

Group Health Insurance Coverage of Full-Time Employees, 1972

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Forty-six million full-time workers in private industry and government jobs—70 percent of those employed full time at the time of the survey in April 1972—were covered by a group health insurance plan. This article reports on the characteristics of workers covered by group health insurance plans and those not covered. Some of the details of group health insurance provisions, such as financing arrangements and types of benefits provided, are also discussed.

IN MID-APRIL 1972 the Bureau of the Census conducted a survey of households to obtain, for each member aged 16 or older, information on the employment status and group health insurance coverage through the workplace. The survey, made under contract with the Department of the Treasury, the Department of Labor, and the Department of Health, Education, and Welfare, was conducted with a scientifically selected sample of households designed to represent the civilian non-institutionalized population of the United States. The survey and estimating methods used in the study, as well as certain limitations of the data, are explained in the technical note at the end of the article.

Highlights of the April 1972 study reveal that:

- An estimated 46 million full-time workers in the civilian labor force—7 out of 10 of those employed full time in April 1972—were covered by a group health insurance plan on their job.
- The proportion of men covered by group health insurance—74 percent—was substantially higher than that for women—61 percent.
- White workers were more likely than workers from all other races to have coverage on their job—71 percent and 65 percent, respectively.
- The coverage rate was somewhat higher for wage and salary workers in government than for wage and salary workers in private industry—80 percent and 74 percent, respectively.
- Both wage and salary groups had substantially higher coverage rates than the self-employed
- Group health insurance coverage was greatest in high-wage industries, such as manufacturing, mining, and communications and public utilities, and

least in low-wage industries, such as agriculture, services, and retail trade.

- Eighty percent of the workers not included in group health insurance plans were in agriculture, construction, trade, and service industries.
- Younger workers and older workers were least likely to have group health insurance coverage—more than 35 percent of those under age 25 and 54 percent of those aged 65 or over were not covered.
- Workers not included under group health insurance plans were likely to be low earners.
- About half of all workers in group insurance plans had hospital, surgical, and medical protection. Most of the remainder had hospital and surgical protection.
- About a third of the workers in group health insurance plans were in noncontributory plans with the employer paying the full cost. Another 47 percent of the workers shared the cost of their plan.

This report focuses on the detailed characteristics of full-time workers¹ included and those not included in group health insurance plans on their current job. Since there is a major distinction between group coverage for private wage and salary workers and that for government workers, the analysis also includes a detailed comparison of differences in coverage for these two groups. For the self-employed and unpaid workers, the small size of the group, as well as problems of reporting coverage by the self-employed, precludes such detailed analysis.² Furthermore, it must be emphasized that this article does not make estimates of the total population covered under health insurance plans, such as those found

¹ Full-time wage and salary workers are defined as those working 35 hours or more during the survey week, those with a full-time job but not at work during that week, or those with a full-time job but working less than 35 hours because of noneconomic reasons.

² Many of the self-employed with group health insurance probably obtained this coverage through a group policy offered to their employees. Some of the self-employed may have reported coverage from a wage and salary job they previously held. Professional associations frequently offer group coverage to their members. Although this coverage is not employment-related and thus should not have been reported in the survey, it may have been.

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in other studies,³ since the survey does not ask for information on individual health insurance coverage.

CHARACTERISTICS OF WORKERS WITH AND WITHOUT GROUP HEALTH INSURANCE

Estimates from the survey indicate that about 46 million full-time workers in the civilian labor force (private industry and government wage and salary workers and the self-employed) had private group health insurance coverage on their job in April 1972. These workers accounted for 7 out of 10 of the 66 million persons aged 16 or older in the full-time civilian labor force during that month.

Group health insurance is defined here as any plan related to employment that is designed to pay all or part of the hospital or medical expenses of the employed individuals (and in many cases, those of their dependents).⁴ As mentioned above, this report does not include estimates of coverage under individual health insurance plans such as found in other surveys. Virtually all the workers with group health insurance coverage were in plans providing some form of hospitalization as well as surgical insurance. A substantial group—about half—had additional coverage for doctors' visits at the office or home.

The survey estimate of 46.0 million full-time workers covered by private group health insurance plans is considerably lower than the Social Security Administration estimate of 59.6 million full- and part-time workers with coverage in 1970.⁵ Much of the difference is explained by the exclusion of part-time workers and the unemployed from the survey. Some of the difference, however, stems from a number of factors that

TABLE 1.—Percentage distribution of all full-time workers, by group health insurance status and type of employment, April 1972

Type of employment	Total number (in thousands)	Percentage distribution			
		Total	Covered	Not covered	No response
Total					
Total.....	65,527	100	70	29	1
Private industry.....	48,178	100	74	26	1
Government.....	11,431	100	80	19	(?)
Self-employment ¹	5,919	100	23	76	1
Men					
Total.....	44,206	100	74	25	1
Private industry.....	32,708	100	79	20	1
Government.....	6,717	100	88	12	(?)
Self-employment ¹	4,782	100	25	73	1
Women					
Total.....	21,321	100	61	38	1
Private industry.....	15,470	100	62	37	1
Government.....	4,714	100	70	30	1
Self-employment ¹	1,137	100	15	84	1

¹ Includes a small number of unpaid full-time family workers.

² Less than 0.5 percent.

have resulted in overstatements of coverage in the Social Security Administration estimate. That estimate is based on reports of private insurance companies and other government agencies, many of which include data for persons who—because of retirement, layoff, sickness, or job shifts—are no longer employed. In addition, an unknown amount of duplication in the estimate exists, especially for husbands and wives who both work. Reconciliation of the Social Security Administration global estimate and the survey data is underway.

According to the survey, coverage rates varied widely by sex and by type of employee (private industry or government). The proportion with coverage was somewhat higher for wage and salary workers in government than for wage and salary workers in private industry—80 percent and 74 percent, respectively (table 1). Both groups had substantially higher coverage rates than the full-time self-employed. Much of the difference reflects the lack of group health insurance coverage in smaller establishments, partly because of prevailing underwriting practices and State laws.

The proportion of men with health insurance coverage—74 percent—was substantially higher than that of women—61 percent. In addition,

³ See, for example, "Hospital and Surgical Insurance Coverage, United States, 1968," *Vital and Health Statistics*, Series 10, No. 66, National Center for Health Statistics, Public Health Service, January 1972, and Marjorie Smith Mueller, "Private Health Insurance in 1972: Health Care Services, Enrollment, and Finances," *Social Security Bulletin*, February 1974

⁴ The survey question was: "Are you presently covered by a group health insurance plan for employees where you now or did work?" The respondents were asked not to report insurance that pays only for accidents or disability.

⁵ See Walter W. Kolodrubetz, "Employee-Benefit Plans, 1971," *Social Security Bulletin*, April 1973, pages 27-28.

men's coverage rates were almost twenty percentage points greater in both private industry and government. This difference reflects to some degree the fact that a married working woman is often precluded from participation in an employer-sponsored plan if her husband has family coverage through his employer.

Industry

The survey results show variation in group health insurance coverage for full-time workers by major industry group. Coverage was almost

universal for workers in durable goods manufacturing, communications and public utilities, and mining industries—about 9 out of 10 workers were covered (table 2). Somewhat lower coverage rates were found in nondurable goods manufacturing, transportation, wholesale trade, and finance industries, with rates ranging from 75 percent to 84 percent. The largest gaps in groups coverage were in construction, retail trade, and service industries, with the lowest rate—20 percent—found in agriculture.

Generally speaking, coverage rates for men were higher than those for women in almost all industries, except in transportation and communi-

TABLE 2 —Percentage distribution of all full-time workers and of full-time wage and salary workers in private industry, by group health insurance status and industry division, April 1972

Industry division	Total number (in thousands)	Percentage distribution by coverage status			Percentage distribution by industry division		
		Total 1	Covered	Not covered	Total 1	Covered	Not covered
Total							
<i>All full-time workers</i>							
Total.....	65,527	100	70	29	100	100	100
Agriculture.....	2,435	100	20	79	4	1	10
Mining.....	573	100	88	11	1	1	(*)
Construction.....	4,618	100	58	41	7	6	10
Manufacturing.....							
Durable goods.....	10,981	100	89	10	17	21	6
Nondurable goods.....	7,318	100	84	16	11	13	6
Transportation.....	2,601	100	79	21	4	4	3
Communications and public utilities.....	2,142	100	92	8	3	4	1
Trade.....							
Wholesale.....	2,766	100	75	24	4	4	4
Retail.....	8,493	100	54	45	13	10	20
Finance, insurance, and real estate.....	3,843	100	75	24	6	8	5
Services.....	19,758	100	65	34	30	28	36
Men							
Total.....	44,206	100	74	25	100	100	100
Agriculture.....	2,200	100	21	78	5	1	18
Mining.....	524	100	88	10	1	1	(*)
Construction.....	4,382	100	59	41	10	8	16
Manufacturing.....							
Durable goods.....	8,801	100	90	9	20	24	7
Nondurable goods.....	4,719	100	89	10	11	13	4
Transportation.....	2,338	100	78	21	5	6	4
Communications and public utilities.....	1,540	100	92	7	3	4	1
Trade.....							
Wholesale.....	2,253	100	77	22	5	5	4
Retail.....	5,348	100	61	38	12	10	19
Finance, insurance, and real estate.....	1,963	100	78	21	4	5	4
Services.....	10,137	100	74	26	23	23	24
Women							
Total.....	21,321	100	61	38	100	100	100
Agriculture.....	235	100	15	85	1	(*)	2
Mining.....	49	(*)	(*)	(*)	(*)	(*)	(*)
Construction.....	236	100	46	54	1	1	2
Manufacturing.....							
Durable goods.....	2,179	100	83	16	10	14	4
Nondurable goods.....	2,599	100	74	25	12	15	8
Transportation.....	263	100	80	20	1	2	1
Communications and public utilities.....	601	100	90	10	3	4	1
Trade.....							
Wholesale.....	513	100	64	36	2	2	2
Retail.....	3,144	100	43	56	15	10	22
Finance, insurance, and real estate.....	1,880	100	72	28	9	10	6
Services.....	9,621	100	56	44	45	41	52

See footnotes at end of table.

TABLE 2—Percentage distribution of all full-time workers and of full-time wage and salary workers in private industry, by group health insurance status and industry division, April 1972—Continued

Industry division	Total number (in thousands)	Percentage distribution by coverage status			Percentage distribution by industry division		
		Total ¹	Covered	Not covered	Total ¹	Covered	Not covered
Workers in private industry							
Total							
Total.....	48,178	100	74	26	100	100	100
Agriculture.....	803	100	27	71	2	1	5
Mining.....	657	100	89	10	1	1	(²)
Construction.....	3,380	100	60	39	7	6	11
Manufacturing:							
Durable goods.....	10,687	100	90	10	22	27	8
Nondurable goods.....	7,238	100	84	15	15	17	9
Transportation.....	2,262	100	83	17	5	5	3
Communications and public utilities.....	1,746	100	91	8	4	5	1
Trade:							
Wholesale.....	2,557	100	78	22	5	6	4
Retail.....	7,153	100	60	40	15	12	23
Finance, insurance, and real estate.....	3,626	100	77	22	7	8	6
Services.....	8,259	100	55	44	17	13	30
Men							
Total.....	32,708	100	79	20	100	100	100
Agriculture.....	717	100	29	70	2	1	8
Mining.....	511	100	89	10	2	2	1
Construction.....	3,221	100	61	38	10	7	18
Manufacturing:							
Durable goods.....	8,542	100	91	8	26	30	11
Nondurable goods.....	4,661	100	89	10	14	16	7
Transportation.....	2,015	100	82	17	6	6	5
Communications and public utilities.....	1,187	100	92	7	4	4	1
Trade:							
Wholesale.....	2,060	100	81	18	6	6	6
Retail.....	4,426	100	68	32	14	12	21
Finance, insurance, and real estate.....	1,737	100	82	17	5	6	4
Services.....	3,631	100	66	33	11	9	18
Women							
Total.....	15,470	100	62	37	100	100	100
Agriculture.....	85	(³)	(³)	(³)	1	(³)	1
Mining.....	46	(³)	(³)	(³)	(³)	(³)	(³)
Construction.....	159	(³)	(³)	(³)	1	1	1
Manufacturing:							
Durable goods.....	2,156	100	84	16	14	19	6
Nondurable goods.....	2,577	100	75	25	17	20	11
Transportation.....	247	100	85	15	2	2	1
Communications and public utilities.....	559	100	91	9	4	5	1
Trade:							
Wholesale.....	497	100	65	34	3	3	3
Retail.....	2,727	100	47	53	18	13	25
Finance, insurance, and real estate.....	1,789	100	73	27	12	13	8
Services.....	4,629	100	46	53	30	22	43

¹ Includes nonresponse, not shown separately.
² Less than 0.5 percent

³ Not computed where base less than 200,000.

cations and public utilities, where the difference was not significant statistically. Because of the extremely low coverage rates for women in retail trade (43 percent) and services (56 percent) and the extensive employment of women in these industries, almost three-fourths of the women workers not in group health insurance plans were in these two industries. For men, the pattern was somewhat different, with three-fourths of the noncovered group full-time workers in construction, retail trade, services, and agriculture.

When the self-employed and government workers are excluded, a similar distribution of cover-

age by industry is found for the full-time private wage and salary workers (table 2). Except for the service industry, coverage rates generally rose a few percentage points industry-by-industry mainly because the self-employed were excluded.

The incidence of group health insurance by detailed private manufacturing industry division varied significantly. Within durable goods industries, the coverage rates ranged from 76 percent in furniture to 97 percent in primary metals (table 3). In most durable goods industries, however, coverage rates were 87 percent or more. Coverage rates in nondurable goods industries

TABLE 3.—Percentage distribution of full-time wage and salary workers in private industry, by group health insurance status and manufacturing industry group, April 1972

Manufacturing industry group	Percentage distribution		
	Total ¹	Covered	Not covered
Total.....	100	87	12
Durable goods manufacturing.....	100	90	10
Ordnance and accessories.....	(²)	(²)	(²)
Lumber and wood products.....	100	77	23
Furniture and fixtures.....	100	76	23
Stone, clay, and glass products.....	100	87	12
Primary metals.....	100	97	3
Fabricated metal products.....	100	90	9
Machinery, except electrical.....	100	91	8
Electrical equipment and supplies.....	100	92	8
Transportation equipment.....	100	92	7
Instruments and related products.....	100	88	12
Miscellaneous.....	100	74	25
Non-durable goods.....	100	84	15
Food and kindred products.....	100	84	14
Textile mill products.....	100	88	11
Apparel and other textile products.....	100	66	33
Paper and allied products.....	100	94	6
Printing and publishing.....	100	80	20
Chemicals and allied products.....	100	94	5
Petroleum and coal products.....	100	81	9
Rubber and plastics products.....	100	87	13
Leather and leather products.....	100	73	26
Tobacco.....	(²)	(²)	(²)

¹ Includes nonresponse, not shown separately.

² Not computed where base less than 200,000

showed wide differences: in the apparel industry, for example, 66 percent had coverage, although 91–94 percent of the workers in the paper, chemicals, and petroleum industries were covered.

Occupation

Occupational variations in health insurance coverage also prevailed. As table 4 shows, low coverage rates were found among service workers (52 percent), sales workers (62 percent), non-farm laborers (67 percent), and managers and officials (69 percent). As expected, farm workers were least likely to be covered; only a sixth had group health insurance. In the remaining occupations, however, coverage rates ranged from 74 percent to 80 percent.

As was true in the distributions by industry, women generally had lower coverage rates than men occupationally. Among men (excluding farm workers), coverage rates ranged from 68 percent for laborers to 87 percent for clerical workers. On the other hand, in the occupations where 85 percent of the women were employed, coverage rates ranged from 36 percent for service workers to 70 percent for clerical workers.

When the persons not included in health insurance plans are isolated, more than two-thirds

of the women were in clerical jobs or were operatives or service workers (many of them private household workers). For men, however, the non-covered group was more diverse, but those occupations with lower earnings (such as farm workers, service workers, and nonfarm laborers) accounted for about a third of all men without coverage (only a sixth of full-time male workers were in these occupations). Men and women in these occupational groups not only have low group coverage rates, but presumably do not often purchase individual health insurance coverage.

As noted earlier, group health insurance coverage among the self-employed in the survey was low. This fact accounts to some degree for the high proportion—24 percent—of professionals and managers among those not covered by group plans.

Health insurance coverage rates for private wage and salary workers were generally lower than those for government workers, occupation by occupation. From 76 percent to 86 percent of the men in white-collar jobs in private industry for example, had coverage; the rates for men in similar white-collar government occupations ranged from 87 percent to 90 percent. Even greater differences were found among blue-collar workers. Generally, the proportion of women with health insurance coverage was not much different for government and private workers in the few occupations with enough data to make comparisons. Health insurance participation rates, by occupation, were generally lower for women than for men in both private industry jobs and government jobs.

Age

Younger workers and, as might be expected, older workers were least likely to be included in group health insurance plans on the job: over 35 percent of those under age 25 and 54 percent of those aged 65 or over were not covered (table 5). The reason for the low coverage of the older group is that Medicare's hospital insurance covers virtually all persons aged 65 or over. Most of the persons in that age group also have Medicare's supplementary medical insurance that covers surgery and other physicians' fees.

Presumably the majority of the workers aged 65 or over in private group plans have coverage that complements Medicare. Some of those workers—Federal employees who may not qualify for Medicare's hospital benefits—may have full coverage under their plans.

The low coverage rate for the young stems in part from the fact that many of this group were single men and women. Perhaps they were not interested in the group health insurance offered to them and declined participation, or they may have had coverage through a family policy.

Coverage rates for persons in the age groups from 25 to 64 ranged from 68 percent to 76 percent and averaged around 72 percent. Moreover,

except for persons under age 25 and those aged 65 and over, health insurance coverage was at least ten percentage points higher for men than for women in each age category. Excluding the young and the old, the rates ranged from 71 percent to 80 percent for men and from 54 percent to 68 percent for women.

About 25 percent of the full-time workers not included in group health insurance plans in 1972 were under age 25 or aged 65 or older. Nonetheless, almost 40 percent of the men without group health protection—many of whom can be assumed to be the only wage earner in the family—were aged 30–49.

A comparison of the group health protection

TABLE 4.—Percentage distribution of all full-time workers and of full-time wage and salary workers in private industry and government, by group health insurance status and occupational group, April 1972

Occupational group	Total number (in thousands)	Percentage distribution by coverage status			Percentage distribution by occupational group		
		Total ¹	Covered	Not covered	Total ¹	Covered	Not covered
All full-time workers							
Total							
Total.....	65,527	100	70	29	100	100	100
White-collar workers							
Professional and technical.....	10,079	100	77	22	15	17	12
Managers and officials.....	7,324	100	69	30	11	11	12
Sales.....	3,701	100	62	37	6	5	7
Clerical.....	11,281	100	74	25	17	18	15
Blue-collar workers:							
Craftsmen.....	9,832	100	76	24	15	16	12
Operatives.....	8,936	100	80	19	14	16	9
Transport equipment operators.....	2,744	100	74	25	4	4	4
Nonfarm laborers.....	2,914	100	67	32	4	4	5
Service workers.....	6,543	100	52	47	10	7	16
Farm workers.....	2,173	100	17	81	3	1	9
Men							
Total.....	44,206	100	74	25	100	100	100
White-collar workers							
Professional and technical.....	6,606	100	82	17	15	17	10
Managers and officials.....	6,159	100	73	26	14	14	15
Sales.....	2,678	100	70	29	6	6	7
Clerical.....	2,996	100	87	12	7	8	3
Blue-collar workers							
Craftsmen.....	9,545	100	76	23	22	22	20
Operatives.....	5,741	100	84	15	13	15	8
Transport equipment operators.....	2,706	100	74	25	6	6	6
Nonfarm laborers.....	2,776	100	68	30	6	6	8
Service workers.....	3,015	100	71	28	7	7	8
Farm workers.....	1,985	100	18	81	4	1	15
Women							
Total.....	21,821	100	61	38	100	100	100
White-collar workers							
Professional and technical.....	3,473	100	68	32	16	18	14
Managers and officials.....	1,164	100	48	51	5	4	7
Sales.....	1,024	100	39	60	5	3	8
Clerical.....	8,286	100	70	30	39	44	30
Blue-collar workers:							
Craftsmen.....	288	100	74	26	1	2	1
Operatives.....	3,198	100	75	25	15	18	10
Transport equipment operators.....	38	(²)	(²)	(²)	(¹)	(¹)	(¹)
Nonfarm laborers.....	138	(²)	(²)	(²)	1	(¹)	(¹)
Service workers.....	3,528	100	36	63	15	10	27
Farm workers.....	187	(²)	(²)	(²)	1	(¹)	2

See footnotes at end of table.

of private wage and salary employees and of government employees by age group is shown in table 5. Young men and women in government jobs were more likely to be in group plans than were comparable private wage and salary workers. Furthermore, government employees aged 65 or over were more likely to have group coverage than were private industry workers.

Private wage and salary workers had Medicare coverage (not counted in the survey) and many aged government workers not eligible for Medicare hospital coverage had protection under a liberal Federal employees' health benefits plan (that was included in the scope of the survey). Among men in other age groups, government

workers consistently had higher coverage rates than those in private industry.

Annual Earnings

An important determinant of the probability of health insurance coverage is the level of annual earnings. Employees not presently in the group health insurance system were likely to be low earners. Four-fifths of those not covered earned less than \$8,000 per year in 1971 (table 6). The lowest coverage rates were found for low earners. Less than 60 percent of the men and women earning under \$5,000 in 1971 had health insurance coverage. The coverage rates rose with

TABLE 4.—Percentage distribution of all full-time workers and of full-time wage and salary workers in private industry and government, by group health insurance status and occupational group, April 1972—Continued

Occupational group	Total number (in thousands)	Percentage distribution by coverage status			Percentage distribution by occupational group		
		Total ¹	Covered	Not covered	Total ¹	Covered	Not covered
Workers in private industry							
Total							
Total.....	48,178	100	74	26	100	100	100
White-collar workers							
Professional and technical.....	5,105	100	81	18	11	12	8
Managers and officials.....	5,004	100	78	22	10	11	9
Sales.....	3,247	100	66	33	7	6	9
Clerical.....	8,438	100	75	25	18	18	17
Blue-collar workers							
Craftsmen.....	8,196	100	80	20	17	18	13
Operatives.....	9,674	100	81	18	18	20	13
Transport equipment operators.....	2,322	100	75	24	5	5	4
Nonfarm laborers.....	2,397	100	66	33	5	4	6
Service workers.....	4,189	100	45	54	9	5	18
Farm workers.....	606	100	23	75	1	(²)	4
Men							
Total.....	32,708	100	79	20	100	100	100
White-collar workers							
Professional and technical.....	3,800	100	86	13	12	13	7
Managers and officials.....	4,293	100	82	18	13	14	12
Sales.....	2,366	100	76	24	7	7	8
Clerical.....	2,056	100	86	13	6	7	4
Blue-collar workers							
Craftsmen.....	7,042	100	80	20	24	25	24
Operatives.....	5,570	100	85	15	17	18	12
Transport equipment operators.....	2,294	100	75	24	7	7	8
Nonfarm laborers.....	2,276	100	67	31	7	6	11
Service workers.....	1,548	100	65	33	5	4	8
Farm workers.....	564	100	24	74	2	1	6
Women							
Total.....	15,470	100	62	37	100	100	100
White-collar workers							
Professional and technical.....	1,305	100	66	34	8	9	8
Managers and officials.....	711	100	56	44	5	4	5
Sales.....	881	100	41	58	6	4	9
Clerical.....	6,383	100	71	28	41	47	32
Blue-collar workers							
Craftsmen.....	253	100	80	20	2	2	1
Operatives.....	3,104	100	75	24	20	24	13
Transport equipment operators.....	27	(²)	(²)	(²)	(²)	(²)	(²)
Nonfarm laborers.....	122	(²)	(²)	(²)	(²)	(²)	(²)
Service workers.....	2,041	100	33	66	17	9	30
Farm workers.....	43	(²)	(²)	(²)	(²)	(²)	1

See footnotes at end of table.

TABLE 4—Percentage distribution of all full-time workers and of full-time wage and salary workers in private industry and government, by group health insurance status and occupational group, April 1972—Continued

Occupational group	Total number (in thousands)	Percentage distribution by coverage status			Percentage distribution by occupational group		
		Total ¹	Covered	Not covered	Total ¹	Covered	Not covered
Workers in government							
Total							
Total.....	11,431	100	80	19	100	100	100
White-collar workers							
Professional and technical.....	4,245	100	80	19	37	37	37
Managers and officials.....	888	100	84	16	8	8	7
Sales.....	25	(²)	(²)	(²)	(²)	(²)	(²)
Clerical.....	2,621	100	76	22	23	22	27
Blue-collar workers							
Craftsmen.....	848	100	92	8	7	8	3
Operatives.....	157	(²)	(²)	(²)	1	1	1
Transport equipment operators.....	277	100	84	16	2	3	2
Nonfarm laborers.....	446	100	80	19	4	4	4
Service workers.....	1,925	100	78	22	17	16	19
Men							
Total.....	6,717	100	88	12	100	100	100
White-collar workers:							
Professional and technical.....	2,152	100	69	10	32	33	28
Managers and officials.....	718	100	87	13	11	11	12
Sales.....	6	(²)	(²)	(²)	(²)	(²)	(²)
Clerical.....	906	100	90	9	13	14	10
Blue-collar workers							
Craftsmen.....	832	100	92	7	12	13	8
Operatives.....	90	(²)	(²)	(²)	1	1	2
Transport equipment operators.....	266	100	85	15	4	4	5
Nonfarm laborers.....	440	100	80	19	7	6	10
Service workers.....	1,309	100	85	15	19	19	24
Women							
Total.....	4,714	100	70	30	100	100	100
White-collar workers:							
Professional and technical.....	2,093	100	71	28	44	45	42
Managers and officials.....	170	(²)	(²)	(²)	4	4	3
Sales.....	19	(²)	(²)	(²)	(²)	(²)	(²)
Clerical.....	1,715	100	70	30	36	36	36
Blue-collar workers							
Craftsmen.....	18	(²)	(²)	(²)	(²)	(²)	1
Operatives.....	67	(²)	(²)	(²)	(²)	(²)	1
Transport equipment operators.....	11	(²)	(²)	(²)	(²)	(²)	(²)
Nonfarm laborers.....	6	(²)	(²)	(²)	(²)	(²)	(²)
Service workers.....	616	100	63	36	13	12	16

¹ Includes nonresponse, not shown separately.
² Not computed where base less than 200,000.

³ Less than 0.5 percent.

the level of earnings so that 91-94 percent of those earning \$10,000 or more had coverage. Coverage rates were about the same for men and women who earned less than \$6,000, but at earnings levels above \$6,000 the coverage rates were lower for women than for men.

The earnings classes used in table 6 were obtained by matching data from the health insurance coverage questionnaire from the Current Population Survey (CPS) for April 1972 to wage and salary earnings for 1971 reported in the March 1972 CPS. Obviously, if the worker had recently changed jobs, the wage and salary data would not be specifically related to his present job or health insurance coverage. The data in the table are therefore restricted to workers who re-

ported that they had held their present job for 1 year or more.

Generally speaking, among low earners, those in government had higher coverage rates than those in private industry. At higher earnings levels, however, the coverage rates were not much different.

Race

White workers were more likely than workers of all other races to have health insurance coverage on their full-time job—71 percent and 65 percent, respectively (table 7). Furthermore, white men in both private industry and government had higher health insurance coverage rates

TABLE 5.—Percentage distribution of all full-time workers and of full-time wage and salary workers in private industry and government, by group health insurance status and age, April 1972

Age	Total number (in thousands)	Percentage distribution by coverage status			Percentage distribution by age		
		Total ¹	Cov-ered	Not cov-ered	Total ¹	Cov-ered	Not cov-ered
<i>All full-time workers</i>							
Total							
Total.....	65,527	100	70	29	100	100	100
Under 25.....	10,491	100	62	37	16	14	20
25-29.....	8,503	100	76	24	13	14	10
30-34.....	7,220	100	75	24	11	12	9
35-39.....	6,568	100	71	28	10	10	10
40-44.....	7,118	100	72	27	11	11	10
45-49.....	7,442	100	72	27	11	12	11
50-54.....	7,044	100	72	28	11	11	10
55-59.....	5,736	100	70	29	9	9	9
60-64.....	3,791	100	68	32	6	6	6
65 and over.....	1,613	100	45	54	2	2	5
Men							
Total.....	44,206	100	74	25	100	100	100
Under 25.....	8,035	100	65	35	14	12	19
25-29.....	5,842	100	80	20	13	14	10
30-34.....	5,220	100	79	20	12	13	9
35-39.....	4,690	100	78	21	11	11	9
40-44.....	4,970	100	76	23	11	12	10
45-49.....	5,114	100	77	22	12	12	10
50-54.....	4,747	100	75	24	11	11	10
55-59.....	3,875	100	74	25	9	9	9
60-64.....	2,621	100	71	28	6	6	7
65 and over.....	1,092	100	46	53	2	2	5
Women							
Total.....	21,321	100	61	38	100	100	100
Under 25.....	4,456	100	59	40	21	20	22
25-29.....	2,661	100	68	32	12	14	10
30-34.....	2,000	100	64	36	9	10	9
35-39.....	1,877	100	54	45	9	8	10
40-44.....	2,149	100	63	37	10	10	10
45-49.....	2,328	100	61	39	11	11	11
50-54.....	2,297	100	64	35	11	11	10
55-59.....	1,861	100	62	37	9	9	8
60-64.....	1,170	100	61	39	5	5	6
65 and over.....	521	100	44	55	2	2	4
<i>Workers in private industry</i>							
Total							
Total.....	48,178	100	74	26	100	100	100
Under 25.....	8,768	100	63	37	18	16	26
25-29.....	6,563	100	78	22	14	14	11
30-34.....	5,508	100	78	21	11	12	9
35-39.....	4,784	100	75	25	10	10	9
40-44.....	4,873	100	78	22	10	11	9
45-49.....	5,221	100	76	23	11	11	10
50-54.....	4,829	100	78	21	10	11	9
55-59.....	3,971	100	75	24	8	8	8
60-64.....	2,511	100	72	27	5	5	6
65 and over.....	969	100	50	50	2	1	4
Men							
Total.....	32,708	100	79	20	100	100	100
Under 25.....	5,192	100	66	33	16	13	26
25-29.....	4,684	100	82	18	14	15	12
30-34.....	4,062	100	82	18	12	13	11
35-39.....	3,456	100	82	18	11	11	9
40-44.....	3,451	100	83	16	11	11	8
45-49.....	3,592	100	83	16	11	12	9
50-54.....	3,256	100	84	16	10	11	8
55-59.....	2,653	100	81	18	8	8	7
60-64.....	1,735	100	78	21	5	5	6
65 and over.....	629	100	55	44	2	1	4

See footnote at end of table.

TABLE 5.—Percentage distribution of all full-time workers and of full-time wage and salary workers in private industry and government, by group health insurance status and age, April 1972—Continued

Age	Total number (in thousands)	Percentage distribution by coverage status			Percentage distribution by age		
		Total ¹	Cov-ered	Not cov-ered	Total ¹	Cov-ered	Not cov-ered
<i>Workers in government</i>							
Women							
Total							
Total.....	15,470	100	62	37	100	100	100
Under 25.....	3,577	100	58	42	23	21	26
25-29.....	1,880	100	69	31	12	13	10
30-34.....	1,445	100	68	32	9	10	8
35-39.....	1,308	100	57	43	8	8	10
40-44.....	1,523	100	66	34	10	10	9
45-49.....	1,629	100	61	38	11	10	11
50-54.....	1,673	100	67	33	11	12	9
55-59.....	1,319	100	64	36	9	9	8
60-64.....	776	100	58	41	5	5	5
65 and over.....	340	100	40	60	2	1	4
Men							
Total							
Total.....	11,431	100	80	19	100	100	100
Under 25.....	1,386	100	74	26	12	11	16
25-29.....	1,585	100	80	20	14	14	14
30-34.....	1,229	100	81	19	11	11	10
35-39.....	1,196	100	79	21	10	10	11
40-44.....	1,323	100	81	19	12	12	11
45-49.....	1,464	100	81	18	13	13	12
50-54.....	1,245	100	81	19	11	11	11
55-59.....	1,014	100	82	17	9	9	8
60-64.....	749	100	86	14	7	7	5
65 and over.....	242	100	81	15	2	2	2
Women							
Total							
Total.....	6,717	100	88	12	100	100	100
Under 25.....	547	100	81	19	8	8	13
25-29.....	877	100	88	12	13	13	14
30-34.....	770	100	92	8	11	12	8
35-39.....	748	100	91	9	11	12	4
40-44.....	857	100	89	11	13	13	12
45-49.....	926	100	88	12	14	14	14
50-54.....	788	100	86	13	12	11	13
55-59.....	631	100	86	13	9	9	11
60 and over.....	673	100	88	10	9	9	8
Men							
Total							
Total.....	4,714	100	70	30	100	100	100
Under 25.....	839	100	69	30	18	18	18
25-29.....	707	100	71	29	15	15	14
30-34.....	460	100	63	37	10	9	12
35-39.....	448	100	59	41	9	8	13
40-44.....	466	100	67	33	10	10	11
45-49.....	538	100	70	29	11	11	11
50-54.....	457	100	73	27	10	10	9
55-59.....	383	100	76	22	8	9	6
60 and over.....	417	100	81	19	9	10	6

¹ Includes nonresponse, not shown separately.

than men of other races. A similar disparity in health insurance coverage rates between white women and women of all other races was found.

Marital Status

Married working men were more likely to carry health insurance protection through the workplace than single men, or married women, or

single women. About 76 percent of the married men had coverage, in comparison with about 63 percent of the men who were never married (table 8). On the other hand, although about 70 percent of the single women (never married, divorced, or separated) had coverage, the ratio for married women was 57 percent. This low ratio for married women undoubtedly reflects the presence of health insurance coverage through the husband's employer. The data suggest that there is some overlap in coverage for married individuals who are both working and who both report health insurance on the job.

The low coverage of single men and single women reflects, in large part, the age of this

TABLE 6.—Percentage distribution of all full-time wage and salary workers and of full-time workers in private industry and government, by group health insurance status and annual wage or salary income in 1971, April 1972

Annual wage or salary income in 1971	Total number (in thousands)	Percentage distribution		
		Total 1	Covered	Not covered
<i>All full-time wage and salary workers</i>				
Total 2.....	59,609	100	75	25
\$1-4,999.....	9,035	100	59	40
5,000-5,999.....	4,165	100	76	24
6,000-6,999.....	4,146	100	80	19
7,000-7,999.....	4,473	100	85	15
8,000-8,999.....	3,698	100	88	12
9,000-9,999.....	3,451	100	90	9
10,000-10,999.....	3,280	100	92	8
11,000-11,999.....	2,250	100	91	8
12,000-12,999.....	1,972	100	92	8
13,000-13,999.....	1,304	100	94	6
14,000-14,999.....	1,000	100	94	6
15,000-19,999.....	2,814	100	93	7
20,000-24,999.....	779	100	91	9
25,000 or more.....	864	100	92	8
Men				
Total 2.....	39,425	100	80	19
\$1-4,999.....	3,183	100	61	38
5,000-5,999.....	1,933	100	75	24
6,000-6,999.....	2,384	100	82	18
7,000-7,999.....	3,079	100	86	13
8,000-8,999.....	2,825	100	91	9
9,000-9,999.....	2,917	100	91	8
10,000-10,999.....	2,874	100	93	7
11,000-11,999.....	2,001	100	92	8
12,000-12,999.....	1,802	100	93	7
13,000-13,999.....	1,226	100	94	6
14,000-14,999.....	924	100	94	6
15,000-19,999.....	2,719	100	93	7
20,000-24,999.....	753	100	92	7
25,000 or more.....	844	100	92	8
Women				
Total 2.....	20,184	100	64	36
\$1-4,999.....	5,852	100	59	41
5,000-5,999.....	2,232	100	77	23
6,000-6,999.....	1,763	100	78	22
7,000-7,999.....	1,393	100	82	18
8,000-8,999.....	873	100	79	21
9,000-9,999.....	533	100	85	14
10,000 or more.....	1,119	100	84	16

See footnotes at end of table.

TABLE 6.—Percentage distribution of all full-time wage and salary workers and of full-time workers in private industry and government, by group health insurance status and annual wage or salary income in 1971, April 1972—Continued

Annual wage or salary income in 1971	Total number (in thousands)	Percentage distribution		
		Total 1	Covered	Not covered
<i>Workers in private industry</i>				
Total 2.....	48,178	100	79	20
\$1-4,999.....	7,784	100	59	41
5,000-5,999.....	3,502	100	76	23
6,000-6,999.....	3,305	100	81	19
7,000-7,999.....	3,457	100	85	14
8,000-8,999.....	2,704	100	89	10
9,000-9,999.....	2,610	100	91	8
10,000-10,999.....	2,385	100	91	9
11,000-11,999.....	1,714	100	91	9
12,000-12,999.....	1,519	100	92	8
13,000-13,999.....	990	100	96	4
14,000-14,999.....	710	100	93	7
15,000-19,999.....	2,190	100	92	8
20,000-24,999.....	626	100	91	9
25,000 or more.....	719	100	90	10
Men				
Total 2.....	32,708	100	74	25
\$1-4,999.....	2,759	100	59	41
5,000-5,999.....	1,641	100	75	24
6,000-6,999.....	2,015	100	82	17
7,000-7,999.....	2,596	100	86	14
8,000-8,999.....	2,261	100	91	9
9,000-9,999.....	2,315	100	91	8
10,000-10,999.....	2,202	100	92	8
11,000-11,999.....	1,622	100	92	8
12,000-12,999.....	1,428	100	93	7
13,000-13,999.....	965	100	96	4
14,000-14,999.....	690	100	93	7
15,000-19,999.....	2,134	100	92	7
20,000-24,999.....	614	100	92	8
25,000 or more.....	713	100	90	10
Women				
Total 2.....	15,470	100	62	37
\$1-4,999.....	5,025	100	59	41
5,000-5,999.....	1,861	100	78	22
6,000-6,999.....	1,291	100	80	20
7,000-7,999.....	832	100	84	15
8,000-8,999.....	443	100	83	17
9,000-9,999.....	294	100	92	8
10,000 or more.....	483	100	81	19

See footnotes at end of table.

group. A high fraction of the single men without coverage, for example, were under age 30 (and perhaps they were not interested in health insurance protection or had coverage through a family policy). On the other end of the distribution are those single persons aged 65 or over. A fourth of the single women were aged 65 or over and had Medicare coverage available.

It is to be expected that the proportion of workers with health insurance coverage would vary similarly by type of worker and by marital status, but generally such was not the case. Coverage of men who were government workers did not differ significantly by marital status. A sig-

TABLE 6.—Percentage distribution of all full-time wage and salary workers and of full-time workers in private industry and government, by group health insurance status and annual wage or salary income in 1971, April 1972—Continued

Annual wage or salary income in 1971	Total number (in thousands)	Percentage distribution		
		Total ¹	Covered	Not covered
Workers in government				
Total ²	11,431	100	80	19
\$1-4,999.....	1,251	100	65	35
5,000-5,999.....	662	100	72	28
6,000-6,999.....	841	100	77	23
7,000-7,999.....	1,016	100	84	16
8,000-8,999.....	994	100	84	16
9,000-9,999.....	841	100	88	12
10,000-10,999.....	895	100	93	7
11,000-11,999.....	537	100	92	7
12,000-12,999.....	453	100	91	8
13,000-13,999.....	314	100	90	10
14,000-14,999.....	290	100	96	4
15,000-19,999.....	624	100	94	5
20,000 or more.....	299	100	96	4
Men				
Total ²	6,717	100	88	12
\$1-4,999.....	423	100	78	22
5,000-5,999.....	291	100	73	27
6,000-6,999.....	368	100	81	19
7,000-7,999.....	484	100	91	9
8,000-8,999.....	564	100	90	8
9,000-9,999.....	602	100	92	8
10,000-10,999.....	672	100	95	5
11,000-11,999.....	379	100	96	4
12,000-12,999.....	374	100	94	5
13,000-13,999.....	260	100	89	11
14,000-14,999.....	233	100	99	1
15,000-19,999.....	585	100	94	6
20,000 or more.....	271	100	97	3
Women				
Total ²	4,714	100	70	30
\$1-4,999.....	827	100	58	41
5,000-5,999.....	371	100	71	29
6,000-6,999.....	472	100	74	26
7,000-7,999.....	532	100	78	22
8,000-8,999.....	430	100	75	25
9,000-9,999.....	239	100	77	22
10,000 or more.....	637	100	86	13

¹ Includes nonresponse, not shown separately.

² Includes all workers reporting in the survey. Excluded elsewhere are (a) persons with less than 1 year of employment in their current job (since the income figures do not relate to current job), (b) persons with no earnings in 1971, and (c) those for which a match to the March CPS record could not be made.

nificantly higher proportion of single women in government than in private industry had coverage.

Geographic Area

Group health insurance was more likely to be provided to workers residing in the heavily industrialized Northeast and North Central States and the West than to those in the South. Health insurance coverage ranged from 65 percent in the South to 75 percent in the Northeast (table 9). The disparity in group health insurance protection by geographic area was particularly great

among men: in the Northeast, 79 percent had protection, compared with 68 percent in the South.

TABLE 7.—Percentage distribution of all full-time workers and of full-time wage and salary workers in private industry and government, by group health insurance status and race, April 1972

Race	Total number (in thousands)	Percentage distribution		
		Total ¹	Covered	Not covered
All full-time workers				
Total.....	65,527	100	70	29
White.....	58,577	100	71	29
All other races.....	6,950	100	65	34
Men				
Total.....	44,206	100	74	25
White.....	39,049	100	75	25
All other races.....	4,257	100	70	28
Women				
Total.....	21,321	100	61	38
White.....	18,628	100	62	37
All other races.....	2,693	100	55	44
Workers in private industry				
Total.....	48,178	100	74	26
White.....	43,218	100	75	25
All other races.....	4,959	100	64	34
Men				
Total.....	32,708	100	79	20
White.....	29,580	100	80	20
All other races.....	3,128	100	70	28
Women				
Total.....	15,470	100	62	37
White.....	13,638	100	63	36
All other races.....	1,831	100	54	46
Workers in government				
Total.....	11,431	100	80	19
White.....	9,770	100	82	18
All other races.....	1,661	100	72	28
Men				
Total.....	6,717	100	88	12
White.....	5,863	100	89	11
All other races.....	854	100	82	17
Women				
Total.....	4,714	100	70	30
White.....	3,907	100	72	28
All other races.....	807	100	60	39

¹ Includes nonresponse, not shown separately.

Some of the regional differences can be explained by variations in types of employment in the regions. Group coverage was lowest, as has been noted, for agricultural workers and the self-employed—many of whom are in the South. Even when these workers are excluded from the data, the pattern of regional variation still generally prevails, with the South having the lowest coverage figure.

Although rates were higher for government employees than for private industry employees, region by region, the differences were especially great in the Northeast and the West. Differences

TABLE 8—Percentage distribution of all full-time workers and of full-time wage and salary workers in private industry and government, by group health insurance status and marital status, April 1972

Marital status	Total number (in thousands)	Percentage distribution		
		Total	Covered	Not covered
All full-time workers				
Total				
Total.....	65,527	100	70	29
Married ²	50,916	100	71	28
Widowed or divorced.....	5,187	100	68	32
Never married.....	9,444	100	66	33
Men				
Total.....	44,206	100	74	25
Married ²	37,194	100	76	23
Widowed or divorced.....	1,584	100	69	30
Never married.....	5,428	100	63	35
Women				
Total.....	21,321	100	61	38
Married ²	13,722	100	57	42
Widowed or divorced.....	3,583	100	67	32
Never married.....	4,016	100	70	29
Workers in private industry				
Total				
Total.....	48,178	100	74	26
Married ²	36,767	100	76	23
Widowed or divorced.....	3,877	100	67	32
Never married.....	7,534	100	65	34
Men				
Total.....	32,708	100	79	20
Married ²	27,173	100	81	18
Widowed or divorced.....	1,147	100	73	26
Never married.....	4,388	100	64	35
Women				
Total.....	15,470	100	62	37
Married ²	9,594	100	60	40
Widowed or divorced.....	2,730	100	65	34
Never married.....	3,146	100	66	33

See footnotes at end of table.

TABLE 8—Percentage distribution of all full-time workers and of full-time wage and salary workers in private industry and government, by group health insurance status and marital status, April 1972—Continued

Marital status	Total number (in thousands)	Percentage distribution		
		Total ¹	Covered	Not covered
Workers in government				
Total				
Total.....	11,431	100	80	19
Married ²	8,931	100	79	21
Widowed or divorced.....	958	100	87	13
Never married.....	1,542	100	84	15
Men				
Total.....	6,717	100	88	12
Married ²	5,736	100	88	11
Widowed or divorced.....	276	100	86	14
Never married.....	705	100	85	15
Women				
Total.....	4,714	100	70	30
Married ²	3,195	100	62	37
Widowed or divorced.....	682	100	87	13
Never married.....	837	100	84	15

¹ Includes nonresponse, not shown separately.

² Includes married persons with spouse absent

in coverage rates for men and women were consistent among regions and type of worker (private industry or government).

Size of Firm

Many employees currently not in the group health insurance system work in medium-size and small establishments in private industry. This survey shows, for example, that 3 out of 5 workers not in health plans worked in establishments with fewer than 25 workers. Although the survey data must be considered somewhat weak in this regard,⁶ the data show a pattern consistent with data from other sources—small establishments, typically not unionized, with low wage rates, are less likely to provide such benefits as group health insurance as well as other types of benefits.⁷ Furthermore, general underwriting practice

⁶ The respondent was simply asked to check a box best describing the size of the firm or establishment in which he was working: less than 25 employees, 25-99 employees, or 100 or more employees.

⁷ See Emerson Beier, "Incidence of Private Retirement Plans," *Monthly Labor Review*, July 1971, and Donald Bell, "Incidence of Private Retirement Plans in Manufacturing, 1968-70," *Monthly Labor Review*, September 1973.

and State laws tend to make it difficult to extend coverage to small groups.

According to the survey data, half the workers in establishments with fewer than 25 persons were in group health plans (table 10). The ratio rose to 90 percent for those in establishments employing 100 or more persons. Consistent with previous detailed data, women were far less likely to be in health plans than men, regardless of establishment size.

TABLE 9.—Percentage distribution of all full-time workers and of full-time wage and salary workers in private industry and government, by group health insurance status and geographic area, April 1972

Geographic area	Total number (in thousands)	Percentage distribution		
		Total ¹	Covered	Not covered
All full-time workers				
Total				
Total.....	65,527	100	70	29
Northeast.....	15,433	100	75	25
North Central.....	18,324	100	72	28
South.....	20,681	100	65	35
West.....	11,090	100	71	28
Men				
Total.....	44,206	100	74	25
Northeast.....	10,527	100	79	20
North Central.....	12,527	100	77	23
South.....	13,597	100	68	31
West.....	7,555	100	76	24
Women				
Total.....	21,321	100	61	38
Northeast.....	4,906	100	66	33
North Central.....	5,797	100	62	37
South.....	7,083	100	58	42
West.....	3,535	100	61	39
Workers in private industry				
Total				
Total.....	48,178	100	74	26
Northeast.....	11,943	100	75	24
North Central.....	13,396	100	79	21
South.....	14,939	100	68	31
West.....	7,900	100	72	27
Men				
Total.....	32,708	100	79	20
Northeast.....	8,163	100	80	19
North Central.....	9,169	100	85	15
South.....	9,907	100	72	27
West.....	5,468	100	78	21
Women				
Total.....	15,470	100	62	37
Northeast.....	3,780	100	65	34
North Central.....	4,227	100	64	35
South.....	5,032	100	60	40
West.....	2,432	100	59	41

See footnote at end of table

TABLE 9.—Percentage distribution of all full-time workers and of full-time wage and salary workers in private industry and government, by group health insurance status and geographic area, April 1972—Continued

Geographic area	Total number (in thousands)	Percentage distribution		
		Total ¹	Covered	Not covered
Workers in government				
Total				
Total.....	11,431	100	80	19
Northeast.....	2,563	100	88	11
North Central.....	2,800	100	81	18
South.....	3,823	100	72	27
West.....	2,245	100	84	16
Men				
Total.....	6,717	100	88	12
Northeast.....	1,616	100	94	6
North Central.....	1,605	100	89	10
South.....	2,182	100	80	19
West.....	1,344	100	90	9
Women				
Total.....	4,714	100	70	30
Northeast.....	947	100	79	21
North Central.....	1,195	100	70	29
South.....	1,671	100	62	38
West.....	901	100	75	25

¹ Includes nonresponse, not shown separately.

Length of Employment

Group health insurance plans frequently have eligibility requirements or probationary periods for a new employee to participate in the plan. These restrictions are imposed for a number of reasons, including underwriting and administrative considerations. Where such conditions are found, the periods most frequently imposed are from 1 to 6 months of employment, but rarely longer. As a result, group health insurance coverage varies by duration of employment on the present job.

The survey shows that the highest rates of group health insurance coverage were for workers with 1 year or more of employment. Among those with less than a year of work on their present job in 1972, table 11 shows a fairly consistent pattern of growth in the coverage rate as months on the job increased—from 47 percent for men on the job less than 3 months to 67–71 percent for those on the job for 6–11 months. The latter figure is somewhat lower, but not substantially, than that for men who held their jobs 1 year or more—76 percent.

Similarly, among women the coverage rate was

TABLE 10—Percentage distribution of full-time wage and salary workers in private industry, by group health insurance status and size of firm, April 1972

Size of firm	Total number (in thousands)	Percentage distribution by coverage status			Percentage distribution by size of firm		
		Total ¹	Covered	Not covered	Total ¹	Covered	Not covered
Total							
Total.....	48,178	100	74	26	100	100	100
Under 25 persons.....	14,860	100	50	50	31	21	60
25-99 persons.....	8,958	100	77	23	19	19	17
100 persons or more.....	22,524	100	90	10	47	57	18
No response.....	1,835	100	48	41	4	2	6
Men							
Total.....	32,708	100	79	20	100	100	100
Under 25 persons.....	9,816	100	56	43	30	21	63
25-99 persons.....	6,058	100	83	17	19	20	15
100 persons or more.....	15,532	100	93	6	48	56	14
No response.....	1,282	100	52	36	4	3	7
Women							
Total.....	15,470	100	62	37	100	100	100
Under 25 persons.....	5,044	100	37	63	33	19	55
25-99 persons.....	2,900	100	64	36	19	19	18
100 persons or more.....	6,073	100	82	18	45	59	22
No response.....	553	100	39	52	4	2	5

¹ Includes nonresponse, not shown separately.

extremely low for those employed for less than 3 months (34 percent) and rose to 54-55 percent for those with 6-11 months of employment. These rates were significantly lower than the overall rate of 67 percent for women with 1 or more years of employment.

Women had a shorter average length of employment than men—78 percent of the women, compared with 85 percent for men, had 1 year or more of employment. Part of the lower group health insurance coverage for women, then, can be accounted for by the fact that a higher proportion of women were in the category with less than 1 year of service, where membership requirements could play a role in coverage and noncoverage. In each length-of-service category, however, a higher proportion of men had coverage, so membership requirements were not the sole factor explaining the difference in coverage.

Workers in private industry plans may be more frequently affected by participation requirements than those in government. When the all-workers category was studied with respect to months of employment, for example, generally a higher proportion of government workers with short service were participating in a plan than were private industry workers. Another factor explain-

ing the variation in aggregate coverage between government and private industry workers is that a higher proportion of government workers had more than 1 year of employment than those in private industry, although coverage rates—81 percent and 80 percent—were about the same for both groups.

With respect to the effect of length of service on health insurance coverage, a number of factors should be kept in mind. Among all workers, an unknown number who do not join a plan or are not included may have group coverage from another source. Furthermore, a respondent possibly could be unaware of health insurance coverage and might answer "no" to the survey question, particularly if he is a new employee. As a result, overall health insurance coverage could be understated, particularly for workers with employment of less than 1 year.

SOME ASPECTS OF GROUP HEALTH INSURANCE

Several critical questions about group health insurance protection concern the type of protection provided, the financing of benefits, and the provision of dependents' coverage. The survey was designed to provide general benchmarks

TABLE 11.—Percentage distribution of all full-time workers and of full-time wage and salary workers in private industry and government, by group health insurance status and length of employment on present job, April 1972

Length of employment (in months)	Total number (in thou- sands)	Percentage distribution		
		Total ¹	Covered	Not covered
All full-time workers				
Total ²	65,527	100	70	29
Less than 3.....	2,885	100	42	57
3 but less than 6.....	2,925	100	50	49
6 but less than 9.....	3,122	100	61	38
9 but less than 12.....	1,830	100	64	35
12 or more.....	51,615	100	76	24
Men				
Total ²	44,206	100	74	25
Less than 3.....	1,911	100	47	53
3 but less than 6.....	1,671	100	58	42
6 but less than 9.....	1,681	100	67	32
9 but less than 12.....	1,059	100	71	27
12 or more.....	35,709	100	76	23
Women				
Total ²	21,321	100	61	38
Less than 3.....	976	100	34	66
3 but less than 6.....	1,253	100	41	58
6 but less than 9.....	1,442	100	54	46
9 but less than 12.....	770	100	55	45
12 or more.....	15,907	100	67	32
Workers in private industry				
Total ²	48,178	100	74	26
Less than 3.....	2,505	100	41	59
3 but less than 6.....	2,432	100	52	47
6 but less than 9.....	2,486	100	62	37
9 but less than 12.....	1,480	100	63	35
12 or more.....	37,164	100	80	19
Men				
Total ²	32,708	100	79	20
Less than 3.....	1,696	100	46	53
3 but less than 6.....	1,435	100	59	41
6 but less than 9.....	1,385	100	69	30
9 but less than 12.....	855	100	71	26
12 or more.....	25,911	100	85	15
Women				
Total ²	15,470	100	62	37
Less than 3.....	808	100	32	67
3 but less than 6.....	997	100	41	58
6 but less than 9.....	1,102	100	54	46
9 but less than 12.....	614	100	52	48
12 or more.....	11,253	100	70	30
Workers in government				
Total ²	11,431	100	80	19
Less than 3.....	258	100	60	40
3 but less than 6.....	358	100	53	47
6 but less than 9.....	515	100	66	43
9 but less than 12.....	283	100	78	22
12 or more.....	9,665	100	81	19

¹ Includes nonresponse, not shown separately

² Coverage totals include workers not responding on length of employment, not shown separately.

about such characteristics and the results from the survey are described below.

Types of Protection Provided

The package of group health insurance provided to full-time workers varied by type of worker and by sex. For those included in group health insurance plans, hospital protection and surgical coverage were almost universally provided. Most workers reporting health insurance coverage had both hospital and surgical protection (table 12). Forty-eight percent of the workers with coverage had a fairly comprehensive package—hospital insurance, surgical insurance, and coverage for doctors' home and office visits. Another 48 percent had hospital and surgical protection. The remaining 4 percent had other combinations of benefits. For both men and women, government workers were more likely to have the broad package—hospital, surgical, and medical insurance—than were private industry workers. Among private industry workers, men were more likely than women to have the broad coverage, but there was not a significant difference for men and women with broad coverage in government jobs.

Source of Financing

Employers made a significant contribution to the plans providing group health insurance to workers in 1972. In all, about a third of the workers were in noncontributory plans—that is, the employer paid the full cost of the premiums (table 13). Almost half the workers were in plans where the employer paid part of the cost; for 19 percent of the workers the employer paid at least half the cost; and for 18 percent of them the employer paid less than half (for 10 percent the portion paid was unknown). Relatively few workers were in group plans where they paid the entire cost.

The patterns of financing for private industry workers and for government workers differed, with the private industry employees more frequently in plans where the employer paid the entire or a substantial part of the cost of the plan. For government employees a substantial fraction—one-third—were in plans where the employee paid more than half the cost—a reflection

TABLE 12—Percentage distribution of all full-time workers and of full-time wage and salary workers in private industry and government with group health insurance coverage, by type of benefit, type of employment, and sex, April 1972

Type of benefit	Total						Men						Women					
	Total		Private industry		Government		Total		Private industry		Government		Total		Private industry		Government	
	Number (in thousands)	Percent																
Total.....	45,973	100	35,415	100	9,180	100	32,888	100	25,789	100	6,893	100	13,085	100	9,626	100	3,287	100
Hospital, surgical, medical.....	22,125	48	16,614	47	4,835	53	16,355	50	12,561	49	3,188	54	5,770	44	4,053	42	1,647	50
Hospital and surgical.....	21,976	48	17,278	49	4,096	45	15,236	46	12,186	47	2,534	43	6,739	52	5,092	53	1,562	48
Other.....	1,872	4	1,523	4	249	2	1,297	4	1,042	4	171	3	576	4	481	5	78	2

of the inclusion of Federal employees in this group. Under the Federal employees' plan at the time of the survey, the Government's contribution was limited to a maximum of 40 percent of the average premium for high-option coverage.

The data indicate little difference in the proportion of employer contributions for men and women, except for government workers. Among this group, almost two-fifths of the men were in plans where the employer paid part but less than half the premium; for women, the fraction was one-fourth. This fact is accounted for chiefly by the higher proportion of men than women who are Federal employees.

Coverage of Dependents

Including dependents within the scope of coverage in group health insurance has been a traditional feature of these plans. The survey data

show, however, that by no means are dependents included in all plans, even when a married person is involved. The reasons for lack of coverage of dependents may be related to plan terms or to the possibility that another person provides protection for dependents through his plan, etc. Such information was not obtainable from the survey.

Altogether, 73 percent of the workers with health insurance coverage had dependents protected under their plan (table 14). As expected, women were far less likely than men to have dependents included, mostly because a higher proportion of women were single.

Men and women differed greatly in dependents' protection, regardless of marital status. Although 90 percent of the married men had coverage including dependents, only 63 percent of the married women had this coverage. Both single men and single women had low rates for dependents' coverage, since there were no dependents in many

TABLE 13.—Percentage distribution of all full-time workers and of full-time wage and salary workers in private industry and government with group health insurance coverage, by type of financing, type of employment, and sex, April 1972

Type of financing	Total						Men						Women					
	Total		Private industry		Government		Total		Private industry		Government		Total		Private industry		Government	
	Number (in thousands)	Percent	Number (in thousands)	Percent	Number (in thousands)	Percent	Number (in thousands)	Percent										
Total.....	45,973	100	35,415	100	9,180	100	32,888	100	25,789	100	5,893	100	13,085	100	9,626	100	3,287	100
Employer pays all.....	15,505	34	13,304	38	2,001	22	10,729	33	9,475	37	1,089	18	4,775	36	3,829	40	912	28
Employer pays part.....																		
Less than half.....	8,171	18	5,042	14	3,037	33	6,042	18	3,686	14	2,271	39	2,129	16	1,356	14	766	23
Half or more.....	8,520	19	6,750	19	1,714	19	6,142	19	5,018	19	1,077	18	2,378	18	1,731	18	637	19
Portion unknown.....	4,774	10	3,889	11	826	9	3,465	11	2,891	11	531	9	1,308	10	998	10	294	9
Employee pays all.....	5,698	12	3,668	10	1,126	12	4,142	13	2,680	10	657	11	1,555	12	988	10	469	14
Don't know.....	2,975	6	2,522	7	419	5	2,115	6	1,847	7	240	4	861	7	675	7	179	5
No response.....	331	1	240	1	58	1	253	1	192	1	28	(¹)	79	1	48	1	30	1

¹ Less than .05 percent.

cases. The pattern of health coverage for dependents among private industry and government workers was approximately the same.

TABLE 14.—Percentage distribution of all full-time workers and of full-time wage and salary workers in private industry and government with group health insurance coverage, by dependents' coverage and marital status, April 1972

Marital status	Total number (in thousands)	Percentage distribution by dependents' coverage status		
		Total ¹	Covered	Not covered
All full-time workers				
Total.....	45,973	100	73	25
Married ²	36,226	100	83	16
Widowed or divorced.....	3,497	100	48	50
Never married.....	6,250	100	30	67
Men				
Total.....	32,888	100	82	17
Married ²	28,347	100	90	10
Widowed or divorced.....	1,095	100	56	43
Never married.....	3,445	100	35	62
Women				
Total.....	13,085	100	51	47
Married ²	7,878	100	63	36
Widowed or divorced.....	2,401	100	44	53
Never married.....	2,805	100	23	73
Workers in private industry				
Total.....	35,415	100	74	25
Married ²	27,897	100	84	15
Widowed or divorced.....	2,616	100	47	51
Never married.....	4,903	100	30	67
Men				
Total.....	25,789	100	81	18
Married ²	22,140	100	89	10
Widowed or divorced.....	842	100	56	43
Never married.....	2,807	100	35	62
Women				
Total.....	9,626	100	51	47
Married ²	5,757	100	63	36
Widowed or divorced.....	1,774	100	43	55
Never married.....	2,096	100	24	73
Workers in government				
Total.....	9,180	100	71	28
Married ²	7,047	100	81	19
Widowed or divorced.....	831	100	50	48
Never married.....	1,302	100	29	68
Men				
Total.....	5,893	100	81	18
Married ²	5,061	100	88	11
Widowed or divorced.....	237	100	54	45
Never married.....	596	100	36	60

See footnotes at end of table

TABLE 14.—Percentage distribution of all full-time workers and of full-time wage and salary workers in private industry and government with group health insurance coverage, by dependents' coverage and marital status, April 1972—Continued

Marital status	Total number (in thousands)	Percentage distribution by dependents' coverage status		
		Total ¹	Covered	Not covered
Women				
Total.....	3,287	100	51	47
Married ²	1,987	100	61	37
Widowed or divorced.....	593	100	48	49
Never married.....	707	100	22	74

¹ Includes nonresponse, not shown separately

² Includes married persons with spouse absent

Technical Note

The estimates presented here are based on data from a special April 1972 survey of group health insurance and pension plan coverage of full-time workers aged 16 and over in the U.S. civilian labor force. Data collection was conducted by the Bureau of the Census and included half of the sample of households in the April 1972 Current Population Survey (CPS).³

The estimates of group health insurance plan coverage are limited to persons aged 16 and over, working 35 hours or more during the survey week at a job in private industry or with a full-time job but not at work full time during that week because of vacation, illness, etc. These estimates exclude persons belonging to health insurance plans who, during the survey week, were employed part-time, unemployed, or out of the labor force. Estimates also exclude persons with individual health insurance policies.

Sampling Variability

Since the CPS estimates in this report are based on a sample, they may differ from the figures that would have been obtained from a complete census. As in other surveys, the results

³ A fuller description of the sample design and the reliability of the estimates from the CPS is found in "Money Income in 1971 of Families and Persons in the United States," *Current Population Reports*, Series P-60, No. 85, page 16, and in the May 1972 issue of *Employment and Earnings* (Department of Labor), page 151.

here are also subject to errors of response and nonreporting.

The standard error measures the sampling variability of estimates—that is, the variations that occur by chance simply because a sample of the population rather than the population as a whole was surveyed. The chances are about 68 out of 100 that an estimate from the sample would differ by less than the standard error from the results based on the same procedures for the entire population. The chances are about 95 out of 100 that the differences would be less than twice the standard error.

Estimated percentages.—The standard error of an estimated percentage depends on the size of the percentage and on the size of its base. The accompanying table presents rough approximations of standard errors of estimated percentages for the survey. Linear interpolation applied to the base or to the percentage or both may be used to calculate the value of a standard error not specifically shown. For example:

In table 2, of the 2,253,000 men in the wholesale trade industry division, an estimated 77 percent have health insurance coverage. By interpolation from the table, the estimated standard error is approximately 1.5 percent. To calculate 95-percent confidence limits, the standard error is multiplied by 2. Therefore, the 95-percent confidence interval for men in wholesale trade with health insurance coverage is from 74 percent to 80 percent, and a conclusion that the percentage based on a complete count lies within a range computed in this way would be correct for roughly 95 percent of all possible samples.

When two percentages are compared to determine whether they differ by a statistically significant amount, the standard error of the difference can be approximated as the square root of the sum of the squares of the standard error of each of the percentages. For example:

The proportion of the men among the 2,253,000 men in the wholesale trade industry division with group health insurance is about 77 percent; the proportion of the 5,348,000 men in the retail trade industry with group health insurance is about 61 percent. The standard error for the first group is about 1.5 percent, and the standard error for the second group is approximately 1.0 percent.

The sum of the squares of the two standard errors is 3.25, and the square root (the standard error of the difference) is 1.8 percent. Since the estimated difference of sixteen percentage points is more than

Approximations of standard errors of estimated percentages of persons in sample

Estimated percentages	Size of base (in thousands)							
	250	500	1,000	2,500	5,000	10,000	25,000	50,000
2 or 98.....	1.4	1.0	0.7	0.5	0.3	0.2	0.1	0.1
5 or 95.....	2.2	1.5	1.1	.7	.5	.3	.2	.2
10 or 90.....	3.0	2.1	1.5	.9	.7	.5	.3	.2
20 or 80.....	4.0	2.8	2.0	1.3	.9	.6	.4	.3
25 or 75.....	4.4	3.0	2.1	1.4	1.0	.7	.4	.3
35 or 65.....	4.8	3.3	2.3	1.5	1.0	.7	.5	.3
50.....	5.0	3.5	2.5	1.6	1.1	.8	.5	.4

twice its standard error, the proportions of men with health coverage in the wholesale and retail trade industries can be said to differ significantly at the 95-percent confidence level.

Response to Specific Questions

The interviewer or respondent was requested to check a “yes” or “no” box in answer to the question: “Are you presently covered by a group health insurance plan for employees where you now or did work?” The questionnaire specified that insurance that pays only for accidents or disability should not be reported. A respondent quite possibly could be unaware of his group health insurance coverage and answer “no” if he was a new employee or was in a multiemployer plan, particularly if no employee contribution was required. Available evidence from earlier studies indicates that reporting of group health insurance coverage, as well as other employee benefits—especially in entirely employer-financed plans—could be understated.

Errors in reporting the type of group health insurance protection should also be considered, since specific definitions were not included. If the answer to the question on health insurance coverage was “yes,” the respondent was asked whether or not the plan (or plans) pays for all or part of the cost of three specific types of health care: (1) hospital bills, (2) surgical bills, and (3) doctors’ bills for office visits or home calls (over and above any deductible). As has been seen from the data presented in the article, virtually all those with group health insurance reported coverage for hospital bills as well as surgical bills. This result is in line with findings of other studies. Lower reported coverage for home and office visits is also an expected result.

The answers on premium cost paid by the in-

dividual obviously would be subject to error, unless the individual specifically checked (as he was requested to do) the amount involved. The options available in answer to the question "What part of the premium cost of this plan do you pay (including payments deducted from your pay)," were: "All," "none," "less than half," "one-half or more," and "don't know." Seven percent of the respondents checked the "don't know"

box. Preliminary data on Federal employees included in the survey indicated a very good response for that group. In the Federal employees' plan the Government contribution is generally limited to 40 percent of the premium. The preliminary results indicate that most Federal employees checked the one-half or more box—that is, they correctly indicated the proportion they paid.

Notes and Brief Reports

Social Security Act Amendments, End of 1973

On December 21, 1973, Congress passed H. R. 11333 and sent it to the President. The bill amended the Social Security Act—primarily several provisions of the old-age, survivors, disability, and health insurance program and of the supplemental security income (SSI) program. President Nixon signed the bill on December 31, 1973, and it became Public Law 93-233.

SUMMARY OF OASDHI AND SSI AMENDMENTS

Retirement, Survivor, and Disability Benefits

Increase in monthly benefits.—The amendments increase benefits (including the special payments made to certain people aged 72 and older) by 11 percent effective June 1974, with 7 percent of this amount payable for March 1974 through May 1974. The 7-percent increase effective for March represented a normal benefit conversion for all beneficiaries except widows and widowers whose benefit amount is limited because their deceased spouse received reduced benefits. The increase for these widows and widowers did not, however, differ significantly from what would be payable under a normal benefit conversion. The 11-percent increase effective for June will be a normal bene-

fit conversion for all beneficiaries, including widows and widowers. The effect of the increase in the law on the average monthly benefit currently payable is estimated in table 1.

Increase in the special minimum benefit.—Special minimum benefits were increased, effective for March 1974. The new law raises from \$8.50 to \$9 the amount payable for each year of coverage above 10 years and up to 30 years. Thus the highest special minimum is \$170 to \$180 for workers with 30 or more years of coverage.

Automatic adjustment provisions.—Under the revised law, the first possible automatic increase in benefits will be effective for June 1975 and will be based on the increase in the cost of living from the second quarter of 1974 through the first quar-

TABLE 1—Estimated effect of special benefit increases under P.L. 93-233 on average monthly benefit amounts in current-payment status, selected beneficiary groups¹

Beneficiary group	Average monthly amount		
	Before 7-percent increase	After 7-percent increase	After 11-percent increase
Average monthly family benefits			
Retired worker alone (no dependents receiving benefits).....	\$162	\$174	\$181
Retired worker and aged wife, both receiving benefits.....	277	297	310
Disabled worker alone (no dependents receiving benefits).....	179	191	199
Disabled worker, wife, and 1 or more children.....	364	389	404
Aged widow alone.....	158	170	177
Widowed mother and 2 children.....	391	418	435
Average monthly individual benefits			
All retired workers (with or without dependents also receiving benefits).....	167	179	186
All disabled workers (with or without dependents also receiving benefits).....	184	197	206

¹ Increase of 7 percent, payable for March 1974 through May 1974; 11-percent increase effective June 1974