

Report on the number of uninsured people in Washington state

2014-2020

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www.insurance.wa.gov

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Executive summary

In February 2016, the Office of the Insurance Commissioner (OIC) issued a report on the percentage of people in Washington state who didn't have health insurance, called the uninsured rate. The report detailed how the implementation of the Affordable Care Act (ACA) expanded access to health insurance across all races and income groups, in both urban and rural areas of the state.

This report examines the uninsured rate in Washington from 2014 through 2020, detailing the trends prior to the COVID-19 pandemic in March 2020 and the impacts of the COVID-19 pandemic on the uninsured rate. This report also looks at hospitals' uncompensated care costs from 2014 to 2018, the relationship between uncompensated care and uninsured rates, and potential impacts of COVID-19 on those costs.

Finally, this report explores premiums and enrollment figures for the regulated health insurance market in Washington based on reporting from insurance companies.

Key findings

Washington state's uninsured rate was 6.2% in March 2020, prior to the pandemic. While the rate nearly doubled to 12.6% in May 2020, it had dropped back to 6% in February 2021. By comparison, the uninsured rates were 8.2% in 2014 and 5.5% in 2017.

- The uninsured rate remained largely unchanged from 2015 to 2019, increasing slightly from 5.8% in 2015 to 6.1% in 2019.
- From 2015 to 2019, people ages 18 to 44 saw the most changes from year to year. This age group also had the highest uninsured rate during this time.
- From 2014 to 2019, all counties saw the number of uninsured go down. From 2018 to 2019, 24 of 39 counties had either no change or a decrease in uninsured rates.
- From 2014 to 2019, the uninsured rate for men was an average of 1.6% higher than it was for women.
- From 2014 to 2019, African American/Black and Asian people saw the greatest decrease in uninsured rate of all racial groups, at 3.3% each.
- Counties with higher Medicaid enrollment and lower employer-based insurance enrollment prior to the start of the COVID-19 pandemic – primarily rural counties – saw a smaller increase in their uninsured rates in 2020 than other counties did.

From 2014 to 2019, uninsured rates statewide decreased 2.1%. Rural counties tend to have higher uninsured rates than urban counties; however, the uninsured rates of urban locations were more affected by the pandemic due to the number of people who get health insurance from an employer. As of February 2021, the pre-pandemic trends have resumed, with rural counties generally having higher uninsured rates.

This report highlights critical areas for policymakers and stakeholders to consider when studying the changing health care landscape and the challenges that remain.

Uninsured population

Prior to the beginning of the COVID-19 pandemic in March 2020, the statewide uninsured rate had remained steady since 2014.

In 2014, there were approximately 600,000 uninsured people in Washington, compared to 430,000 in March 2021. Between 2014 and 2019, the uninsured rate fell from 8.2% to 6.1%. This 2.1% decrease represents about 25% fewer uninsured people.

The implementation of the Affordable Care Act (ACA) in 2014 reduced the number of uninsured people in Washington from 13.9% at the end of 2012 to 8.2% in 2014. Because this report examines the uninsured rate starting in 2014, some impacts of the ACA are evident in Figure 1 below.

Uninsured rate in Washington state, 2014 – 2020, all ages

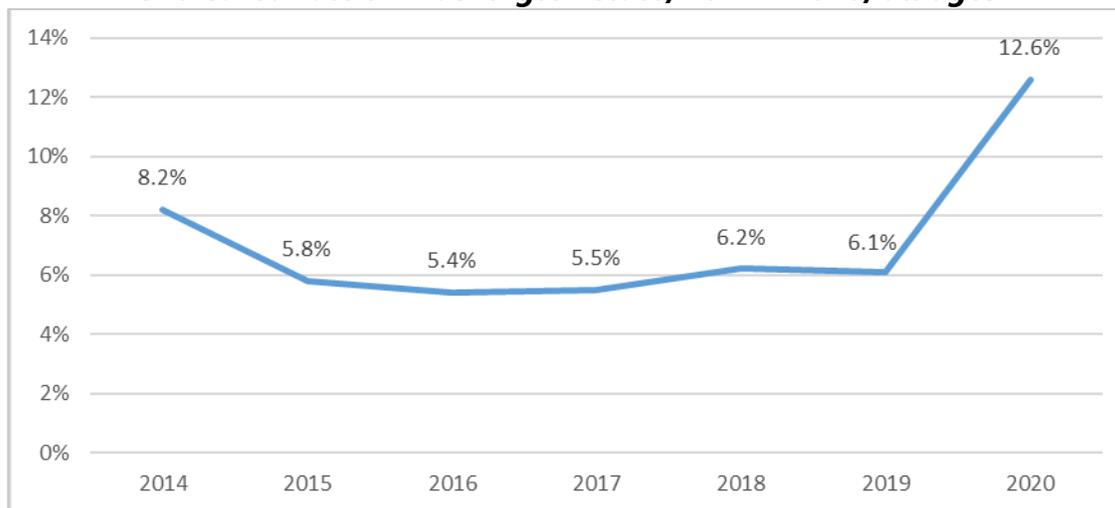


Figure 1: Based on OFM adjusted 1-year American Community Survey (ACS) estimates

Figure 1 depicts a significant increase in the uninsured rate from 2019 to May 2020, more than doubling from 6.2% to 12.6%. Due to the COVID-19 pandemic and statewide stay-home orders, nonessential businesses were ordered to close in-person operations temporarily to prevent the spread of the virus. While many businesses and organizations were able to transition to remote work, many other employees lost their jobs because of the shutdown. From March 15 to May 30, 2020, [nearly 1.3 million Washington workers filed unemployment insurance claims](#). The increase in the number of uninsured shown in Figure 1 reflects the sudden change in the number of people in Washington who lost their employer-based health insurance.

This report examines the uninsured rates across age, sex, race, and income groups at the state and county levels between 2014 and 2019. The impacts of COVID-19 in 2020 are analyzed in further detail at the state and county levels.

Uninsured rates by county

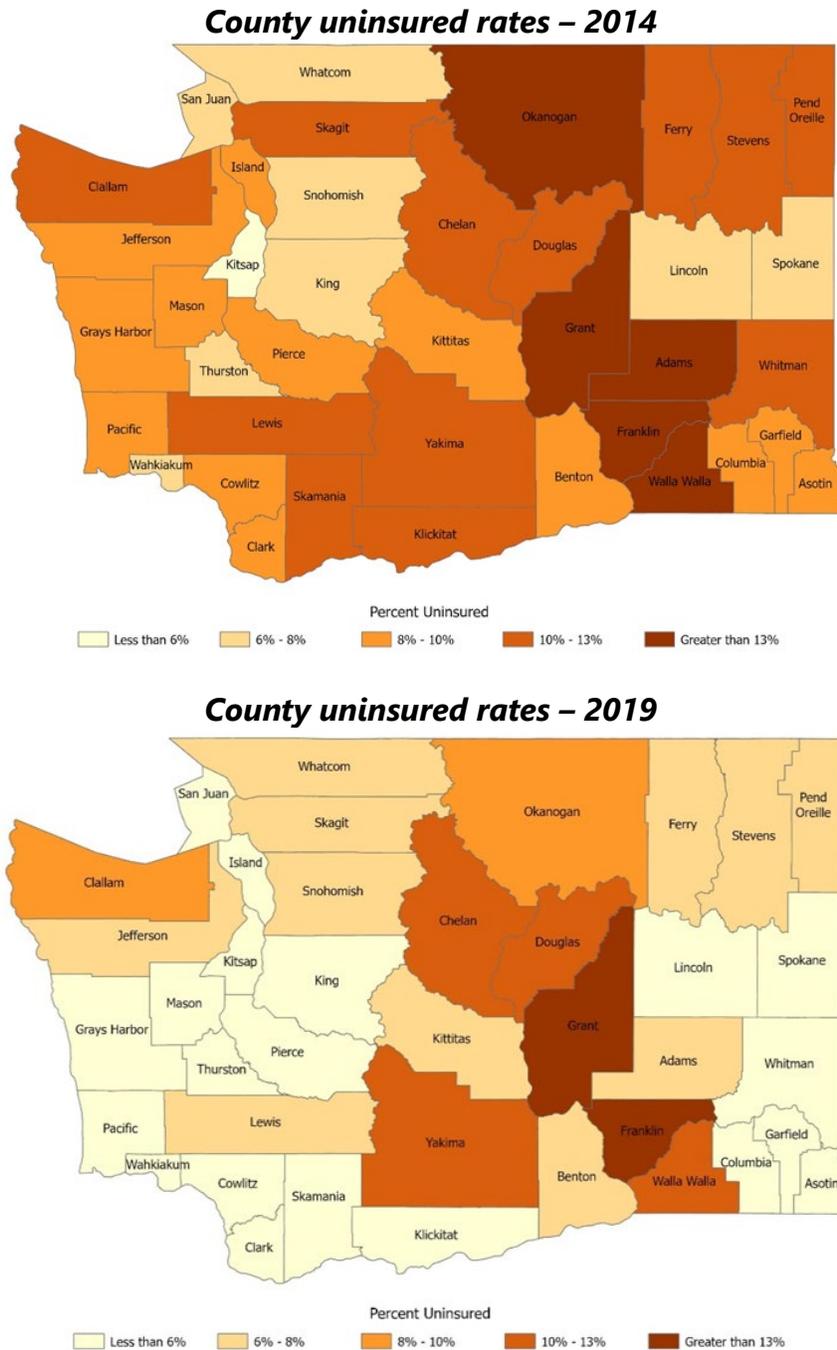


Figure 2: Based on OFM adjusted 1-year ACS estimates

Uninsured rates varied significantly by county. In 2014, urban counties generally had lower uninsured rates than rural counties. However, this trend is less apparent in 2019, when uninsured rates in rural counties such as Garfield, Asotin and Columbia saw substantial decreases.

County uninsured rates for 2014 and 2019

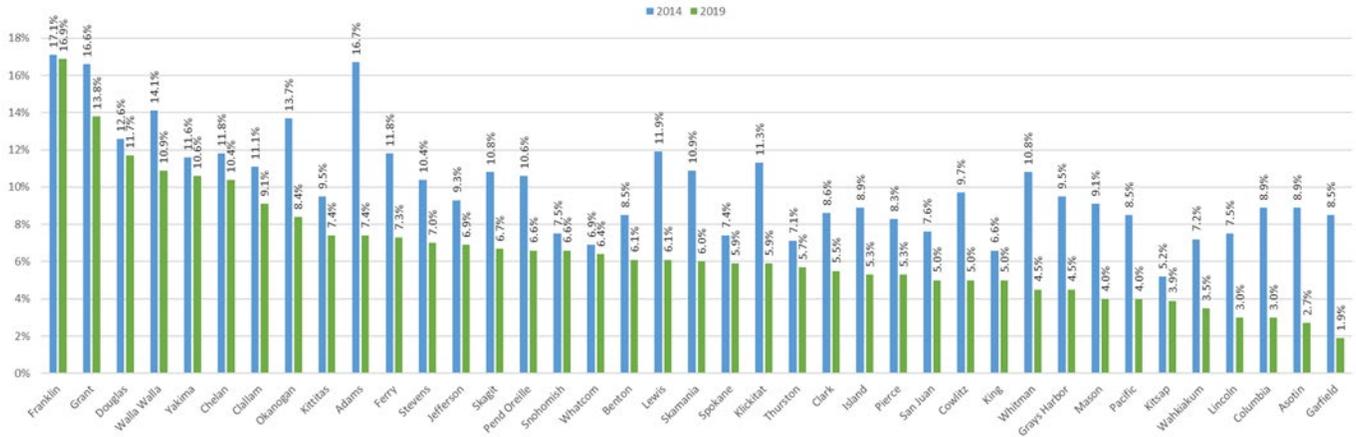


Figure 3: Based on OFM adjusted 1-year ACS estimates

Figure 4 shows a decrease in the uninsured rate in every county from 2014 to 2019. The counties with the smallest changes were generally urban counties such as Whatcom, Snohomish, Thurston, Spokane and King. Many urban counties already had relatively low uninsured rates, so the decrease was not as noticeable as it was in more rural counties that had higher uninsured rates in 2014.

Change in uninsured rate from 2014 to 2019

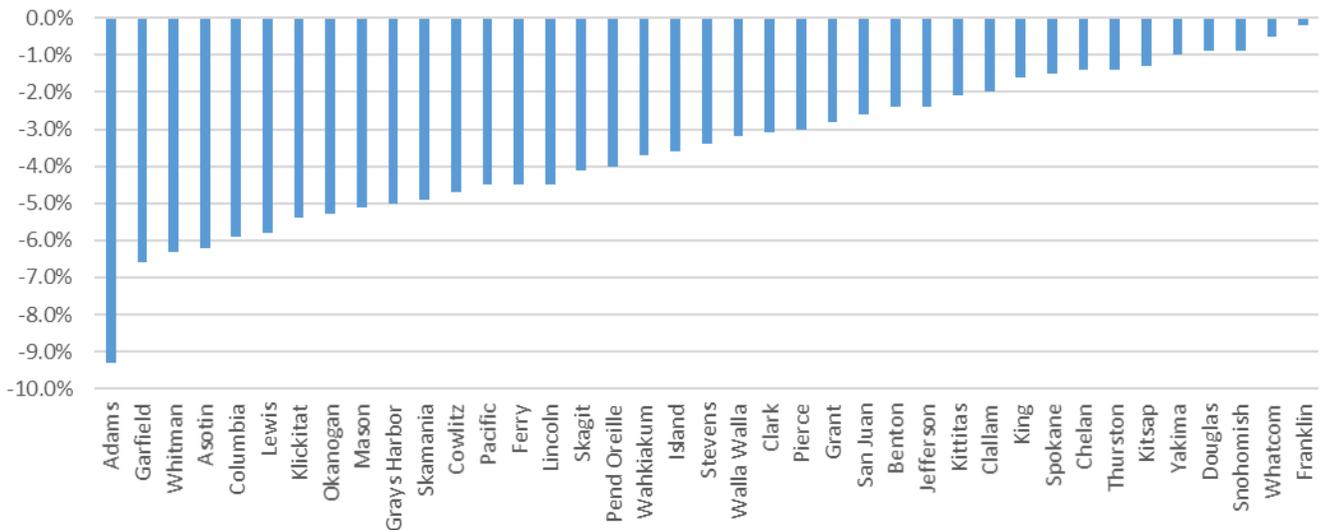


Figure 4: Based on OFM adjusted 1-year ACS estimates

The change in the uninsured rate from 2018 to 2019 was less pronounced, as would be expected when looking at a shorter timeframe. Generally, there was a decrease in the uninsured rate statewide and the uninsured rate decreased the most in rural counties while only minimally decreasing or, in some cases, slightly increasing, in urban counties.

County uninsured rates for 2018 and 2019

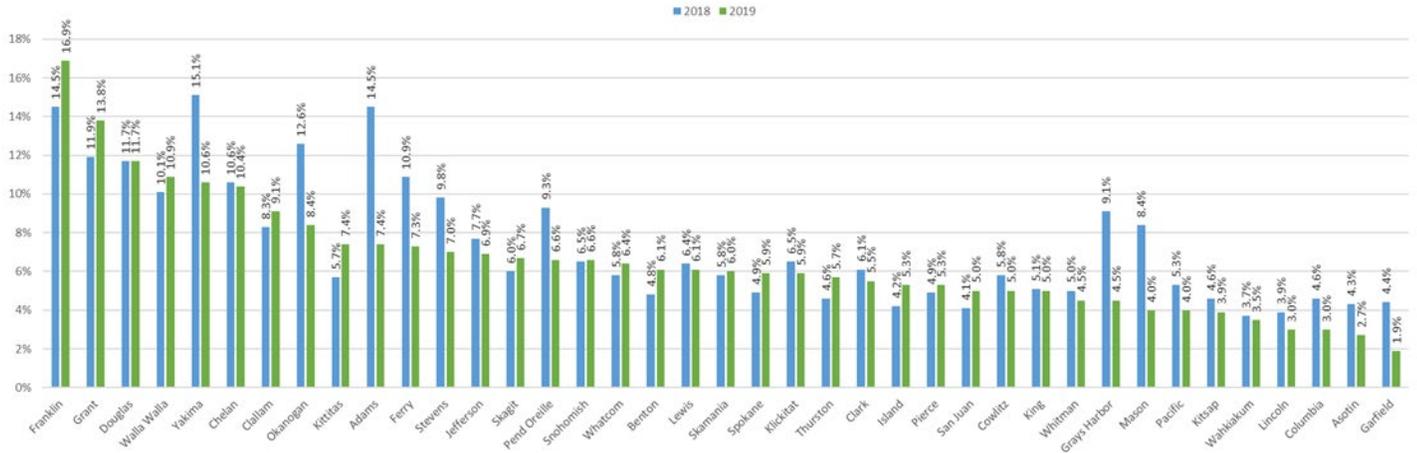


Figure 5: Based on OFM adjusted 1-year ACS estimates

From 2018 to 2019, Adams County had the largest decrease in its uninsured rate, at 7.1%. Franklin County had the largest increase, with 2.4%. Sixteen counties saw either no change or only a slight increase in their uninsured rates.

Change in uninsured rate from 2018 to 2019

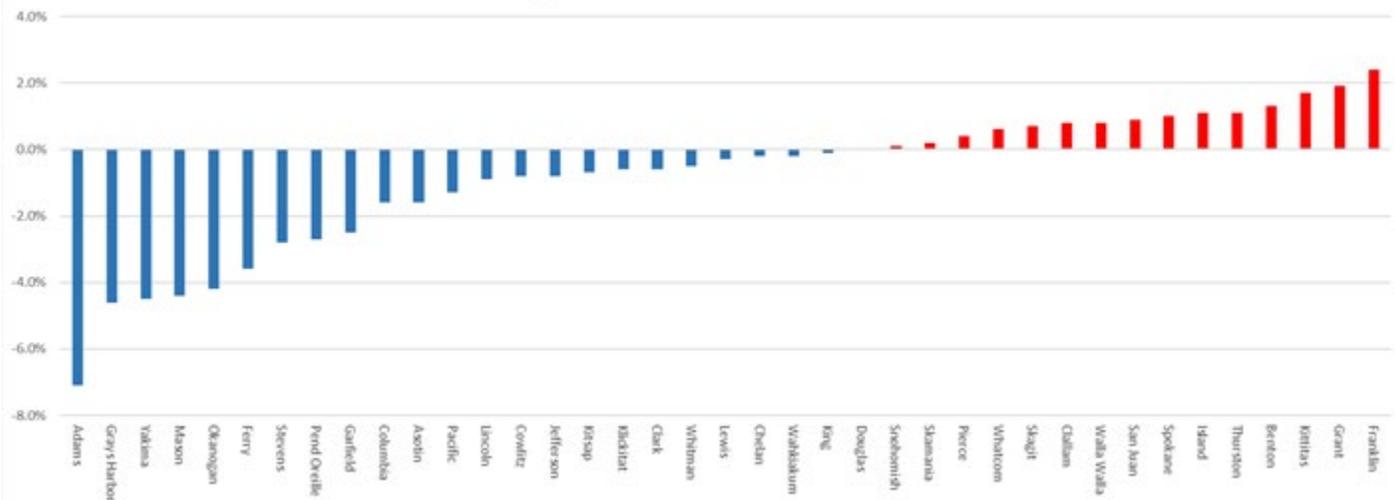


Figure 6: Based on OFM adjusted 1-year estimates

Figure 7 shows the uninsured rates for urban vs. rural counties in 2018 and 2019.¹ Thirty of the 39 counties in Washington state are rural and the remaining nine are urban: Benton, Clark, Pierce, King, Kitsap, Snohomish, Spokane, Thurston and Whatcom.

In 2018 and 2019, rural counties generally had higher uninsured rates than urban counties.

¹ RCW 82.14.370 defines a “rural county” as “a county with a population density less than 100 persons per square mile.” Subsequent legislation expanded the definition to include “a county smaller than two hundred twenty-five square miles.”

Uninsured rate by county, grouped by rural/urban, 2018 – 2019

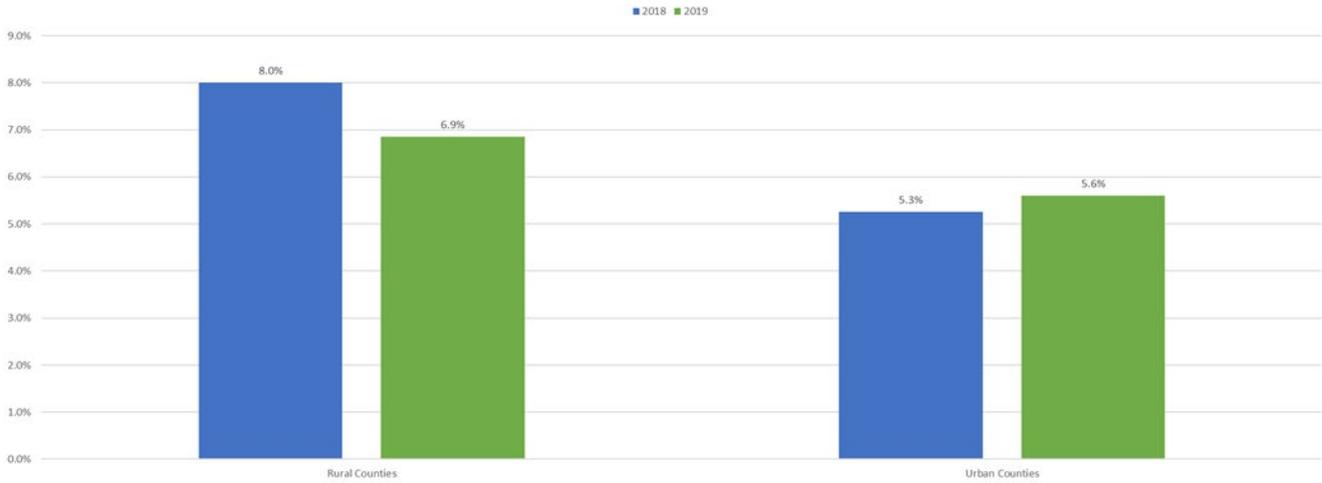


Figure 7: Based on OFM adjusted 1-year ACS estimates

Figure 8 shows the change in the uninsured rate from 2018 to 2019 in urban and rural counties.

Change in uninsured rate, counties grouped by urban/rural, 2018 – 2019

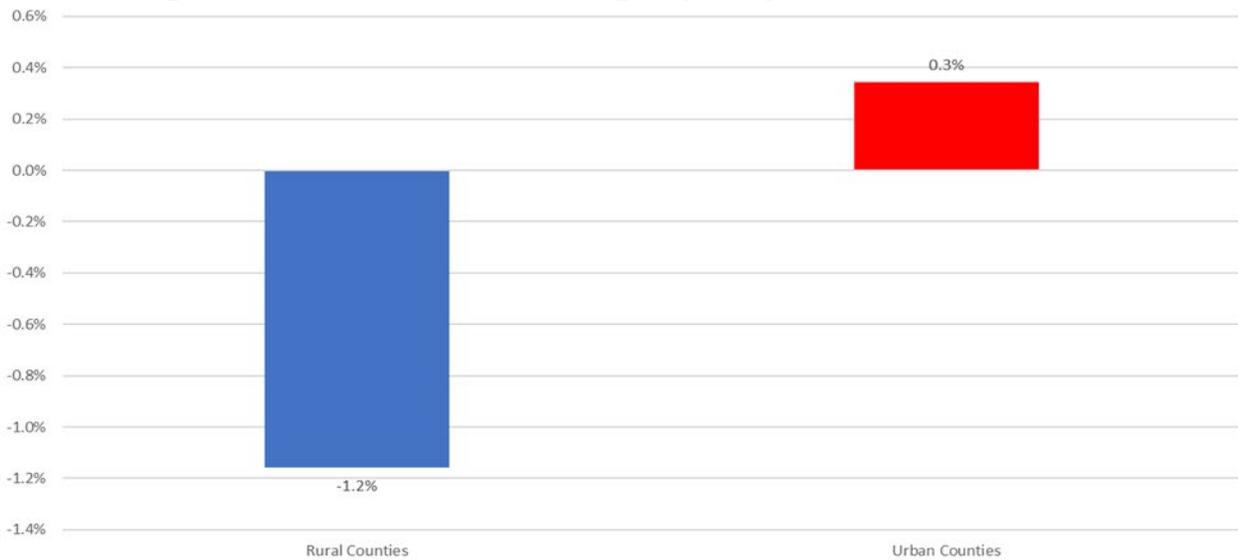


Figure 8: Based on OFM adjusted 1-year ACS estimates

Rural counties saw a decrease of 1.2%, while urban counties saw a very slight increase of 0.3%, reinforcing that urban counties already had a relatively low rate of uninsured people.

Who are the uninsured?

The ACA greatly increased access to health insurance to all people in Washington state. It extended Medicaid coverage to many people through subsidies based on income. The next section details the

uninsured population by age, sex, race and household income. These analyses show that health insurance coverage increased broadly over the past five years among all demographics that we studied.

Age

Figures 9 and 10 detail the change in uninsured rates from 2015 to 2019 by age group.

Washington state uninsured rate by age group, 2015 – 2019

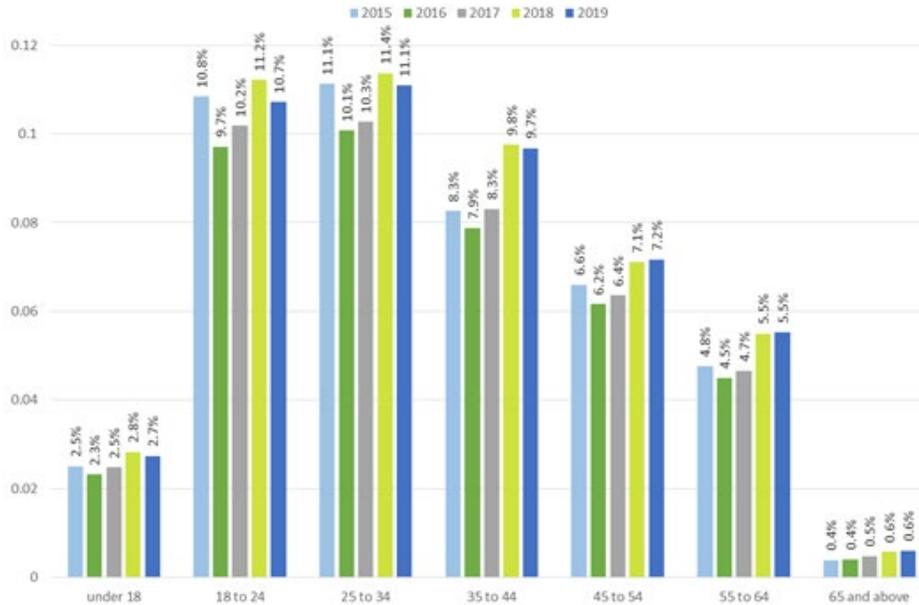


Figure 9: Based on OFM adjusted 1-year ACS estimates

Washington uninsured rate by age group, 2015 – 2019

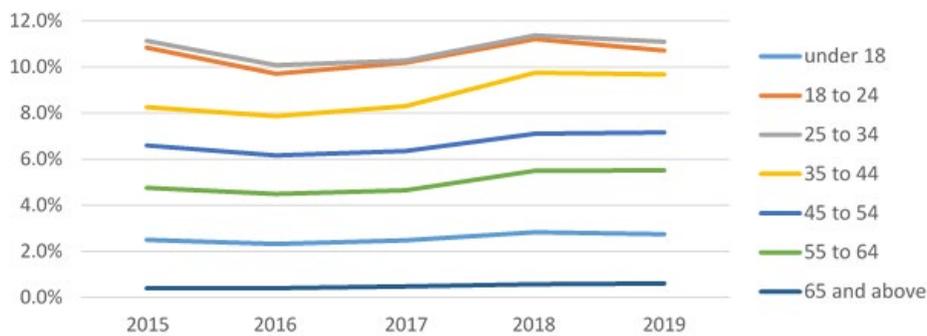


Figure 10: Based on OFM adjusted 1-year ACS estimates

The uninsured rate remained relatively consistent from 2015 to 2019 for all age groups, with an average increase of only 0.7%.

- The lowest average uninsured rate for all age groups was 5.4% in 2016.
- People ages 18 to 44 consistently had the highest uninsured rate, with an average of 10%.
- People 65 years and older had the lowest uninsured rate by a substantial margin, with an average of 0.5%. People over age 65 are insured largely through Medicare.

Uninsured rates by age group from 2016 to 2019:

- People under 18 increased marginally from 2.5% to 2.7%.
- People ages 18 to 24 increased 1%, from 9.7% to 10.7%.
- People ages 25 to 34 increased 1%, from 10.1% to 11.1%.
- People ages 35 to 44 had the largest increase of 1.8%, from 7.9% to 9.7%.
- People ages 45 to 54 age increased 1%, from 6.2% to 7.2%.
- People ages 55 to 64 increased 1%, from 4.6% to 5.6%.
- People ages 65 and older increased marginally from 0.4% to 0.6%.

Figure 11 shows the uninsured rates by age group by rural and urban counties for 2019. Generally, rural counties tend to have higher uninsured rates for people ages 18 to 54.

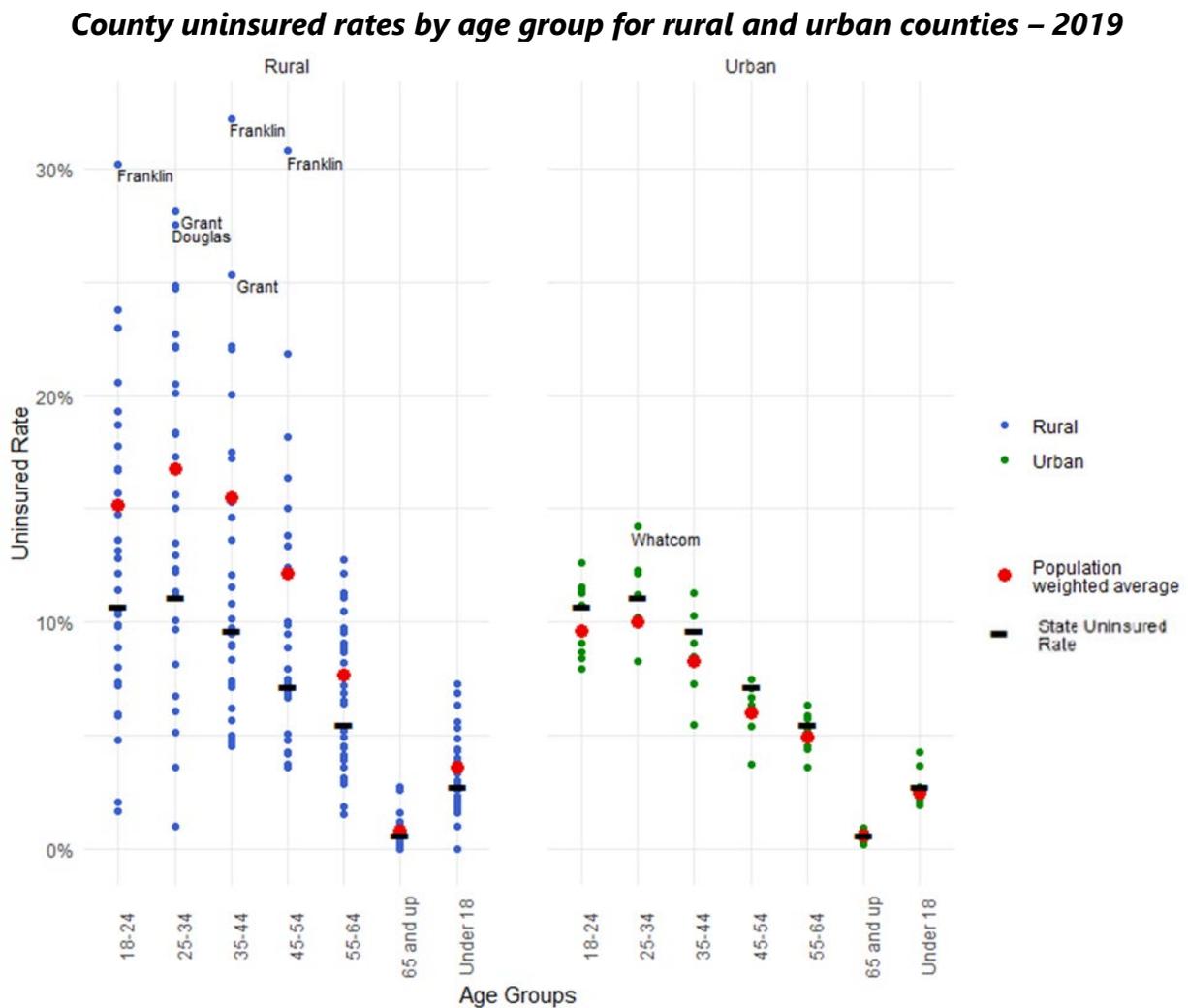


Figure 11: Based on OFM adjusted 1-year ACS estimates

Sex

The uninsured rate for men averaged 1.6% higher than women. The difference was greatest in 2014, 2018 and 2019, when the uninsured rate for men was 1.8% higher than women. The insurance gap was smallest in 2015 and 2016, when the uninsured rate for men was 1.3% higher than it was for women.

The figure below shows the uninsured rates for men and women from 2014 to 2019.

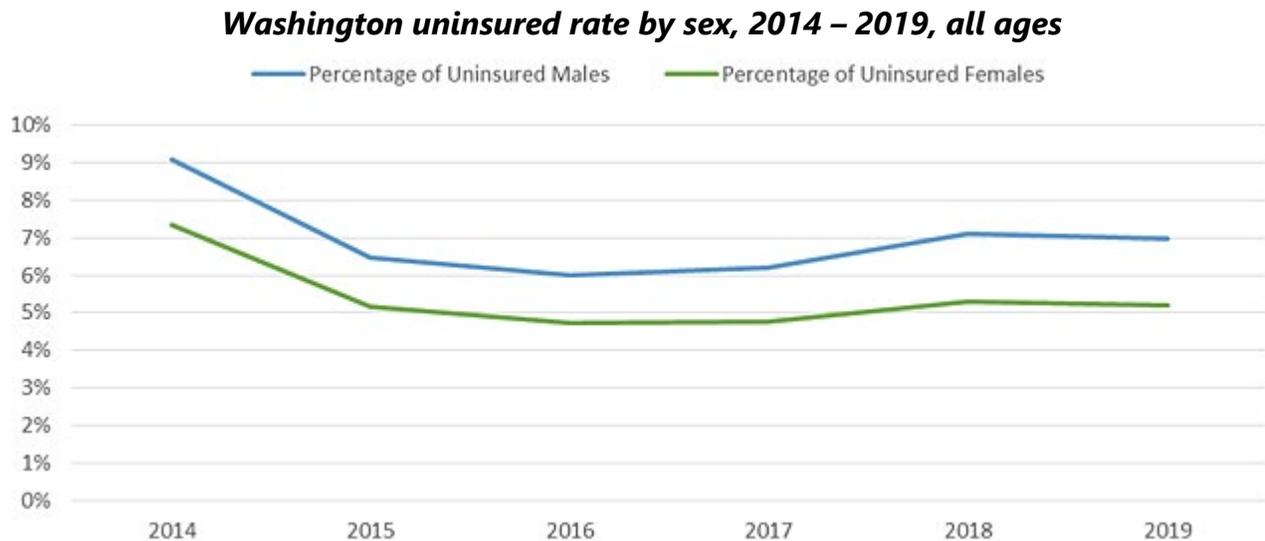


Figure 12: Based on OFM adjusted 1-year ACS estimates

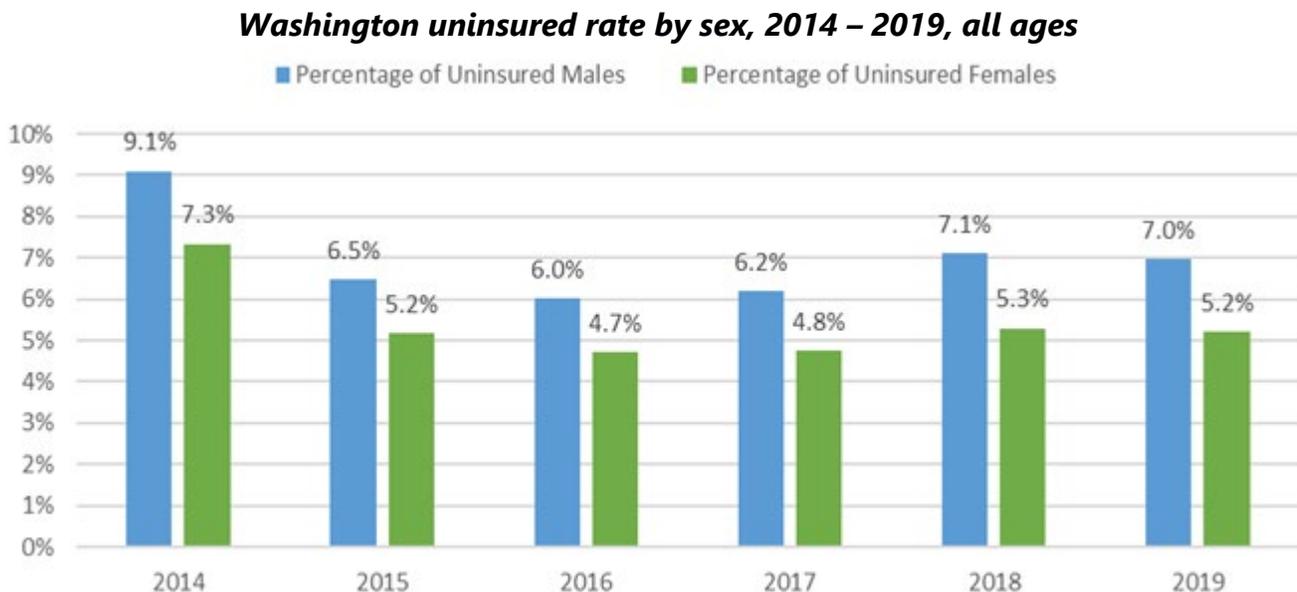


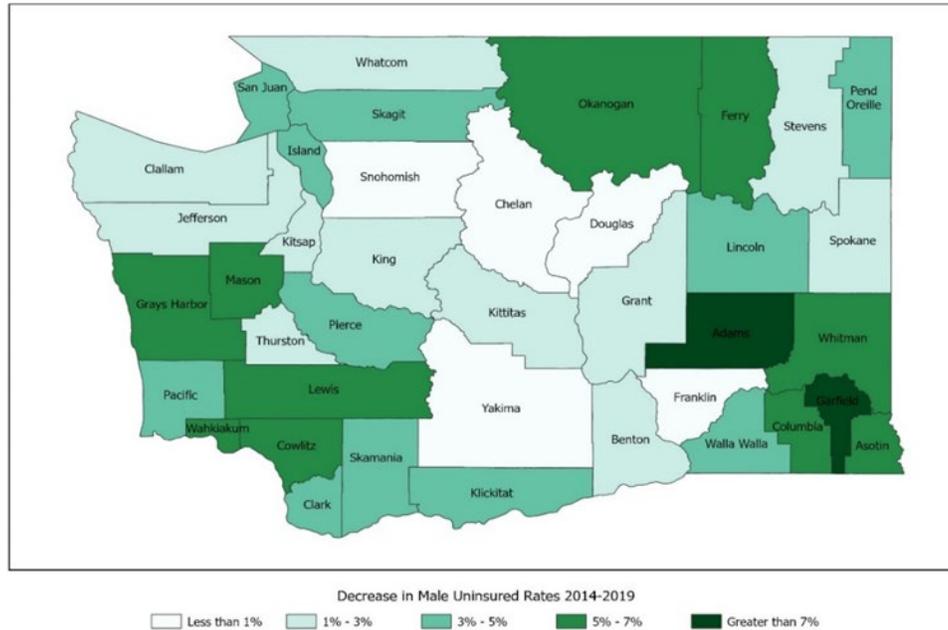
Figure 13: Based on OFM adjusted 1-year ACS estimates

In 2014, Adams County had the highest rate of uninsured men at 18.5% and Franklin County had the highest rate of uninsured women at 16.3%. In 2019, Franklin County had the highest uninsured rate for both men and women at 18% and 15.8% respectively.

The greatest drop in uninsured for either sex from 2014 to 2019 occurred in Adams County. For men, the rate dropped 10.5%, from 18.5% in 2014 to 8% in 2019. The rate of uninsured women fell 8.1%, from 14.8% in 2014 to 6.7% in 2019.

Figure 14 illustrates the decrease in uninsured rates for men and women by county.

Decrease in male uninsured rates by county, 2014 – 2019



Decrease in female uninsured rates by county, 2014 - 2019

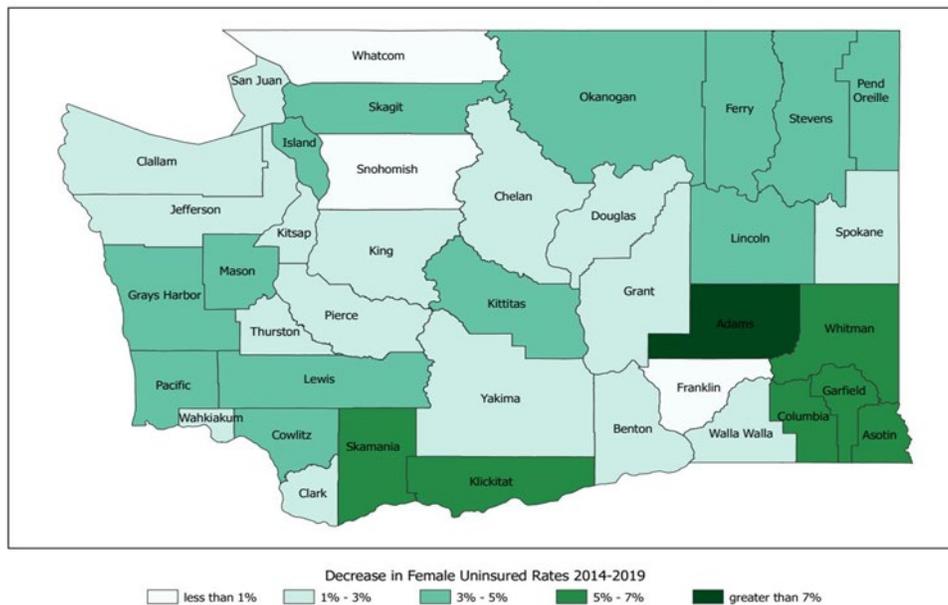


Figure 14: Based on OFM adjusted 1-year ACS estimates

The following counties saw decreases of at least 5% in the rate of uninsured men from 2014 to 2019:

- Adams

- Asotin
- Columbia
- Cowlitz
- Ferry
- Garfield
- Grays Harbor
- Lewis
- Mason
- Okanogan
- Wahkiakum
- Whitman

The rate of uninsured women, while still decreasing statewide, saw decreases of at least 5% in the following counties from 2014 to 2019:

- Adams
- Asotin
- Columbia
- Garfield
- Klickitat
- Skamania
- Whitman

All of the counties with substantial decreases in uninsured rates were rural. Urban counties, including King, Snohomish, Whatcom and Pierce, saw smaller changes for both sexes.

- Across all 39 Washington counties, the average gap between uninsured men and women was 1.9%.
- In 2014, the largest gap between men and women was in Walla Walla County at 3.9%; the uninsured rate for men was 16.1% and rate for women was 12.2%.
- In 2019, Columbia, Garfield and Wahkiakum counties had more uninsured women than uninsured men. In all three counties, the difference was less than 2%.

In 2019, there was a slight decrease in the average statewide uninsured gender gap, at 1.7%.

- The uninsured gap between sexes in Clallam County remained steady at 3.9%.

From 2014 to 2019, the number of counties with a gender gap of 3.5% or more fell from six to two and none of the counties repeated.

- 2014 counties: Walla Walla, Ferry, Adams, Okanogan, Wahkiakum and Mason.

- 2019 counties: Clallam and Douglas.

Figure 15 shows county uninsured rates by sex. Rural counties tend to have a higher uninsured rate for both sexes than urban counties do.

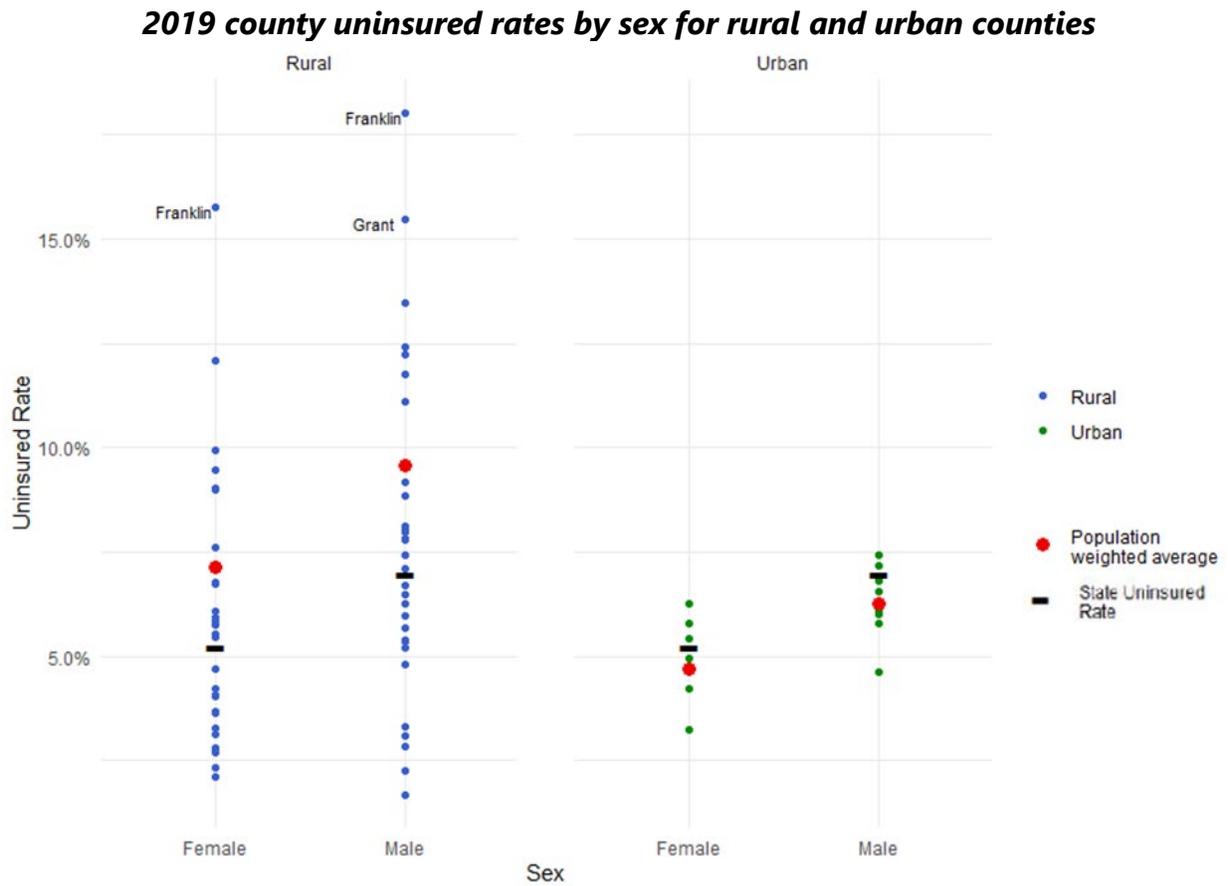


Figure 15: Based on OFM adjusted 1-year ACS estimates

Race

The figure below shows the uninsured rate by race between 2014 and 2019. The race categories were:

- White
- African American/Black
- American Indian/Alaskan Native
- Asian
- Hawaiian and Pacific Islander
- Two or more races (multiracial)
- Some other race (not specified)

People who identify as white, Asian and multiracial have the lowest uninsured rates statewide, a little over 5%. These categories, as well as people who identify as African American/Black, had substantially lower uninsured rates in 2019 than 2014.

The remaining race categories, including American Indian/Alaskan Native, Hawaiian and Pacific Islander, and races not specified had uninsured rates in 2019 that approached or exceeded the rates in 2014.

All race categories except those not specified saw a decrease in the uninsured rate from 2014 to 2019. African American/Black and Asian groups saw the greatest decrease of 3.3% from 2014 to 2019.

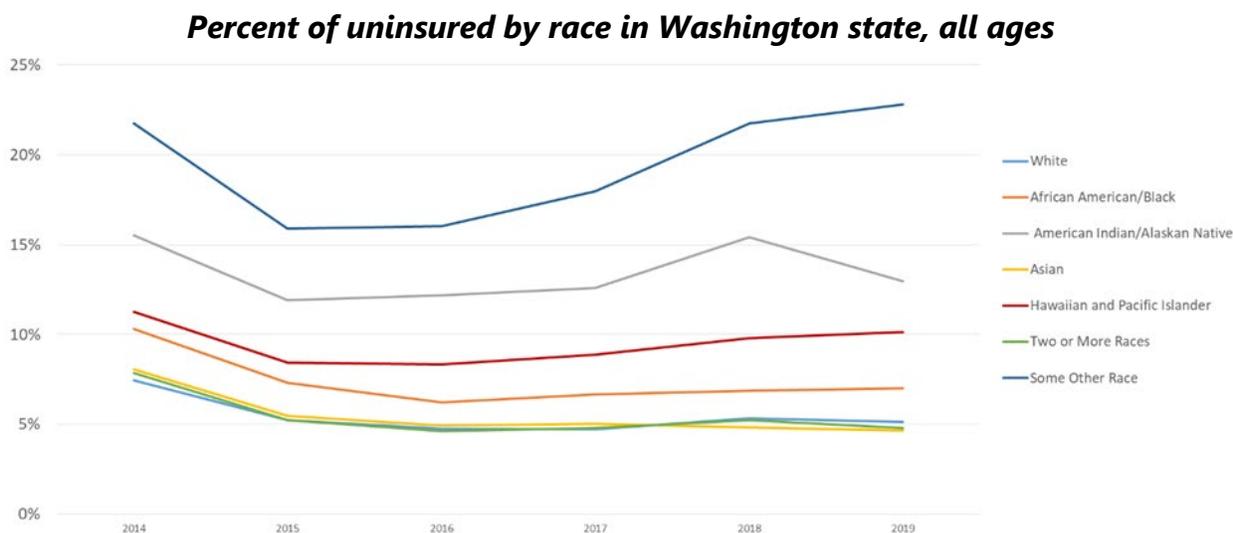


Figure 16: Based on OFM adjusted 1-year ACS estimates

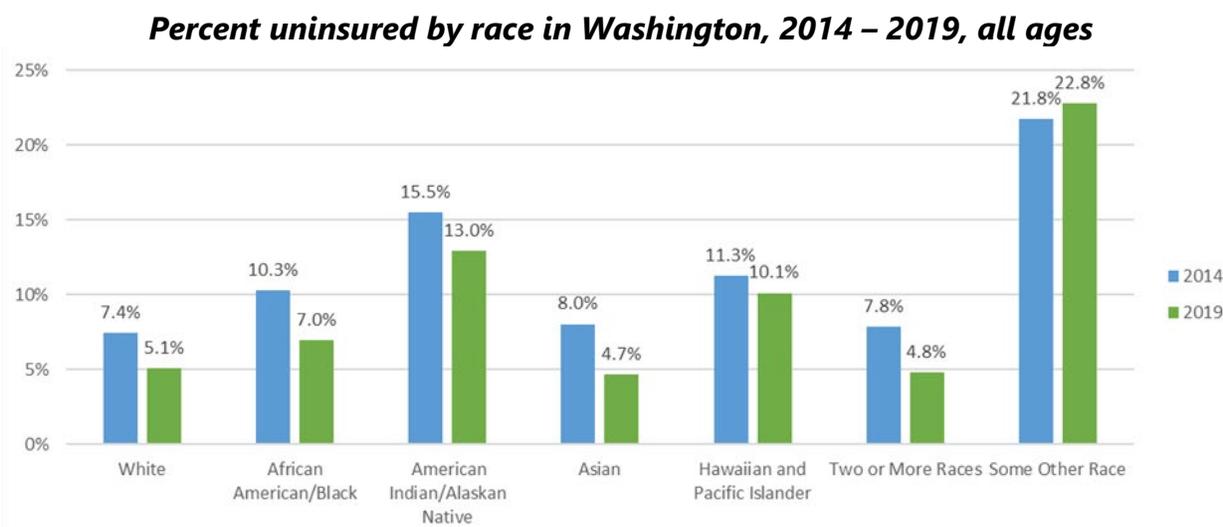


Figure 17: Based on OFM adjusted 1-year ACS estimates

Figure 18 shows uninsured rates in each county by race. On average, there was no significant difference between the rural and urban uninsured rates for each racial group.

2019 county uninsured rates by race for rural and urban counties

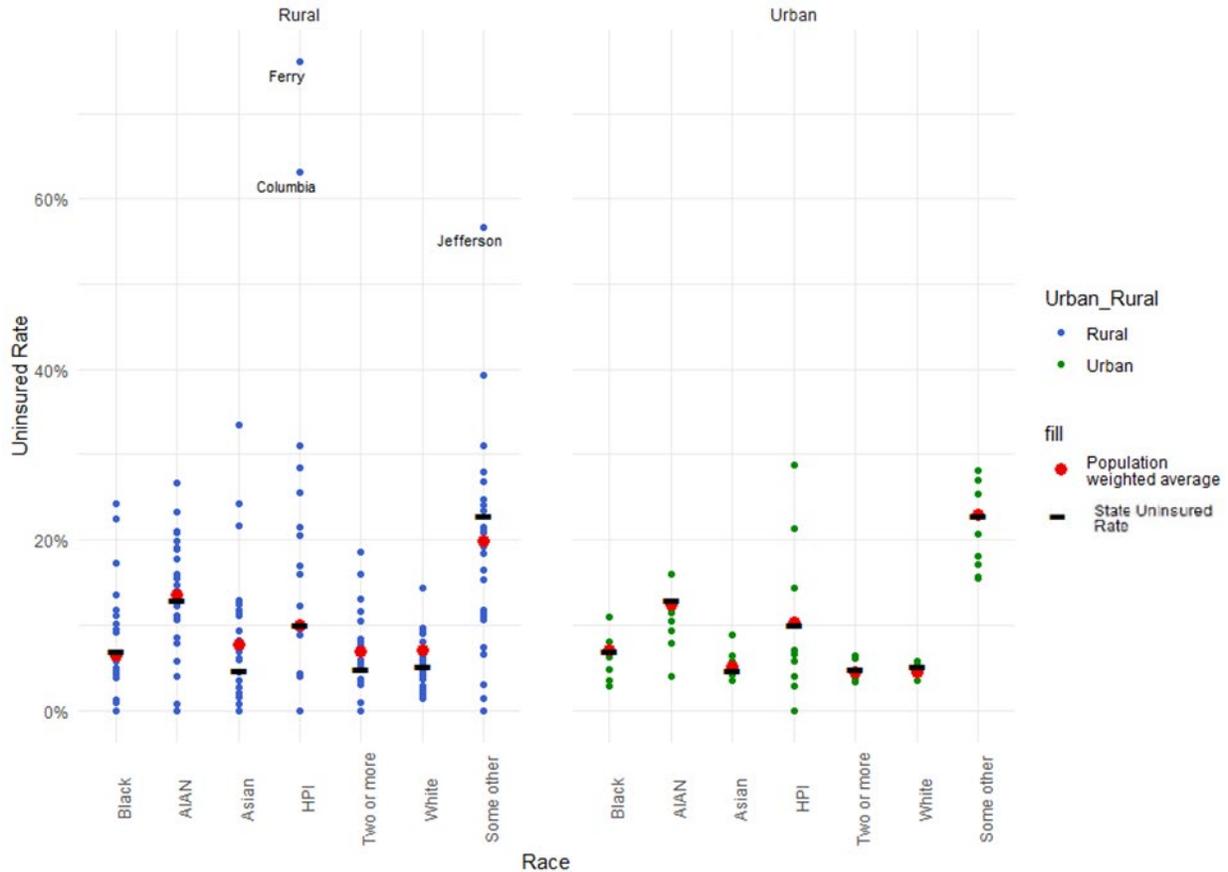


Figure 18: Based on OFM adjusted 1-year ACS estimates.
 AIAN = American Indian/Alaskan Native populations.
 HPI = Hawaiian and Pacific Islander populations.

Income

Figure 19 shows the uninsured rate by income from 2014 to 2019. Consistent with other categories, the uninsured rate remained relatively constant across income groups. People with household incomes below \$49,999 saw the greatest decrease in the uninsured rate.

From 2014 to 2019:

- The uninsured rate for people with incomes below \$25,000 decreased 5.2%, from 14.1% to 8.9%. That's a nearly 37% decrease in the uninsured rate for this group.
- The uninsured rate for households with incomes of \$25,000 - \$49,999 decreased 2.6%, from 12.6% to 10%.

Percent of uninsured by household income in Washington state, 2014 – 2019

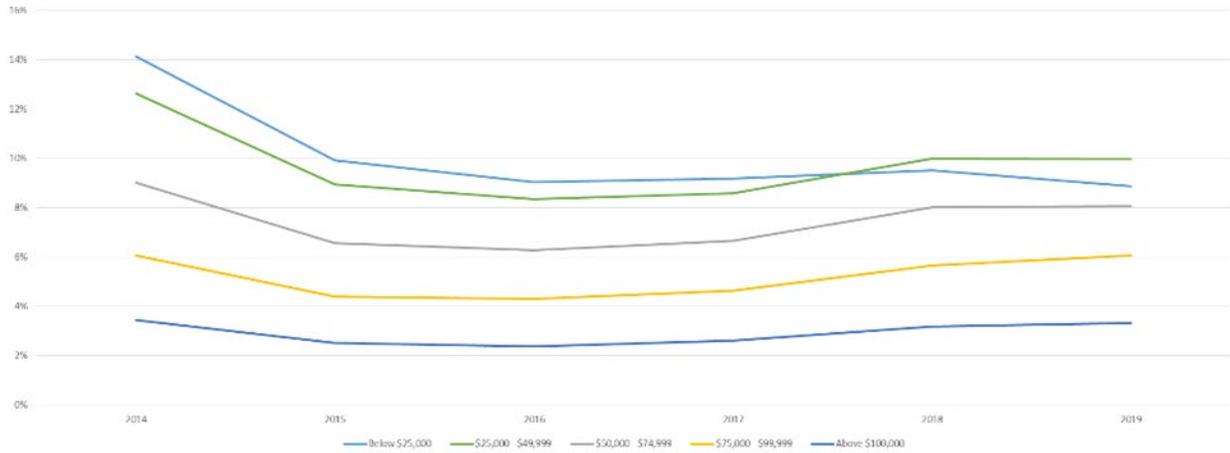


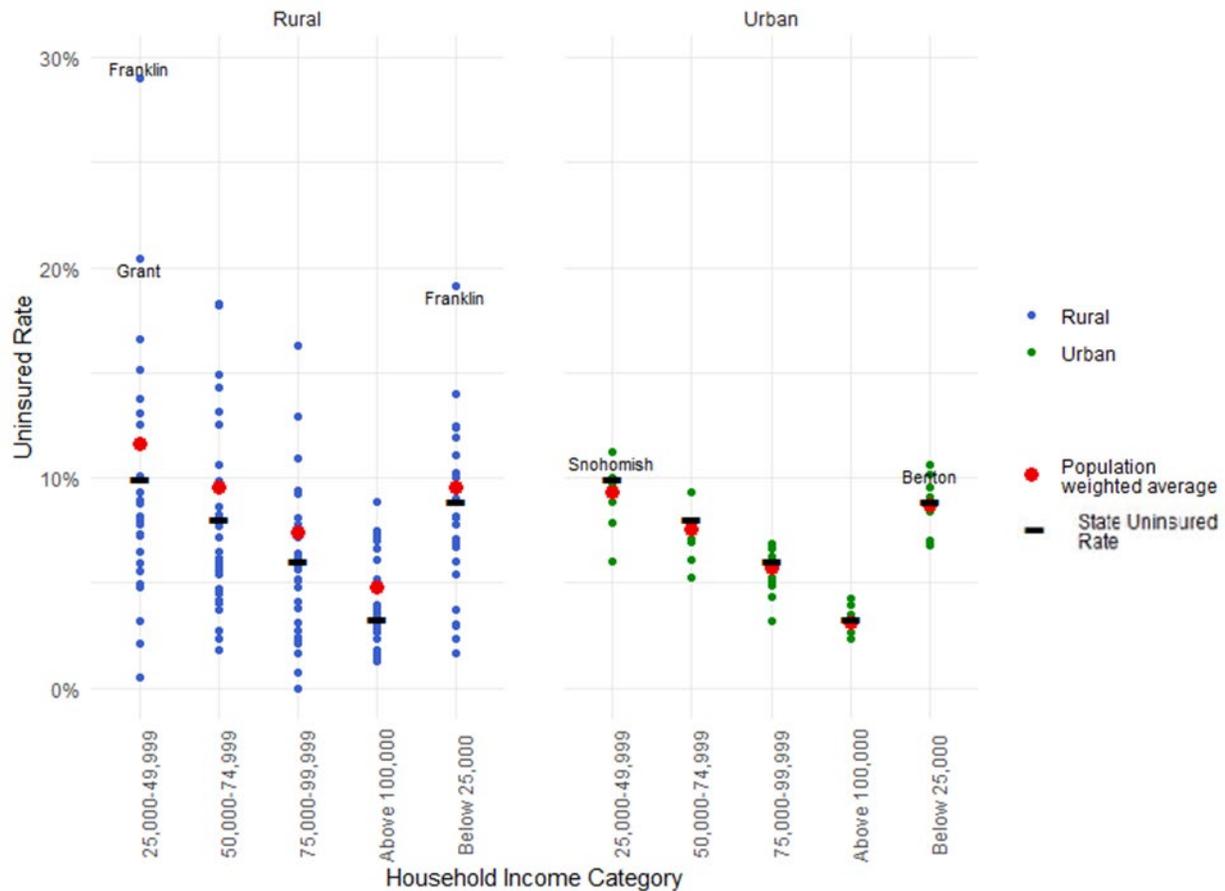
Figure 19: Based on OFM adjusted 1-year ACS estimates

Adults who earn 138% of the federal poverty level are eligible for Medicaid. Qualifying incomes vary depending on how many people are in the household, as shown below for 2020.

Household size	Federal Poverty Level (FDL)	138% FPL
1	\$12,760	\$17,609
2	\$17,240	\$23,792
3	\$21,720	\$29,974
4	\$26,200	\$36,156
5	\$30,680	\$42,339
6	\$35,160	\$48,521
7	\$39,640	\$54,704
8	\$44,120	\$60,886
9	\$48,600	\$67,068

The average household size in Washington is [between two and three people](#). Therefore, Medicaid-eligible families were mostly captured in the categories of Below \$25,000 and \$25,000-\$49,999 in Figure 19. Those two groups saw the steepest decline in uninsured rates, 3.7% from 2014 to 2019, though other household income groups saw declines during this period as well. Starting in 2015, the uninsured rates were largely stable, with a slight increase in 2018.

2019 county uninsured rates by household income for rural and urban counties



Rural counties had more uninsured people in all income levels than urban counties. This is consistent with our findings for all other demographics.

Health coverage sources

Nearly half of all people in Washington state get health insurance exclusively through an employer. Medicaid is the second most common source of coverage; enrollment increased from 12.4% in 2014 to 15.3% in 2019. Other coverage sources remained relatively stable, varying less than 1%. It's important to note that each year, over 17% of people have two or more types of coverage, meaning the other sources would cover greater percentages of residents than indicated in Figure 20.²

Figure 20 shows the distribution of coverage types from 2014 to 2019.

² For example: Someone who receives health coverage from an employer and from Medicaid would be counted as having two or more coverages, but would not be counted in the Employer Based Insurance or Medicaid categories

Change in insurance coverage types – 2014, 2017 and 2019

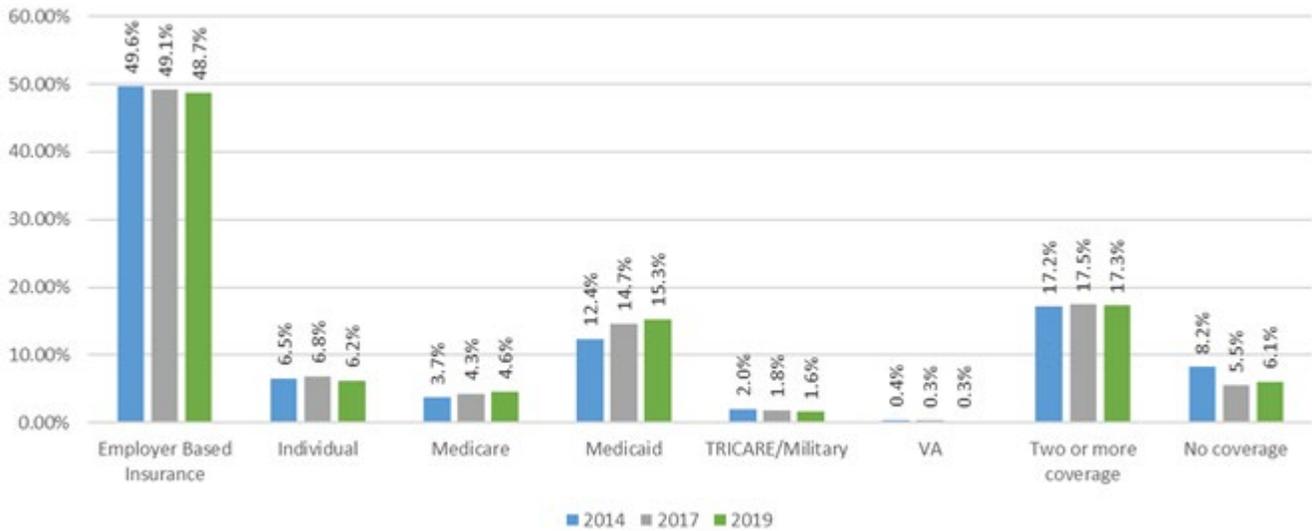


Figure 20: Based on OFM adjusted 1-year ACS estimates

Uncompensated care

There is a direct correlation between the number of uninsured people in Washington state and the costs for uncompensated care. With the passage of the ACA and increased access to health insurance, uncompensated care costs have decreased.

Federal and state laws prohibit emergency departments at hospitals from denying care and help defray the costs associated with treating uninsured people. Prior to 2014, many uninsured people would wait until they were very sick or suffered an emergency to seek health care, often at emergency rooms.

The lowest rates of uncompensated care and uninsured were in 2016. This followed a steep drop after the implementation of the ACA in 2014. Because more people were insured than ever before, fewer people needed uncompensated care. With a slight increase in the number of uninsured people in 2017 and 2018, uncompensated care costs increased similarly.

Uncompensated care in Washington as a percent of hospital expenses

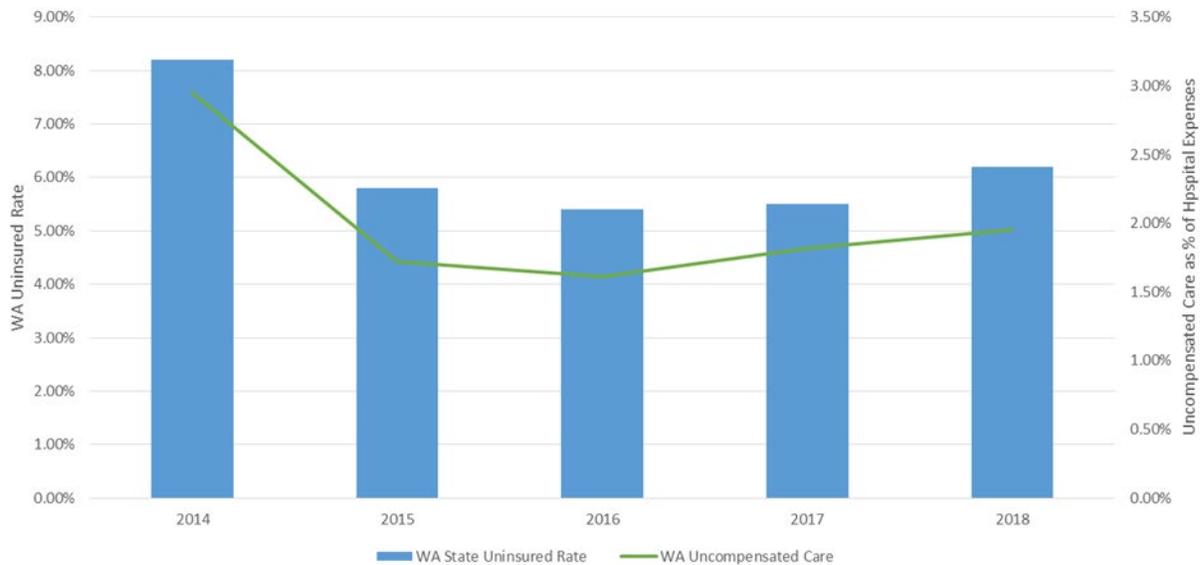


Figure 21: Based on OFM adjusted 1-year ACS estimates

COVID-19 was likely responsible for increased uncompensated care costs in 2020. The Coronavirus Aid, Relief, and Economic Security (CARES) Act's Provider Relief Fund was used to reimburse providers for treating uninsured patients with COVID-19; however, eligibility for the funding is contingent on COVID-19 being the primary diagnosis. For example, patients with sepsis caused by COVID-19 are treated for COVID symptoms, but because the primary diagnosis is sepsis [the provider cannot request reimbursement](#). Further, providers are not required to participate in the program and provider relief is contingent on available funding. Despite federal relief efforts, uncompensated care for COVID-19 treatment, testing and vaccine administration is likely to be high.

Data from the Centers for Disease Control and Prevention (CDC) shows claims reimbursement to health care providers and facilities for COVID-19 testing, treatment, and vaccine administration of the uninsured. Claims paid to Washington state providers as of Aug. 27, 2021, were:

- Testing: \$71,401,397
- Treatment: \$28,487,426
- Vaccines: \$2,804,960
- **Total claims: \$102,693,783**

Market enrollment trends related to the pandemic

Enrollment in the commercial insurance market – the small, large and individual markets – in Washington state saw big changes in the first half of 2020. Companies reported enrollment shifts starting in February 2020 from plans covering an enrollee and dependents to enrollee-only plans. This could be because the large group market lost 20.2% of its enrollees between December 2019 and March 2020, with steady decline thereafter due to the onset of pandemic and massive employee layoffs.

The large group market regained 0.75% of the market by December 2020 and maintained a steady enrollment with minor fluctuations through the end of the reporting period in March 2021. It appears the newly uninsured people from the large group market during the pandemic found refuge in low-premium plans, hence the spike in enrollee-only plans.

Health insurance enrollment trends for the commercial market (Includes small, large and individual market)

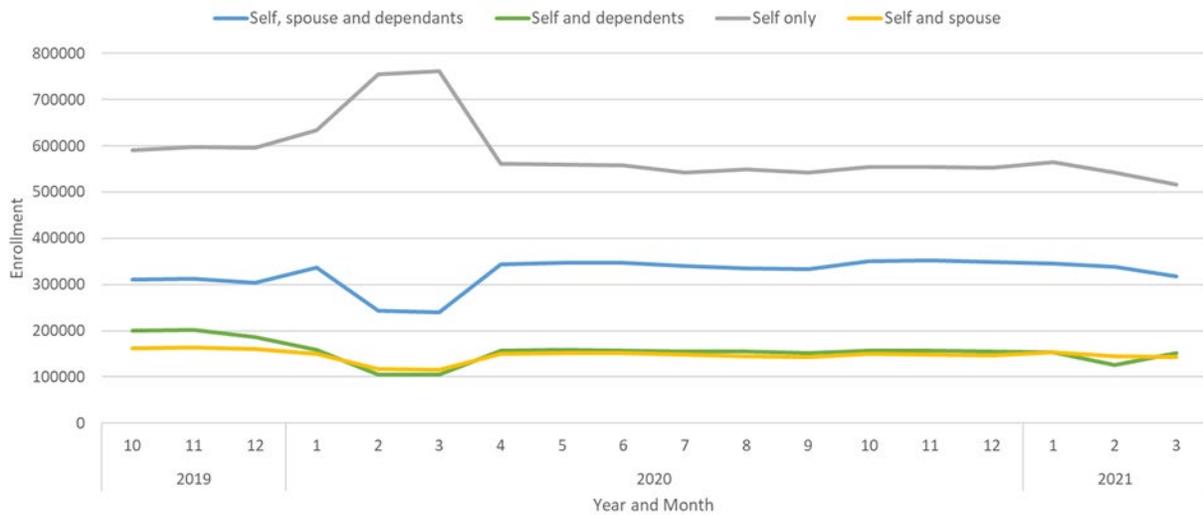


Figure 22: Insurance companies' reporting to the OIC

Market fluctuation during the pandemic

In this section, we took a deeper look at health insurance markets during the pandemic.

Large group market enrollment

The large group market sells employer-based insurance to employers with 51 or more employees.

Large group enrollment – trend by tier

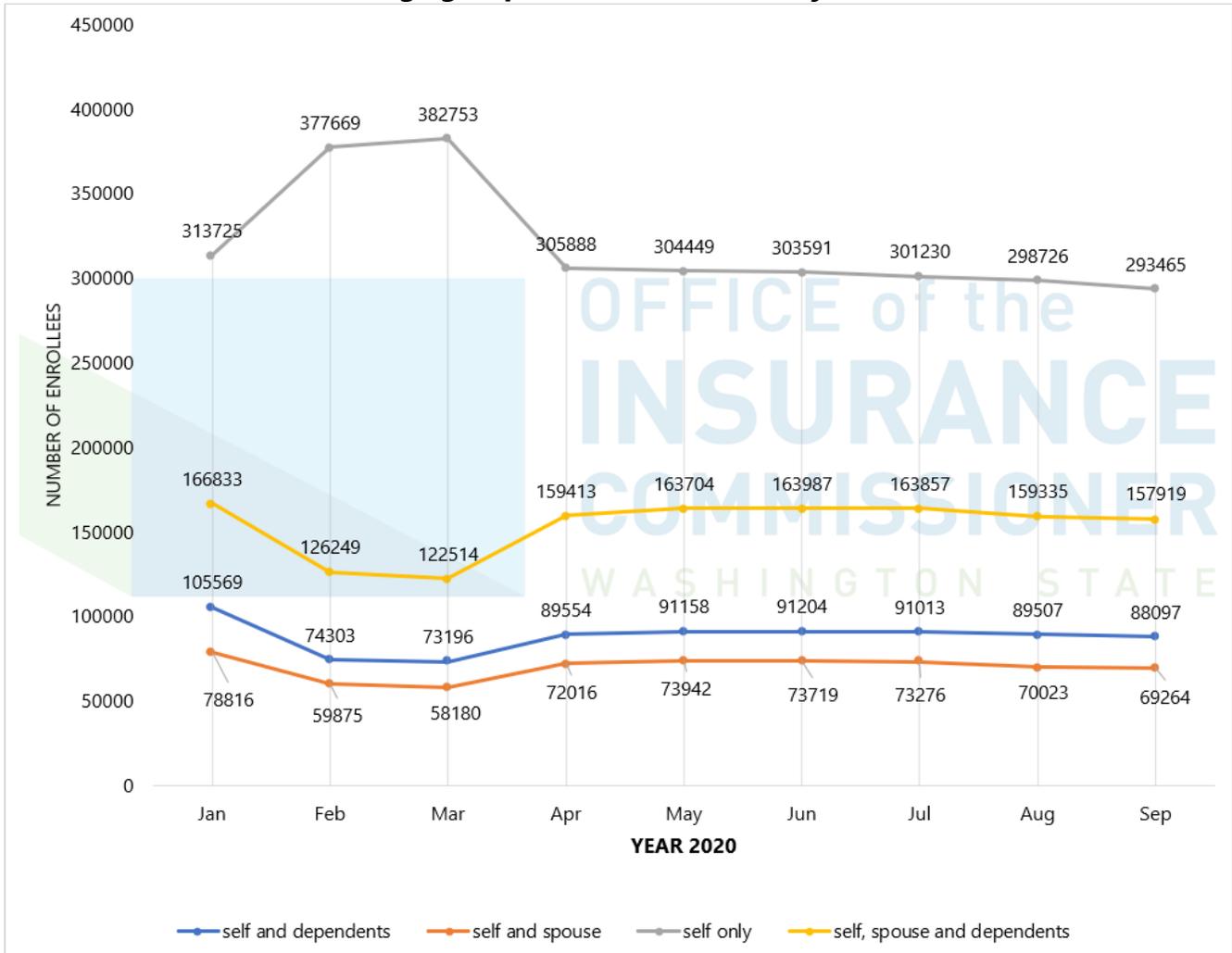


Figure 23: OIC health insurance enrollment data call to insurance companies

As the employer-based, fully insured market saw a loss in enrollment, all other plans with dependents saw a sharp spike in February and March 2020. This could be the result of enrollees losing coverage for their dependents through their employers and the newly uninsured dependents enrolling in their own employer-based insurance in the most affordable plan available.

Individual market enrollment – trend by tier

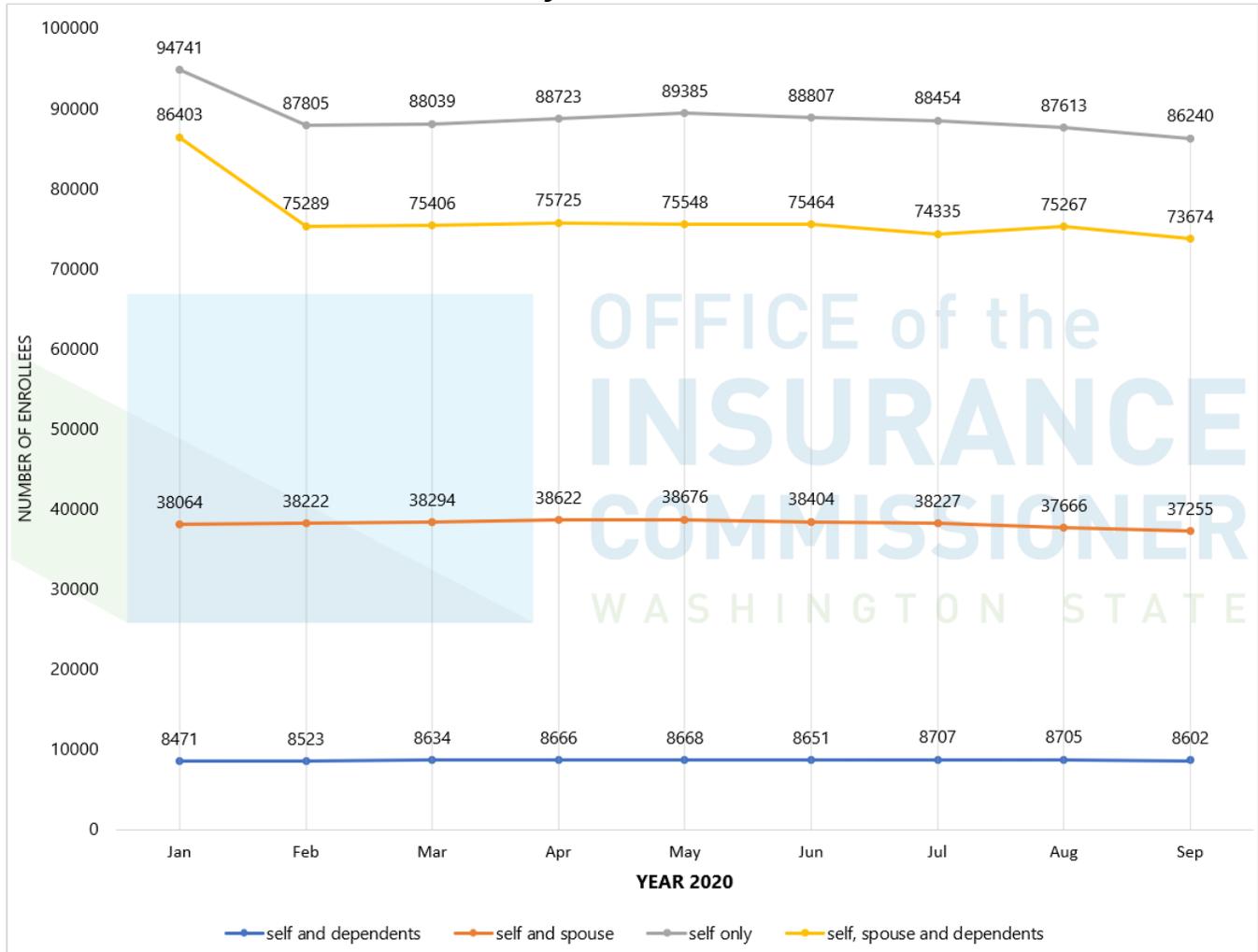


Figure 24: OIC health insurance enrollment data call to insurance companies

The individual market sells coverage to individuals who do not get employer-sponsored health insurance. As large group plans with dependents experienced a sharp decrease in enrollees, similar plans in the individual market experienced a sharp increase. This shift suggests many newly uninsured residents found health coverage through the state’s expansion of Medicaid.

The individual market is recovering better than any other market since the start of the pandemic. Enrollment in the individual market increased by about 5% from March 2020 to March 2021, with 212,285 new enrollees.

Small group enrollment – trend by tier

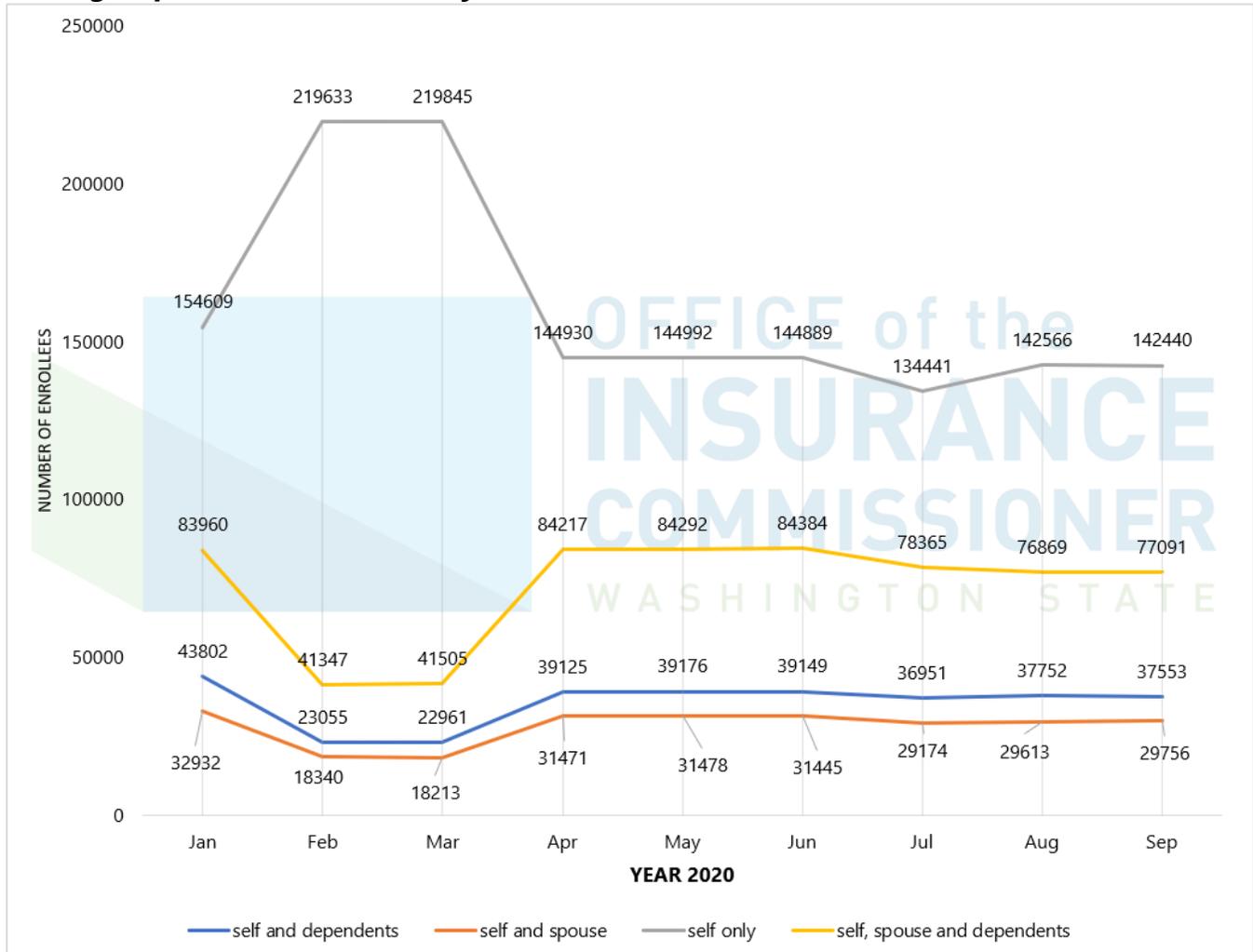


Figure 25: OIC health insurance enrollment data call to insurance companies

The small group market sells employer-based insurance to employers with 50 or fewer employees and experienced more decline in enrollment than the large group market. The small group market lost 4% of its enrollees due to the pandemic. Like the large group market, the small group market had a sharp increase in its enrollee-only plans while all other plans experienced sharp decreases. This is consistent with enrollees losing coverage for their dependents through their small-business employers and the newly uninsured dependents enrolling into their own employer-based insurance in the most affordable plan available.

COVID-19 impacts on uninsured rates

The following chart shows each county's uninsured rate prior to the COVID-19 pandemic started in March 2020, in May 2020, and in February 2021.

County	Pre COVID 19 2020	May 2020	February 2021
Adams	7.3%	11.1%	7.2%
Asotin	2.7%	3.9%	2.3%
Benton	6.1%	11.5%	5.9%
Chelan	10.5%	16.3%	10.4%
Clallam	9.0%	13.2%	8.7%
Clark	5.5%	9.9%	5.0%
Columbia	3.0%	5.9%	3.0%
Cowlitz	5.2%	10.2%	5.2%
Douglas	11.8%	17.7%	13.1%
Ferry	7.3%	9.9%	6.6%
Franklin	17.1%	19.5%	17.0%
Garfield	2.0%	4.2%	0.4%
Grant	13.8%	17.1%	13.6%
Grays Harbor	4.5%	11.4%	4.6%
Island	5.4%	9.6%	5.3%
Jefferson	6.9%	11.6%	6.7%
King	5.1%	13.0%	4.8%
Kitsap	3.9%	9.0%	3.7%
Kittitas	7.4%	13.0%	7.5%
Klickitat	6.0%	8.7%	5.5%
Lewis	6.1%	11.1%	5.7%
Lincoln	3.1%	5.5%	2.2%
Mason	4.1%	9.1%	3.7%
Okanogan	8.3%	11.4%	8.2%
Pacific	4.1%	8.7%	3.7%
Pend Oreille	6.7%	9.5%	5.8%
Pierce	5.5%	12.7%	5.2%
San Juan	5.0%	10.8%	3.5%
Skagit	6.8%	12.2%	6.4%
Skamania	6.1%	10.1%	6.7%
Snohomish	6.7%	14.5%	6.5%
Spokane	6.0%	11.6%	5.6%
Stevens	7.1%	10.3%	6.8%
Thurston	5.8%	12.1%	5.6%
Wahkiakum	3.5%	6.6%	3.8%
Walla Walla	11.1%	16.8%	10.8%
Whatcom	6.5%	12.4%	6.3%
Whitman	4.6%	7.5%	4.4%
Yakima	10.7%	15.2%	10.6%
State average	6.6%	11.2%	6.3%

From February to May 2020, every county saw an increase in the number of uninsured people. Figure 26 below shows the change in the uninsured rates for each county during this time.

- King County had the largest increase at 7.9%, from 5.1% to 13%.
- Asotin County had the smallest increase at 1.2%, from 2.7% to 3.9%.
- The difference in these increases could be explained by the Medicaid and Medicare enrollments. In 2019, 11.2% of King County residents were covered by Medicaid, while 19.4% of people in Asotin County were covered by Medicaid.
- In 2019, 58.8% of King County’s population had health insurance through an employer, whereas that figure in Asotin County was only 39.2%.
- Therefore, Asotin County already had a larger portion of their population insured through government insurance programs and far fewer covered by employer-based insurance.

County uninsured rate difference between pre-COVID 2020 and May 2020

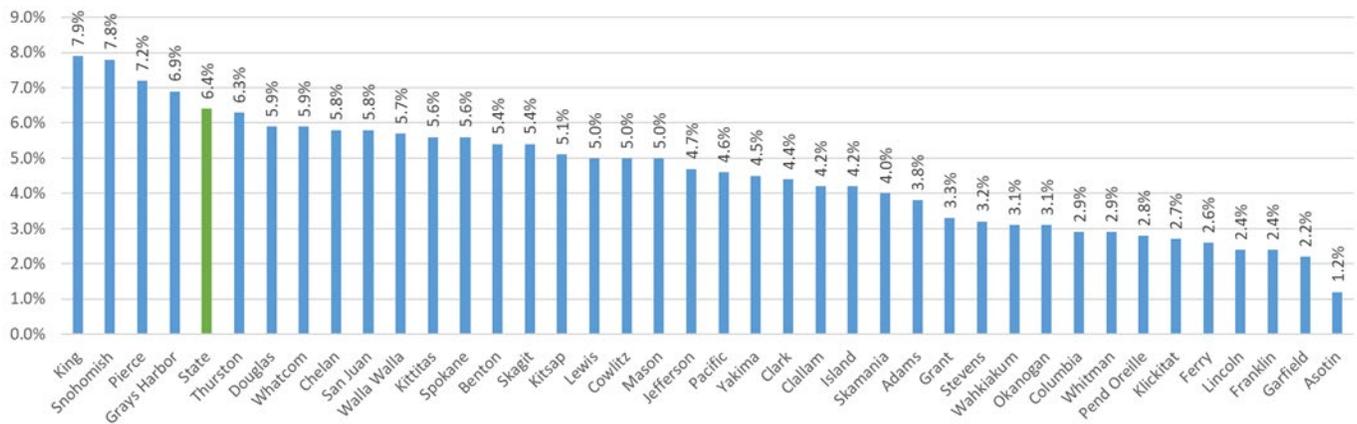


Figure 26: Based on OFM adjusted 2019 1-year ACS simulation file estimates

From May 2020 to February 2021, every county saw a decrease in the uninsured rate, as shown below. Interestingly, Figure 27 is largely the inverse to Figure 26, showing the increase in the uninsured rate from February to May 2020.

Across all counties, uninsured rates largely returned to pre-COVID-19 rates.

Difference between May 2020 and Feb. 2021

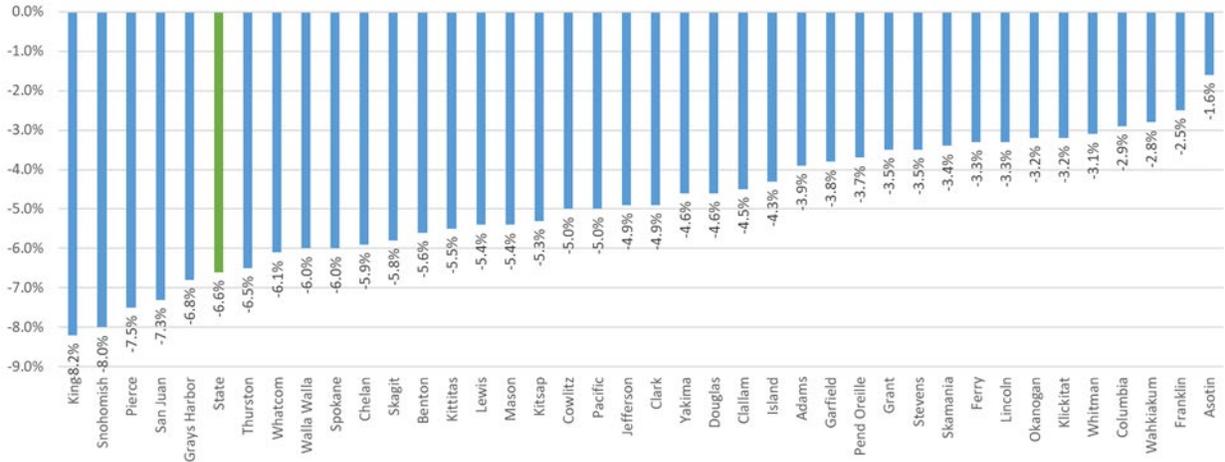


Figure 27: Based on OFM adjusted 2019 1-year ACS simulation file estimates

As of February 2021, the statewide uninsured rate was 6%; prior to the start of the COVID-19 pandemic in March 2020, the rate was 6.2%.

- Garfield County had the greatest change, with a decrease of 1.6%.
- Seven counties either had no change or had an increase in their uninsured rates.
- Douglas County had the greatest increase, at 1.3%.

County uninsured rate difference between pre-COVID 2020 and Feb. 2021

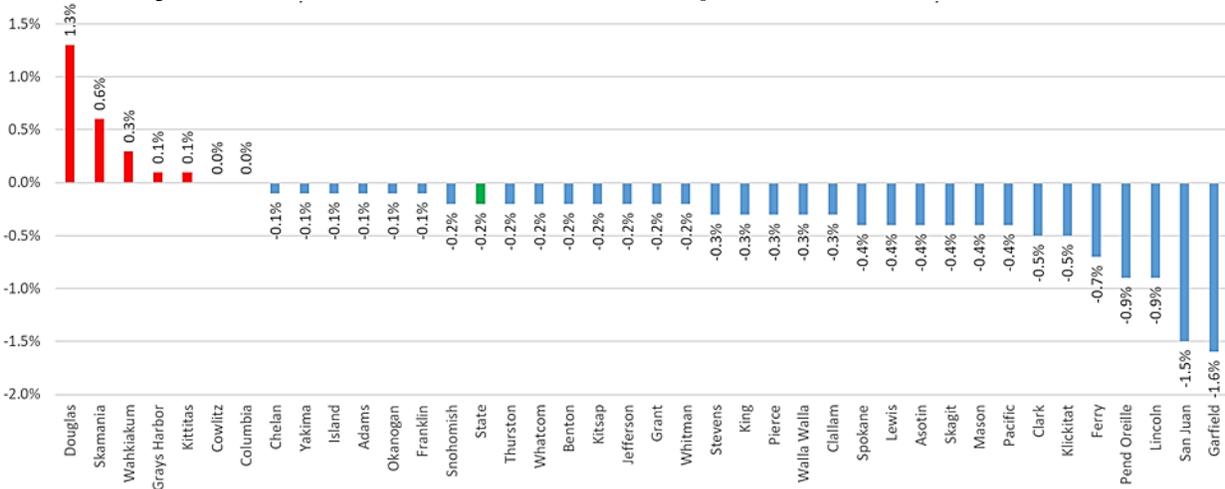


Figure 28: Based on OFM adjusted 2019 1-year ACS simulation file estimates

Figure 29 compares the average uninsured rate of urban and rural counties from February 2020 to March 2021.

Estimated uninsured county uninsured rates based on urban-rural classification

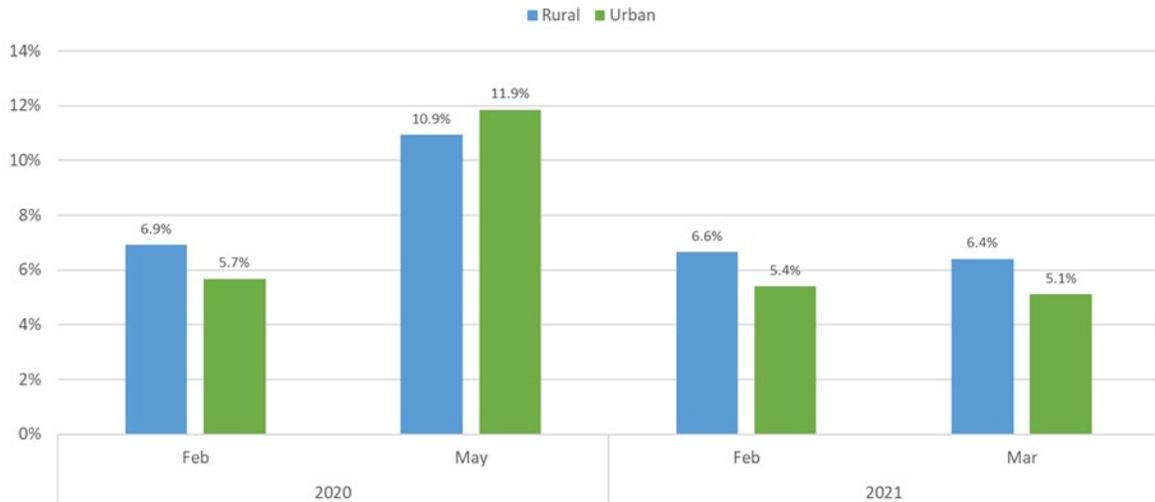


Figure 29: Based on OFM adjusted 2019 1-year ACS simulation file estimates

Prior to the COVID-19 pandemic, the uninsured rate in rural Washington counties averaged 1.2% higher than urban counties. While the uninsured rate increased in all counties from February to May 2020, it did not increase equally.

- Urban counties: The average uninsured rate increased 6.2%, from 5.7% to 11.9%.
- Rural counties: The average uninsured rate increased 4%, from 6.9% to 10.9%.

The data shows COVID-19 had a greater impact on health insurance coverage for people in urban counties than it did in rural counties. This is because more people in urban counties have employer-based health insurance, which was the most-affected type of coverage during the pandemic.

Starting in 2019, there was a large decline in the number of enrollees in Washington's large-employer, small-employer and individual insurance markets. These are key sections of the employer-based insurance market but does not include the self-insured market. The trends, even without data from the self-insured market, indicate a decrease in the number of people who enroll in insurance coverage through their employer.

From December 2019 to April 2020, the number of enrollees in employer-based insurance decreased 5.3%, from 1,276,609 to 1,209,116. The data in Figure 30 indicates as of January 2021, enrollment remains at a similar level as the beginning of 2020.

Washington large, small and individual group market enrollment

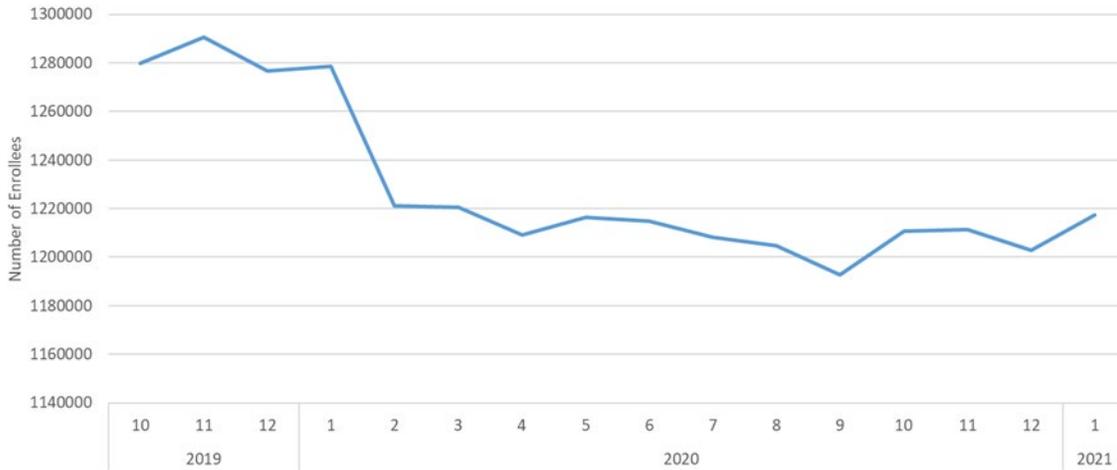


Figure 30: Insurance companies' reporting to the OIC

We must assume the steep decrease in the uninsured rate was a result of the uptake of Medicaid coverage. Throughout the pandemic, [Kaiser Family Foundation \(KFF\) reported changes in managed care organization \(MCO\) enrollment for some states, including Washington](#). MCOs cover over two-thirds of people enrolled in Medicaid. MCO enrollment in Washington increased by 14.8% from March 2019 to March 2020, and another 11.3% from March to December 2020. The metrics for all states analyzed saw the same trend.

Change in MCO Enrollment, March 2019 - December 2020									
State	Enrollment					% Change			
	Mar-19	Mar-20	May-20	Sep-20	Dec-20	March 2019 - March 2020	March 2020 - May 2020	March 2020 - September 2020	March 2020 - December 2020
Washington	1,332,557	1,529,207	1,566,468	1,646,095	1,701,608	14.80%	2.40%	7.60%	11.30%
Overall	33 States Reporting	33 States Reporting	27 States Reporting	31 States Reporting	29 States Reporting	-1.20%	4.10%	11.30%	15.20%

The data analyzed by KFF does not show February 2020 figures, but considering Washington's stay-home order was issued on March 23, 2020, the change from March 2019 to March 2020 is most representative of pre-COVID-19 period.

Data and methodology

The primary data source for the uninsured estimates is the American Community Survey (ACS), produced by the U.S. Census Bureau. The ACS is a period estimate, which means the data are collected continuously over a period of time and represent the entire period rather than a specific point in time, as the decennial census does. The ACS started asking basic health insurance questions in 2008 and expanded the questions the following year.

The uninsured estimates from 2014 to 2019 are based on proportions derived from the one-year ACS estimates and applied to population estimates generated by Washington state's Office of Financial Management (OFM).

ACS uninsured data for each year was adjusted using the more accurate OFM population and uninsured count in its uninsured reports. The ACS count of Medicaid enrollees is far below what the program data from the Washington State Health Care Authority³ shows. The differential between the actual Medicaid enrollment and the number reported by ACS was far greater than any historical differences between the two. To compensate for the low Medicaid number, OFM applied an adjustment to the ACS survey weight to reflect the actual Medicaid enrollment that also took into consideration the historical differences between the ACS and the program data. This adjustment resulted in an increase of over 193,000 enrollees to the Medicaid category and a reduction of an equal amount in other insurance categories, including the uninsured category. The reduction in the other insurance categories was applied based on a RAND study that examined coverage shifts between 2013 and 2014. Consequently, the OFM adjustment to the 2014 ACS produces a statewide uninsured estimate of 8.2%, one full percentage point lower than the unadjusted ACS estimate of 9.2% for 2014. To minimize the impact of the weight adjustment on the distributions of other key data in the ACS survey, OFM employed a survey data technique called “raking” to maintain the same counts of the key data as found in 2014 ACS for Washington.

The 2020 uninsured estimates are based on OFM’s figures. To estimate weekly uninsured rates, OFM used ACS data, detailed OFM population projects for 2020 and 2021, and weekly reports of unemployment insurance claims, qualified health plans and Medicaid enrollment.

The uncompensated care estimates are based on hospital financial and utilization reports from Washington state Department of Health. Uncompensated care charges are defined as the sum of charity care and bad debts. Uncompensated care charges are adjusted to reflect the cost to the hospital rather than the amount billed.

³ The Health Care Authority administers Medicaid in Washington state.