

The
NATIONAL
CENTER *on*
& WOMEN
AGING

"If I Can Just Make It to 65..."

*Measuring the Impact on Women
of Increasing the Eligibility Age for Medicare*

June 2001

Funded by a grant from The Jay and Rose Phillips Family Foundation



Brandeis University

If I Can Just Make It to 65.....

**Measuring the Impact on Women of Increasing
the Eligibility Age for Medicare**

Report prepared by:

The National Center on Women & Aging
Heller Graduate School
Brandeis University

Phyllis H. Mutschler, Ph.D.
Principal Investigator

Prepared for:

The Jay and Rose Phillips Family Foundation

June 2001

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Section I.

***Women on the cusp of Medicare eligibility
and their vulnerability to loss of health care coverage***

Introduction

In the debate over the challenges to maintaining the solvency of the Social Security and Medicare programs, many plans are being considered. While proposed adjustments to the funding mechanism or to benefits levels are vigorously supported by some and criticized by others, raising eligibility ages for the programs is one cost-saving measure that is frequently put forth. Accepted as a painless “quick-fix” for Social Security in 1983, the gradual increase in the eligibility age for Medicare now is offered as a logical and fair response to rising life expectancy.

However, the current debate ignores the serious cost such changes may have for particular sub-groups of the population. Hardest hit will be thousands of people now reaching 65 (and Medicare eligibility) who will not have access to any other form of health care coverage. For a number of reasons, women on the cusp of Medicare eligibility are most vulnerable to a loss of health care coverage. Those who lose coverage may have a difficult time replacing it with an adequate plan.

In the pages to follow we evaluate the extent of this vulnerability, and assess the effect on women of raising the age of Medicare eligibility. Using the comprehensive data available in the National Longitudinal Survey of Mature Women, we analyze how midlife and older women -- primarily those between the ages of 55 and 64 -- gain access to health insurance.* We then estimate the effect of raising the eligibility age for Medicare on such women.

The report is intended to inform the policy debate over the wisdom and fairness to women of raising the age of eligibility for Medicare. It evaluates the extent of women's vulnerability to loss of health care insurance and assesses how women who share particular socioeconomic characteristics will be affected if the period prior to Medicare eligibility is extended.

Growing and Vulnerable Population

For a number of reasons, even today, women are particularly vulnerable to a loss of health care insurance at midlife. Some of women's vulnerability stems from conformity to long-standing social mores, compounding the effect of a significant difference in life expectancy between men and women.

Women's longer life span causes them to outlive their husbands -- even if they are the same age. Women, however, tend to marry men older than themselves, thereby extending their years in widowhood. In addition, couples often face the retirement of the husband when his spouse still has many years before she retires or turns 65. Reliance on a spouse's coverage is not unusual among women at all ages. Consequently, the retirement or death of her husband will have serious consequences for a woman who depends on her spouse's employer-sponsored health plan for coverage. When the older working spouse retires, the younger woman may be left without coverage until she is eligible for Medicare.

* See Appendix A for a detailed description of the sample.

While the death of a spouse is the most common reason an older woman finds herself alone, significant and growing numbers of women over the age of 45 are divorced or never have been married. Divorce at middle or old age is increasingly common and may result in a woman being removed from her ex-spouse's employer-sponsored health plan. Burkhauser and Duncan (1989) call divorce "the single most devastating event for young and middle-aged women" as it leads to a dramatic decline in economic well-being. In 1998, for instance, approximately 30 percent of divorced women age 65 and older lived in poverty, compared to 5 percent of married couples of this age (Grad, 2000). For an older divorced woman living in poverty, COBRA provisions that allow her to buy into her ex-husband's employer-provided health plan have little value because she is unable to afford the premiums.

For women, as for men, employment is the key access point for health insurance. Why, therefore, do so many women depend on their husband's health plan for coverage? There are many reasons why employment and health care coverage are less strongly linked for women than for men. Currie (1993) found a significant gender gap showing that women are less likely to hold jobs that offer health coverage. Currie associates this gap primarily with the fact that women earn low wages. For many older women, however, low wages are not the chief problem. The challenge for *older* women is to find or to retain jobs.

Studies have shown that while 76 percent of women 45 to 54 years of age are in the labor force, only 51 percent of those 55 to 64 are working (Costello, Miles, and Stone, 1998). Older women are very vulnerable to age discrimination in the work place and to mid-life job loss. The jobs women find at midlife -- as workers re-entering the job market after time away or trying to replace a job recently lost -- are often lower-paying and without health benefits.

Employment, even for those women over age 55 who are in full-time jobs, is no guarantee of medical care benefits. The incidence of health benefits in medium and large private sector establishments has dropped from 92 percent in 1992 to 82 percent in 1993 (BLS, 1997). Health insurance is much less often a benefit offered to employees of small businesses or to those who work less than full time -- conditions that typify women workers. In 1996, 22 percent of part-time workers had no health coverage, compared to 16 percent of full-time workers. Moreover, more frequently than men, women's employment patterns place them in jobs with no health benefits. For example, women are only half as likely as men to be covered by union contracts that often include health care. Additionally, married women are more likely than married men to be hourly workers and these hourly positions frequently do not carry health care benefits. And married women are 10 percent *less* likely than married men to work in the largest firms (Current Population Survey, March 1996) -- organizations most likely to provide health insurance.

Divorce, job loss, low lifetime earnings, and lack of retirement benefits may make the purchase of market-rate health insurance impossible for women who lack coverage. In 1998 the median income of women 65 and older was \$10,504 -- only 56 percent of the median for men of this same age group (U.S. Administration on Aging, 2000).

Women's disadvantage in income persists into retirement. In 1994, for instance, three out of four women age 65 and older were receiving no income from employer-sponsored pensions. Among those who did receive such income, the median benefit was \$4,200 per year, compared to a median benefit of \$7,800 for men (EBRI, 1997).

Even for a woman of adequate economic means, loss of health care coverage at age 60 and over may mean that no market-rate health insurance is available to her. Women are far more likely than men to accrue chronic conditions, and a woman's chronic illness(es) may make her uninsurable. Even if she can find an insurer willing to cover her, the very conditions for which she needs care may be disallowed as pre-existing conditions.

In the analyses ahead, we describe the prevalence of health insurance coverage among midlife and older women, taking a detailed look at marital status, employment patterns, income levels, ethnicity, health status, and other variables that have an influence on coverage. We look at how many of these factors change with time and age and estimate how older women will fare if the age of eligibility for Medicare is increased, putting that source of health insurance out of reach.

Data Source: The National Longitudinal Survey (NLS) of Mature Women

The Mature Women Cohort of the National Longitudinal Surveys of Labor Market Experience, 1967-1992 (NLS-MW) is the source of data for this project. This nationally representative data set is uniquely suited to the study since it contains information about marital status and history, labor force status and history, household composition, and retirement benefits for women who, in 1992, ranged from age 55 to 76. Thus, it includes both women who have reached the age of Medicare eligibility under the current rules and those who will be affected if proposed reforms are enacted. The NLS-MW's 1995 and 1997 waves allow additional analyses of transitions in health care coverage as women age.

The data comprise a national probability sample of 5,083 women who, in 1967, ranged in age from 30 to 51. Extensive interviews have been conducted every two years since 1967. The 1992 survey (used for a majority of the analyses) contains information about pensions and retirement health benefits. The sampling design allows generalizability to the female population of the United States by assigning a weight to each member of the sample for every year she is interviewed.

Another strength of these data is the oversampling of minority women. To provide statistically reliable estimates for minorities (primarily African-Americans) a sampling ratio for African-Americans three to four times that for whites was used when the original sample was drawn. Therefore, there are sufficient numbers of African-American women to allow comparisons by race. At the same time, when "weighted," this sampling design permits estimates of the national population.

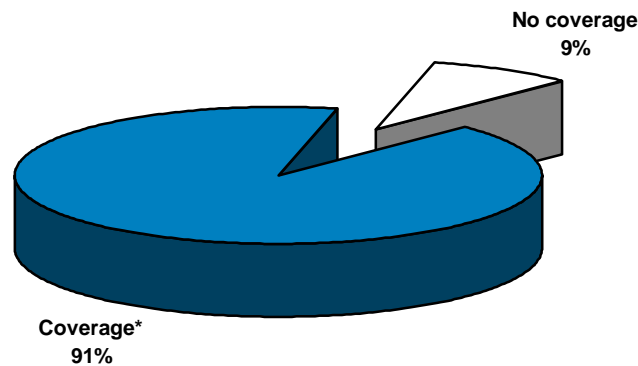
Section II.

To what extent do midlife women (ages 55 to 64) have health coverage and what are the sources of that coverage?

Health Insurance Coverage of Midlife Women

To evaluate the extent of women's vulnerability to loss of health care coverage and to assess how women who share particular socio-economic characteristics will be affected by extending the period prior to Medicare eligibility, we first look at health insurance coverage under the current Medicare eligibility rules.

Figure 1.
Health Insurance Coverage
Among Women 55 to 64
(weighted sample, 1992)



How Many Midlife Women are Not Covered by Health Insurance?

The number of women in 1992 who were 55 to 64 years of age and lacked coverage is 845,728 – nine percent of the women in this age group.

* Coverage **includes** 236,357 women – 1.6% of the total weighted sample or 2.6% of the total weighted sample of women 55-64 years of age – who were under 65 years of age but covered under Medicare in 1992. We assume these women are covered due to disability.

More Vulnerable Women are also Without Health Care Coverage

What is the profile of the nine percent of women age 55 to 64 who report being without health insurance coverage in 1992? Table 1 compares demographic characteristics of women of this age group who do have health insurance coverage with those of the same age who do not have coverage. Those who lack insurance coverage tend to be older than are those with coverage. Those without coverage also are significantly more likely to be African-American, less-educated, less healthy, and have lower income levels than women with coverage.

[Note: throughout the report and appendices, numbers in tables are highlighted to support points being made in the narrative.]

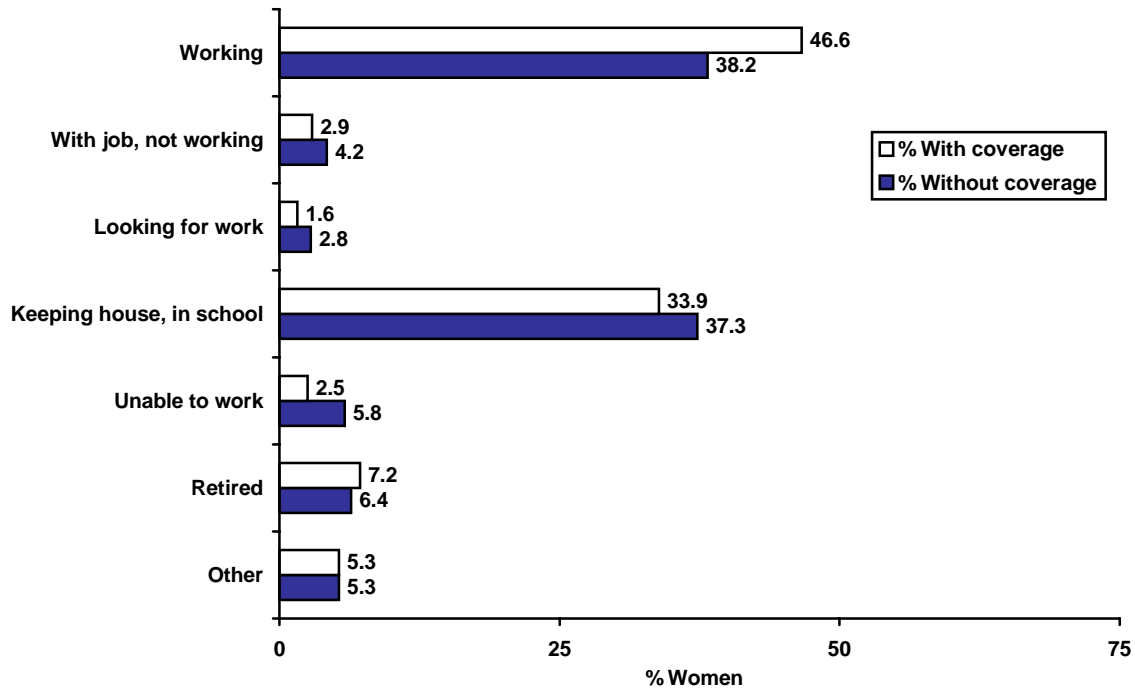
Table 1. Health Insurance Coverage Among Women 55-64 Years of Age, 1992

	<i>Women with coverage</i>	<i>Women without coverage</i>
<i>% of weighted sample, age 55-64</i>	90.8%	9.2%
	%	%
Age Group †		
55-59	46.2	40.4
60-64	53.8	59.6
Ethnicity † ✓		
White	89.6	77.2
African-American	9.2	22.8
Other	1.2	0.0
Education (as of 1989) † ✓		
Less than 12 th grade	19.9	43.9
12 th grade/ GED	46.6	35.2
Some college	17.5	15.8
4 years college +	16.0	5.1
Income Group † ✓		
Less than \$10K	8.5	35.9
\$10-less than \$20K	19.6	39.0
\$20-less than \$35K	28.4	20.9
\$35-less than \$50K	18.3	1.0
\$50K or more	25.3	3.1
Health Status (self rating) † ✓		
Excellent	30.4	20.8
Good	48.2	43.9
Fair	15.2	25.5
Poor	6.3	9.7

† Weighted data comparisons (as shown) are significant ($p \leq .001$).

✓ Unweighted data comparisons (not shown) are significant ($p \leq .001$).

Figure 2.
Employment and Health Insurance
Among Women 55 to 64
 (weighted sample, 1992)



Not surprisingly, women 55 to 64 years of age with health insurance coverage are significantly* more likely than are those with no coverage to be currently employed (see Figure 2). Nearly half of those with health insurance are working (47%) compared to 38 percent of those without coverage. Women with no coverage, on the other hand, are more likely to be at home (keeping house or in school) or unable to work.

The findings cited in the above pages appear consistent with other recent studies which cite cost as a main reason why someone lacks health insurance. The Commonwealth Fund (2000) reported that among uninsured 50 to 64 year olds, half said that insurance was too expensive. About one-quarter (23%) said that they had lost their job or changed jobs, or that their employer did not provide health insurance. Another six percent were uninsured because of poor health.

• Weighted data comparison (as shown) significant ($p \leq .001$). Unweighted data comparison (not shown) significant ($p \leq .05$).

Table 2. Health Insurance Coverage Among Women 55-64 Years of Age, 1992 continued

<i>% of weighted sample women age 55-64</i>	<i>Women with coverage</i> 90.8% %	<i>Women without coverage</i> 9.2% %
Marital Status † ✓		
Married	70.4	54.9
Widowed	13.2	18.6
Separated /Divorced/Husband Absent	13.3	20.8
Never Married	3.1	5.7
Age of Husband †		
59 and younger	23.6	25.7
60-61	16.2	8.4
62-64	25.6	25.7
65-69	26.2	28.0
70-89	8.5	12.3
Husband's Employment Status †		
Retired	44.9	49.4
Partly retired	11.5	13.5
Not retired	43.6	37.2

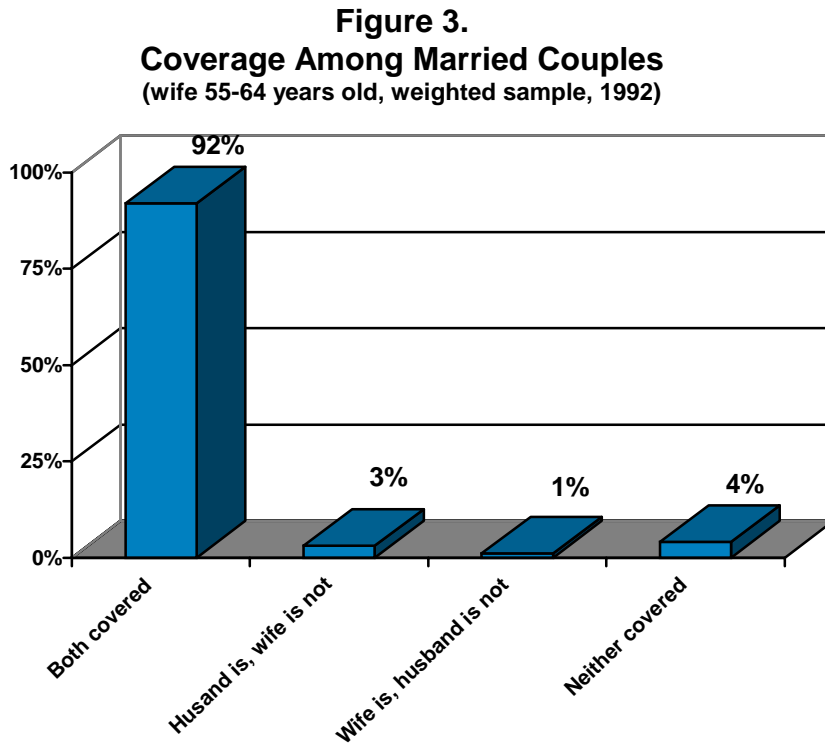
† Weighted data comparisons (as shown) are significant ($p \leq .001$).

✓ Unweighted data comparisons (not shown) are significant ($p \leq .001$).

As expected, women 55 to 64 years of age with health insurance coverage are more likely than are those without coverage to be currently married (70% vs. 55%, respectively); married women often are insured through a husband's health plan. Of these married women, those with no coverage are more likely than are those with coverage to be married to older men (65 years of age and older) who are fully or partly retired. Later in this report we explore the relationship between a woman's health insurance coverage and her husband's Medicare status.

Health Insurance Coverage Among Spouses

We have shown the important role that marital status plays in health insurance coverage among women age 55 to 64, but what about the husbands' insurance coverage? Is a married woman's coverage dictated by her husbands' insurance status?



As shown in Figure 3, most currently married couples had health insurance for both spouses (92%), whereas in four percent of the cases neither partner was insured. A small group of women were uninsured despite their husbands being covered (3%), while a few (1%) were covered while their husbands were not.

If we take a closer look at the women age 55 to 64 with no coverage despite their husbands being covered (3% of the sample or 216,020 women): half (50%) are age 62 to 64 -- the ages right before Medicare eligibility. While over one-third (38%) of these women are currently employed, it seems that health insurance is not provided by their employers. In addition, it is not clear whether or not health insurance is available through their employers. Almost half report keeping house (46%) or being retired (4%) and thus are unable to access coverage through a current job policy.

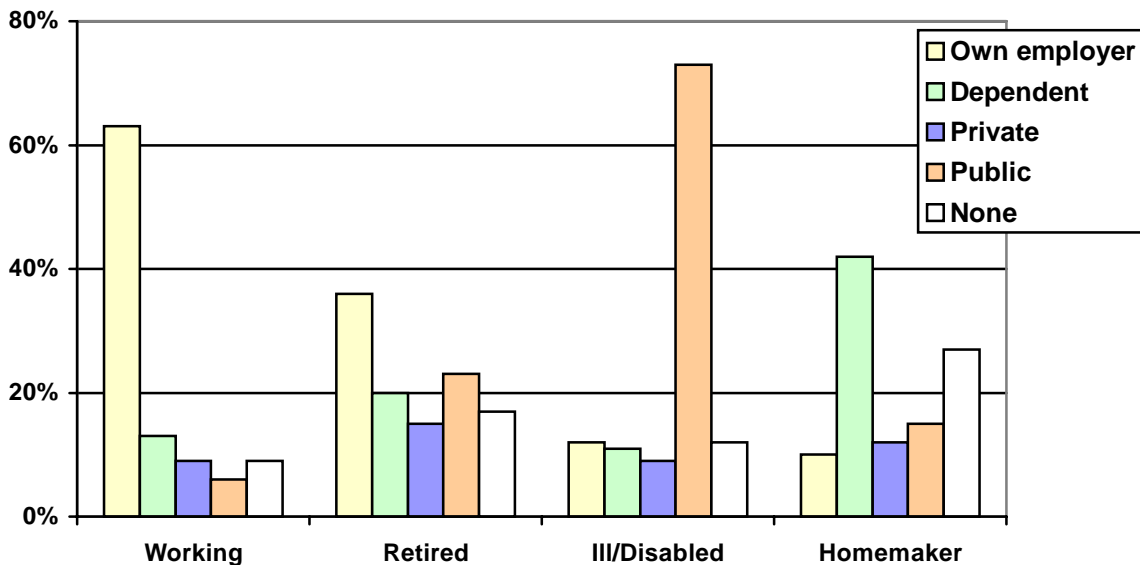
Providers of Health Insurance for Midlife Women

Many studies confirm that employment is the key access point for health insurance for those not yet eligible for Medicare. Although employer-based health insurance is the most common source of health coverage for people under 65, this generalization conceals the enormous variation in type of employer-based coverage and the differences in coverage for women and men. For example, among those under 65:

- ✓ Women are less likely than men to have employer-based insurance coverage, as they are less likely to be employed, or are employed in non-union, smaller firms; part-time, low-waged jobs; or benefit-poor occupations and industries (Long & Marquis, 1993; Seccombe & Amey, 1995; Meyer & Pavalko, 1996; Wilensky, 1998).
- ✓ The percentage of jobs that provide health insurance to workers has been decreasing significantly, particularly for low-wage workers and for women. Between 1979 and 1992, for example, the proportion of men with employer-based health insurance decreased from 65 percent to 52 percent; the proportion of women with similar coverage decreased from 47 percent to 37 percent (EBRI, 1994; Kronick, 1991; Seccombe, 1993).

The 1998 Current Population Survey (Fronstin, 1998) shows significant differences in provider coverage among those aged 55 to 64 (males and females combined) depending upon work status (Figure 4).

Figure 4.
Sources of Health Insurance Coverage
Among 55 to 64 Year-Olds by Employment Status



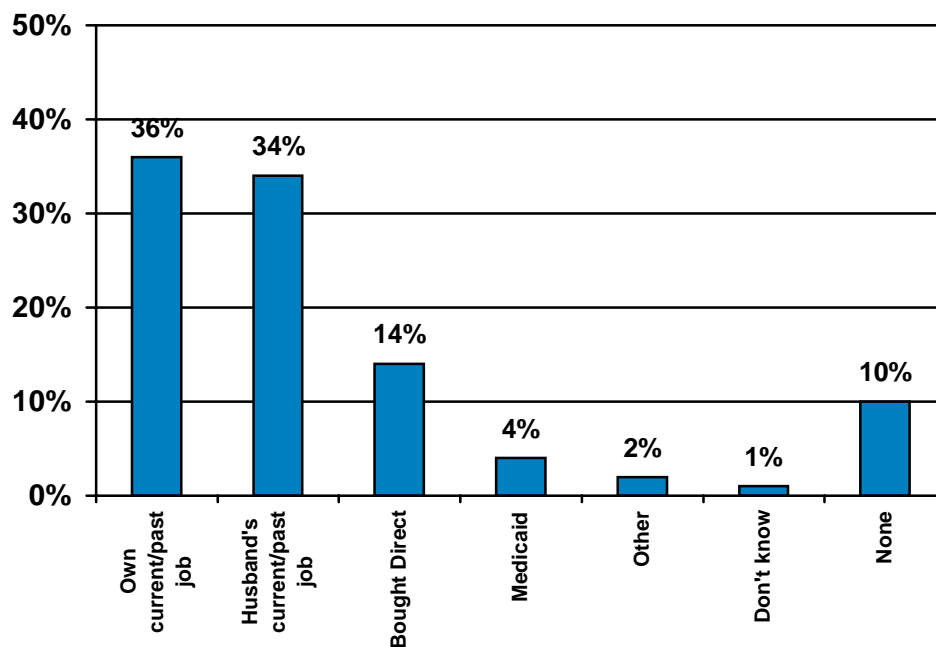
Source: Fronstin, 1998. Sources of health insurance and characteristics of the uninsured: analysis of the March 1998 Current Population Survey.

Figure 4 shows that among working adults (age 55 to 64), three-quarters had some form of employment-based coverage (63% in their own names, 13% dependent coverage.) Fewer than six in ten (56%) retired persons of this same age had some form of employment-based coverage, whereas 23 percent had public coverage and 17 percent were uninsured.

Employment-based coverage is even less frequent among ill or disabled persons and homemakers. Among the ill or disabled, we find a sharp increase (to 73%) in public coverage. Although more than four in ten (42%) homemakers had dependent coverage, over one-quarter (27%) reported being uninsured.

The women in our NLS sample who are 55 to 64 show these trends as well: coverage through a job policy -- whether one's own employer or the employer of a spouse or partner -- is the most common source of health insurance coverage. Over half of the women age 55 to 64 reported that their coverage was employer-provided, either through their own job or through a job of their spouse or partner. Less than one in five purchased their insurance directly from a commercial provider, while fewer (4%) were covered by Medicaid (Figure 5). The reader should note that one-third of these women rely on their spouse for coverage provision and will be forced to buy insurance when their husbands retire, unless they have retiree health care coverage.

Figure 5.
Health Insurance Provider* for Women 55 to 64**
 (weighted sample, 1992)



* A limitation of the 1992 NLS data is that only a single source of insurance is recorded for each respondent and/or spouse. If a respondent has coverage via an employer policy *and* a privately purchased plan, only one of the sources is recorded in the data set so there is no evidence of more than one provider.

** This analysis and those on subsequent pages describing health insurance providers for women 55 to 64 years of age do not include women covered under Medicare – 1.6% of the total weighted sample. We presume such women qualify due to disability.

Which Women are Served by Various Providers?

The table below compares the characteristics of women (55 to 64 years of age) with primary health insurance coverage from various sources. Compared to those with employer-provided coverage (their own or dependent coverage), women with purchased coverage tend to be older, less educated, and with lower levels of income. Table 3 also shows that women with coverage through their own employer are significantly more likely than are women with other sources of coverage to have graduated from college, while women covered through their husbands' or partners' job policy report the highest household income levels. In contrast, women with Medicaid are more likely than are those in other coverage groups to be African-American, be less educated, and have lower income.

Table 3. Demographic Differences Across Provider Groups*, Women 55-64, 1992

	<i>Own job/union</i>	<i>Husb/Part Job/union</i>	<i>Bought direct</i>	<i>Medicaid</i>	<i>Other</i>
<i>% of total weighted insured sample of women 55-64</i>	40.0%	37.6%	15.6%	4.1%	2.7%
	%	%	%	%	%
Age Group † ▲					
55-59	49.2	47.7	34.9	54.1	47.2
60-61	21.4	20.6	20.4	11.3	22.7
62-64	29.4	31.7	44.7	34.6	30.1
Ethnicity † ✓					
White	88.7	94.4	91.7	60.1	85.2
African-American	10.1	4.6	8.0	37.5	5.7
Other	1.2	1.0	.3	2.4	9.1
Education (as of 1989) † ✓					
Less than 12 th	12.8	18.2	21.4	70.7	11.9
12 th grade/ GED	45.8	48.8	54.2	22.3	40.4
Some college	19.6	17.8	14.9	4.9	32.7
4 years college +	21.8	15.2	9.5	2.1	15.1
Income Group † ✓					
Less than \$10K	2.3	2.1	16.5	75.2	24.1
\$10-less than \$20K	19.7	13.7	29.8	18.5	23.3
\$20-less than \$35K	32.4	28.8	21.8	3.6	28.1
\$35-less than \$50K	20.5	20.6	15.3	2.7	12.2
\$50K or more	25.1	34.8	16.6	0.0	12.3

* Excluding those with Medicare when younger than 65 years of age (1.6% of total weighted sample).

† Weighted data comparisons (as shown) are significant ($p \leq .001$).

✓ Unweighted data comparisons (not shown) are significant ($p \leq .001$).

▲ Unweighted data comparisons (not shown) are significant ($p \leq .05$).

Women with coverage through their own employment are very similar to those who have dependent coverage, except that women with their own coverage are more likely to have attended college while women with dependent coverage are more likely to be in higher income households (Table 3).

Of course, women (age 55 to 64) with coverage through their own employer are more likely than other women (of this age group) to be currently employed, while those with coverage through a husband's or partner's job policy are most likely to be married (see Table 4). As expected, women with Medicaid coverage are more likely than are women with other sources of coverage to be at home or unable to work, without a husband or partner, and in poorer health.

Table 4. Employment, Marital, and Health Status Across Provider Groups*, Women 55-64 , 1992

	<i>Own job/union</i>	<i>Husb/Part job/union</i>	<i>Bought direct</i>	<i>Medicaid</i>	<i>Other</i>
<i>% of total weighted insured sample of women 55-64</i>	40.0%	37.6%	15.6%	4.1%	2.7%
	%	%	%	%	%
Employment † ✓					
Working	71.0	33.6	36.6	2.8	42.1
W/job, not working	5.3	1.3	1.8	0.0	3.3
Looking for work	1.5	1.7	1.7	0.0	4.9
Keeping house/ in school	11.6	50.3	38.9	61.2	22.5
Retired	7.7	6.3	9.2	3.8	8.9
Unable to work	.2	1.7	1.7	18.2	4.6
Other	2.7	5.1	10.1	13.9	13.7
Marital Status † ✓					
Married	58.8	93.7	66.4	24.7	41.5
Widowed	13.9	5.6	21.9	26.7	19.2
Separated/Divorced/ Husband Absent	22.7	.7	9.2	40.4	20.2
Never Married	4.6	0.0	2.4	8.2	19.1
Health Status (self rating) † ✓					
Excellent	36.5	29.1	29.8	7.1	24.9
Good	50.0	49.2	51.4	18.2	54.0
Fair	11.0	17.4	13.2	32.6	14.8
Poor	2.5	4.3	5.6	42.1	6.3

* Excluding those with Medicare when younger than 65 years of age (1.6% of total weighted sample).

† Weighted data comparisons (as shown) are significant ($p \leq .001$).

✓ Unweighted data comparisons (not shown) are significant ($p \leq .001$).

Provider Groups and Marital Status

Understanding the important role that marital status plays in both extent and type of health insurance coverage for women aged 55 to 64, we now look at how having a spouse affects insurance provision.

Employment provides coverage for many, with married women often relying on their husband's employer-provided policy. As Table 5 shows, about half of currently married women are covered through their spouse's or partner's employer, compared to fewer than one in ten formerly-married women. Women without a spouse -- three in five of the never married women (60%) and almost as many of the previously married women (57%) -- tend to be covered through their own job policy, compared to one-third (33%) of married women. Additionally, formerly married women are more likely than are others to purchase insurance directly.

Table 5. Health Insurance Provider* Across Marital Groups, Women 55-64 , 1992

	<i>Currently Married</i>	<i>Previously Married (includes divorced, widowed, separated, husband absent)</i>	<i>Never Married</i>
<i>% of weighted insured sample of women 55-64</i>	71.3%	25.7%	3.1%
	%	%	%
1992 Provider: † ✓			
Own current or past job	33.0	57.1	59.9
Husband/Partner's current or past job	49.5	9.3	0.0
Medicaid	1.4	10.6	10.9
Bought direct from company	14.6	18.9	12.5
Other	1.6	4.1	16.7

* Excluding those with Medicare when younger than 65 years of age (1.6% of total sample).

† Weighted data comparisons (as shown) are significant ($p \leq .001$).

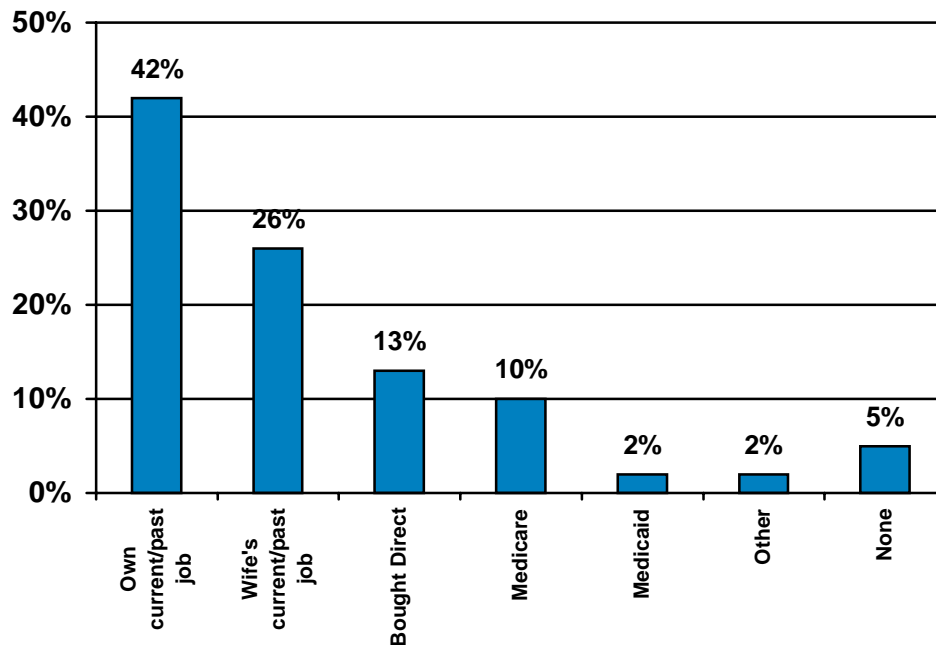
✓ Unweighted data comparisons (not shown) are significant ($p \leq .001$).

Coverage Among Spouses

In our sample, almost seven in ten women (69%) were currently married in 1992. A majority of their husbands (65%) were also under 65 years of age, yet over one-third (35%) were married to men who were 65 years of age or older, and thus eligible for Medicare.

Overall, most (95%) reported that their spouses had health insurance coverage in 1992. When looking at providers of this insurance*, we find that about four in ten husbands (42%) were covered via an employer-sponsored plan from a current or prior job. Just over a quarter were covered through their wives' employment. Thirteen percent of husbands purchased insurance directly from a company, while almost as many were covered under Medicare. Few were covered via Medicaid or another source of coverage (Figure 6).

Figure 6.
Provider of Insurance for Spouses of Women 55 to 64 Years of Age
(weighted sample, 1992)

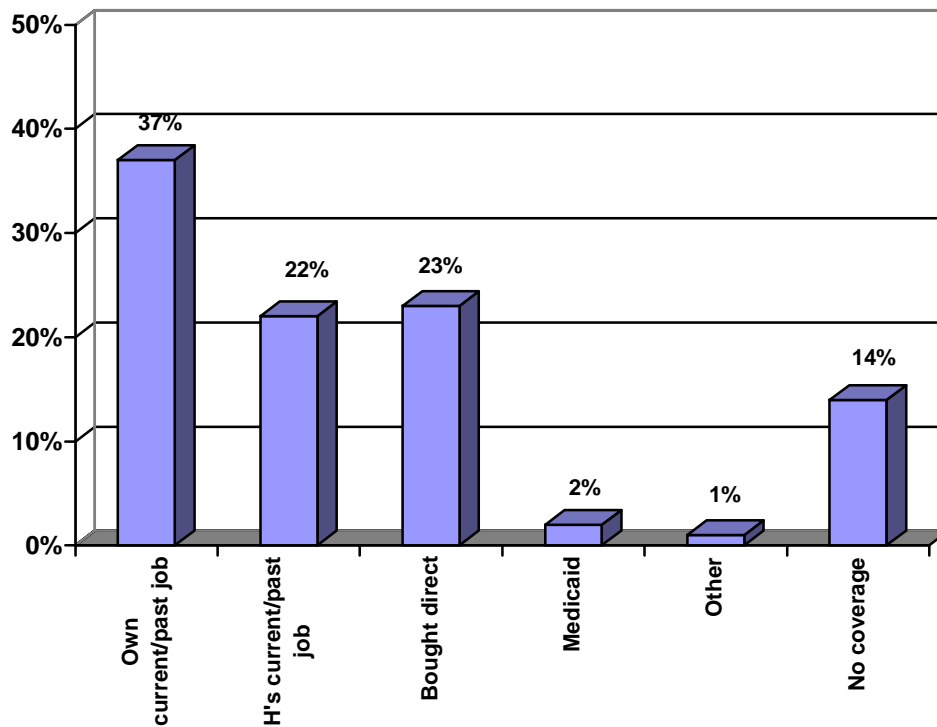


* As with analyses on women's providers, data and discussions on husbands' health insurance providers excludes those under 65 years of age who were covered under Medicare – 1.6% of the weighted sample of married women 55 to 64 years of age, or 98,092 husbands.

The transition of an older spouse into Medicare often has an impact on coverage for a younger spouse. In a recent survey, ten percent of beneficiaries with younger spouses said that when they went on Medicare, the younger spouse lost his or her coverage, and 15 percent said that the spouse remained uninsured (Schoen, Simantov, Duchon and Davis, 2000).

In this study's sample of older women, shown in Figure 7, 14 percent of women aged 55 to 64 whose (older) husbands are covered under Medicare lack health insurance coverage (they are not Medicare eligible). This represents almost 80,000 women. Roughly six out of ten (59%) are covered through their own or their husband's employer-sponsored plan. In most of these cases, coverage is through the husband's former employer. [Of the 22 percent of women reporting coverage through a job policy of their husbands', most (93%) are covered through a husband's *former* employer.] Almost one-quarter of these women report purchasing insurance directly from a company.

Figure 7.
Provider of Coverage for Women*
While Husbands are Covered by Medicare
(Wife 55 to 64 in 1992)



* Excluding both women and/or husbands under 65 with Medicare.

Further analysis reveals:

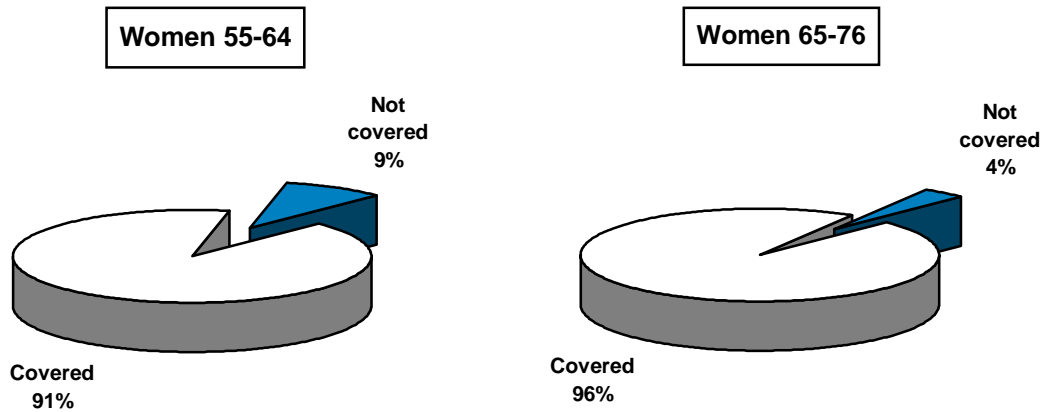
- ✓ Almost 94,000 women age 55 to 64 lack insurance while their husbands are covered through a non-Medicare provider -- almost half (46%) through a privately purchased plan.
- ✓ In four percent of the married couples where the woman is 55 to 64 years of age (248,099 couples), both the wife and husband lack insurance coverage.

See Appendix C. for more information about married couples, coverage, and providers.

Turning 65 Increases a Woman's Likelihood of Coverage

Overall, 93 percent of women aged 55 to 76 report having health insurance coverage. However, as shown in Figure 8, older women (65 to 76) are significantly more likely than are younger women (55 to 64) to have such coverage (96% vs. 91%, respectively). In numbers this translates to 845,728 younger women being without coverage and 229,979 older women being without coverage -- a difference of more than 615,500 women. The availability of Medicare for those 65 and older enables a number of women to gain (or maintain) insurance coverage at this age.

Figure 8.
Health Insurance Coverage by Age Groups
(weighted sample, 1992)



Understanding that insurance coverage is significantly more likely for women age 65 to 76 than it is for women 55 to 64, we now take a closer look at key differences between these age groups.

As shown below, women 55 to 64 years of age are more likely than are those 65 to 76 years of age to be married (69% vs. 55%). Of those who are married, husbands of older women (as we would expect) tend to be older than are husbands of younger women, with over nine in ten being age 65 or older. As previously noted (page 17) almost two-thirds of younger women have husbands who are also under 65 years of age, and thus are not yet eligible for Medicare. About three-quarters of the husbands of older women are retired, compared to fewer than half of those married to younger women.

Table 6. Marital Status by Age Group, 1992

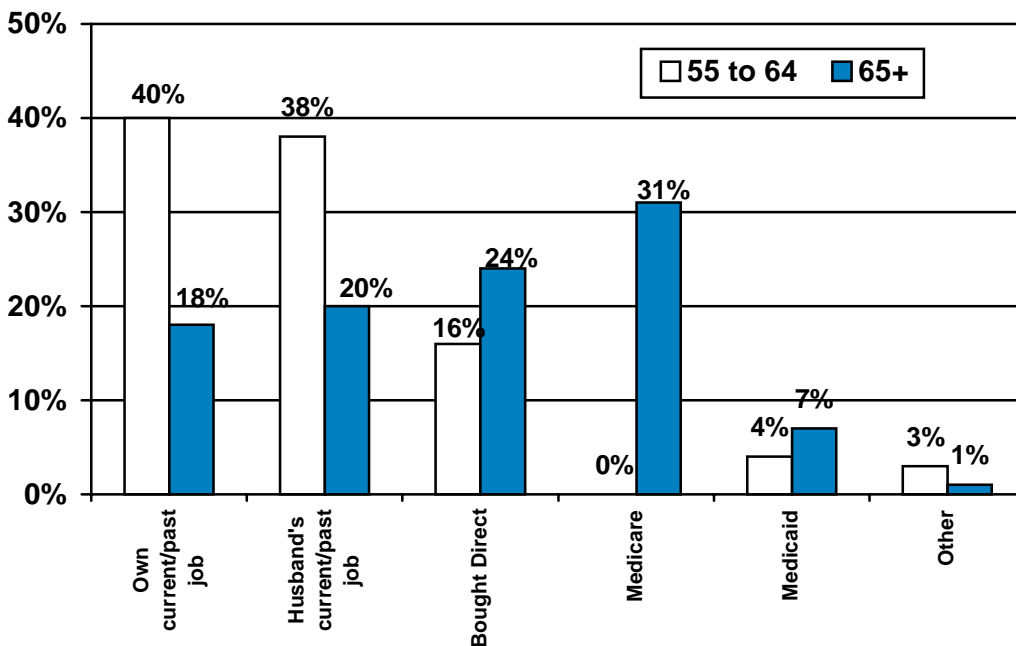
	<i>Women 55 to 64</i>	<i>Women 65 to 76</i>
<i>% of total weighted sample</i>	60.6%	39.4%
	%	%
Marital Status † ✓		
Married	69.0%	55.3%
Widowed	13.7	30.7
Separated/Divorced/ Husband Absent	14.0	10.9
Never Married	3.3	3.1
Age of Husband † ✓		
59 and under	23.7	1.6
60-61	15.6	1.9
62-64	25.6	5.1
65-69	26.3	40.8
70-89	8.7	50.6
Husband's Employment Status † ✓		
Retired	45.2	74.4
Partly retired	11.7	15.6
Not retired	43.1	9.9

- † Weighted data comparisons (as shown) significant ($p \leq .001$).
- ✓ Unweighted data comparisons (not shown) significant ($p \leq .001$).

See Appendix B for further analyses of demographic variations across age groups.

To what extent does being 65 years of age or older – and thus being eligible for Medicare – influence an older woman’s source of health care coverage? As Figure 9 shows, while two in five younger women (those aged 55 to 64) have coverage provided through their own employer, and another 38 percent gain coverage through their husband/partners’ employer, these percentages are cut in half for the older women (age 65 to 76). Almost one-third of the older women report being covered by Medicare. Older women are more likely than are younger women to report purchasing their coverage directly from an insurance company, probably as a supplement to Medicare.

Figure 9.
Health Insurance Provider By Age Groups
 (among those with coverage, 1992)



Do women age 65 to 76 who report Medicare as their primary insurance (and so presumably do not carry significant supplemental coverage) differ from those of the same age who report buying their coverage directly from an insurance company? Analyses show that older women who purchase coverage are more likely than are those who report Medicare as their primary source of insurance coverage to be working, widowed, and in good health.

- 25% of those who purchase coverage are working, compared to 14% of those with Medicare.
- 36% of those purchasing insurance are widows, compared to 31% of those with Medicare.
- 72% of those who purchase coverage are in excellent or good health, compared to 69% of those with Medicare.

Section III.

*What are the critical factors affecting health care coverage
for women aged 55 to 64 and those age 65 to 69?*

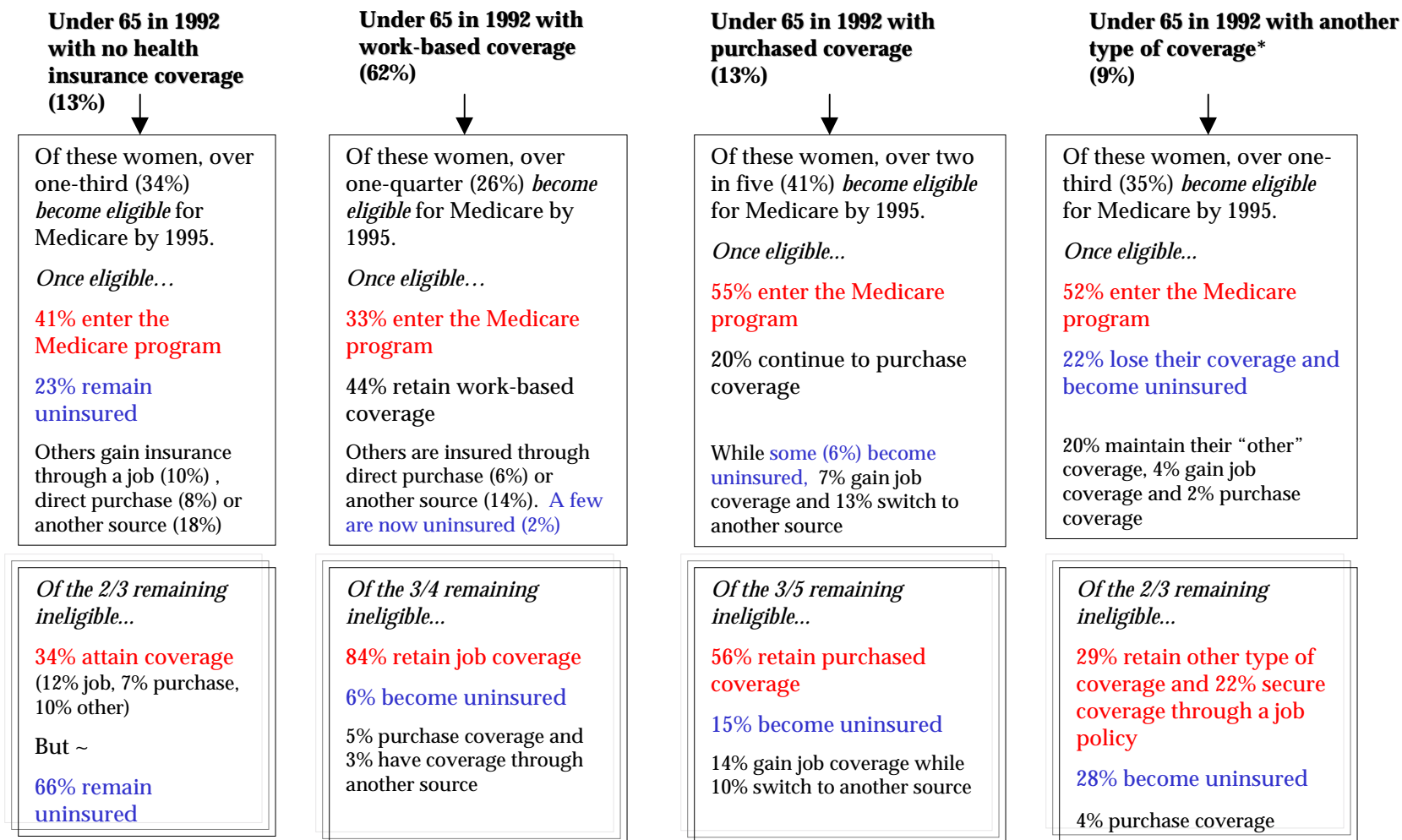
Critical Factors Determining Health Insurance Coverage Among Midlife and Older Women

Data have shown that, in general, women experience a decline in health, an increased likelihood of being widowed, and a decreased likelihood of employment as they age. While these are general trends, the associated risks of change in health, marital and employment status are, themselves, not static. For example, while women's health tends to decline with old age, there is reason to believe that more women are maintaining better health longer. Similarly, looking at women in the same age group across survey years, analysis of this data set revealed a decline in the percentage of women working past the age of 65. This change in work status is associated with a change in the source of health care coverage for women in that age cohort. While, overall, the percentage of women reporting health insurance coverage remains somewhat consistent, there is a marked increase in the percentage of women with coverage by Medicare and a decline in the number with employer-sponsored coverage or insurance that they purchase independently. [See Appendix D].

Because there is little reason to anticipate that the rate at which women exit the labor force as they age will decline -- or even that the *increase* in that rate will slow or decline -- it is not surprising that older women's low labor force participation characterizes the sample for this study. Of those 55 to 64 years of age, 44% are working in 1992 and 30% in 1995. Therefore, only this latter group will have access to health insurance through their own employment. Access to other sources of coverage is limited by the high cost of commercial insurance, particularly for individual consumers at older ages. Thus, Medicare coverage is increasingly important for older women.

Indeed, as shown in Figure 10, over half of women who, in 1992, had purchased coverage or who had health insurance from a non-work-based source enter the Medicare program as soon as they are eligible, as do two out of five women who lacked coverage. Increasing the age of eligibility, therefore, will deny coverage to these women, jeopardizing their access to care.

Figure 10. Changes in Coverage as Women Become Medicare Eligible from 1992 to 1995
-- once an option, Medicare becomes a major source of coverage



Note: Unweighted data

*Percentages do not always add to 100% due to rounding and because women younger than 65 with Medicare coverage are not included in the display

Figure 11 presents a model showing the pivotal forces -- employment status and history, marital status, and household income -- that we believe influence women's access to health care coverage. In turn, these factors are expected to be significantly affected by women's age, health status, and minority group membership. In order to determine which variables play the greatest role in determining whether or not a woman age 55 to 64 has any insurance coverage, logistic regression analyses were conducted. These analyses allow us to discover the impact of each factor influencing health care coverage while holding all others constant.

Figure 11.
Factors Affecting the Likelihood of a Woman Having Health Insurance

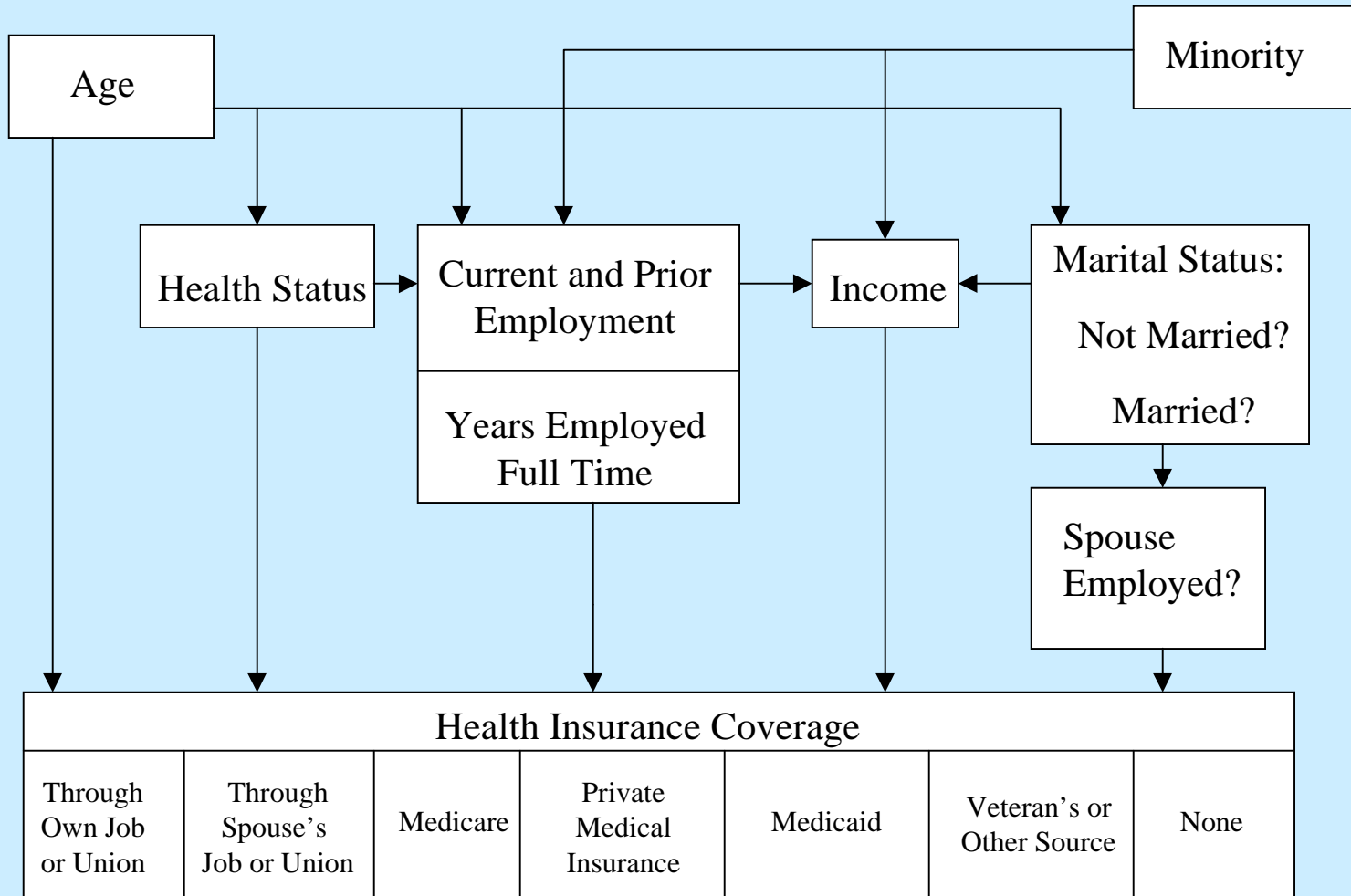


Table 7 presents the estimation of the model in 1992, 1995 and 1997. The models as a whole are statistically significant, correctly predicting health care coverage status 92, 90, and 88 percent of the time in 1992, 1995 and 1997, respectively. In Table 7 the coefficient [B] for each variable is presented, along with its significance [Sig.] and the odds ratio associated with its occurrence or a change in quantity [Exp(B)]. For example, if a woman has been divorced, she is only 52 percent as likely as a married woman to have health insurance in 1992, 85 percent as likely in 1995, and 38 percent as likely in 1997.

In 1992, the key variables having a **significant positive** effect on the likelihood of having health care coverage are **(1) having a husband who is employed and has health insurance coverage and (2) rising household income**. Factors exerting a significant negative influence on health care coverage are: **lacking a high school diploma, being divorced or separated, having poorer health, and having a husband who is employed but *not* insured**. Surprisingly, having recently lost a husband to death or divorce has a positive influence on health care coverage. Since widowhood, divorce or separation are all included, “lost husband” indicates the recency of transition rather than the status itself. Hence, women who, in the prior three years, experienced a loss of a spouse due to death or divorce are more likely (more than three times as likely) to have health care coverage than women who are married in 1992. It is puzzling why this should be so.

Some of the variables expected to play a role in determining health care coverage status are not statistically significant: being currently employed, never being married, having a college education or higher, being a widow or divorcee for more than three years, having a higher proportion of work years as a full-time worker, being a minority group member, and having lost a job in the prior three years. These findings reinforce those shown above, namely, that marital status and factors related to having jobs that provide benefits (education and income) are pivotal forces in the acquisition or maintenance of health care coverage.

If a woman worked in 1992, she was one and one-third (odds ratio = 1.3) times as likely as a non-worker to have health care coverage. For every \$1,000 her income rose, the likelihood of having health care coverage increased by seven percent. Having a spouse who was working in 1992 and had employer-provided health insurance almost tripled the likelihood of a woman's having health care coverage (odds ratio = 2.75). On the other hand, if a woman had not graduated from high school she was only one-third as likely as a high-school graduate to have health insurance.

A similar pattern is seen in 1995 and 1997, although being divorced or separated is not a statistically significant influence in 1995, whereas a woman's employment becomes a positive factor in 1995. However, other variables that were not significant in the 1992 model do wield influence in 1995 and 1997. For example, in 1995 minority group membership is associated with being less than one-third as likely as a non-minority woman to have health insurance. Women who lost a job between 1992 and 1995, likewise, were less than half (odds ratio = .4165) as likely to have health insurance. As noted above, in 1997, divorce or separation – not a significant factor in 1995 -- will result in a woman's being only 38 percent as likely as a married woman to have health care coverage. However, it is surprising that losing a husband or leaving a job are not statistically significant forces in 1997 and that a decline in health status is not associated with having health care coverage in either 1995 or 1997.

In sum, a woman increases her chance of having health care coverage if she:

- ◆ has a husband who is employed and has health insurance;
- ◆ is at least a high school graduate;
- ◆ is married;
- ◆ is working (in 1995, only);
- ◆ has higher income;
- ◆ is not a minority (in 1995, only);
- ◆ has lost her husband (between 1982-92) and not lost her husband (between 1992-95); and
- ◆ has not left a job (between 1992 and 1995).

Or conversely, women are at high risk of being without health insurance if they lack a high school diploma, are out of work, unmarried and poor. With very few exceptions, these patterns held for both the minority and non-minority subsamples across all years.

Table 7. Factors Predicting Insurance Coverage (Weighted younger sample *)
 AGES 55 TO 64 IN 1992, IN 1995 AND IN 1997 (GROUP OF WOMEN CHANGES)

(unweighted n)	1992 (n=1548)			1995 (n=962)			1997 (n=658)		
	B	Sig.	Exp (B)	B	Sig.	Exp (B)	B	Sig.	Exp (B)
Variable:									
Less than HS grad.	-1.1051	.0000	.3312	-.8782	.0008	.4155	-1.1957	.0002	.3025
Some college +	.0141	.9608	1.0142	.5348	.1096	1.7072	.6816	.0847	1.9769
Div/Sep/H Absent	-.6467	.0295	.5238	-.1631	.6386	.8495	-.9672	.0136	.3802
Never married	-.4874	.2787	.6142	-.5580	.3312	.5724	-1.2874	.0309	.2760
Widowed	-.0555	.8428	.9460	.1622	.6507	1.1761	-.7002	.1019	.4965
Working	.2694	.2774	1.3091	1.0506	.0011	2.8594	.5321	.0915	1.7026
Income (midpoint)	.0681	.0000	1.0704	.0295	.0001	1.0300	.0180	.0263	1.0181
FT work years	-.5018	.3829	.6054	-.8366	.2088	.4332	-1.0776	.1605	.3404
Minority	-.2650	.3111	.7672	-1.1660	.0001	.3116	-.3939	.3038	.6744
Less healthy	-.4061	.0661	.6662	-.2836	.3067	.7531	-.3057	.3691	.7366
Husband working and insured ('92, '95, '97)	1.0123	.0066	2.7520	1.3637	.0027	3.9104	1.5684	.0153	4.7990
Husband working, not insured ('92, '95, '97)	-4.4879	.0000	.0112	-5.1295	.0000	.0059	-4.5024	.0000	.0111
Lost husband (89-92, 92-95, 95-97, respectively)	1.1852	.0168	3.2715	-.9417	.0211	.3900	-1.4370	.0614	.2376
Left job (89-92, 92-95, 95-97, respectively)	-.2462	.3809	.7818	-.8759	.0139	.4165	-.3272	.4242	.7209
Health Decline (92-95, 95-97, respectively)	NA	NA	NA	-.0209	.9551	.9793	-.6186	.1389	.5387

* Data weighted to reflect general population race percentages (minority/non) of each year without altering sample size. Excluding from each year those with Medicaid and those under age 65 who have Medicare.

Section IV.

Conclusions

Increasing the Age of Medicare Eligibility: What It Will Mean for Midlife and Older Women

The current debate concerning the fiscal solvency of the Medicare program has resulted in the development of many proposals that focus on adjusting funding mechanisms or benefit levels or both. Another potential source of savings that has been proposed is a change in the age of eligibility for Medicare, which would reduce the number of beneficiaries. As part of the 1983 Social Security program reforms, the usual retirement age for receiving Social Security benefits is already being raised from sixty-five to sixty-seven. This change will be gradually implemented starting in 2003 and will be completed in 2027 (Waidmann, 1998). Raising the eligibility age of Medicare to parallel that of Social Security has been proposed in an effort to contain costs so that dramatic increase in the number of people ages 65 and older, and significant increases in longevity (U.S. Bureau of the Census, 1996) do not bankrupt the Medicare program.

This study, along with previous research on health insurance coverage among midlife and older women, shows that for many women access to our current health insurance system is contingent upon employment and marriage. Instability in either one of these areas produces instability in health insurance coverage (Meyer & Pavalko, 1996). Increasingly, employers are shifting health insurance costs back to the employee through higher co-payment or deductibles—or by eliminating coverage altogether. As rates of divorce and widowhood continue to increase with age, future cohorts of women will be less likely to obtain health insurance through their spouses. A universal health insurance system, such as Medicare, removes the links between employment and marital status and creates more stable insurance coverage.

If the eligibility age for receiving Medicare benefits is increased to sixty-seven, Waidmann (1998) predicts that more than 500,000 people between the ages of 65 and 66 will become uninsured and unable to afford an insurance coverage comparable to Medicare. In other words, for those younger than 67 with poorer health status and lower socioeconomic status, obtaining affordable insurance coverage will be increasingly difficult. Even people with the average income for this group (\$24,063) will likely have difficulty getting affordable, adequate insurance (Waidmann, 1998).

This study has shown that a number of women will be negatively affected by such a proposal. One could safely speculate that a majority of women joining Medicare upon eligibility at age 65 would be unable to find health coverage from another source if Medicare were not available. Data suggest that many “life transitions” that occur at this age help contribute to the importance of Medicare as the primary source of health care coverage for women who are age of 65 and older. Only a radical return to the full-time work force for those 65 and older would offer a possibility of employer-sponsored coverage – which is improbable considering difficulties in finding work at older ages and trends toward early retirement or bridge/part-time work preceding full retirement.

The availability of Medicare is most critical for women who had no health insurance coverage prior to eligibility; they tend to be less educated, not married, with low incomes, and of minority status. Rather than raise the age of eligibility and increase the numbers of uninsured older women, policymakers need to consider ways to reduce this number. A recent Commonwealth Fund report (2000) cited popular support for allowing uninsured adults who are near the age of Medicare eligibility to “buy into” the program *before* age 65: nearly seven in ten survey respondents ages 50 to 70 said they would favor allowing uninsured adults in the 50 to 64 year-old age range to buy in to Medicare.

As the population ages, as traditional family patterns decline, as fewer men and women work after age 65, and as the cost of health care and commercial coverage rapidly escalates, Medicare will be increasingly important to older women.

APPENDIX A.

Study Sample Description

Description of the Sample

This report focuses on a sample of 2,801 women, 30 years of age or older in 1967, who were in the original NLS survey (1967) and in the most recent survey* (1992), and were missing in no more than one of the 14 surveys in-between. Due to these sample restrictions, the sample base remains somewhat consistent across years.

<i>Year</i>	<u>'67</u>	<u>'68</u>	<u>'69</u>	<u>'71</u>	<u>'72</u>	<u>'74</u>	<u>'76</u>	<u>'77</u>
<i>N =</i>	2801	2786	2777	2784	2790	2785	2790	2791
<i>% =</i>	100	99.5	99.1	99.4	99.6	99.4	99.6	99.6
<i>Year</i>	<u>'79</u>	<u>'81</u>	<u>'82</u>	<u>'84</u>	<u>'86</u>	<u>'87</u>	<u>'89</u>	<u>'92</u>
<i>N =</i>	2791	2793	2784	2774	2783	2759	2717	2801
<i>% =</i>	99.6	99.7	99.4	99.0	99.4	98.5	97.0	100%

For a majority of the analyses, variables were weighted by the NLS sample weight for the appropriate year. For example, marital status for 1977 represents the weighted sample for 1977, while marital status for 1982 represents the weighted sample for 1982. The NLS provides individual case weights for each year in such a way as to produce group population estimates when used in tabulations. Weighting the sample up to national populations results in large sample sizes, thus relatively small differences in reported percentages between groups are often statistically significant. The reader should therefore take note that significant differences are not necessarily meaningful differences.

Year of Birth. The NLS asked respondents their year of birth in 1967, then re-asked the question in 1981. Age groups for the sample at the beginning of the survey and in 1992 (based on a “corrected” year of birth via 1981 responses) are listed below:

Age in 1967	Age in 1992	Percentage of Women
30-34	55-59	28%
35-36	60-61	12
37-39	62-64	21
40-44	65-69	34
45-51	70-76	5

* At the time we began the analyses. Since that time we have acquired data for surveys conducted in 1995 and 1997.

Marital status. As years progress, fewer women are married while more are widowed or divorced. By 1992, less than two-thirds of the women are currently married, whereas one out of five is widowed. Only three percent have never married.

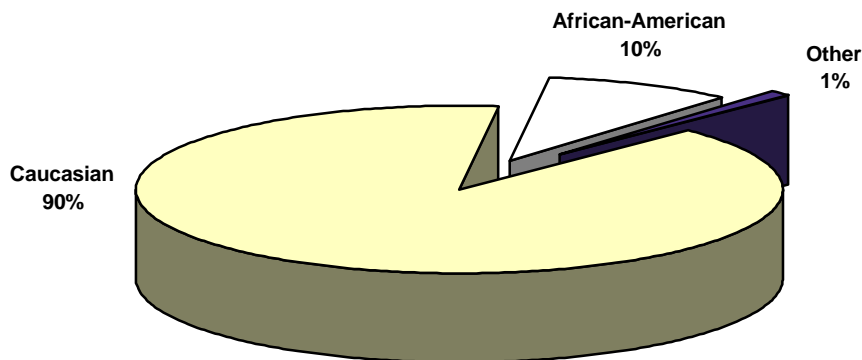
	'67	'72	'77	'82	'87	'92
Married, spouse present	85.7%	83.3%	79.5%	74.3%	70.1%	63.6%
Married, spouse absent	.8	.6	.5	.1	.5	.6
Widowed	2.0	3.4	5.8	9.3	13.6	20.4
Divorced	4.0	5.9	7.8	10.0	10.4	10.6
Separated	3.0	3.2	3.1	2.8	2.1	1.6
Never married	4.5	3.6	3.3	3.4	3.3	3.2

[Note: throughout the report and appendices, numbers in tables are highlighted to support points being made in the narrative.]

Age of Husband, 1992. Three-quarters of the married women reported that their husbands were older than they. Most (70.3%) had married men one to ten years their senior.

Race. Most women in the sample are Caucasian, with one in ten being African-American.

Figure A1.
Sample Demographics: Race
 (via 1967 weighted data)



Education. Education remains relatively stable across survey years, with a majority earning a high school degree or more and roughly one-third having less than a 12th grade education. College attendance increases slightly across survey years, perhaps indicating late-life education or the survival of those with higher education levels.

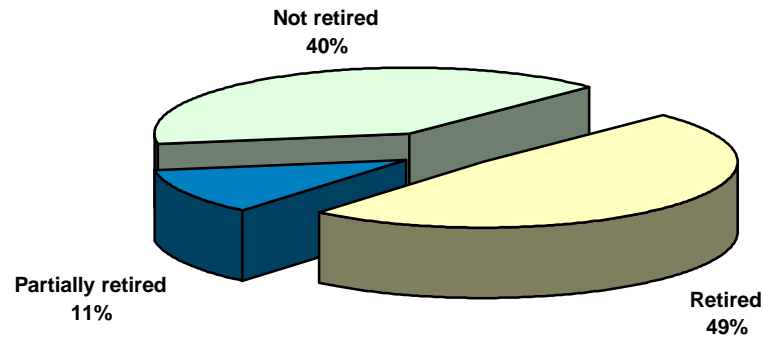
Highest grade completed:	1967	1977	1989
Less than 12 th grade	31%	26%	27%
12 th grade/ GED	48	48	44
Some college	11	14	17
4 year college or more	10	12	13

Work history and status. For this group of women, participation in the work force peaks in 1977, then steadily drops to its lowest level in 1992 as more women keep house, retire, or become unable to work. The percentage of women with jobs but not working is highest during the 1980s.

	'67	'72	'77	'82	'87	'92
	%	%	%	%	%	%
Never worked	3.6	2.3	--	--	--	--
Working	42.3	53.1	56.5	46.4	41.9	35.2
With job but not working during survey week	4.2	2.7	3.3	11.5	9.2	2.5
Unemployed/ Looking for work	1.8	1.7	2.5	3.2	1.9	1.4
Going to school	.6	.3	.2	.2	.1	.3
Keeping house	46.2	38.5	34.1	33.0	36.6	40.0
Retired	--	--	--	.4	2.7	11.5
Unable to work	.4	.5	1.4	1.3	1.8	3.5
Other	.9	1.0	2.0	4.1	5.9	5.8

By 1992, almost half of the women considered themselves retired.

Figure A2.
Perception of Retirement Status
(weighted sample, 1992)



Labor Force Participation Patterns. Looking at employment across survey periods, it becomes clear that most of these women were in and out of the work force at various times throughout the 25 years:*

- Very few had never been part of the labor force (1.8%)
- Only 8.6% reported being employed continuously across survey years
- Over one-quarter were employed in 1992, with a discontinuous pattern in prior years (27.5%)
- About half reported no employment in 1992, and had a discontinuous pattern prior to that time (51.7%)
- One in ten were employed prior to 1966, but never after (10.5%)

* Based on unweighted data, to allow analyses across multiple years.

Occupation and Industry: In 1992, a majority of the working women were in clerical, service, or professional positions at professional services, wholesale/ retail, or manufacturing places of employment.

<i>Occupation, 1992</i>	% working women
Clerical, kindred	31.2
Services (except private home)	16.8
Professional, Technical	16.3
Managers, Officials	11.5
Sales	8.7
Operatives	7.3
Private Home Work	3.3
Farmers, Farm Managers, Farm Laborers	1.6
Craftsmen, Foreman	1.6
Laborers (except farm, mine)	.5
Not reported	1.4

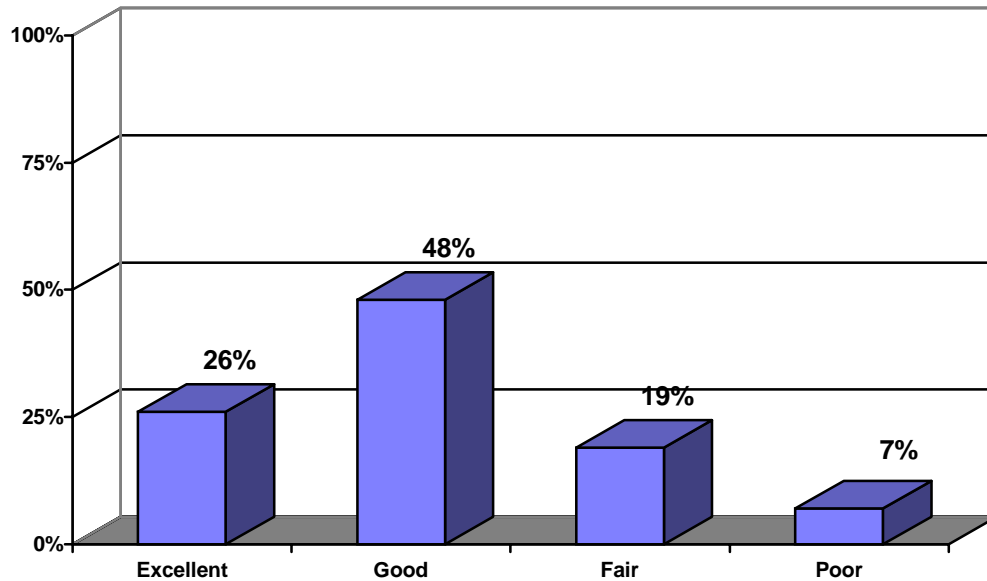
<i>Industry, 1992</i>	% working women
Professional Services	34.4
Wholesale, Retail	18.9
Manufacturing	10.1
Personal Services	8.5
Finance, Insurance, Real Estate	6.8
Public Administration	6.5
Business, Repair	5.7
Transportation, Communication, Utility	2.3
Agriculture, Forest	2.2
Construction	1.4
Entertainment, Recreation	1.1
Mining	.1
Not reported	2.0

Household Income. Looking at 1992 income levels, almost one-third had household incomes of \$35,000 per year or more, whereas just over one-quarter lived on yearly incomes of under \$15,000.

Less than \$10,000	13.7%
\$10,000 to less than \$15,000	13.9
\$15,000 to less than \$20,000	12.1
\$20,000 to less than \$25,000	11.5
\$25,000 to less than \$35,000	17.0
\$35,000 to less than \$50,000	14.3
\$50,000 or more	17.4

Health Status. In 1992, most women reported being in good health, but one-third (34%) reported having one or more health conditions that limit the amount or kind of work that they do. When asked to compare their health to that of other women their age, three-quarters (74%) rated their health as excellent or good while one-quarter (26%) rated their health as being fair or poor (Figure A3).

Figure A3.
Health Status in 1992
(self rating)



APPENDIX B.

In-Depth Analyses of Demographic Groups and Coverage

Knowing that women over 65 are more likely than are younger women to have health insurance coverage (page 20), we now look at these two groups in more detail. Table B1 reveals several differences in demographic characteristics between women age 55 to 64 and those age 65 to 76. Younger women (10%) are more likely to be of minority status than are older women (8%). Older women -- who are more likely to be retired -- report lower income (over half with incomes less than \$20,000 compared to one-third of younger women) and education levels (35% with less than a high school education compared to about two in ten younger women). Older women also are more likely than are younger women to rate their health as being poor or fair (31% vs. 23%).

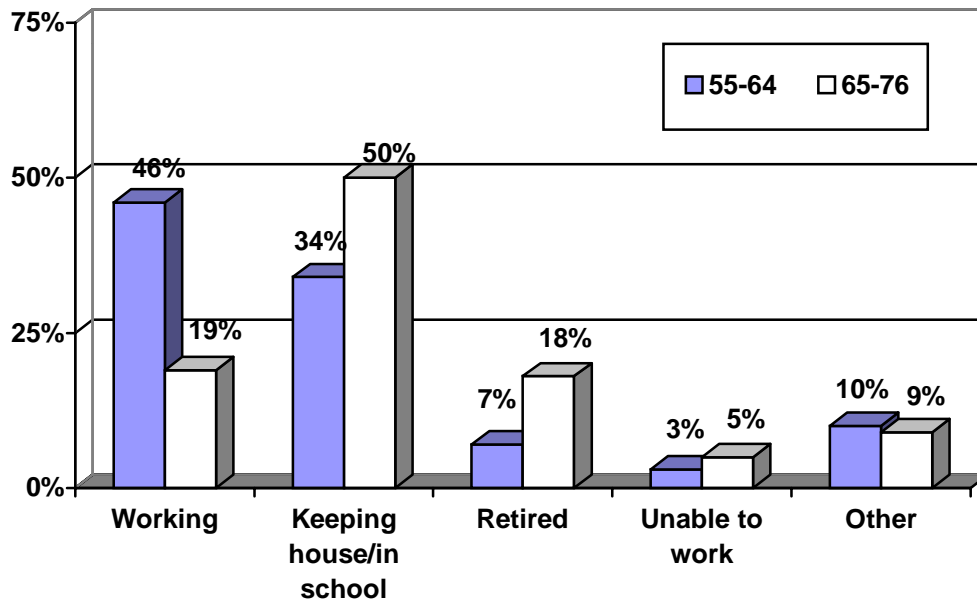
Table B1. Characteristics of the Sample Across Age Groups

	<i>Women 55 to 64, 1992</i>	<i>Women 65 to 76, 1992</i>
<i>% of total weighted sample</i>	60.6%	39.4%
	%	%
Ethnicity † ▲		
White	88.5	91.0
African-American	10.4	8.1
Other	1.1	.8
Education (as of 1989) † ✓		
Less than 12 th grade	22.1	35.0
12 th grade/ GED	45.6	40.2
Some college	17.3	15.0
4 years college +	15.0	9.8
Income Group † ✓		
Less than \$10K	10.8	18.4
\$10-less than \$20K	21.3	33.7
\$20-less than \$35K	27.7	29.9
\$35-less than \$50K	16.8	10.2
\$50K or more	23.4	7.8
Health Status (self rating) † ✓		
Excellent	29.5	20.7
Good	47.8	48.1
Fair	16.1	22.5
Poor	6.6	8.7

- † Weighted data comparisons (as shown) are significant ($p \leq .001$).
✓ Unweighted data comparisons (not shown) are significant ($p \leq .001$).
▲ Unweighted data comparisons (not shown) are significant ($p \leq .05$).

Figure B1 compares the 1992 employment status of women age 55 to 64 with women age 65 to 76. Almost half of the younger women report being currently employed, compared to fewer than two in ten of the older women. Older women are significantly more likely than are younger women to say that they are at home (50% vs. 34%) or retired (18% vs. 7%). The relationship between work status and insurance coverage is critical, since being out of the work force severely limits one's access to employer-provided health insurance (a major source of coverage).

Figure B1.
1992 Employment Status by Age Groups



As shown in Table B2, younger working women are more likely than are older working women to be in professional/ technical (18% vs. 11%) or managerial/ official (12% vs. 9%) positions, whereas older women are more likely to be in service (20% vs. 15%) or sales (12% vs. 8%) positions.

About one-third of each group reported working in the professional services industry, and another two in ten reported working in wholesale/retail. Younger working women are more likely than older working women to be employed in the manufacturing industry (12% vs. 6%), whereas older women are more likely than their counterparts to be in personal services (13% vs. 7%).

Table B2. Occupation and Industry of Working Women by Age Group

	<i>Women 55 to 64, 1992</i>	<i>Women 65 to 76, 1992</i>
<i>% of total weighted working sample</i>	78.9%	21.1%
	%	%
Occupation † ✓		
Professional, technical	18.0	11.3
Managers, officials	12.4	8.7
Clerical, kindred	31.6	30.1
Sales	7.7	11.5
Craftsmen, foremen	1.7	1.4
Operatives	7.5	6.5
Private home workers	2.5	5.5
Service	15.6	20.1
Farmers/Farm managers	.	.3
Farm labor, foremen	.9	1.0
Laborers	.6	.1
Not reported	.7	3.5
Industry † ✓		
Agriculture	2.4	1.6
Mining	.1	0.0
Construction	1.3	1.7
Manufacturing	11.5	6.3
Transportation, communication	2.6	1.4
Wholesale, retail	18.5	20.0
Finance, insurance	6.4	8.2
Business, repair	5.4	6.6
Personal services	7.0	12.8
Entertainment, recreation	1.3	.4
Professional services	35.1	32.5
Public administration	7.4	4.0
Not reported	1.2	4.5

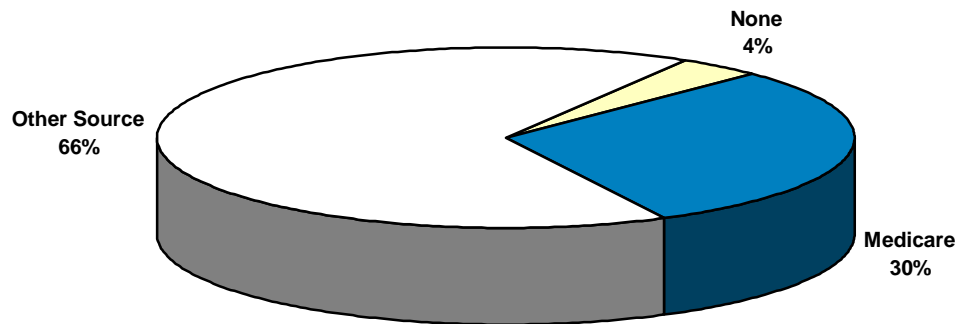
† Weighted data comparisons (as shown) are significant ($p \leq .001$).

✓ Unweighted data comparisons (not shown) are significant ($p \leq .001$).

A Look at Medicare Eligibility and Coverage

Data reveal that being eligible for Medicare (age 65 or older under current policy) does not always mean that a woman will be covered under the program. While four in ten (39%) of the study sample were eligible for Medicare, a majority of these women had coverage via another source, and four percent (or 236,572 women) reported having no insurance coverage.

Figure B2.
Medicare Coverage
Among Women 65 and Older
(in 1992)



In the following pages we will look at this cohort in more detail to determine if there are key demographic differences across these three coverage groups. Who are the women age 65 and older who primarily get their insurance from a non-Medicare source? How do they differ from those with Medicare? Who are the Medicare-eligible women who are yet uninsured?

Table B3. Characteristics of Women 65 and Older by Source They Identify for Health Care Coverage

	<i>Has Medicare coverage, 1992</i>	<i>Has coverage via another source, 1992</i>	<i>Has no coverage, 1992</i>
<i>% of total weighted sample</i>	11.7%	26.1%	1.6%
	%	%	%
Age Group † ✓			
65-69	84.0	87.9	90.2
70-76	16.0	12.1	9.8
Ethnicity † ✓			
White	92.0	91.2	81.5
African-American	7.1	8.0	18.5
Other	.9	.9	0.0
Education (as of 1989) † ✓			
Less than 12 th grade	33.0	34.5	58.8
12 th grade/ GED	39.2	41.5	26.4
Some college	20.7	12.6	11.4
4 years college +	7.1	11.4	3.4
Income Group † ✓			
Less than \$10K	21.1	15.9	46.1
\$10-less than \$20K	31.0	35.6	21.5
\$20-less than \$35K	28.7	30.6	26.6
\$35-less than \$50K	11.5	9.8	5.7
\$50K or more	7.7	8.2	0.0

† Weighted data comparisons (as shown) are significant ($p \leq .001$).

✓ Unweighted data comparisons (not shown) are significant ($p \leq .001$).

Table B3 compares age, ethnicity, education and income status of the women in the three groups. There are few differences between women with Medicare as their source of insurance and those with coverage from another source on these measures, with the exception that more women with Medicare are in the older age group.

However, looking at women age 65 and older who say they have no health insurance coverage we find several differences compared to those with Medicare or other sources of coverage. Those with no coverage are more likely to be:

- 65-69 years of age (90%),
- African-American (19%),
- Less educated (59% with less than a high school education), and
- Lower income (46% with an annual income of less than \$10,000).

Table B4. Employment, Health and Marital Status of Women 65 and Older by Source They Identify for Health Care Coverage

	<i>R is eligible and has Medicare coverage, 1992</i>	<i>R is eligible for Medicare but has coverage via another source, 1992</i>	<i>R is eligible for Medicare but has no coverage, 1992</i>
<i>% of total weighted sample</i>	11.7%	26.1%	1.6%
	%	%	%
Employment † ✓			
Working	13.9	21.5	10.9
W/job, not working	1.5	1.8	0.0
Looking for work	1.2	.8	0.0
Keeping house/ in school	53.7	47.7	48.0
Unable to work	5.1	3.9	9.7
Retired	18.3	17.8	25.1
Other	6.3	6.5	6.4
Health Status (self rating) † ✓			
Excellent	18.5	22.3	8.3
Good	50.2	46.8	55.9
Fair	20.5	23.8	14.0
Poor	10.8	7.2	21.9
Marital Status † ✓			
Married	55.5	55.8	45.5
Widowed	30.6	30.1	40.7
Separated /Divorced/ Husband Absent	11.2	10.9	8.8
Never Married	2.6	3.2	5.0

† Weighted data comparisons (as shown) are significant ($p \leq .001$).

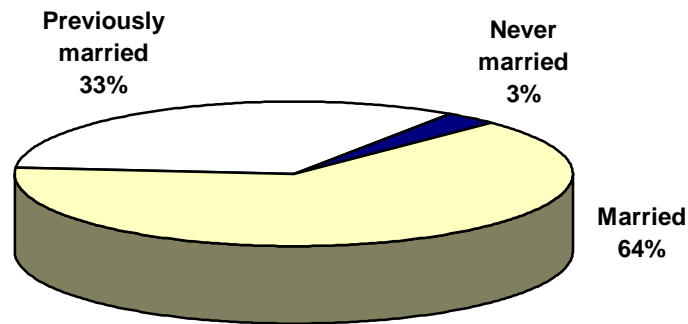
✓ Unweighted data comparisons (not shown) are significant ($p \leq .001$).

Additionally, important differences are revealed when the employment, health, and marital status of these three groups are compared. As displayed above in Table B4, women who are eligible for Medicare but are covered by another source are more likely than are the other two groups of women to be employed and to consider themselves to be in excellent health. Those eligible for Medicare but without health insurance are more likely to be retired, in poor health, and widowed.

The Role of Marriage

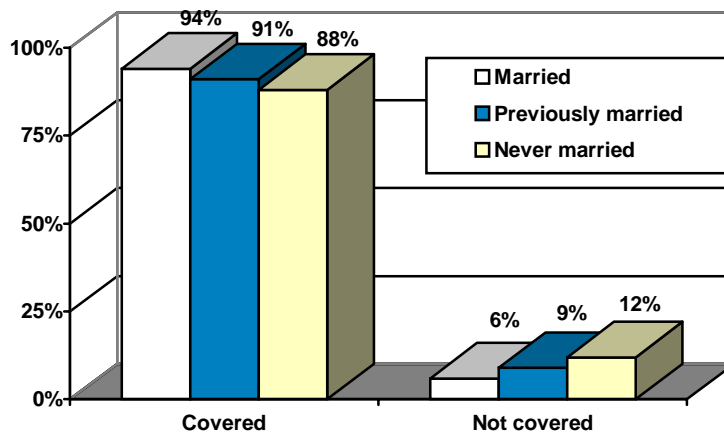
Data presented earlier (page 9) show that women with health insurance are more likely than are those with no such coverage to be married. Marital status also is important because, as other studies have shown, the second most common source of health insurance for women is dependent health insurance coverage through a spouse (Meyer & Pavalko, 1996).

Figure B3.
Marital Status Among Women 55 to 76
(in 1992)



Few women in the sample had never been married. Nearly two-thirds were married (in 1992) and one-third were separated, divorced, widowed, or had husbands who were absent. Although, as previously noted, most women aged 55 to 76 have health insurance, married women are more likely than are non-married women to be covered, and never married women are those least likely to have coverage at these ages (Figure B4).

Figure B4.
Marital Status and Health Insurance Coverage (in 1992)



A Closer Look at Marital Groups

Since health insurance coverage differs across marital status groups, we wanted to discover if there were other characteristics that varied with marital status. As shown in Table B5 (and is true of women in other studies), the likelihood of being married decreases with age: over four in ten of those previously married are aged 65 to 69. Married women are more likely than are non-married women to be Caucasian and in the higher income groups. Previously married women tend to be less-educated and have lower incomes than do the other women. Never married women have higher levels of education than do married or formerly married women.

Table B5. Demographic Comparisons Among Currently, Previously, and Never Married Women Age 55-76, 1992

	<i>Currently Married</i>	<i>Previously Married (includes divorced, widowed, separated, husband absent)</i>	<i>Never Married</i>
<i>% of total weighted sample</i>	63.6%	33.2%	3.2%
	%	%	%
Age Group † ✓			
55-59	30.5	22.5	26.6
60-64	35.2	28.1	35.7
65-69	29.6	43.0	34.2
70-76	4.7	6.4	3.5
Ethnicity † ✓			
White	93.1	83.3	82.7
African-American	5.8	15.9	17.0
Other	1.1	.9	.4
Education (as of 1989) † ✓			
Less than 12 th grade	23.4	34.7	23.4
12 th grade/ GED	45.5	40.8	30.7
Some college	16.7	15.7	18.5
4 years college +	14.4	8.8	27.3
Income Group † ✓			
Less than \$10K	5.1	28.8	25.1
\$10-less than \$20K	21.4	34.8	26.7
\$20-less than \$35K	31.9	22.6	25.5
\$35-less than \$50K	17.5	8.9	8.5
\$50K or more	24.2	5.0	14.2

† Weighted data comparisons (as shown) are significant ($p \leq .001$).

✓ Unweighted data comparisons (not shown) are significant ($p \leq .001$).

Similarly, we find differences in health status and employment status when comparing married, previously married, and never married groups of women aged 55 to 76. As shown below, married women (77%) are more likely than are non-married women to consider themselves in excellent or good health (previously married, 68%; never married, 70%). Well over half (56%) of the married women report being retired or keeping house, compared to 44 percent of previously married and 46 percent of never married women.

Table B6. Health and Employment Status Among Currently, Previously, and Never Married Women Age 55 to 76, 1992

	<i>Currently Married</i>	<i>Previously Married</i> <i>(includes divorced, widowed, separated, husband absent)</i>	<i>Never Married</i>
<i>% of total weighted sample</i>	63.6%	33.2%	3.2%
	%	%	%
Health Status (self rating) † ✓			
Excellent	28.3	21.5	28.9
Good	49.1	46.4	40.8
Fair	16.9	21.9	17.6
Poor	5.7	10.3	12.6
Employment † ✓			
Working	32.7	39.6	37.2
W/job, not working	2.6	2.3	2.7
Looking for work	.9	2.2	2.2
Keeping house/ in school	45.2	32.7	20.0
Retired	10.9	11.3	26.4
Unable to work	1.9	5.9	9.3
Other	5.9	6.0	2.1

† Weighted data comparisons (as shown) are significant ($p \leq .001$).

✓ Unweighted data comparisons (not shown) are significant ($p \leq .001$).

These analyses show that while there are important differences in health insurance coverage among women depending on their marital status, there also are many other characteristics that differ across marital groups. Section III of the report presents analyses of the factors (age, marital status, income, employment, etc.) that play the most important role in determining whether a woman has health insurance coverage.

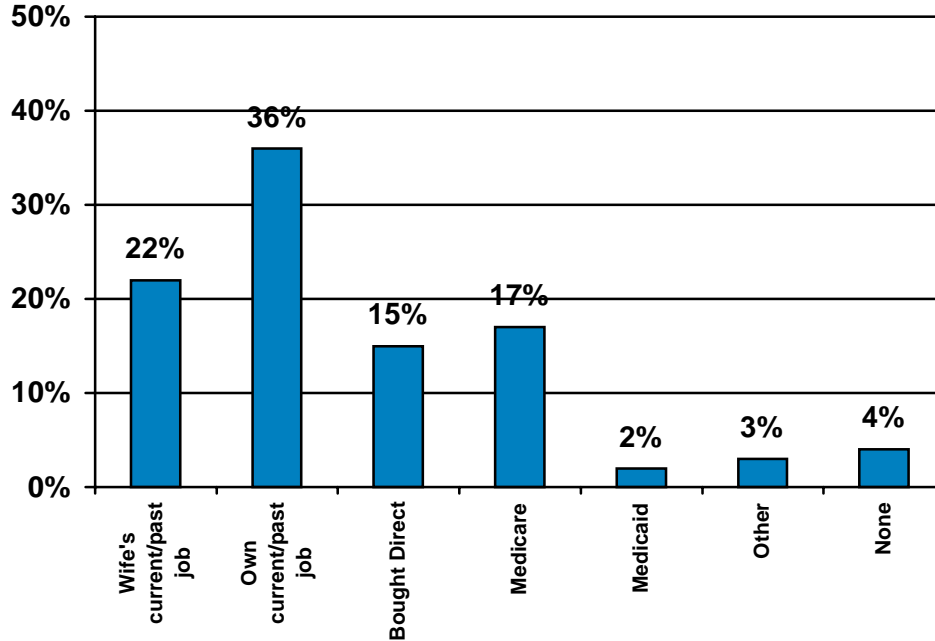
APPENDIX C.

In-Depth Analysis of Coverage Among Husbands

Married Couples, Coverage, and Providers

Figure C1 shows that over one-third of husbands have insurance through a current or former employer, while over two in ten have coverage from their wife's current or past employer policy. Less than two in ten are covered through commercial insurance or Medicare, while few have Medicaid or another (Veteran's, other family member policy) source of coverage. Four percent of husbands report lacking coverage, which translates to a national estimate of 380,530 men.

Figure C1.
Health Insurance Provider for Spouses of
Currently Married Women 55 to 76
(in 1992)



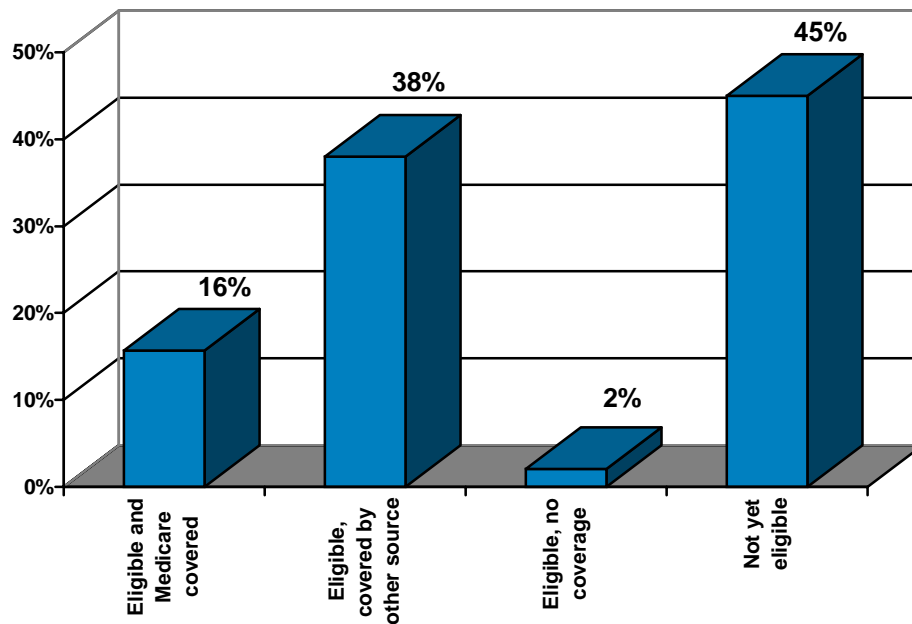
Comparing female respondents' type of insurance coverage with husbands' coverage, we found:

- 63 percent of couples have the same* source of coverage
- 33 percent report different providers
- 4 percent of couples report having no coverage

* "Same" source based on **type of coverage** via NLS categories (e.g., Respondent's former employer), not necessarily the same employer for both partners.

As shown below, almost half of the women were married to men who were not yet eligible for health insurance coverage under Medicare. Many husbands who were Medicare-eligible were actually covered by another provider. Two-percent reported husbands who were 65 years of age or older but had no health insurance coverage.

Figure C2.
Medicare Eligibility and Coverage Among Husbands
 (in 1992)



A closer examination reveals:

- About half of husbands eligible for and covered by Medicare are 65 to 69 years of age (52%), while another half are 70 or older (48%). A higher proportion of those eligible for Medicare but covered under another provider are in the younger group – 60% are 65 to 69.
- Of those eligible for Medicare but lacking coverage altogether, 64% are 65 to 69 years of age.
- Four in ten (40%) of husbands not yet eligible for Medicare are aged 62-64 – the period right before becoming eligible. More than three-quarters of spouses younger than 65 are covered through their own or through their wife’s employer (see Table C1).

Considering the correlation of age and employment, it is important to look at whether husbands in these sample groups were working. As illustrated below, a majority of those over the age of 65 considered themselves retired, while a majority of those under 65 years of age were not retired. Husbands 65 and older who were getting health insurance from a non-Medicare source were more likely than those of the same age with Medicare to still be working (11% vs. 6%, respectively).

Figure C3.
Husband's Employment Status
 (in 1992)

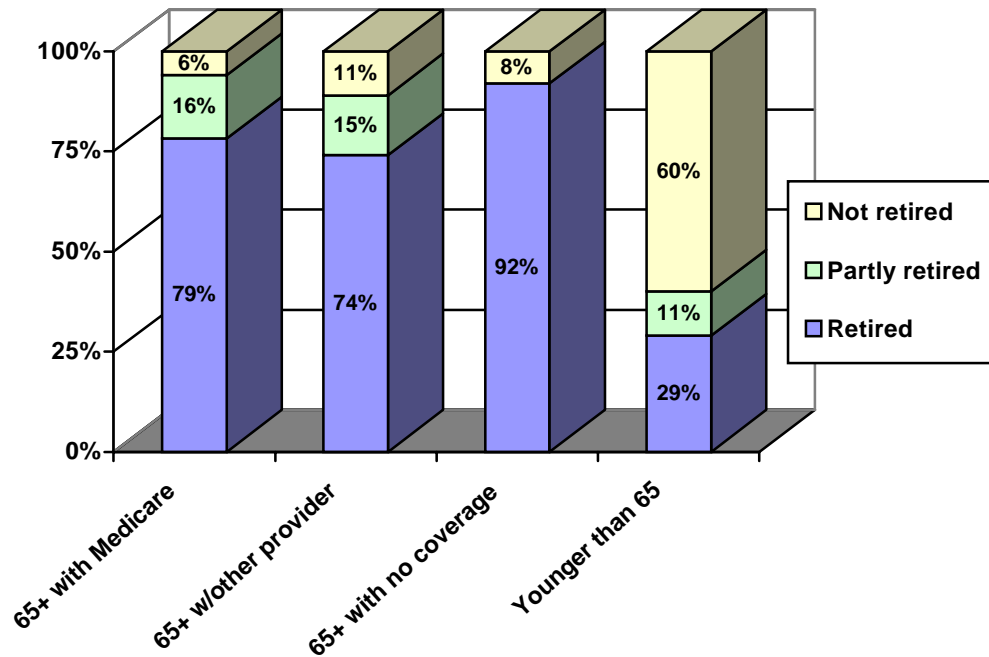


Table C1 compares health insurance providers among husbands who are (a) 65 years of age and older and covered by Medicare, (b) of this age group and covered from another source, and (c) under 65 and not yet eligible for Medicare. We find that younger husbands are more likely than are others to have coverage via their current or past employer. Interestingly, three in ten (30%) have coverage via their wife’s current or past employer. Of those 65 and older but not covered under Medicare, four in ten (40%) have coverage provided through a current or previous employer, while three in ten (29%) purchase their insurance directly.

Table C1. Husband’s Medicare Eligibility and Insurance Provider

	<i>Husband is eligible and has Medicare coverage, 1992</i>	<i>Husband is eligible for Medicare but has coverage via another source, 1992</i>	<i>Husband is younger than 65, 1992</i>
<i>% of total weighted married sample</i>	16.1	37.5	44.9
	%	%	%
Husband’s Health Insurance Provider			
✦ ✓			
Wife’s current/past job policy	0.0	22.8	31.1
Own current/past job policy	0.0	39.9	48.1
Bought Direct	0.0	29.0	10.6
Medicaid	0.0	4.3	1.3
Medicare	100.0	0.0	0.0
Other	0.0	3.7	3.3
No coverage	0.0	0.0	5.5
Don’t know	0.0	0.3	.1

✦ Weighted data comparisons (as shown) are significant ($p \leq .001$).

✓ Unweighted data comparisons (not shown) are significant ($p \leq .001$).

Table C2 compares the demographic characteristics of married women age 55 to 64 by subgroups based on husbands' age and source of health insurance coverage. Note that almost two-thirds of these women had spouses who had not reached 65 years of age, and another quarter were married to husbands who had a source of insurance other than Medicare, despite being eligible to receive benefits.

Those married to men eligible for Medicare but covered by another policy are more likely than others to be older (62 to 64 years of age) and have higher income levels than do those married to men of this age who are covered under Medicare. Wives of husbands who are over 65 but have no health coverage (less than 1% of the sample) are more likely than others to be African-American and to have lower education and income levels. Also, wives of husbands younger than 65 are most likely to be less than 60 years of age and to have higher household incomes.

Table C2. Married Respondent Demographic Characteristics by Husband's Medicare Status, Women 55 to 64, 1992

	<i>Husband is eligible and has Medicare coverage, 1992</i>	<i>Husband is eligible for Medicare but has coverage via another source, 1992</i>	<i>Husband is eligible for Medicare but has no coverage, 1992</i>	<i>Husband is younger than 65, 1992</i>
<i>% of weighted married sample of women 55- 64</i>	9.9	24.9	.8	64.4
	%	%	%	%
R's Age Group † ✓				
55-59	22.4	16.5	27.8	61.8
60-61	20.6	22.0	28.2	19.0
62-64	57.0	61.5	44.0	19.3
R's Ethnicity † ✓				
White	88.9	91.5	81.9	94.6
African-American	9.2	7.7	18.1	4.6
Other	1.9	.8	0.0	.7
R's Education (as of 1989) † ✓				
Less than 12 th grade	30.4	19.6	21.3	16.8
12 th grade/ GED	45.4	45.5	61.5	49.7
Some college	14.6	22.2	17.2	15.4
4 years college +	9.6	12.7	0.0	18.1
R's Income Group † ✓				
Less than \$10K	7.5	5.0	21.0	3.1
\$10-less than \$20K	27.8	21.7	56.2	12.2
\$20-less than \$35K	35.9	30.7	22.8	27.7
\$35-less than \$50K	14.3	17.2	0.0	20.9
\$50K or more	14.5	25.4	0.0	36.0

† Weighted data comparisons (as shown) are significant ($p \leq .001$).

✓ Unweighted data comparisons (not shown) are significant ($p \leq .001$).

Table C3 compares the employment status of the same four groups of married women. Not surprisingly, the younger women who are married to men less than 65 years of age are those most likely to be in the work force. Women married to men who are 65 or older with no insurance coverage (again, less than 1% of the sample) are more apt than others to report they are at home or unable to work.

Table C3. Married Respondent's Employment Status by Husband's Medicare Status, Women 55-64, 1992

	<i>Husband is eligible and has Medicare coverage, 1992</i>	<i>Husband is eligible for Medicare but has coverage via another source, 1992</i>	<i>Husband is eligible for Medicare but has no coverage, 1992</i>	<i>Husband is younger than 65, 1992</i>
% of weighted married sample of women 55 to 64	9.9	24.9	.8	64.4
	%	%	%	%
R's Employment † ▲				
Working	41.1	37.9	26.5	45.8
W/job, not working	1.2	2.1	0.0	3.7
Looking for work	.4	.5	0.0	1.7
Keeping house/ in school	38.1	41.2	55.1	38.0
Retired	10.6	11.2	3.5	5.5
Unable to work	3.6	.2	14.9	1.1
Other	5.0	6.9	0.0	4.3

† Weighted data comparisons (as shown) are significant ($p \leq .001$).

▲ Unweighted data comparisons (not shown) are significant ($p \leq .05$).

APPENDIX D.

Further Analysis of Coverage Factors and Transitions: 1992 to 1997

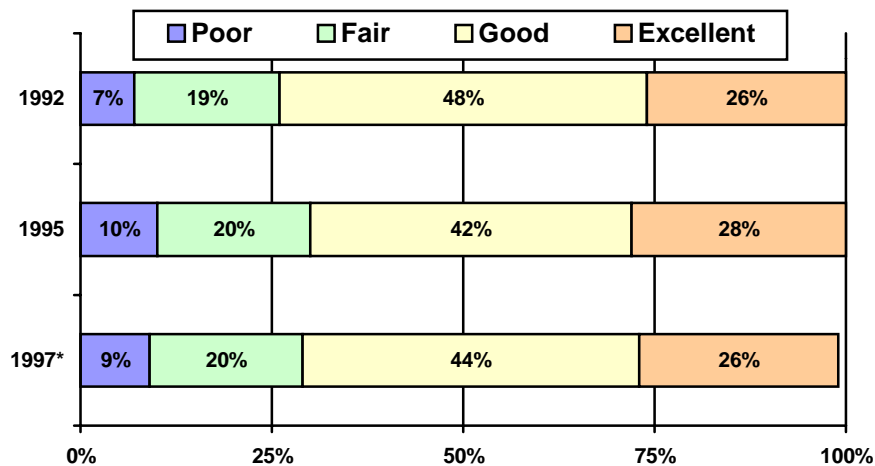
NLS Mature Cohort data for survey years 1995 and 1997 were made available in mid-1999. For this section of the report, we utilize these new data sets to examine changes that occur over a five-year span (1992 to 1997), with a special focus on women who were not eligible for Medicare in 1992, but who (under the current eligibility rules) became eligible in subsequent years. Using multivariate analytic techniques, we examine the factors which have the greatest influence on whether a woman has health care coverage, and what the likely effect on coverage will be if the age of eligibility for Medicare is raised to 67 or 69.

Women are particularly vulnerable to being uninsured or to losing health insurance at midlife due to “instability in employment and in marital status over the life course” (Meyer & Pavalko, 1996, p. 311). The effect of changes in family and work composition are particularly relevant in investigating women’s access to health insurance and Medicare. Accordingly, we next examine changes in health, marital, and employment status as this group of women ages, from 1992 to 1997.

Changes in Health Status Experienced with Age

If we follow individual respondents across time (1992 through 1997) we find that as they age (for example, from 55 to 60 or from 76 to 81), there is a slight increase in the percentage of women rating their health as being poor or fair, while fewer say they are in good or excellent health.

**Figure D1.
Age-Related Changes in Health Status**



* Percentages do not add to 100% due to rounding down of decimals less than .5

As health declines across these years, women age 65 and older may find difficulty getting health coverage on the open market. Carriers may deny coverage to individuals if it is determined that they are in poorer health (Scanlon, 1998). Therefore, if Medicare was not available to these women, the number of uninsured women would likely increase.

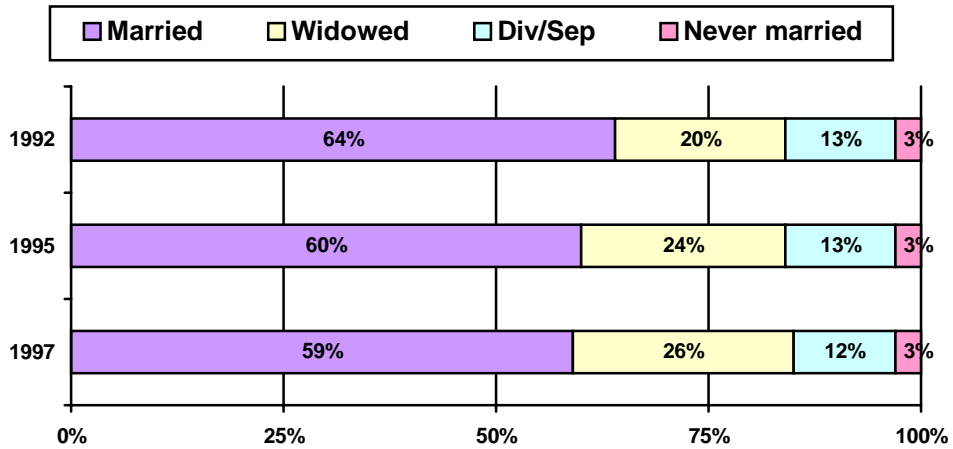
Changes in Marital Status Experienced with Age

We have shown that married women are more likely than non-married women to be insured and that many married women rely on their husband's job policy for insurance. Thus, one would expect that changes in marital status – particularly the loss of a spouse -- would affect the likelihood of a woman having health insurance coverage. Widows and divorced women, for example, may lose the ability to get insurance through dependent coverage, increasing their likelihood to become uninsured. Conversely, unmarried women who marry may gain access to dependent insurance coverage. However, because the proportion of time over the life course in which women are married is decreasing, the importance of the safety net provided by dependent insurance coverage is likely to decrease (Meyer & Pavalko, 1996).

As is well known, women are very likely to outlive their husbands. The retirement or death of a husband can have a serious impact on health insurance coverage for a woman who is covered by her husband's employer-sponsored health plan. When an older working spouse retires, a younger wife may not have her coverage continued, and be left without health insurance until she is eligible for Medicare. Similarly, divorce at middle or old age may result in the woman being removed from her ex-husband's employer-sponsored health plan and in a decline in economic well-being, leaving her unable to purchase her own insurance coverage (Burkhauser & Duncan, 1989).

In 1992 we see that 64 percent of women are married and 20 percent are widowed. Five years later, fewer than six in ten are married and over one-quarter are widowed. The proportion of women who are separated/divorced or never married, however, remains consistent across years.

Figure D2.
Age-Related Changes in Marital Status



Changes in Employment Experienced with Age

Figure D3 compares different birth cohorts of women, looking at the percentage of working women aged 55 to 64 with those 65 and older in 1992, 1995 and 1997. While in 1992 almost half of the younger women were employed, only about two in ten of the older women were employed. While this gap in the proportion of younger vs. older women who are employed is also evident in 1995 and 1997, the proportion of working women in each group steadily declines, suggesting women are retiring earlier than in previous years.

Figure D3.
Percentage of Employed Women Across Years by Age Group

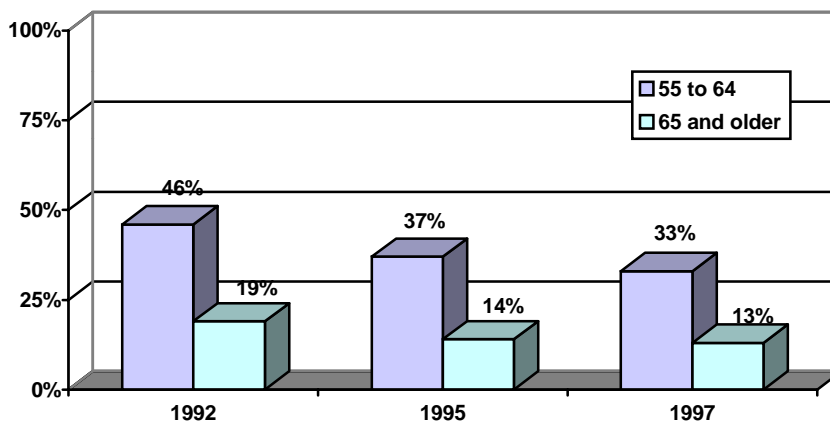
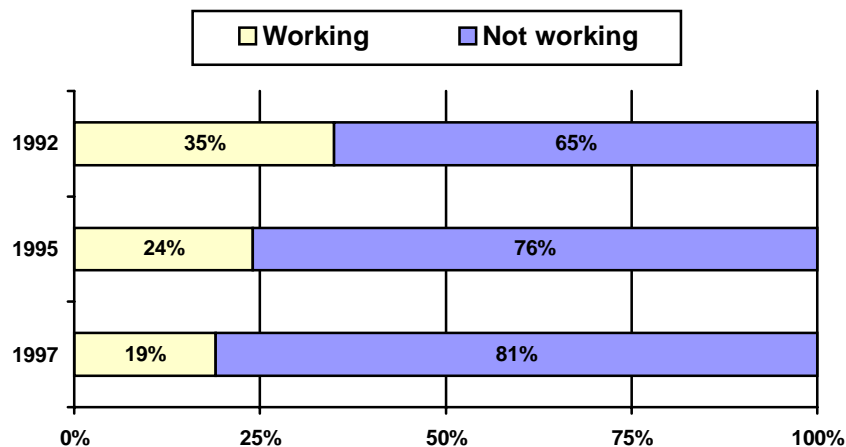


Figure D4 shows that as a single cohort of women (those 55 to 76 in 1992) ages, the percentage in the work force declines from over one-third working in 1992 to fewer than one in five working in 1997.

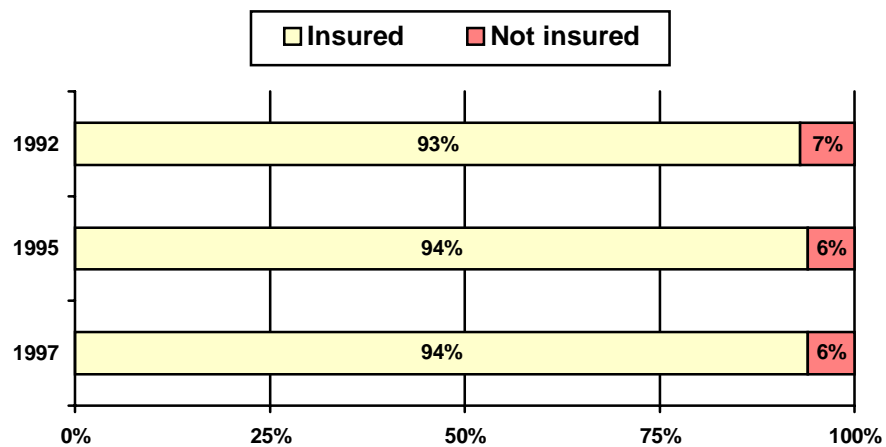
Figure D4.
Age-Related Changes in Employment Status



Changes in Insurance Coverage as Women Age

As we have shown (with 1992 data), women 65 years of age and older are significantly more likely than are younger women to have health insurance coverage due to the availability of Medicare. Figure D5 illustrates that as this cohort of women (those 55 to 76 in 1992) ages, there is little change in overall levels of insurance coverage, with over nine in ten reporting being insured in each survey year. This is notable considering the declines throughout the same time period in the percentage of women who are in good health, married, and/or working.

Figure D5.
Age-Related Changes in Health Insurance Coverage



While the total percentage of women without insurance is stable across years, these are not always the same women: across the three years, two percent of this total (unweighted) population remains consistently uninsured.

Changes in Health Insurance Providers with Age

While we find few overall shifts in insurance coverage status for these women as they age, we do find dramatic shifts in the provider of the coverage. As shown below, the percentage of women reporting coverage under Medicare more than triples (from 13% in 1992 to 42% in 1997), while the percentage covered under each of the three other main sources declines. The greatest loss is seen in women who receive insurance through their own current or previous employer; the proportion declines from 28 to 16 percent. Interestingly, this parallels declines witnessed in the percentage of women working across these years. There are also fewer women who are covered through their spouse's employer or who purchase coverage directly from an insurance company.

Table D1. Transitions in Health Insurance Provider as Women Age, 1992 to 1997

<i>(Each year weighted)</i>	1992 (age 55-76)	1995 (age 58-79)	1997 (age 60-81)
	%	%	%
Own current/past job	27.9	19.9	16.2
Husband/Partner's current/past job	27.4	22.6	19.6
Purchased directly	17.4	11.7	11.5
Medicare	13.3	27.7	42.0
Medicaid	4.6	0.8	2.1
Other	2.2	10.8*	2.3
No coverage	7.1	6.5	6.2

*Includes a category Medicare/Medicaid (8.6%) which was not used in other surveys.

The percentages reported above translate to the following numbers of women in this cohort being covered through Medicare:

Year	# In Medicare	Gain from previous survey year
1992	2,006,332	
1995	3,915,852	(+1,909,520 from 1992)
1997	5,590,916	(+1,675,064 from 1995)

Who are the Women Joining Medicare?

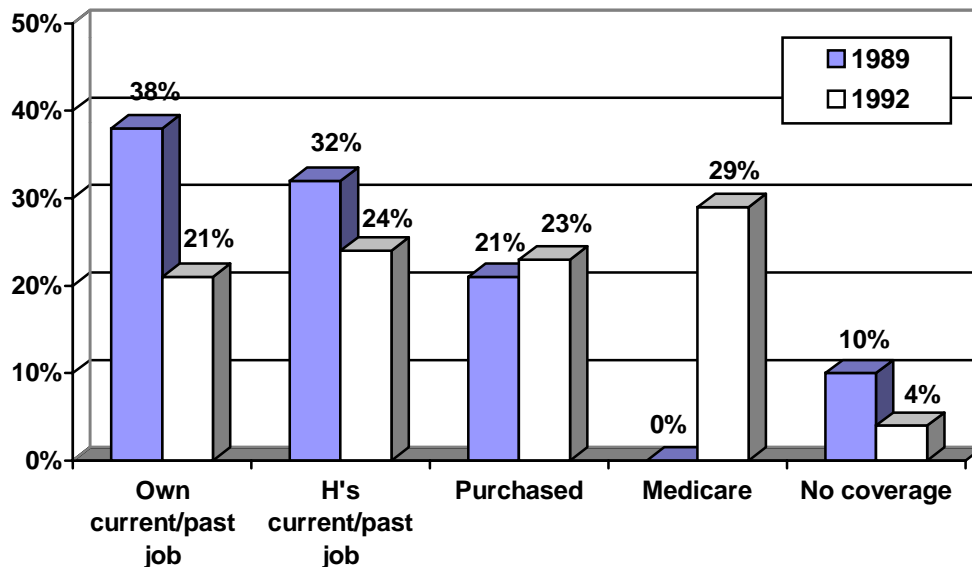
Next we take a closer look at the women who move into the Medicare program to examine their previous source of insurance coverage as well as trends in provider coverage across time. While a small percentage of women do join Medicare before the standard age of eligibility due to disability, here we focus only on those who might enter into the program as a result of turning 65:

- ✓ Women age 62 to 64 in 1989 who are then eligible in 1992 (3,165,692 women)
- ✓ Women age 62 to 64 in 1992 who are then eligible in 1995 (2,944,436 women)
- ✓ Women age 63 and 64 in 1995 who are then eligible in 1997 (1,613,053 women)

Transitions from 1989 to 1992

Figure D6 shows the source of health care coverage for women age 62 to 64 in 1989, and the source of coverage for these same women in 1992, when they are 65 to 67 years of age. As these women become Medicare eligible, we find fewer being covered under employer-provided plans and more being covered by Medicare. While the proportion of those purchasing commercial insurance remains somewhat consistent, the percentage of those without health insurance coverage is cut in half.

Figure D6.
Change in Insurance Provider, 1989 to 1992
(For Women Age 62-64 in 1989)



The table below presents shifts in the provider of health insurance for women who are not eligible for Medicare in 1989 (at 62 to 64 years of age), who become eligible in 1992, when they are 65 to 67 years of age.

While some women retain their job-provided or purchased coverage from 1989 to 1992, despite becoming eligible for Medicare, a number do enter the program. Importantly, a full two-thirds of women with no coverage in 1989 enter Medicare, when eligible, in 1992.

Table D2. 1989 Health Insurance Provider Compared to 1992 Provider; Women Age 62 to 64 in 1989

	Provider in 1992:*				
	Own current/past job	Husband/ Partner's current/past job	Purchased directly	Medicare	No coverage
<i>% of weighted 1992 sample:</i>	21%	24%	23%	29%	4%
Provider in 1989:*					
Own current/past job	46%	10%	22%	21%	2%
Husband/Partner's current/past job	6	57	14	21	3
Purchased directly	8	7	45	37	4
No coverage	0	3	13	66	19

* Main providers only. Excludes those with Medicaid, Veteran's, other family member, or disability coverage.

It is important to analyze the characteristics of the women who enter Medicare once eligible in 1992, and think about their opportunities for obtaining other forms of health insurance coverage if Medicare had not been available. The portrait of this group (65 to 67 years of age in 1992 – about 760,000 women entering Medicare) is representative of:

- Seven in ten reported having only a high school education or less.
- Most were not working: seven in ten kept house, were retired, or were unable to work. One in five reported leaving a job from 1989 to 1992.
- Two of five were widowed, divorced/separated, or never married.
- Of those who were married, almost all (nine in ten) were married to men 65 years of age and older who had their health coverage through Medicare, and were fully or partially retired from work.
- Almost one-third rated their health as being fair or poor.
- The average annual income was approximately \$25,000.

Taking these factors into consideration, in the absence of Medicare it is highly unlikely that many of these women would be able to obtain health insurance from an employer, through a husband's employee benefit, or by purchasing commercial coverage. If we look only at women who had no health insurance coverage in 1989 and then entered the Medicare program upon eligibility (approximately 172,000 women), we find women who are the *most vulnerable* and *dependent* upon Medicare:

- Seven in ten reported having less than a high school education.
- Four in five were not working.
- Three in ten were widowed.
- Half reported being in fair or poor health.
- Almost one in five were ethnic minorities.
- Reported average annual income was roughly \$13,000.

These data suggest that even those less vulnerable, who did have a source of health coverage in 1989 and entered Medicare when eligible in 1992, would have difficulty finding alternative coverage if Medicare had not been available. For example, of those with prior coverage through their employer, over one-quarter left their job between 1989 and 1992. Of those with prior coverage from their husband's employer, 5 percent lost their husband from 1989 to 1992. Of those still married, more than eight in ten had husbands who were covered through Medicare. Of those who purchased private coverage in 1989, most were unemployed by 1992 with average annual incomes of only approximately \$29,000 – suggesting a private plan would not be affordable.

Transitions from 1992 to 1995

Similarly, Figure D7 presents the source of health care coverage for women age 62 to 64 in 1992, and the source of coverage for these same women in 1995, when they are three years older. Again we find that as these women become Medicare eligible, fewer are covered under employer-provided plans and more are covered by Medicare. Across these years there is a significant decline in those purchasing insurance and again, as in the 1989-1992 group, the percentage of those without health insurance coverage is cut in half.

In comparing these findings to Figure D6, which presented transitions from 1989 to 1992 in sources of insurance for women of these same ages, we find that pre-Medicare eligibility coverage is very similar. However, in 1995 there appears to be a greater proportion of women entering Medicare than was true in 1992, and fewer women switching to coverage purchased directly from an insurance company.

Figure D7.
Change in Insurance Provider, 1992 to 1995
(For Women Age 62-64 in 1992)

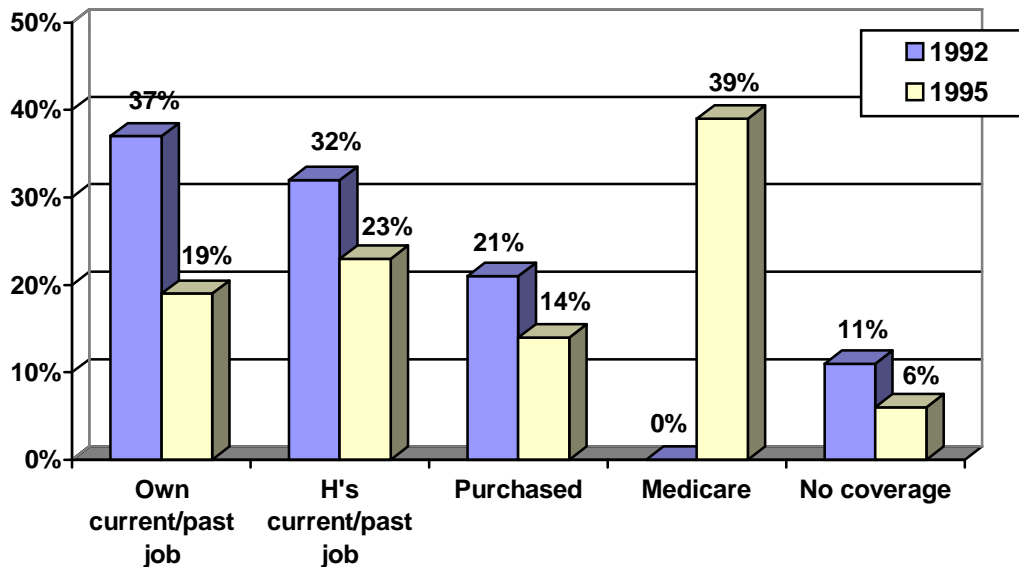


Table D3 displays transitions in health insurance providers for women who are not eligible for Medicare in 1992 (when they are 62 to 64 years of age), who later become eligible in 1995, when they are 65 to 67 years of age.

While roughly half of the women with employer-provided coverage in 1992 retain that coverage in 1995, one-third transition into Medicare once eligible. Over half of the women who purchased coverage in 1992 drop their policies to join Medicare, once eligible. While two in five women lacking coverage in 1992 join Medicare when eligible, almost as many remain without coverage. While representing a small portion of the total sample, it is curious that these women do not enter the Medicare program when eligible; this cannot be explained with available data.

Table D3. 1992 Health Insurance Provider Compared to 1995 Provider; Women Age 62 to 64 in 1992

	Provider in 1995:*				
	Own current/past job	Husband/ Partner's current/past job	Purchased directly	Medicare	No coverage
<i>% of weighted 1995 sample:</i>	19%	23%	14%	39%	6%
Provider in 1992:*					
Own current/past job	47%	8%	9%	34%	2%
Husband/Partner's current/past job	3	55	7	34	1
Purchased directly	4	3	35	56	3
No coverage	0	15	7	40	38

* Main providers only. Excludes those with Medicaid, Veteran's, other family member, or disability coverage.

Next we analyze the characteristics of the women who enter Medicare once eligible in 1995, to explore what their opportunities for obtaining other forms of health insurance coverage might have been if Medicare had not been available. As with those of this age entering the program in 1992, the demographic characteristics of this group (65 to 67 years of age in 1995 – roughly 880,000 women) are noteworthy:

- Seven in ten had a high school education or less.
- Most (83%) were not working, with one in five saying they had left their job in the past three years.
- One-quarter reported being in fair or poor health, with 6 percent saying their health had declined in the past three years.
- One in five were widows and one in ten were divorced or separated. Of these women, 5 percent said they had “lost” their husband in the past three years.
- Of those who were married, two-thirds reported that their spouses were covered by Medicare, and more than three-quarters were no longer working.
- The average annual income was about \$30,650.

As was true in the 1989 to 1992 analysis, these factors suggest it would be unlikely for a number of these women to obtain health insurance from an employer, from a husband’s job policy, or by purchasing commercial coverage in the absence of Medicare. Again, this is especially true for the vulnerable population of women who had no health insurance coverage in 1992 but entered Medicare upon eligibility in 1995 (approximately 100,000 women):

- Six in ten reported having less than a high school education.
- Almost one-third were divorced or separated and almost as many were widowed.
- One-third were ethnic minorities.
- Reported average annual income was roughly \$21,000.

Even those who did have a source of health coverage in 1992 might have had difficulty finding alternative coverage if Medicare was not available. Almost one in four of those with prior coverage through their employer had since left her job, and one in three reported being in fair or poor health – making continued employment less likely. Among married women, roughly 80 percent of those with prior coverage through their husband’s job reported that their husband was covered by Medicare in 1995, suggesting that the employer plan was no longer an option. Women who purchased commercial coverage in 1992 reported an annual household income of about \$30,000 in 1995, again suggesting that private health coverage costs would be burdensome.

Transitions from 1995 to 1997

Figure D8 presents sources of health care coverage for women age 63 and 64 in 1995, and the source of coverage for these same women in 1997, when they are Medicare-eligible. As with 1992 to 1995 transitions, we find many leaving employer and purchased plans and entering Medicare. Again we see a decline in the percentage of women lacking health insurance.

In comparing these findings to 1989-1992 and 1992-1995 transitions, we find a slightly greater reliance on employer-provided coverage from a husband's or partner's job policy for women prior to Medicare eligibility (1995). Additionally, there is a notable increase in the percentage of women entering Medicare once eligible, along with a parallel decline in the percentage with employer-sponsored or purchased plans.

Figure D8.
Change in Insurance Provider, 1995 to 1997
(For Women Age 63-64 in 1995)

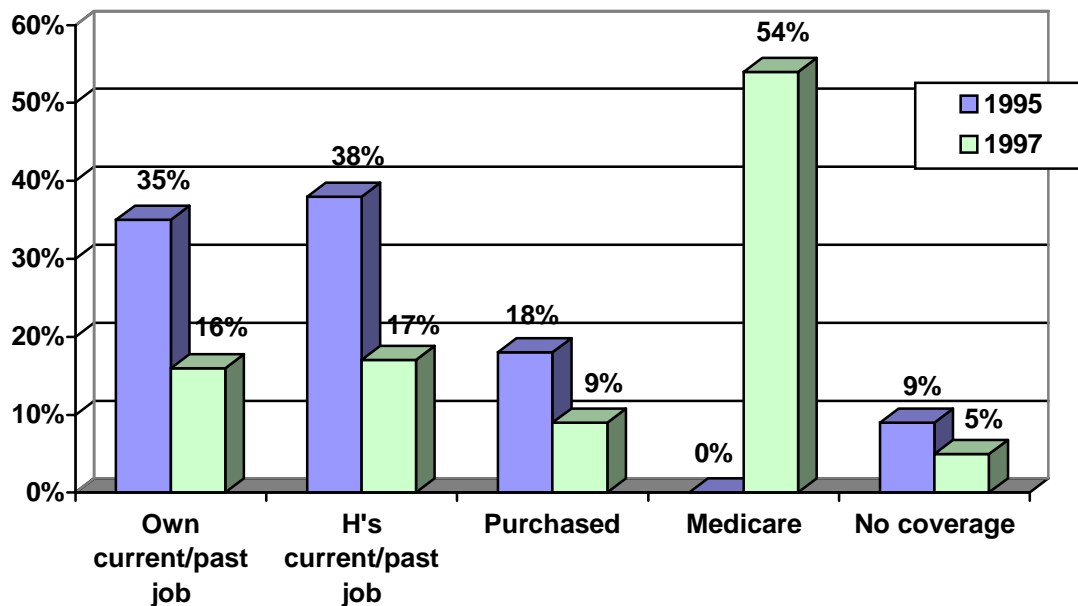


Table D4 presents transitions in health insurance providers for women who are not eligible for Medicare in 1995 (when they are 63 and 64 years of age), who later become eligible in 1997, when they are 65 and 66 years of age.

Compared to earlier findings on provider transitions (1989 to 1992; 1992 to 1995), changes from 1995 to 1997 show larger percentages of those with employer provided coverage entering Medicare once eligible. A majority of those who purchased coverage in 1995 switch to Medicare, once eligible. Likewise, almost three-quarters of women lacking coverage in 1995 become covered under Medicare, now that they are eligible.

Table D4. 1995 Health Insurance Provider Compared to 1997 Provider; Women Age 63 and 64 in 1995

	Provider in 1997*:				
	Own current/past job	Husband/ Partner's current/past job	Purchased directly	Medicare	No coverage
<i>% of weighted 1997 sample:</i>	16%	17%	9%	54%	5%
Provider in 1995*:					
Own current/past job	37%	3%	5%	53%	2%
Husband/Partner's current/past job	6	41	6	43	4
Purchased directly	4	0	24	67	6
No coverage	3	1	10	72	14

* Main providers only. Excludes those with Medicaid, Veteran's, other family member, or disability coverage.

Who are the women who enter Medicare once eligible in 1997 and what opportunities would they have to obtain an alternate source of health insurance if Medicare was not available to them? This group consists of roughly 750,000 women who were 63 or 64 years of age in 1995, and thus 65 to 66 years of age in 1997:

- Almost seven in ten reported having a high school education or less.
- Most (82%) were not working.
- Over one-third were widowed, divorced, or separated.
- Of those married, only one-quarter reported that their husbands were still working, and a majority of husbands (65%) had their health insurance provided by Medicare.
- 20 percent reported being in fair or poor health.
- Their average annual household income was approximately \$35,000.

Again, one could safely speculate that a majority of these women would be unable to find health coverage from another source if Medicare were not available. Only a radical return to the full-time work force for those 65 and older would offer a possibility of employer-sponsored coverage – which is improbable considering consistent trends toward early retirement or bridge/part-time work preceding full retirement.

As with those entering the program in prior years, we find the availability of Medicare most critical for women who had no health insurance coverage in 1995 but entered Medicare upon eligibility in 1997 (approximately 95,000 women). These women tend to be less educated, not married, with low incomes, and of minority status:

- Over half report having less than a high-school education.
- Over four in ten were widowed, divorced, or separated.
- The average annual income was reported to be less than \$23,000.
- Over one-quarter were African-American.

Similar to previous analyses, these data suggest that women who did have a source of health coverage in 1995 might also find themselves uninsured if Medicare was not available. Most would be unable to afford a privately-purchased plan; even those who purchased their coverage in 1995 report 1997 annual incomes of only \$25,000. Moreover, almost three-quarters (72%) of women who were previously covered by their employer are not working by 1997: about 20 percent had left their job in the past two years, and almost three in ten said that they were in poor or fair health. Of those transitioning into Medicare from their husband's employer-provided coverage, about one-quarter were widows and 8 percent had "lost" their husband (through death, divorce, or separation) in the past two years.

Altogether these data suggest that many "life transitions" that occur at this age help contribute to the importance of Medicare as the primary source of health care coverage for women who are age of 65 and older.

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