



# Health Insurance Data in the Medical Expenditure Panel Survey

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Joel W. Cohen, Ph.D.  
Agency for Healthcare Research and  
Quality



# MEPS Survey Components

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- **MEPS-HC -- Household Component**
- **MEPS-MPC -- Medical Provider Component**
- **MEPS-IC -- Insurance Component**



# **Medical Expenditure Panel Survey Household Component (MEPS-HC)**

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## **Annual Survey of ~14,000 households:**

provides national estimates of health care use, expenditures, sources of payment, insurance coverage, access to care and health care quality

## **Permits studies of:**

- **Distribution of expenditures and sources of payment**
- **Role of demographics, family structure, insurance**
- **Expenditures for specific conditions**
- **Trends over time**



# Key Features of MEPS Household Component (HC)

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- Survey of U.S. civilian noninstitutionalized population
- Sub-sample of respondents to the National Health Interview Survey (NHIS)
- Oversample of minorities and other target groups
- Panel Survey – new panel introduced each year
  - Continuous data collection over 2 ½ year period
  - 5 in-person interviews (CAPI)
  - Data from 1st year of new panel combined with data from 2nd year of previous panel



# HC - Interview Content

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- Family composition and characteristics
- Health status
- Health care use and expenditures
- Employment for all persons 16+
- Insurance status and changes
- Income and assets





# **MEPS Insurance Questions**

## **Private Health Insurance**

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- **First ask about health insurance when discussing individuals' jobs in the employment section of the instrument (current jobs or former/retirement jobs)**
- **Ask whether the jobholder was offered insurance at the job and whether they held this insurance**



# **MEPS Insurance Questions**

## **Private Health Insurance**

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- **In the insurance section of the instrument confirm that the person had insurance from the job**
- **Probe on other sources of private coverage**
  - **non-group**
  - **coverage from someone outside the household**



# MEPS Insurance Questions

## Private Health Insurance

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- Find out who is the policyholder for each source of private coverage and who in the household is covered as a dependent
- Ask about:
  - The time period of the coverage, plan names, managed care information
  - General benefits (hospital/medical, dental, vision, drug, etc.)
  - Out-of-pocket premiums





# MEPS Insurance Questions Public Coverage

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- **Probe on sources of public coverage**
  - “Is anyone in family covered by....”
    - **TRICARE, Medicare, Medicaid/SCHIP, Other government comprehensive programs, other state specific non-comprehensive coverage**
  - If yes, find out who, for what time period and ask managed care questions
  - Include language about the confusion between the Medicare/Medicaid names
  - List of Medicaid/SCHIP state names
  - Premiums for Medicaid/SCHIP



# What Counts as Insurance Coverage?

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- Private and public comprehensive hospital/medical coverage (including Medigap)
- Not counted:
  - Private supplemental insurance only: dental, vision, drug coverage
  - State specific *non-comprehensive* coverage: i.e. Maryland Kidney Disease Program
  - IHS or VA only



# MEPS

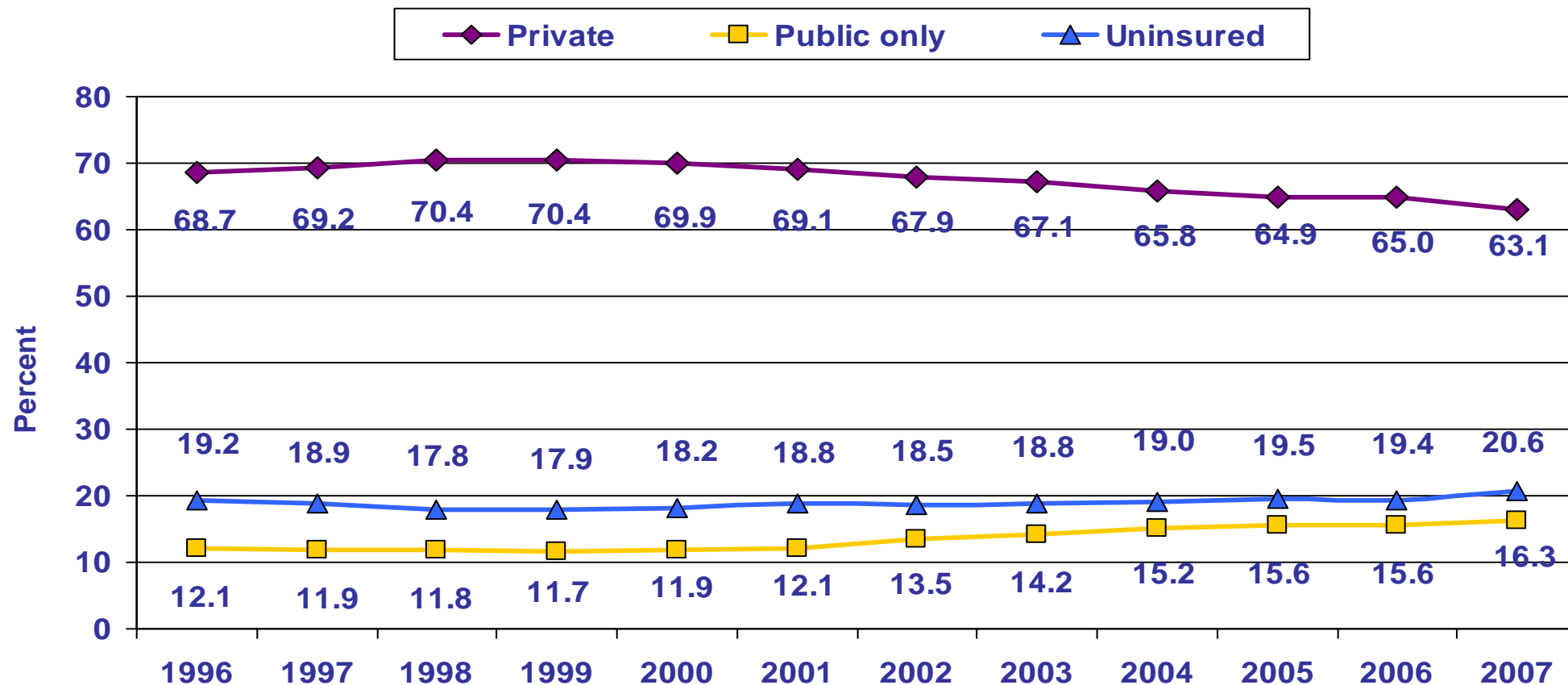
## Insurance Estimates

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- Monthly data over 2 years
- Types of estimates
  1. First half of calendar year
  2. Annual profiles
  3. Point in time
  4. Two consecutive years
  5. Long-term uninsured: 4 consecutive years
- As a longitudinal survey MEPS can examine health insurance dynamics, changes in coverage, and spells without insurance

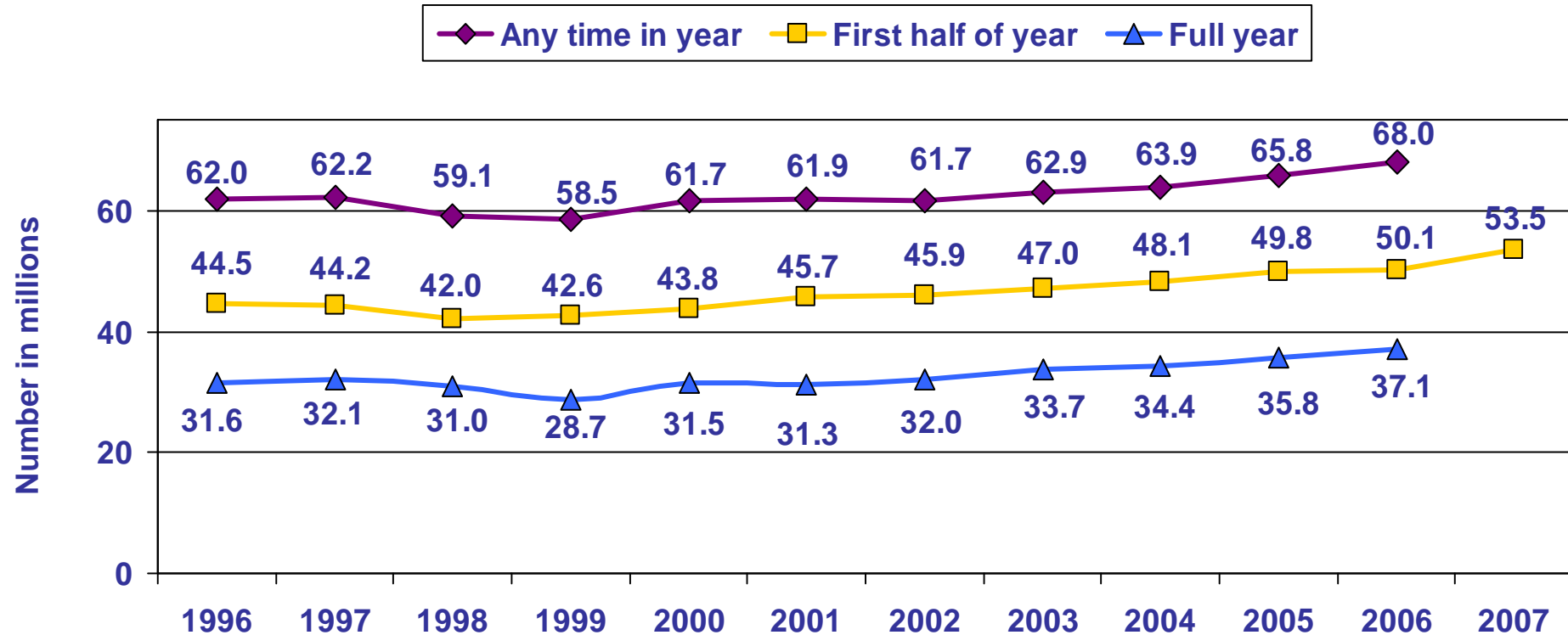


## Health Insurance Status of civilian noninstitutionalized population under 65, first half 1996-2007



Source: Center for Financing, Access, and Cost Trends, AHRQ, Medical Expenditure Panel Survey, Household Component Summary Tables 1996–2007

## MEPS, 1996–2007: Number of uninsured, under age 65



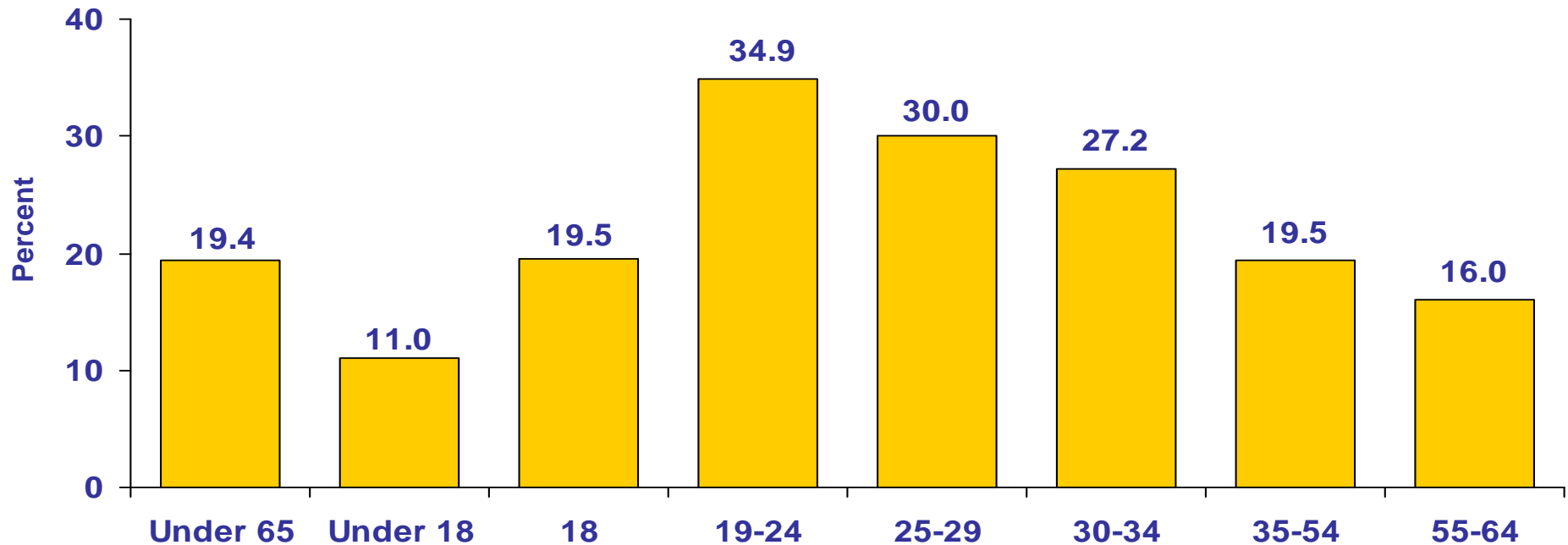
Source: Center for Financing, Access, and Cost Trends, AHRQ, Household Component of the Medical Expenditure Panel Survey, 1996–2006 Full-Year Files and 1996–2007 Point-in-Time Files

Source: Center for Financing, Access, and Cost Trends, AHRQ, Household Component of the Medical Expenditure Panel Survey, 1996–2006 Point-in-Time Files





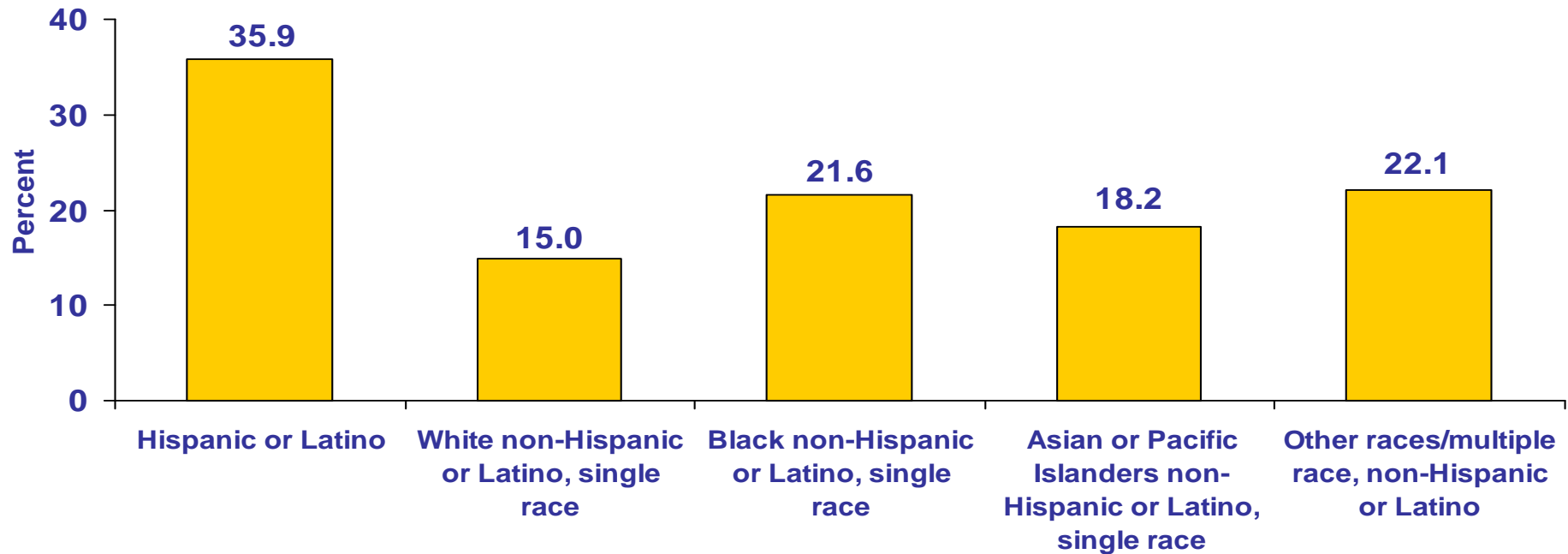
## Percentage uninsured, by age, people under age 65, first half of 2006



Source: Center for Financing, Access, and Cost Trends, AHRQ, Household Component of the Medical Expenditure Panel Survey, 2006 Point-in-Time File



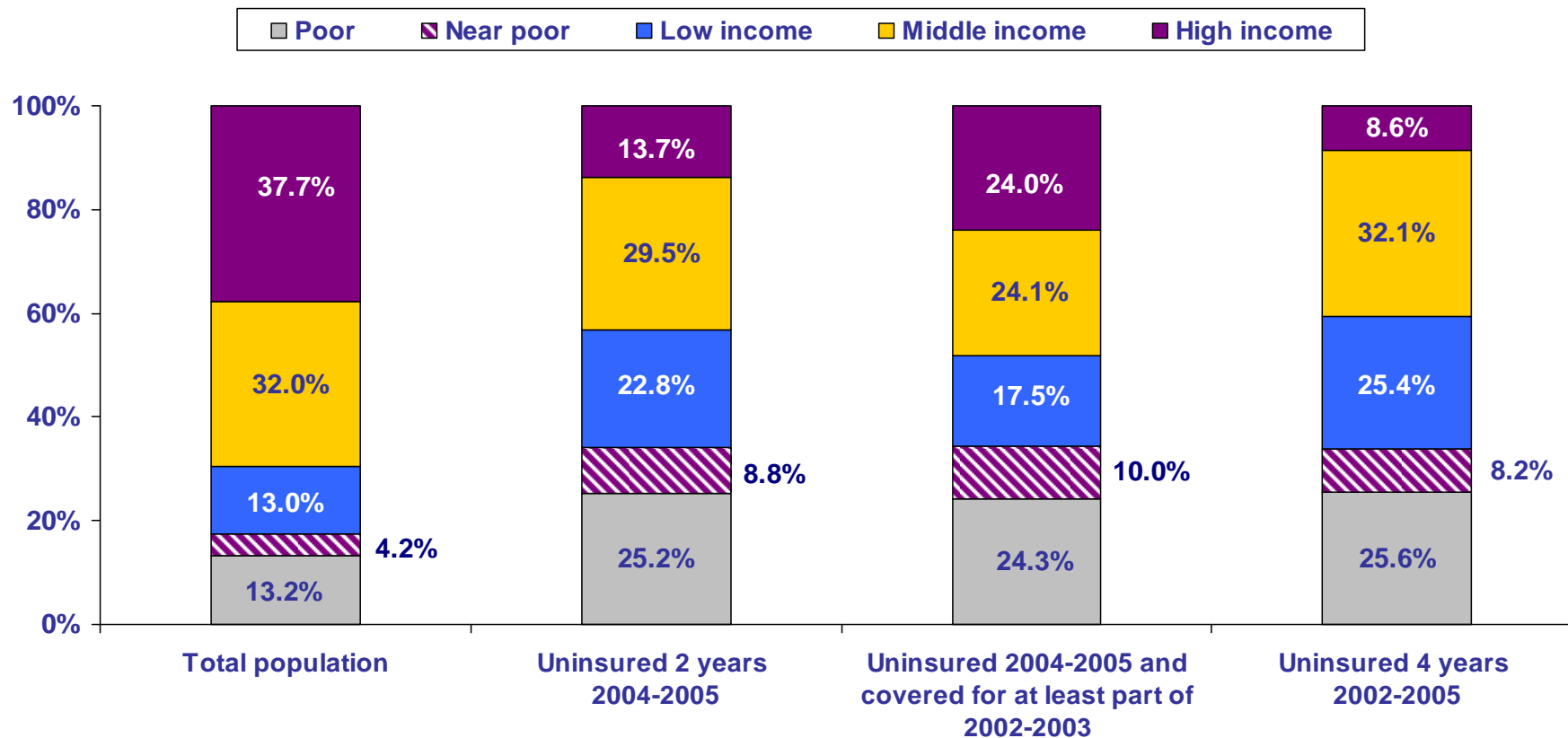
## Percentage uninsured, by race/ethnicity, people under age 65, first half of 2006



Source: Center for Financing, Access, and Cost Trends, AHRQ, Household Component of the Medical Expenditure Panel Survey, 2006 Point-in-Time File



## Distribution of population by health insurance status and poverty status, U.S. civilian noninstitutionalized population under age 65, 2002–2005



Source: Center for Financing, Access, and Cost Trends, AHRQ, Household Component of the Medical Expenditure Panel Survey, HC-089 (2004), HC-090 (2005), and HC-098 (Panel 9)



# Family Out of Pocket Burdens by Poverty Status, 2003

Persons spending more than 10% family income

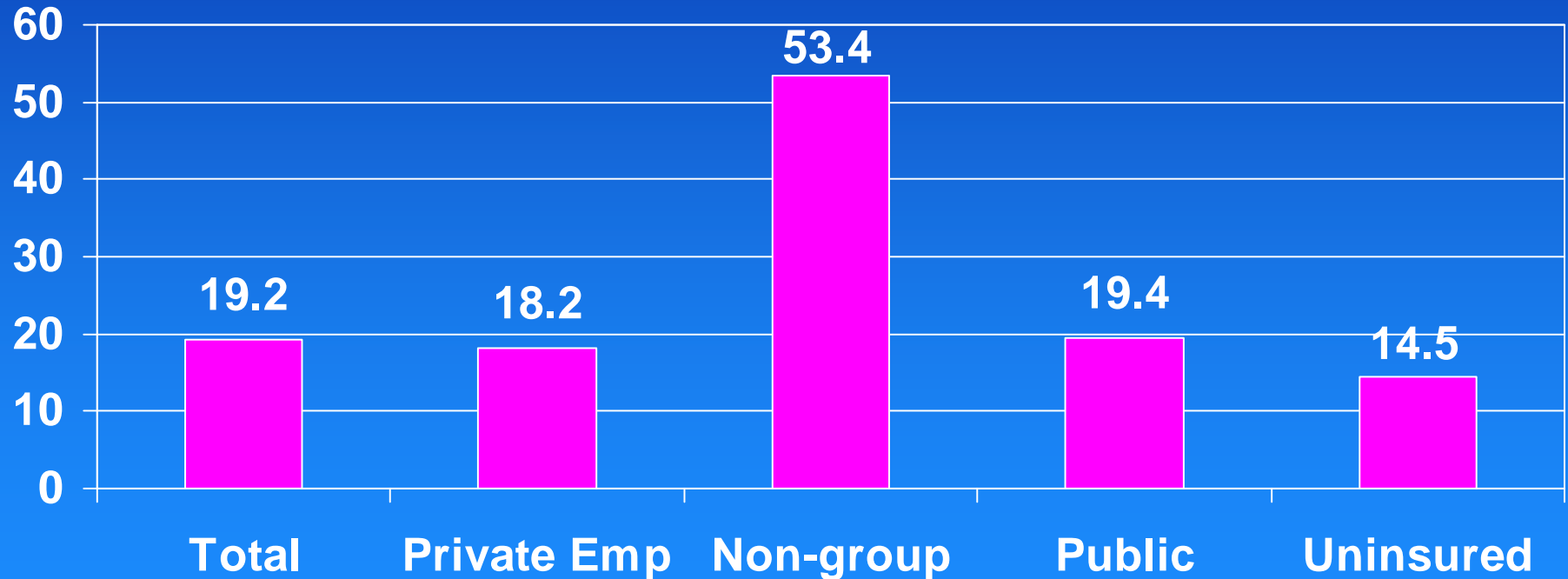


Banthin, JS, Bernard, DM. Changes in Financial Burdens for Health Care, 1996 to 2003. *JAMA*. 2006 December 13.



# Family Out of Pocket Burdens by Insurance Status, 2003

Persons spending more than 10% family income



Banthin, JS, Bernard, DM. Changes in Financial Burdens for Health Care, 1996 to 2003.  
*JAMA*. 2006 December 13.





# MEPS Insurance Component

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- Annual survey of ~42,000 private sector establishments
  - and 3,000 state and local governmental units
- National and State Level estimates of employer sponsored coverage:
  - Offers of health insurance for current workers and retirees
  - **Eligibility for health insurance**
- Cost of health insurance
  - **Employer and employee**
- Benefit and payment provisions of private health insurance



# Types of Information Collected

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- **Employer characteristics**
  - **Establishment and firm**
  
- **Health insurance plan characteristics**
  - **Up to 4 plans**



# Employer Characteristics

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- Number of active employees
- Whether or not establishment offers health insurance
- Number of plans offered
- Number of employees eligible for health insurance and number enrolled (full-time and part-time employees separately).
- Workforce characteristics (% women, union, over 50 years old, by wage level)
- Firm age and size
- Retiree offers



# Health Insurance Plan Characteristics

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- Premiums (single, employee-plus-one, family)
- Contributions (single, employee-plus-one, family)
- Plan types (by type of provider arrangement)
- Self-Insured / Fully-Insured
- Enrollments (single, employee-plus-one, family coverage)
- Deductibles / Copayments
- Some plan benefits
- “Fringe” benefits



# Published Estimates from the MEPS-Insurance Component

- Each year the MEPS-IC produces tables of State-level estimates for private-sector and state and local government employers:
  - Premiums,
  - Contributions,
  - Enrollments,
  - Take-up rates, and
  - Other (e.g., percent of employees with a choice of plans)
- Survey began in 1996 with estimates for 40 States
- Since 2003, estimates are available for all States





# Published Estimates from the MEPS-Insurance Component

- Starting in 2005, MEPS-IC produces a smaller set of private-sector estimates for:
  - 20 largest Metro Areas in the United States (by small/large firms)
  - The largest Metro Areas in each State (at least one per State) and the Remainder of the State.
- All State and Metro Area estimates are available online in Excel and CSV spreadsheet formats in addition to HTML and PDF tables.



# Special State-level Estimates from the MEPS-IC

- AHRQ has partnered in years past with State and Federal agencies to allow the purchase of additional sample to improve estimates for specific States:
  - Through the HRSA State-Planning Grant Program
    - Increased samples in selected years for 32 States and a special collection for the U.S. Virgin Islands
  - Through Contract or Grant
    - Arkansas, Massachusetts, Wisconsin, and the Robert Wood Johnson Foundation



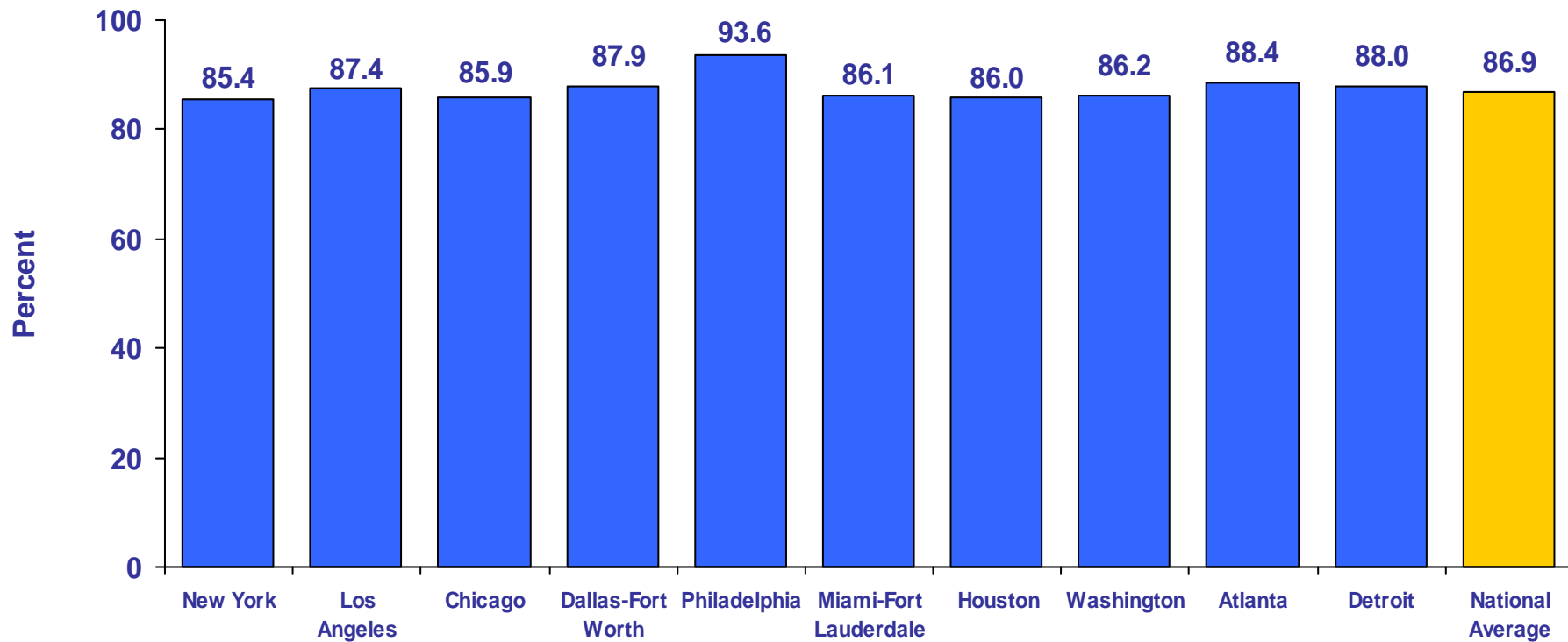
# Average Annual Health Insurance Premium per Enrolled Employee at Private-Sector Establishments Offering Health Insurance: US and Ten Largest States, 2006

State	Single Coverage	Employee-Plus-One Coverage	Family Coverage
<b>UNITED STATES</b>	<b>\$4,118</b>	<b>\$7,988</b>	<b>\$11,381</b>
California	\$4,036	\$7,989	\$11,493
Texas	\$4,133	\$8,081	\$11,690
New York	\$4,605**	\$8,779**	\$12,075**
Florida	\$3,936*	\$7,735	\$11,046
Illinois	\$4,245	\$7,984	\$11,781
Pennsylvania	\$4,277	\$8,764**	\$11,794
Ohio	\$4,054	\$7,884	\$10,967
Michigan	\$4,446	\$8,654	\$11,452
New Jersey	\$4,471**	\$8,791**	\$12,233**
Georgia	\$3,873	\$7,609	\$10,793

\*Below the national average. \*\*Above the national average.



## Percentage of private sector employees who worked where health insurance was offered, United States and 10 largest metropolitan areas, 2005



Source: Center for Financing, Access, and Cost Trends, AHRQ, Insurance Component of the Medical Expenditure Panel Survey, 2005



# Retiree Coverage

## EXHIBIT 1

### Trends In Employers' Offers Of Retiree Health Insurance, By Establishment Size, 1997-2003

Percent of establishments offering retiree coverage



**SOURCE:** Authors' estimates from Medical Expenditure Panel Survey Insurance Component (MEPS-IC) data.

**NOTES:** For establishments with 1-25, 26-100, and 100-500 workers, 2003 offer rate differs significantly from the 1997 offer rate ( $p < .05$ ). For establishments with 26-100, 100-500, and 501+ workers, 2003 offer rate differs from the 2003 offer rate among establishments with 1-25 workers ( $p < .05$ ).

Thomas Buchmueller, Richard W. Johnson, and Anthony T. Lo Sasso,  
Trends In Retiree Health Insurance, 1997-2003,  
Health Affairs, Vol 25, Issue 6, 1507-1516



# Tax Subsidies

## EXHIBIT 1

### Aggregate Tax Expenditure For Employment-Related Group Coverage Of Current Workers In Private And Public Establishments, 2006

	Subsidy by tax (\$ billions)			Combined tax subsidy (\$ billions)	Tax subsidy as percent of premiums
	Federal income	Social Security and Medicare	State income		
All establishments	111.9 (1.8)	73.3 (1.2)	23.4 (0.5)	208.6 (3.3)	35.4 (0.1)
Private establishments	87.6 (1.6)	60.7 (1.0)	18.3 (0.4)	166.6 (3.0)	35.8 (0.1)
State and local government	20.3 (0.5)	10.1 (0.3)	4.3 (0.2)	34.7 (1.0)	33.1 (0.3)
Federal government <sup>a</sup>	4.0	2.5	0.8	7.3	38.3

**SOURCE:** Authors' calculations using data from the Medical Expenditure Panel Survey Insurance Component (MEPS-IC) and Household Component (MEPS HC).

**NOTES:** Estimates were constructed using worker-level (not establishment) sampling weights. Standard errors (in parentheses) reflect sampling error in MEPS-IC (no adjustment is made for sampling variation in constructing synthetic workforces). The MEPS-IC sample contains data on 29,623 private and 2,596 public establishments, after excluding railroad establishments because of concerns involving confidentiality.

<sup>a</sup>Federal estimates were constructed using Federal Employees Health Benefits (FEHB) program data that are assumed to have no sampling error.