

**Counting the Uninsured:  
A Fact Sheet on Recent Statistics on the Number of Uninsured Children in New Jersey  
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The report this week from the NJ FamilyCare Outreach, Enrollment and Retention Working Group highlighted steps that New Jersey should take to cover a large number of children in the State who are without health insurance coverage. The report noted that according to the newly implemented health insurance check box on the 2008 New Jersey Income Tax Return, 434,455 uninsured children lacked health coverage as of the tax filing date. The most recent estimate available from the US Census Bureau's Current Population Survey (CPS) is about a third lower. This Fact Sheet summarizes possible reasons for this discrepancy.

- The Tax data reflect a single point in time while the CPS measures the number of children uninsured for a full calendar year. The Census Bureau's CPS asks about coverage for an entire calendar year. If a child is reported in the CPS to have had health coverage from any source during the calendar year prior to the survey, that child is not counted as uninsured. Thus, a child who was uninsured for 9 months but was reported to be covered by NJ FamilyCare or a family plan even for one month is not counted as uninsured by the CPS. The New Jersey Tax Return number reflects a single point in time. Thus, we expect the Tax Return number to be higher because it includes children who are uninsured for less than a full year.
- The Tax Return data are for the spring of 2009, roughly two years after the period reflected in the CPS estimate. There is a significant lag in the timing of CPS estimates, as well as limitations on sample sizes which require pooling two years of data. The CPS insurance questions are asked in March of each year and released in the fall. Thus, the most recently available CPS data for the NJ FamilyCare Work Group was calendar year 2007. In addition, while the CPS is a large survey, it does not include enough children to support statistically valid estimates for a single year. The Center for State Health Policy pooled CPS data for 2006 and 2007 for the Working Group report. Therefore, the CPS estimate of uninsured in the report (293,790 children) reflects the *average* of those two years. The economic downturn is likely to have led to an increase in the number of uninsured, partly accounting for the difference.
- The NJ Tax Return coverage check box is new and untested. Counting the uninsured accurately is more complex than meets the eye. For example, most studies counting the uninsured, including the CPS, ask separate questions about each possible source of coverage (e.g., employer sponsored, individually purchased, Medicaid, Medicare, military coverage, and so forth) and only counts a person as uninsured if the answer is "no" to all sources. Simple questions about whether a person is uninsured tend to generate estimates that are higher than the detailed questionnaires asking about coverage source-by-source. It is thus plausible that the NJ Tax Return has generated an over-estimate of the number of uninsured children.

Detailed analysis is required to determine which measures of uninsured children are the most accurate. In the mean time, both CPS-based and Tax Return-based numbers are very important and useful. The CPS provides the official federal estimate of coverage, and is used for allocating federal funding. The Tax Return check box is highly innovative and will be of tremendous value in identifying families for outreach efforts. Thus, even if the Tax Return number is higher than it should be, much will be gained by identifying and providing coverage options for children identified in by this mechanism as uninsured.

### **Additional Resources**

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Call, K. T., M. Davern, and L. A. Blewett. 2007. "Estimates of Health Insurance Coverage: Comparing State Surveys to the Current Population Survey." *Health Affairs* 26(1):269-78.

Cantor, J.C., and D. Gaboda. 2009. *Estimates of Children and Parents without Health Insurance in New Jersey: Report to the NJ FamilyCare Outreach, Enrollment, and Retention Work Group*. New Brunswick, NJ: Rutgers Center for State Health Policy (available at: <http://www.cshp.rutgers.edu/Downloads/8030.pdf>).

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U.S. Census Bureau, Health Insurance Coverage 2007 (available at: <http://www.census.gov/hhes/www/hlthins/hlthin07.html>).