



NEWS RELEASE

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Rising Unemployment Causes 40,200 Utahns to Lose Health Coverage in 2009

Salt Lake City- A new report released today by the health consumer organization Families USA finds that an estimated 40,200 Utahns lost health insurance coverage in 2009 due to a rise in unemployment. In 2008, the state's unemployment rate averaged 3.4% and grew in 2009 to 5.4%. Predictably, the rate of people losing their insurance rose as well, as most Utahns under the age of 65 receive their health benefits through their employer.

"Losing a job and therefore your health insurance is something that can happen to anyone," says Janice Houston, Coverage Initiatives Director of Utah Health Policy Project. "We need national health reform this year to ensure Utahns can access quality, affordable coverage despite ups and downs in employment."

For Utah, where workplace coverage rates have been high relative to surrounding states (*figure 1*), this report is of particular concern. According to data recently released by the US Census Bureau, approximately 1.8 million Utahns under the age of 65 had health insurance through a plan at work in 2008. These 1.8 million residents represent 71.7% of Utah's population under the age of 65.

Figure 1

State	% of Population under 65 with Health Insurance through an Employer
AZ	58.1%
CO	63.0%
ID	62.9%
MT	58.1%
NV	65.3%
NM	48.5%
UT	71.7%
WY	72.3%
US Total	61.9%

Source: US Census Bureau, Current Population Survey, 2008

As Utah workers are laid-off and as companies cut health insurance benefits in order to continue providing jobs, this contributes to the rise in the uninsured population. If alternatives

such as COBRA or individual policies are priced beyond the family budget, this means that more and more Utahns are left without coverage.

“The economic downturn has shown us that a Utahn who is insured can easily move into the ranks of the uninsured.” says Houston. “The status quo exposes our families’ health and financial well-being and is clearly unsustainable. It’s time to enact comprehensive health reforms that give our families the tools they need to succeed.”

Some Utahns have been able to turn to the public programs for assistance. The tremendous uptick in Medicaid and CHIP enrollment in Utah during the first half of 2009 appears to bear this out.

“We’ve seen a 20% enrollment increase in our Medicaid program over the last year, and the enrollment growth isn’t slowing down,” says Lincoln Nehring, Medicaid Policy Director at Utah Health Policy Project. “This is Medicaid doing its job, serving as a safety net until the economy improves and Utahns can get back on their feet. However, the program will need an increase in funding this legislative session if it is going to remain viable.”

See also *Utah Health Policy Project’s* recently released [report outlining the status of Medicaid and recommendations for upcoming 2010 General Legislative Session](#)

Contact Jessica Kendrick to interview families impacted by this crisis: (801) 433-2299.

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