health insurance. This is not very surprising, since the lowest income groups

have long been known to "dis-save," simply because the cost of living even at a subsistence level, is greater than their incomes. Even groups with incomes above the poverty level either spend more than they take in or spend all of their income for the same reason. It is also likely that at least for some of the members of these groups, there is underreporting of income, noted above.

Table 2 (page 25) shows the number of uninsured people in Colorado at each of the income levels covered by the CES.

The Price of Insurance

Table 3 (page 25) shows the age-specific premiums required for The Alliance's standard HMO plan. These were used to estimate the total costs and subsidy required for an HMO plan for the uninsured. These rates apply to a population whose applications for insurance would be underwritten. A plan that did not perform medical underwriting might experience adverse selection that could drive prices higher. However, if enough people enroll, the effects of adverse selection would diminish and prices might not change.

Estimates of the Premiums and Subsidies Corresponding to Different Premium Cost Sharing Percentages and Participation Levels

Table 4 (page 26) shows, for five different levels of income as a percent of the federal poverty level, the number of persons in each age group, the average insurance premium for each age group, the participation rate for four different premium cost-sharing levels (as a percent of income) and the subsidy necessary at each level of income and cost sharing. The top section of the table, for instance, shows the subsidy amounts for the group whose incomes are

below the poverty level at four different premium cost-sharing levels: no cost sharing, cost sharing of 1% of after-tax income, at 2%, and at 3%. This group is not the largest, but it is likely to be the group to whom the lowest premium costs would be charged. Therefore, it could require the largest subsidy. The reader should keep in mind, however, that this income group is the one most likely to contain people eligible but not enrolled in Medicaid. Therefore, the subsidy requirement shown for this group may be overestimated. Any plan for covering the uninsured would have to make provisions for referring people to Medicaid who appear to be eligible for it, as is currently done by the children's basic health plan.

Each category of income and cost sharing is presented separately so that policy makers can estimate the fiscal effects of different premium structures. For instance, if the decision were made to charge no premium to people with incomes below 150% of poverty, 1% of income to those with incomes from 150-199% FPL, 2% to people with incomes 200-250% FPL, and 3% to those with incomes between 250 and 300% FPL, the table contains enough information to estimate the fiscal consequences of such a subsidy structure. (In such a case, a subsidy of over \$290 million per year for an HMO plan at program maturity would be indicated by Table 4.) Also, if a decision were made to vary premium cost sharing according to age (e.g., charging lower premiums for children than for adults in different income groups), the information to determine the fiscal consequences of that decision is also in the table.

Table 5a shows the same data organized for these levels of income, as a percent of the federal poverty level, assuming the same participation rules as Table 4.

Table 5b shows the same data organized for these levels of income, as a percent of the federal poverty level, but assuming higher

“A family that earns a decent income but...fall(s) between the cracks of the system...”

Tracee is a hard-working single mom, supporting her two daughters, age 12 and 7. After the divorce last year, Tracee and her children lost the health insurance they previously had through her husband's employer. Tracee has severe thyroid problems that require consistent management through hormonal medications. She works full-time but is still unable to afford the \$400 a month of shared costs for her employer-sponsored health insurance. Without insurance, she has been unable to afford her necessary medication for more than seven months and the thyroid problems are increasing. As a result, she is experiencing swelling and sleeps 12 or more hours a night.

The family is not eligible for Medicaid, the Colorado Indigent Care Program (CICP) or the children's basic health plan. Despite the fact that some would classify the threesome as lower-middle class, they are still unable to obtain the health care coverage they desperately need. Tracee and her daughters represent a classic case of a family that earns a decent income but is unable to pay for the cost sharing provisions of some employer-sponsored health insurance. While the poor and the upper-middle class are able to meet their health needs through state and federal programs or private insurance, the gap is widening for the lower-middle class – like Tracee and her girls – who fall between the cracks of the system.

Tom,²³ is trying to make it on his own. He dropped out of college and lives in Durango, where jobs for young adults are extremely hard to come by. Tom works 25 hours a week at a local restaurant, waiting tables and washing dishes to earn a living. He doesn't have a car and splits his rent with three roommates. Since he only earns an average of \$8.50 per hour at the restaurant, he is left with \$100 after he pays for food, rent, clothing and utilities. Health insurance simply isn't an option due to his limited resources.

Recently, Tom fell off a high fence and was bleeding profusely. He was rushed to the emergency room for treatment that resulted in a \$500 bill. Tom is worried because he doesn't know how he will be able to pay the hospital. He tries not to think about what he will do if something worse happens in the future, or if he can't meet even his minimal expenses. It will be even more challenging for Tom to get ahead now that his lack of health insurance has put him even farther behind.

levels of participation that those assumed in Table 4 and 5a based on the Ku and Coughlin research.

Strengths and Limitations

Sources of Data

The data on uninsured people presented herein have the advantage of being Colorado-specific, reflecting the conditions present in Colorado for the uninsured population. This information, based on the CPS conducted in Colorado, also represents a limitation of the data: the sample of the uninsured, even after combining four years' of CPS data, is small—approximately 150 people. Examination of other estimates of the characteristics of the uninsured, as well as the fact that none of the data looked very surprising, provided reassurance, however, that these estimates are reasonable.

The opposite strength and limitation holds true for the Consumer Expenditure Survey data. The CES data are considered reliable as they are based on very large samples in each income group. But they are national data, and therefore not Colorado specific. Colorado, for all its uniqueness, however, is not an outlier with respect to the economic conditions affecting consumer expenditures. Costs are not unusually high or low for any major category of expenditures. The Consumer Price Index for the Denver/Boulder area is close to the average for the United States (Colorado's CPI was within 1% of the U.S. average in the first half of 1999) (BLS, 1999). Therefore, differences between CES figures and those for Colorado are not likely to be large. Moreover, the CES is the principal source of expenditure data in the United States, and the Coalition could not find better data elsewhere.

The HMO premiums used are specific to Colorado.

Assumptions

Numerous assumptions had to be made in order to estimate subsidies. The assumptions represent the best judgment of the author and the CCMU, based on available data. Sometimes, however, assumptions must be applied to situations where little or no data are available. An example in this analysis involves the use of the participation rates estimated by Ku and Coughlin (1997). These were used because they were the best available among very few such estimates. But they are based on states that may be different from Colorado and they represent participation at a time in each state when the subsidized insurance program was mature. The participation rates were lower in the earlier years of the programs. Moreover, the participation rates may well have varied by income group or age, but no information on which to vary our assumptions was available. For instance, the assumption of 56% participation if there is premium cost sharing at the level of 1% of income, is the same for all age and income groups in many of the estimates. This may not be reasonable. For instance, the very lowest income groups may not be able to afford to spend even 1% of their income to buy health insurance, especially given the information about this group presented in Table 1. So the 56% may be made up almost entirely of the higher income groups, leading to an overestimation of the amount of subsidy required if 1% of income is charged.

There were a few differences in the years for which data were available. The CPS data, which are the source of income data for the estimates, were for 1995, 1996, 1997, and 1998. The data therefore represent an average for those four years. Poverty guidelines for 1997 were used to calculate income as a percent of the federal poverty level because this was approximately the midpoint of the period represented by the CPS data. The CES data were for the period, 1996-1997, the most recent years available. This should not pose

much of a problem, since the data are for two of the years to which the CPS data apply. The insurance prices, however, are for 1999-2000, which were the years readily available. So the total insurance costs estimated are for a period at least two years more recent than are the expenditure and income data. While, during the year since the most recent CPS, income has increased somewhat, the increases in income have not been seen as much in lower income groups as in higher income groups. Because of this and because the CCMU has no way to know whether the income distribution of the uninsured has changed since 1998, the Coalition decided not to inflate incomes to correspond with insurance prices. Of perhaps more significance is that the prices of goods and services have increased in the two years since the CES. The Denver/ Boulder/Greeley CPI suggests that prices for all goods and services increased a total of 4.4% between 1997 and 1999 (BLS, 1999). But, because there is no way to know how low-income consumers responded to any price increases they faced (e.g., substituting other goods and services, reducing consumption, etc.), expenditures were not increased to account for inflation. Examination of their “disposable” income—that remaining after expenditures for essentials—reveals that adding an inflation factor would increase the negative amounts shown in Table 1.

Finally, the assumptions made about the age of household members in each income category could create some errors. For instance, in three-person husband/wife families, the third person may not always be a child; that person could be an aged parent. Or, in nonfamily households, not all of the household members are necessarily adults; there could be some teenagers living independently in these households. The Colorado Coalition for the Medically Underserved expects such differences to be minor and not to affect totals to a great extent. Nevertheless, this is a source of a certain amount of imprecision in the data presented.

Notes for Table 1: Household Expenditures by Household Size and Income, 1997

Notes:

Slight differences between the figures labeled "mean total annual expenditure" and those labeled "sum of all annual expenditures" are due solely to rounding.

Percent of Federal Poverty Level: This refers to the range of the federal poverty level for the corresponding household size and income category (shown in the preceding line).

Mean Annual Income After Taxes: This is the average annual income for the households in the income category. In many cases, this amount is less than the midpoint of the income category shown.

Mean Total Annual Expenditures: This is the total annual expenditures captured by the Consumer Expenditure Survey for each income category.

Expenditures for Essentials (except health care): The categories of spending under the heading, "Essentials," are those selected as being essential for the survival and operation of households after review by the Data Subcommittee of the Colorado Coalition for the Medically Underserved. The "health care" category is treated separately, because, while it is considered an essential, the expenditures now occurring in this category could presumably be spent on health insurance, if it were made available and affordable to these low-income groups. Each of the major categories appearing under "Essentials" is defined as follows:

Food: includes food prepared and consumed at home as well as food consumed away from home; excludes nonfood items purchased at grocery stores and alcoholic beverages.

Housing: includes all expenditures for maintaining housing, including rent, mortgage payments, utilities, housekeeping and garden supplies, furniture, appliances, household equipment and domestic services, including child care.

Apparel and services: includes clothing for all household members as well as services to maintain apparel, such as laundry, alterations, and so forth.

Transportation: includes vehicle purchases, finance charges, gasoline and motor oil, maintenance and repairs, insurance, public transportation expenses, vehicle rents, licenses, and expenses such as tolls and parking fees.

Education: includes tuition, fees, textbooks, supplies and equipment for all levels of schools and universities.

Cash Contributions: includes alimony and child support payments, care of students away from home, and contribution to religious, charitable, educational and political contributions. (For the lowest income groups, alimony and child support payments constitute about half of this category.)

Insurance, pensions: includes premiums for life insurance, accident and disability insurance, and other non-health insurance other than for homes and vehicles (expenditures for which are included in the housing and transportation categories, respectively).

Subtotal of Annual Expenditures on Essentials, excluding Health Care: This is the subtotal of all annual expenditures on the categories defined as "essential."

Health care: This category includes expenditures for health insurance, medical services, supplies and drugs. In the lowest income groups, a minority have private health insurance; the lowest decile income group has, on average, by far the highest expenditures for health care as a proportion of income (Holahan, 1992). This expenditure category, while considered essential, is shown separately, because, presumably, uninsured people would, if possible, substitute expenditures for health insurance for what they currently spend in this category.

Other: This category comprises several categories reported by the Consumer Expenditure Survey that were considered less essential than the other categories of expenditures. It includes: entertainment, personal care products and services, reading, alcoholic beverages, tobacco products, and the survey's "miscellaneous" category, which includes legal fees, funerals, union dues, finance charges for other than homes and vehicles, and so forth.

Sum of All Annual Expenditures: This is the sum of the subtotal of annual expenditures on essentials, and expenditures for health care, and "other" goods and services. It should match the figure in the line above labeled "Mean total expenditures." The small differences you may find between the two line items are rounding errors.

Mean Annual Income Left after Essentials: This is the difference between each income category's average annual income after taxes and its annual expenditures on essentials. This number is negative for all but seven of the 28 household size/income categories in the table.

Table 1: Household Expenditures by Household Size and Income, 1997
One-person Households

One-person Households	<\$5000	\$5000-9999	\$10000-14999	\$15000-19999	\$20000-29999
Income Category	<63%	63-127%	127-190%	190-253%	250-380%
Percent of Federal Poverty Level	2189	7490	11926	16363	22435
Mean Annual Income after Taxes	11377	12408	15911	21064	23667
Mean Total Annual Expenditures					
Essentials, except health care:					
Food	1720	1899	2227	2658	2841
Housing	4044	4667	6093	7500	7865
Apparel & Services	567	586	678	1035	1006
Transportation	1522	1611	2072	3262	3992
Education	964	416	389	291	261
Cash Contributions	393	372	481	1155	1455
Insurance, Pensions	178	240	529	983	1997
Subtotal of Annual Exp. on Essentials, excl. Health Care	9388	9791	12469	16884	19417
Health Care	542	1130	1529	1423	1255
Other	1446	1486	1912	2758	2996
Sum of All Annual Expenditures	11376	12407	15910	21065	23668
Mean Annual Income Left after Essentials (excl Health Care)	-7199	-2301	-543	-521	3018

Table 1: Household Expenditures by Household Size and Income, 1997
Two-person Households

	<\$5000	\$5000-9999	\$10000-14999	\$15000-19999	\$20000-29999
Two-Person Households					
Income Category					
Percent of Federal Poverty Level	<47%	47-94%	94-141%	141-188%	188-283%
Mean Annual Income after Taxes	1231	7297	12371	17021	23487
Mean Total Annual Expenditures	22708	18511	20483	24447	28848
Essentials, except health care:					
Food	3512	3247	3377	3891	4261
Housing	7488	6366	6930	7537	8859
Apparel & Services	1216	844	739	1046	1390
Transportation	4131	2950	3607	4765	5650
Education	468	248	133	195	222
Cash Contributions	1123	476	628	724	811
Insurance, Pensions	360	364	668	939	1653
Subtotal of Annual Exp. on Essentials, excl. Health Care	18298	14495	16082	19097	22846
Health Care	1370	1801	2255	2704	2568
Other	3041	2217	2148	2647	3435
Sum of All Annual Expenditures	22709	18513	20485	24448	28849
Mean Annual Income Left after Essentials (excl Health Care)	-17067	-7198	-3711	-2076	641

Table 1: Household Expenditures by Household Size and Income, 1997
Three-person Households

	<\$5,000	\$5000-9999	\$10000-14999	\$15000-19999	\$20000-29999	\$30000-39999
Income Category	<37.5%	37.5-75%	75-113%	113-150%	150-225%	225-300%
Percent of Federal Poverty Level						
Mean Annual Income after Taxes	2527	8072	12450	17183	23701	32465
Mean Total Annual Expenditures	22467	20296	22151	25893	30395	33898
Essentials, except health care:						
Food	3485	3451	4092	4443	4561	4848
Housing	8495	6538	7415	9450	9493	10934
Apparel & Services	1127	1198	968	1645	1761	1615
Transportation	5068	5052	4737	4110	6336	6494
Education	216	149	340	179	454	349
Cash Contributions	307	161	201	271	530	804
Insurance, Pensions	280	518	923	1271	2125	3202
Subtotal of Annual Exp. on Essentials, excl. Health Care	18978	17067	18676	21369	25260	28246
Health Care	1161	1013	1043	1539	1752	2014
Other	2328	2217	2433	2986	3384	3638
Sum of All Annual Expenditures	22467	20297	22152	25894	30396	33898
Mean Annual Income Left after Essentials (excl. Health Care)	-16451	-8995	-6226	-4186	-1559	4219

Table 1: Household Expenditures by Household Size and Income, 1997
Four-person Households

Income Category	<\$10000	\$10000-14999	\$15000-19999	\$20000-29999	\$30000-39999	\$40000-49999
Percent of Federal Poverty Level	<62%	62-93.5%	93.5-125%	125-187%	187-249%	249-312%
Mean Annual Income after Taxes	5587	12904	17450	24230	33020	41017
Mean Total Annual Expenditures	23959	21604	24610	30281	38576	43486
Essentials, except health care:						
Food	4829	4607	4560	4899	6148	6669
Housing	8159	7766	8678	9547	11112	12448
Apparel & Services	1009	1228	1419	1568	2294	2310
Transportation	5783	3755	4479	6569	8577	7733
Education	224	165	206	328	424	651
Cash Contributions	299	58	382	535	758	1097
Insurance, Pensions	639	666	1418	2185	3457	4468
Subtotal of Annual Exp. on Essentials, excl. Health Care	20942	18245	21142	25631	32770	35376
Health Care	765	700	1011	1561	1896	2211
Other	2252	2659	2457	3089	3910	5898
Sum of All Annual Expenditures	23959	21604	24610	30281	38576	43485
Mean Annual Income Left after Essentials (excl Health Care)	-15355	-5341	-3692	-1401	250	5641

*Table 1: Household Expenditures by Household Size and Income, 1997
Five or More-person Households*

Income Category	Households with Five or More Persons					
	<\$10000 <53%	\$10000-14999 53-80%	\$15000-19999 80-107%	\$20000-29999 107-160%	\$30000-39999 160-213%	\$40000-49999 213-266%
Percent of Federal Poverty Level						
Mean Annual Income after Taxes	5860	12935	17532	24403	33432	41963
Mean Total Annual Expenditures	23985	21186	27172	31726	39178	43267
Essentials, except health care:						
Food	5320	4972	5188	5682	6795	7143
Housing	8524	7496	8236	10313	11384	13230
Apparel & Services	1868	1396	1740	2029	2061	2156
Transportation	4242	3305	6539	6108	8586	7792
Education	297	237	434	428	605	654
Cash Contributions	128	92	102	499	669	998
Insurance, Pensions	507	798	1336	2095	3165	4650
Subtotal of Annual Exp. on Essentials, excl. Health Care	20886	18296	23575	27154	33265	36623
Health Care	986	832	1174	1466	1791	2089
Other	2112	2057	2420	3104	4120	4555
Sum of All Annual Expenditures	23984	21185	27169	31724	39176	43267
Mean Annual Income Left after Essentials (excl. Health Care)	-15026	-5361	-6043	-2751	167	5340

Source: Consumer Expenditure Survey, U.S. Bureau of Labor Statistics, <<http://stats.bls.gov/csxx>>, 1999.

Table 2: Number of Uninsured Coloradans by Income Category

Income Category	Approximate Total Number Uninsured Coloradans	Example: % of 1997 FPL for a Family of Four*
Less than \$ 5,000	22,254	0 - 58%
\$ 5,000 - 9,999	25,832	58 - 115%
\$ 10,000 - 14,999	56,648	115 - 173%
\$ 15,000 - 19,999	32,313	173 - 231%
\$ 20,000 - 29,999	105,947	231 - 346%
\$ 30,000 - 39,999	101,649	346 - 461%
\$ 40,000 - 49,999	74,880	461 - 576%
\$ 50,000 - 69,999	81,383	576 - 807%
\$ 70,000+	68,883	807%+
Approximate Total Number of Uninsured Coloradans	569,789	

Note: U.S. Census Bureau's Current Population Survey (CPS) for Colorado (Bureau of Census, 1999) was used to develop this data. This information of uninsured Coloradans is based on a four year merge (1995, 1996, 1997, and 1998) of CPS data. The resulting sample is approximately 150.

*Percentage of federal poverty level varies by family size.

A family of four at 185% of FPL earns \$16,050.

Source: Federal Register <http://aspe.hhs.gov/poverty/97_poverty.htm>

Table 3: Premiums Used in Calculating Cost to Insure Currently Uninsured Coloradans

Age Group	Alliance Standard HMO Monthly Premiums (\$)
<19	91
18 - 24	91
25 - 29	108
30 - 34	128
35 - 39	147
40 - 44	166
45 - 49	174
50 - 54	206
55 - 59	246
60 - 64	305
65+	403

Note: The HMO premiums used are those charged by the Alliance's standard HMO plan. These premiums are for the least expensive HMO plan offered by The Alliance. The standard Alliance HMO benefits include prescription drug, mental health and traditional medical care. Despite the fact that costs were less expensive, rates for indemnity insurance were not used in these calculations because of their high corresponding cost sharing attributes. Deductibles, copays and co-insurance would drive the actual cost of this insurance even higher. Table 1 demonstrates that most low-income Coloradans could not afford these added costs even though indemnity rates are lower. For this reason the Coalition decided against using indemnity rates.

Table 4: Calculation of Premiums, Subsidies And Amount of Premium Cost Sharing at 1%, 2%, and 3% of Income at Concomitant Participation Levels by Five Levels of Poverty and Age, Alliance HMO

Age Group	No Premium Cost-Sharing				Premiums of 1% of Income				Less: Prem Share:1% of Income				Premiums of 2% of Income				Less: Prem Share: 2% of Income				Premiums of 3% of Income				Less: Prem Share: 3% of Income			
	Number Uninsured Persons	Average Monthly Premium	Percent Particip.*	Total Annual Premiums	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share:1% of Income	Total Ann'l Premiums	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share: 2% of Income	Total Ann'l Premiums	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share: 2% of Income	Total Ann'l Premiums	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share: 3% of Income	Total Ann'l Premiums	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share: 3% of Income	Total Ann'l Premiums				
<19	36676	91	0.65	26032625	0.56	22428108	0.56	22428108	0.56	22428108	0.45	18022586	0.45	18022586	0.45	18022586	0.45	18022586	0.36	14418069	0.36	14418069	0.36	14418069				
19-24	2428	91	0.65	1723394	0.56	1484771	0.56	1484771	0.56	1484771	0.45	1193119	0.45	1193119	0.45	1193119	0.45	1193119	0.36	954495.4	0.36	954495.4	0.36	954495.4				
25-29	3012	108	0.65	2537309	0.56	2185989	0.56	2185989	0.56	2185989	0.45	1756598	0.45	1756598	0.45	1756598	0.45	1756598	0.36	1405279	0.36	1405279	0.36	1405279				
30-34	12130	128	0.65	12110592	0.65	10433741	0.65	10433741	0.65	10433741	0.56	8384256	0.56	8384256	0.56	8384256	0.56	8384256	0.45	6707405	0.45	6707405	0.45	6707405				
35-39	4958	147	0.65	5684843	0.56	4897711	0.56	4897711	0.56	4897711	0.45	3935660	0.45	3935660	0.45	3935660	0.45	3935660	0.36	3148528	0.36	3148528	0.36	3148528				
40-44	7650	166	0.65	9905220	0.56	8533728	0.56	8533728	0.56	8533728	0.45	6857460	0.45	6857460	0.45	6857460	0.45	6857460	0.36	5485968	0.36	5485968	0.36	5485968				
45-49	1793	174	0.65	2433460	0.56	2096519	0.56	2096519	0.56	2096519	0.45	1684703	0.45	1684703	0.45	1684703	0.45	1684703	0.36	1347762	0.36	1347762	0.36	1347762				
50-54	6581	206	0.65	10574351	0.56	9110210	0.56	9110210	0.56	9110210	0.45	7320704	0.45	7320704	0.45	7320704	0.45	7320704	0.36	5856564	0.36	5856564	0.36	5856564				
55-59	2260	246	0.65	4336488	0.56	3736051	0.56	3736051	0.56	3736051	0.45	3002184	0.45	3002184	0.45	3002184	0.45	3002184	0.36	2401747	0.36	2401747	0.36	2401747				
60-64	2328	305	0.65	5538312	0.56	4771469	0.56	4771469	0.56	4771469	0.45	3834216	0.45	3834216	0.45	3834216	0.45	3834216	0.36	3067373	0.36	3067373	0.36	3067373				
65+	6163	403	0.65	19372774	0.56	16690390	0.56	16690390	0.56	16690390	0.45	13411921	0.45	13411921	0.45	13411921	0.45	13411921	0.36	10729536	0.36	10729536	0.36	10729536				
Totals	85979				86368686	4172445	86368686	4172445	86368686	4172445	69403408	6703772	69403408	6703772	69403408	6703772	69403408	6703772	55522727	8046858	55522727	8046858	55522727	8046858				
Total subsidy for HMO plan				100,249,367		82,196,241		82,196,241		82,196,241		62,699,636		62,699,636		62,699,636		62,699,636		47,475,869		47,475,869		47,475,869				

Age Group	No Premium Cost-Sharing				Premiums of 1% of Income				Less: Prem Share:1% of Income				Premiums of 2% of Income				Less: Prem Share: 2% of Income				Premiums of 3% of Income				Less: Prem Share: 3% of Income			
	Number Uninsured Persons	Average Monthly Premium	Percent Particip.*	Total Annual Premiums	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share:1% of Income	Total Ann'l Premiums	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share: 2% of Income	Total Ann'l Premiums	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share: 2% of Income	Total Ann'l Premiums	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share: 3% of Income	Total Ann'l Premiums	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share: 3% of Income	Total Ann'l Premiums				
<19	24089	91	0.65	17098372	0.56	14730905	0.56	14730905	0.56	14730905	0.45	11837335	0.45	11837335	0.45	11837335	0.45	11837335	0.36	9469868	0.36	9469868	0.36	9469868				
19-24	894	91	0.65	634561	0.56	546699	0.56	546699	0.56	546699	0.45	439311.6	0.45	439311.6	0.45	439311.6	0.45	439311.6	0.36	351449.3	0.36	351449.3	0.36	351449.3				
25-29	2029	108	0.65	1709230	0.56	1472567	0.56	1472567	0.56	1472567	0.45	1183313	0.45	1183313	0.45	1183313	0.45	1183313	0.36	946650.2	0.36	946650.2	0.36	946650.2				
30-34	7247	128	0.65	7235405	0.56	6233580	0.56	6233580	0.56	6233580	0.45	5009126	0.45	5009126	0.45	5009126	0.45	5009126	0.36	4007301	0.36	4007301	0.36	4007301				
35-39	7528	147	0.65	8631605	0.56	7436460	0.56	7436460	0.56	7436460	0.45	5975726	0.45	5975726	0.45	5975726	0.45	5975726	0.36	4780581	0.36	4780581	0.36	4780581				
40-44	1106	166	0.65	1432049	0.56	1233765	0.56	1233765	0.56	1233765	0.45	991418.4	0.45	991418.4	0.45	991418.4	0.45	991418.4	0.36	793134.7	0.36	793134.7	0.36	793134.7				
45-49	3295	174	0.65	4471974	0.56	3852778	0.56	3852778	0.56	3852778	0.45	3095982	0.45	3095982	0.45	3095982	0.45	3095982	0.36	2476786	0.36	2476786	0.36	2476786				
50-54	1325	206	0.65	2129010	0.56	1834224	0.56	1834224	0.56	1834224	0.45	1473930	0.45	1473930	0.45	1473930	0.45	1473930	0.36	1179144	0.36	1179144	0.36	1179144				
55-59	471	246	0.65	903755	0.56	778620	0.56	778620	0.56	778620	0.45	625676.4	0.45	625676.4	0.45	625676.4	0.45	625676.4	0.36	500541.1	0.36	500541.1	0.36	500541.1				
60-64	490	305	0.65	1165710	0.56	1004304	0.56	1004304	0.56	1004304	0.45	807030	0.45	807030	0.45	807030	0.45	807030	0.36	645624	0.36	645624	0.36	645624				
65+	930	403	0.65	2923362	0.56	2518589	0.56	2518589	0.56	2518589	0.45	2023866	0.45	2023866	0.45	2023866	0.45	2023866	0.36	1619093	0.36	1619093	0.36	1619093				
Totals	49404				41642489	5364177	41642489	5364177	41642489	5364177	33462715	8620999	33462715	8620999	33462715	8620999	33462715	8620999	26770172	10345199	26770172	10345199	26770172	10345199				
Total subsidy for HMO plan				48,335,032		36,278,312		36,278,312		36,278,312		24,841,716		24,841,716		24,841,716		24,841,716		16,424,973		16,424,973		16,424,973				

* Participation rates are those found by Ku and Coughlin (1997) for the corresponding percentage of income contributed to existing mature state insurance plans for low-income people.

Table 4: Calculation of Premiums, Subsidies And Amount of Premium Cost Sharing at 1%, 2%, and 3% of Income at Concomitant Participation Levels by Five Levels of Poverty and Age, Alliance HMO

150% -199% Federal Poverty Level (FPL)													
Age Group	Number Uninsured Persons	No Premium Cost-Sharing			Premiums of 1% of Income			Premiums of 2% of Income			Premiums of 3% of Income		
		Average Monthly Premium	Percent Particip.*	Total Annual Premiums	Percent Particip.*	Total Ann'l Premiums of Income	Less: Prem Share:1%	Percent Particip.*	Total Ann'l Premiums of Income	Less: Prem Share: 2%	Percent Particip.*	Total Ann'l Premiums of Income	Less: Prem Share: 3%
<19	40085	91	0.65	28452333	0.56	24512779	0.45	19697769	0.36	15758215			
19-24	5891	91	0.65	4181432	0.56	3602464	0.45	2894837	0.36	2315870			
25-29	3820	108	0.65	3217968	0.56	2772403	0.45	2227824	0.36	1782259			
30-34	2898	128	0.65	2893363	0.56	2492744	0.45	2003098	0.36	1602478			
35-39	5880	147	0.65	6742008	0.56	5808499	0.45	4667544	0.36	3734035			
40-44	4181	166	0.65	5413559	0.56	4663989	0.45	3747848	0.36	2998279			
45-49	11087	174	0.65	15047276	0.56	12963807	0.45	10417345	0.36	8333876			
50-54	4224	206	0.65	6787123	0.56	5847368	0.45	4698778	0.36	3759022			
55-59	2114	246	0.65	4056343	0.56	3494696	0.45	2808238	0.36	2246590			
60-64	4689	305	0.65	11155131	0.56	9610574	0.45	7722783	0.36	6178226			
65+	8418	403	0.65	26461141	0.56	22797291	0.45	18319252	0.36	14655401			
Totals	93287			114,407,678		98566615		79,205,315		63,364,252			25,908,562
Total subsidy for HMO plan						85,131,150		21,592,711		57,612,604			37,455,690

200% -249% Federal Poverty Level (FPL)													
Age Group	Number Uninsured Persons	No Premium Cost-Sharing			Premiums of 1% of Income			Premiums of 2% of Income			Premiums of 3% of Income		
		Average Monthly Premium	Percent Particip.*	Total Annual Premiums	Percent Particip.*	Total Ann'l Premiums of Income	Less: Prem Share:1%	Percent Particip.*	Total Ann'l Premiums of Income	Less: Prem Share: 2%	Percent Particip.*	Total Ann'l Premiums of Income	Less: Prem Share: 3%
<19	34315	91	0.65	24356787	0.56	20984309	0.45	16862391	0.36	13489913			
19-24	2570	91	0.65	1824186	0.56	1571606	0.45	1262898	0.36	1010318			
25-29	5428	108	0.65	4572547	0.56	3939425	0.45	3165610	0.36	2532488			
30-34	3150	128	0.65	3144960	0.56	2709504	0.45	2177280	0.36	1741824			
35-39	9618	147	0.65	11027999	0.56	9501045	0.45	7634768	0.36	6107815			
40-44	6483	166	0.65	8394188	0.56	7231916	0.45	5811361	0.36	4649089			
45-49	2119	174	0.65	2875907	0.56	2477704	0.45	1991012	0.36	1592810			
50-54	5314	206	0.65	8538535	0.56	7356276	0.45	5911294	0.36	4729035			
55-59	5327	246	0.65	10221448	0.56	8806170	0.45	7076387	0.36	5661109			
60-64	5317	305	0.65	12649143	0.56	10897723	0.45	8757099	0.36	7005679			
65+	5265	403	0.65	16550001	0.56	14258462	0.45	11457693	0.36	9166154			
Totals	84906			104,155,701		89,734,142		72,107,793		57,686,234			27,023,713
Total subsidy for HMO plan						75,554,958		22,789,509		49,318,284			30,662,521

*Participation rates are those found by Ku and Coughlin (1997) for the corresponding percentage of income contributed to existing mature state insurance plans for low-income people.

Table 4: Calculation of Premiums, Subsidies And Amount of Premium Cost Sharing at 1%, 2%, and 3% of Income at Concomitant Participation Levels by Five Levels of Poverty and Age, Alliance HMO

Age Group	Number Uninsured Persons	No Premium Cost-Sharing			250% -299% Federal Poverty Level (FPL)									
		Average Monthly Premium	Percent Particip.*	Total Annual Premiums	Premiums of 1% of Income			Premiums of 2% of Income			Premiums of 3% of Income			
					Percent Particip.*	Total Ann'l Premiums	Less: Prem Share: 1% of Income	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share: 2% of Income	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share: 3% of Income	
<19	13763	91	0.65	9768977	0.56	8416350	0.45	6763138	0.36	5410511				
19-24	399	91	0.65	283210	0.56	243996	0.45	196069	0.36	156855				
25-29	1064	108	0.65	896314	0.56	772209	0.45	620525	0.36	496420				
30-34	836	128	0.65	834662	0.56	719094	0.45	577843	0.36	462275				
35-39	0	147	0.65	0	0.56	0	0.45	0	0.36	0				
40-44	3705	166	0.65	4797234	0.56	4133002	0.45	3321162	0.36	2656930				
45-49	0	174	0.65	0	0.56	0	0.45	0	0.36	0				
50-54	5092	206	0.65	8181826	0.56	7048957	0.45	5664341	0.36	4531473				
55-59	0	246	0.65	0	0.56	0	0.45	0	0.36	0				
60-64	1606	305	0.65	3820674	0.56	3291658	0.45	2645082	0.36	2116066				
65+	1502	403	0.65	4721387	0.56	4067656	0.45	3288652	0.36	2614922				
Totals	27967					28692922	5799959		23056812	9321363		18445450	11185635	
Total subsidy for HMO plan				33,304,284			22,892,963			13,735,449			7,259,815	

* Participation rates are those found by Ku and Coughlin (1997) for the corresponding percentage of income contributed to existing mature state insurance plans for low-income people.

Table 5a: Calculation of Premiums, Subsidies And Amount of Premium Cost Sharing at 1%, 2%, and 3% of Income at Concomitant Participation Levels by These Levels of Poverty and Age, Alliance HMO

<185% Federal Poverty Level (FPL)														
Age Group	No Premium Cost-Sharing				Premiums of 1% of Income				Premiums of 2% of Income				Premiums of 3% of Income	
	Number Uninsured Persons	Average Monthly Premium	Percent Particip.*	Total Annual Premiums	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share:1% of Income	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share: 2% of Income	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share: 3% of Income	Total Ann'l Premiums
<19	70340	91	0.65	49927332	0.56	43014317		0.45	34565076		0.36	27652060.8		
19-24	5427	91	0.65	3852085	0.56	3318719		0.45	2666827.8		0.36	2133462.24		
25-29	7606	108	0.65	6407294	0.56	5520131		0.45	4435819.2		0.36	3548655.36		
30-34	22802	128	0.65	22765517	0.56	19613368		0.45	15760742.4		0.36	12608593.9		
35-39	16733	147	0.65	19186058	0.56	16529527		0.45	13282655.4		0.36	10626124.3		
40-44	10340	166	0.65	13388232	0.56	11534477		0.45	9268776		0.36	7415020.8		
45-49	10478	174	0.65	14220742	0.56	12251716		0.45	9845128.8		0.36	7876103.04		
50-54	10580	206	0.65	16999944	0.56	14646106		0.45	11769192		0.36	9415353.6		
55-59	3433	246	0.65	6587240	0.56	5675161		0.45	4560397.2		0.36	3648317.76		
60-64	4348	305	0.65	10343892	0.56	8911661		0.45	7161156		0.36	5728924.8		
65+	7951	403	0.65	24993173	0.56	21532580		0.45	17302366.2		0.36	13842373		
Totals	170038			188,671,509		162547762	13308014		130618737	21395705		104494990	25674485	78,820,505
Total subsidy														109,223,032

185% - 249% Federal Poverty Level (FPL)														
Age Group	No Premium Cost-Sharing				Premiums of 1% of Income				Premiums of 2% of Income				Premiums of 3% of Income	
	Number Uninsured Persons	Average Monthly Premium	Percent Particip.*	Total Annual Premiums	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share:1% of Income	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share: 2% of Income	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share: 3% of Income	Total Ann'l Premiums
<19	64825	91	0.65	46012785	0.56	39641784		0.45	31855005		0.36	25484004		
19-24	6232	91	0.65	4423474	0.56	3810993		0.45	3062404.8		0.36	2449923.84		
25-29	6607	108	0.65	5565737	0.56	4795096		0.45	3853202.4		0.36	3082561.92		
30-34	3715	128	0.65	3709056	0.56	3195494		0.45	2567808		0.36	2054246.4		
35-39	11654	147	0.65	13362476	0.56	11512287		0.45	9250945.2		0.36	7400756.16		
40-44	8816	166	0.65	11414957	0.56	9834424		0.45	7902662.4		0.36	6322129.92		
45-49	8051	174	0.65	10926817	0.56	9413873		0.45	7564719.6		0.36	6051775.68		
50-54	6768	206	0.65	10874822	0.56	9369078		0.45	7528723.2		0.36	6022978.56		
55-59	6390	246	0.65	12261132	0.56	10563437		0.45	8488476		0.36	6790780.8		
60-64	8086	305	0.65	19236594	0.56	16573066		0.45	13317642		0.36	10654113.6		
65+	12392	403	0.65	38953013	0.56	33559519		0.45	26967470.4		0.36	21573976.3		
Totals	143536			176,740,863		152269051	23837179		122359059	38311286		97887247.2	45649846	82,237,401
Total subsidy														84,047,773

* Participation rates are those found by Ku and Coughlin (1997) for the corresponding percentage of income contributed to existing mature state insurance plans for low-income people.

Table 5a: Calculation of Premiums, Subsidies And Amount of Premium Cost Sharing at 1%, 2%, and 3% of Income at Concomitant Participation Levels by These Levels of Poverty and Age, Alliance HMO *

Age Group	Number Uninsured Persons	No Premium Cost-Sharing			Premiums of 1% of Income			Premiums of 2% of Income			Premiums of 3% of Income		
		Average Monthly Premium	Percent Particip.*	Total Annual Premiums	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share: 1% of Income	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share: 2% of Income	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share: 3% of Income
<19	13763	91	0.65	9768977	0.56	8416350	0.45	6763138	0.36	5410511			
19-24	399	91	0.65	283210	0.56	243996	0.45	196069	0.36	156855			
25-29	1064	108	0.65	896314	0.56	772209	0.45	620525	0.36	496420			
30-34	836	128	0.65	834662	0.56	719094	0.45	577843	0.36	462275			
35-39	0	147	0.65	0	0.56	0	0.45	0	0.36	0			
40-44	3705	166	0.65	4797234	0.56	4133002	0.45	3321162	0.36	2656930			
45-49	0	174	0.65	0	0.56	0	0.45	0	0.36	0			
50-54	5092	206	0.65	8181826	0.56	7048957	0.45	5664341	0.36	4531473			
55-59	0	246	0.65	0	0.56	0	0.45	0	0.36	0			
60-64	1606	305	0.65	3820674	0.56	3291658	0.45	2645082	0.36	2116066			
65+	1502	403	0.65	4721387	0.56	4067656	0.45	3268652	0.36	2614922			
Totals	27967			33,304,284		28692922		23056812		18445450			
Total subsidy													7,259,815

* Participation rates are those found by Ku and Coughlin (1997) for the corresponding percentage of income contributed to existing mature state insurance plans for low-income people.

Table 5b: Calculation of Premiums, Subsidies And Amount of Premium Cost Sharing at 1%, 2%, and 3% of Income at Concomitant Participation Levels by These Levels of Poverty and Age, Alliance HMO*

		<185% Federal Poverty Level (FPL)															
		No Premium Cost-Sharing				Premiums of 1% of Income				Premiums of 2% of Income				Premiums of 3% of Income			
Age Group	Number Uninsured Persons	Average Monthly Premium	Percent Particip.*	Total Annual Premiums	Percent Particip.*	Total Ann'l Premiums	Share:1% of Income	Less: Prem Share:1% of Income	Percent Particip.*	Total Ann'l Premiums	Share: 2% of Income	Less: Prem Share: 2% of Income	Percent Particip.*	Total Ann'l Premiums	Share: 3% of Income	Less: Prem Share: 3% of Income	
<19	70340	91	0.8	61449024	0.65	49927332	0.65	3852085	0.56	43014316.8	0.56	3318719.04	0.45	34565076	0.45	2666827.8	
19-24	5427	91	0.8	4741027	0.65	3852085	0.65	6407294	0.56	5520130.56	0.56	4435819.2	0.45	15760742.4	0.45	13282655.4	
25-29	7606	108	0.8	7885901	0.65	22765517	0.65	19186058	0.56	11534476.8	0.56	12251715.8	0.45	9268776	0.45	9845128.8	
30-34	22802	128	0.8	28019098	0.65	13388232	0.65	16999944	0.56	14646105.6	0.56	5675160.96	0.45	4560397.2	0.45	7161156	
35-39	16733	147	0.8	23613610	0.65	10343892	0.65	24993173	0.56	21532580.2	0.56	162947762	0.45	17302966.2	0.45	32093107	
40-44	10340	166	0.8	16477824	0.65	188671509	0.65	15446802	0.56	162947762	0.56	26625766	0.45	130618737	0.45	98,526,630	
45-49	10478	174	0.8	17502451	0.65	173,224,707	0.65	173,224,707									
50-54	10580	206	0.8	20923008	0.65	232,211,088	0.65	232,211,088									
55-59	3433	246	0.8	8107373	0.65												
60-64	4348	305	0.8	12730944	0.65												
65+	7951	403	0.8	30760829	0.65												
Totals	170038			232,211,088		188671509	15446802	173,224,707		162947762	26625766	135,921,996		130618737	32093107	98,526,630	
Total subsidy																	

		185% - 249% Federal Poverty Level (FPL)															
		No Premium Cost-Sharing				Premiums of 1% of Income				Premiums of 2% of Income				Premiums of 3% of Income			
Age Group	Number Uninsured Persons	Average Monthly Premium	Percent Particip.*	Total Annual Premiums	Percent Particip.*	Total Ann'l Premiums	Share:1% of Income	Less: Prem Share:1% of Income	Percent Particip.*	Total Ann'l Premiums	Share: 2% of Income	Less: Prem Share: 2% of Income	Percent Particip.*	Total Ann'l Premiums	Share: 3% of Income	Less: Prem Share: 3% of Income	
<19	64825	91	0.8	56631120	0.65	46012785	0.65	4423474	0.56	39641784	0.56	3810992.64	0.45	31855005	0.45	3062404.8	
19-24	6232	91	0.8	5444275	0.65	5565737	0.65	566737	0.56	4795096.32	0.56	4795096.32	0.45	3853202.4	0.45	3853202.4	
25-29	6607	108	0.8	6850138	0.65	3709056	0.65	3709056	0.56	3195494.4	0.56	3195494.4	0.45	2567808	0.45	2567808	
30-34	3715	128	0.8	4564992	0.65	13362476	0.65	11414957	0.56	11512287.4	0.56	9834424.32	0.45	9250945.2	0.45	9250945.2	
35-39	11654	147	0.8	16446125	0.65	10926817	0.65	10926817	0.56	9413873.28	0.56	9413873.28	0.45	7902662.4	0.45	7902662.4	
40-44	8816	166	0.8	14049178	0.65	10874822	0.65	10874822	0.56	9369077.76	0.56	9369077.76	0.45	7528723.2	0.45	7528723.2	
45-49	8051	174	0.8	13448390	0.65	12261132	0.65	12261132	0.56	10563436.8	0.56	10563436.8	0.45	8488476	0.45	8488476	
50-54	6768	206	0.8	13384397	0.65	19236594	0.65	19236594	0.56	16573065.6	0.56	16573065.6	0.45	13317642	0.45	13317642	
55-59	6390	246	0.8	15090624	0.65	38953013	0.65	38953013	0.56	335559518.7	0.56	335559518.7	0.45	26967470.4	0.45	26967470.4	
60-64	8086	305	0.8	23675808	0.65	176740863	0.65	176740863	0.56	152269051	0.56	152269051	0.45	122359059	0.45	122359059	
65+	12392	403	0.8	47942170	0.65												
Totals	143536			217,527,216		176740863	27668154	149,072,709		152269051	47676267	104,592,784		122359059	57062307	65,296,752	
Total subsidy																	

* For this sensitivity analysis, participation rates have been increased from the levels used in other tables.

Table 5b: Calculation of Premiums, Subsidies And amount of Premium Cost Sharing at 15, 2%, and 3% of income at Concomitant Participation Levels by Five Levels of Poverty and Age, Alliance HMO (continued)*

Age Group	No Premium Cost-Sharing				250% -299% Federal Poverty Level (FPL)				Premiums of 1% of Income				Premiums of 2% of Income				Premiums of 3% of Income			
	Number Uninsured Persons	Average Monthly Premium	Percent Particip.*	Total Annual Premiums	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share:1% of Income	Total Ann'l Premiums	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share:2% of Income	Total Ann'l Premiums	Percent Particip.*	Total Ann'l Premiums	Less: Prem Share:3% of Income	Total Ann'l Premiums	Percent Particip.*	Total Ann'l Premiums		
<19	13763	91	0.8	12023357	0.65	9768977		8416350	0.56	8416350		8416350	0.45	6763138		6763138	0.45	6763138		
19-24	399	91	0.8	348566	0.65	283210		243996	0.56	243996		243996	0.45	196069		196069	0.45	196069		
25-29	1064	108	0.8	1103155	0.65	896314		772209	0.56	772209		772209	0.45	620525		620525	0.45	620525		
30-34	836	128	0.8	1027277	0.65	834662		719094	0.56	719094		719094	0.45	577843		577843	0.45	577843		
35-39	0	147	0.8	0	0.65	0		0	0.56	0		0	0.45	0		0	0.45	0		
40-44	3705	166	0.8	5904288	0.65	4797234		4133002	0.56	4133002		4133002	0.45	3321162		3321162	0.45	3321162		
45-49	0	174	0.8	0	0.65	0		0	0.56	0		0	0.45	0		0	0.45	0		
50-54	5092	206	0.8	10069939	0.65	8181826		7048957	0.56	7048957		7048957	0.45	5664341		5664341	0.45	5664341		
55-59	0	246	0.8	0	0.65	0		0	0.56	0		0	0.45	0		0	0.45	0		
60-64	1606	305	0.8	4702368	0.65	3820674		3291658	0.56	3291658		3291658	0.45	2645082		2645082	0.45	2645082		
65+	1502	403	0.8	5810938	0.65	4721387		4067656	0.56	4067656		4067656	0.45	3268652		3268652	0.45	3268652		
Totals	27967			33304284		6732095		28692922		28692922		28692922		11599918		11599918		11599918		
Total subsidy				40,989,888		26,572,189		17,093,004		17,093,004		17,093,004		9,074,768		9,074,768		9,074,768		

* For this sensitivity analysis, participation rates have been increased from the levels used in other tables.

Appendix

**Prices and
Affordability
of
Health Insurance
for
Colorado's
Uninsured Population**

***Characteristics of Colorado's Uninsured Population
by Income —1997***

Less than \$5,000/year:
<ul style="list-style-type: none"> • All have incomes substantially below the federal poverty level (FPL) (approximately 15% FPL - 63% FPL).
<ul style="list-style-type: none"> • Approximately 4,975 (22%) are in 1-person households (no children) (mean income = 28% FPL).
<ul style="list-style-type: none"> • Approximately 893 (4%) are in 2-person husband/ wife families (no children) (mean income = 17% FPL).
<ul style="list-style-type: none"> • Approximately 15,526 (70%) are in families with single females as the householder, with 2 - 5+ people in family, unknown composition; if there are children in these households, they should be eligible for TANF, unless it has run out (mean income = 15-18% FPL).
<ul style="list-style-type: none"> • Approximately 861 (4%) are in non-family households, single (not married or living with spouse) householder, 2 in household (mean income = 17% FPL).
<ul style="list-style-type: none"> • About 60% are in households in which the householder is between 40 and 59; 40% are in households in which the householder is under 40.
<ul style="list-style-type: none"> • This income group has the greatest level of disability; 35% report having a disability.
<ul style="list-style-type: none"> • The great majority of this income group (70%) lives in households in which the householder is not in the labor force; the next largest proportion (10%) is in households in which the householder is unemployed. Only 8% of these households have householders who are full-time workers.
<ul style="list-style-type: none"> • Among those reporting number of employees at their place of work, nearly half report fewer than 10 employees.

*Characteristics of Colorado's Uninsured Population
by Income Category—1997*

\$5,000 - \$9,999/year:
<ul style="list-style-type: none"> • All have incomes below (or at) the poverty level (approximately 31% - 94%FPL).
<ul style="list-style-type: none"> • Approximately 9,515 (37%) are in 1-person households (no children) (mean income = 94% FPL).
<ul style="list-style-type: none"> • Approximately 3,186 (12%) are in 2-person husband/wife families (no children) (mean income = 72% FPL).
<ul style="list-style-type: none"> • Approximately 2,418 (9%) are in husband/wife families with 3 - 5+ members (probably children) (mean income = 31% - 58% FPL).
<ul style="list-style-type: none"> • Approximately 7,139 (28%) are in families with single male or female householder, 2-4 in household, most of which probably contain children (mean income = 35% - 72% FPL).
<ul style="list-style-type: none"> • Approximately 3,574 (14%) are in non-family households, single male or female householder, 2 in household (mean income = 72% FPL).
<ul style="list-style-type: none"> • About 38% are in households in which the householder is 60 or older; 30% are in households in which the householder is under 35.
<ul style="list-style-type: none"> • This income group has the second highest level of disability: 25% report having a disability.
<ul style="list-style-type: none"> • Nearly half (47%) of this income group lives in households in which the householder is not in the labor force; 27% are in households in which the householder is a full-time worker. Only 3% of these householders are unemployed.
<ul style="list-style-type: none"> • Among those reporting number of employees at their place of work, 41% report fewer than 10 employees; 17% report 10-24 employees.

*Characteristics of Colorado's Uninsured Population
by Income Category—1997*

\$10,000 - \$14,999/year:
<ul style="list-style-type: none"> • Incomes are around the poverty level (approximately 68% - 190% FPL).
<ul style="list-style-type: none"> • Approximately 10,035 (18%) are in 1-person households (no children) (mean income = 155%FPL).
<ul style="list-style-type: none"> • Approximately 920 (2%) are in 2-person husband/wife families (no children) (mean income = 120% FPL).
<ul style="list-style-type: none"> • Approximately 15,138 (27%) are in husband/wife families with 3 - 5+ members (probably children) (mean income = 68% - 93% FPL).
<ul style="list-style-type: none"> • Approximately 20,498 (36%) are in families with single male or female householders, 2-4 in household, most of which likely contain children (mean income = 68% - 120% FPL).
<ul style="list-style-type: none"> • Approximately 10,056 (18%) are in non-family households, single male or female householder, 2-4 in household (mean income = 78% - 120% FPL).
<ul style="list-style-type: none"> • About 43% are in households in which the householder is under 30; 70% are in households in which the householder is under 45.
<ul style="list-style-type: none"> • About 11% report having a disability.
<ul style="list-style-type: none"> • Most (59%) of this income group live in households in which the householder is employed full-time. Another 32% are in households in which the householder is not in the labor force; no unemployment was reported (this could be a function of the small sample size).

*Characteristics of Colorado's Uninsured Population
by Income Category—1997*

\$15,000 - \$19,999/year:
<ul style="list-style-type: none"> • Incomes range from slightly below the poverty level to more than twice the poverty level (approximately 93% - 253% FPL).
<ul style="list-style-type: none"> • Approximately 7,808 (24%) are in 1-person households (no children) (mean income = 218% FPL).
<ul style="list-style-type: none"> • Approximately 10,751 (33%) are in husband/wife families with 3 - 5+ members (probably children) (mean income = 93% - 131% FPL).
<ul style="list-style-type: none"> • Approximately 7,035 (22%) are in families with single male or female householder, 2-4 in household, most of which probably contain children (mean income = 109% - 164% FPL).
<ul style="list-style-type: none"> • Approximately 6,719 (21%) are in non-family households, single male or female householder, 2-4 in household (mean income = 109% - 164% FPL).
<ul style="list-style-type: none"> • 50% are in households in which the householder is under 35; 75% are in households in which the householder is under 40.
<ul style="list-style-type: none"> • Over 21% report having a disability.
<ul style="list-style-type: none"> • 48% of this group live in households in which the householder is a full-time worker; 17% are in households in which the householder is unemployed; and 12% are in households in which the householder is not in the labor force.
<ul style="list-style-type: none"> • Among those reporting number of employees at their place of work, 31% report fewer than 10 employees; only 3% report 10-24 employees.

*Characteristics of Colorado's Uninsured Population
by Income Category—1997*

\$20,000 - \$29,999/year:
<ul style="list-style-type: none"> • Incomes range from slightly above the poverty level to more than three times the poverty level (approximately 134% - 380% FPL).
<ul style="list-style-type: none"> • Approximately 6,863 (6%) are in 1-person households (no children) (mean income = 306% FPL).
<ul style="list-style-type: none"> • Approximately 10,251 (10%) are in 2-person husband/wife families (no children) (mean income = 231% FPL).
<ul style="list-style-type: none"> • Approximately 44,218 (42%) are in husband/wife families with 3 - 5+ members (probably children) (mean income = 134% -186% FPL).
<ul style="list-style-type: none"> • Approximately 28,625 (27%) are in families with single male or female householder, 2-5+ in household, most of which probably contain children (mean income = 134%-231% FPL).
<ul style="list-style-type: none"> • Approximately 15,990 (15%) are in non-family households, single male or female householder, 2-3 in household (mean income = 186% - 231% FPL).
<ul style="list-style-type: none"> • This group is more evenly divided among age groups than other income categories; 25% are in households in which the householder is under 30; 26% are in households in which the householder is between 30 and 39; 25% are in households in which the householder is between 40 and 49; 23% are in households in which the householder is 50 or older.
<ul style="list-style-type: none"> • This group has the lowest disability level: only 7% report having a disability.
<ul style="list-style-type: none"> • A majority of this group (56%) live in households in which the householder is a full-time worker. 17% live in households in which the householder is not in the labor force, and 6% live in households in which the householder is unemployed.
<ul style="list-style-type: none"> • Among those reporting number of employees at their place of work, 30% report fewer than 10 employees; 16% report 10-24 employees.

*Characteristics of Colorado's Uninsured Population
by Income Category—1997*

\$30,000 - \$39,999/year:
<ul style="list-style-type: none">• Incomes range from slightly below 200% of the poverty level to about four times the poverty level (approximately 186% - 427% FPL).
<ul style="list-style-type: none">• Approximately 3,269 (3%) are in 1-person households (no children) (mean income = 427% FPL).
<ul style="list-style-type: none">• Approximately 13,629 (13%) are in 2-person husband/wife families (no children) (mean income = 327% FPL).
<ul style="list-style-type: none">• Approximately 47,613 (47%) are in husband/wife families with 3 - 5+ members (probably children) (mean income = 186% - 261% FPL).
<ul style="list-style-type: none">• Approximately 18,916 (19%) are in families with single male or female householder, 2-5+ in household, most of which probably contain children (mean income ranges from 186% - 327% FPL).
<ul style="list-style-type: none">• Approximately 18,220 (18%) are in non-family households, single male or female householder, 2-5+ in household (mean income ranges from 186% - 327% FPL).
<ul style="list-style-type: none">• This income group is somewhat older than the others: 22% are in households in which the householder is 65 and older; 63% are in households in which the householder is 40 or older.
<ul style="list-style-type: none">• 17% report having a disability.
<ul style="list-style-type: none">• A majority of this group (64%) live in households in which the householder is a full-time worker; 28% live in households in which the householder is not in the labor force.
<ul style="list-style-type: none">• Among those reporting number of employees at their place of work, 25% report fewer than 10 employees; 17% report 10-24 employees.

***Characteristics of Colorado's Uninsured Population
by Income Category—1997***

\$40,000 - \$49,999/year:
<ul style="list-style-type: none"> • Incomes range from slightly under 300% of the poverty level to about six times the poverty level (approximately 238% - 634% FPL).
<ul style="list-style-type: none"> • Approximately 1,502 (2%) are in 1-person households (no children) (mean income = 556% FPL).
<ul style="list-style-type: none"> • Approximately 5,727 (8%) are in 2-person husband/wife families (no children) (mean income = 419% FPL).
<ul style="list-style-type: none"> • Approximately 27,143 (36%) are in husband/wife families with 3 - 5+ members (probably children): <ul style="list-style-type: none"> • 3,911 in 5+ person households (mean income = 238% FPL) • 11,461 in 4-person households (mean income = 278% FPL) • 11,771 in 3-person households (mean income = 337% FPL)
<ul style="list-style-type: none"> • Approximately 27,653 (37%) are in families with single male or female householder, 2-5+ in household, most of which probably contain children: <ul style="list-style-type: none"> • 16,620 in 5+-person households (mean income = 238% FPL) • 3,479 in 4-person households (mean income = 278% FPL) • 3,460 in 3-person households (mean income = 337% FPL) • 4,094 in 2-person households (mean income = 419% FPL)
<ul style="list-style-type: none"> • Approximately 12,048 (16%) are in non-family households, single male or female householder, 2-3 in household (mean income = 337% - 419% FPL).
<ul style="list-style-type: none"> • This group is somewhat older than most other income groups: 47% are in households in which the householder is 50 or older.
<ul style="list-style-type: none"> • 18% report having a disability.
<ul style="list-style-type: none"> • This group is quite similar to the preceding income group: 64% live in households in which the householder is a full-time worker; 20% live in households in which the householder is not in the labor force. No unemployment was reported in either group.
<ul style="list-style-type: none"> • Among those reporting number of employees at their place of work, 27% report fewer than 10 employees; 13% report 10-24 employees.

*Characteristics of Colorado's Uninsured Population
by Income Category—1997*

\$50,000 - \$69,999/year:
<ul style="list-style-type: none">• Incomes exceed 300% FPL (approximately 311 - 887% FPL).
<ul style="list-style-type: none">• Approximately 81,383 uninsured people are in this income group.
<ul style="list-style-type: none">• 60% are in households in which the householder is 40 or older.
<ul style="list-style-type: none">• 12% report having a disability.
<ul style="list-style-type: none">• This group includes the largest proportion of householders that are full-time workers (65%), but 25% live in households in which the householder is not in the labor force. 2% live in households in which the householder is unemployed.
<ul style="list-style-type: none">• Among those reporting number of employees at their place of work, 28% report fewer than 10 employees; 8% report 10-24 employees.

*Characteristics of Colorado's Uninsured Population
by Income Category—1997*

\$70,000 +/year:
<ul style="list-style-type: none">• Incomes exceed 500% FPL (mean incomes approximately 573% - 1010% FPL).
<ul style="list-style-type: none">• Approximately 68,883 uninsured people in this income group.
<ul style="list-style-type: none">• 60% are in households in which the householder is 45 or older.
<ul style="list-style-type: none">• 17% report having a disability.
<ul style="list-style-type: none">• This group's work status is most similar to the group with incomes between \$20,000 and \$29,999. Within this group, 57% live in households in which the householder is a full-time worker, and 16% live in households in which the householder is not in the labor force.
<ul style="list-style-type: none">• Among those reporting number of employees at their place of work, 29% report fewer than 10 employees; 7% report 10-24 employees.

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