

Estimated Impact of COVID-19 on Washington State's Health Coverage

May 20, 2020

(Update for status as of May 9, 2020)

Introduction

The historic COVID-19 pandemic has caused unprecedented lockdowns throughout the world. Washington, the first state in the US to report COVID-19 infection, implemented measures to modulate the pandemic's effect on public health to minimize loss of life. Non-essential businesses statewide were ordered to close temporarily or, condition permitting, allow workers to work from home. Many workers lost their employment as a result. In the seven-week period from March 15 to May 9, more than one million workers in Washington filed unemployment insurance claims.¹ When workers lose their employment, many also lose their employment-based health insurance (EBI). Family members who have health coverage through the worker's EBI lose their coverage as well. In this analysis, we simulated the changes in employment as of the week ending on *May 9, 2020*, using the 2018 American Community Survey. The purpose of the analysis is to assess COVID-19's effect on (1) the state's uninsured rate, (2) health coverage changes of the newly unemployed workers, and (3) changes in uninsured rates at the county level. We plan to update the estimates periodically as the pandemic evolves and more data become available.

Main Findings

1. Prior to the COVID-19 outbreak, Washington's uninsured rate is estimated to have increased from 6.2% in 2018 to 6.6% in 2019 and to 6.7% at the beginning of 2020. In the second half of March through May 9, 2020, when unemployment claims surged in Washington, the state's uninsured rate increased to 12.1%. That means approximately 419,500 people lost their coverage in the eight weeks' time, bringing the estimated state's total uninsured to 941,100. (Figure 1)
2. Similarly, the uninsured rate of adults age 18-64 is estimated to have increased from 8.9% in 2018 to 9.5% in 2019 and 9.7% prior to the COVID-19 outbreak in 2020. As of May 9, the uninsured rate for these adults reached 17.9%. (Figure2)
3. The health coverage of the newly unemployed workers was affected disproportionately. Their uninsured rate is estimated to have increased from 9.6% prior to the COVID-19 outbreak in 2020 to 52.1% by May 9. At the same time, their employment-based health

¹ See Washington State Employment Security Department's Unemployment Insurance Initial Claims Weekly Dashboard at: https://public.tableau.com/profile/jeff.robinson#!/vizhome/InitialClaimsapplicationsforUnemploymentInsurance-WA_ETAS39-/Story1.

insurance coverage rate dropped from 55.2% to 10.9%.² Their rate of coverage by two or more sources dropped by half from 12.2% to 5.9%. However, their shares of coverage by individual health plans (mostly through the Exchange) and Medicaid (or Apple Health) were higher now than before. The share of individual health plans as the only coverage increased from 6.1% to 8% and the share of Medicaid as the only coverage increased from 12.1% to 14.8%. (Figure 3)

4. There was a lot of variation in the uninsured rates among the counties before COVID-19 broke out in the state. The rates ranged from 3.9% in Wahkiakum to 16.3% in Yakima. The range shifted slightly higher on both ends in the week ending on May 9. It now ranges from 5% in Garfield to 19% in Yakima (Figure 4). However, rates of many counties within these ranges shifted significantly higher. Nearly half of the counties (19) experienced an increase of more than 50%. The largest increase, at 123%, took place in Pierce County. Ferry County, on the other hand, had the smallest change of nine percent (Figure 5). Several factors at the county level could have contributed to the wide range of uninsured rate changes among the counties. These factors include the number of newly unemployed, the occupations the workers were in before becoming unemployed, whether the workers had access to coverage from spouse's employment-based insurance, and variations in enrolling in other eligible coverage sources (e.g., Medicaid and qualified health plan through the Exchange) both before and after the COVID-19 outbreak.

² This includes some newly unemployed workers who are estimated to have changed to their spouses' EBI coverage or to parents' EBI coverage if they were less than 26 years old, in addition to those who retained EBI through leave without pay or COBRA.

Figure 1. Uninsured in Washington (Number and Percentage)
2018, 2019, Pre-COVID19 2020, Week Ending 5/9/2020

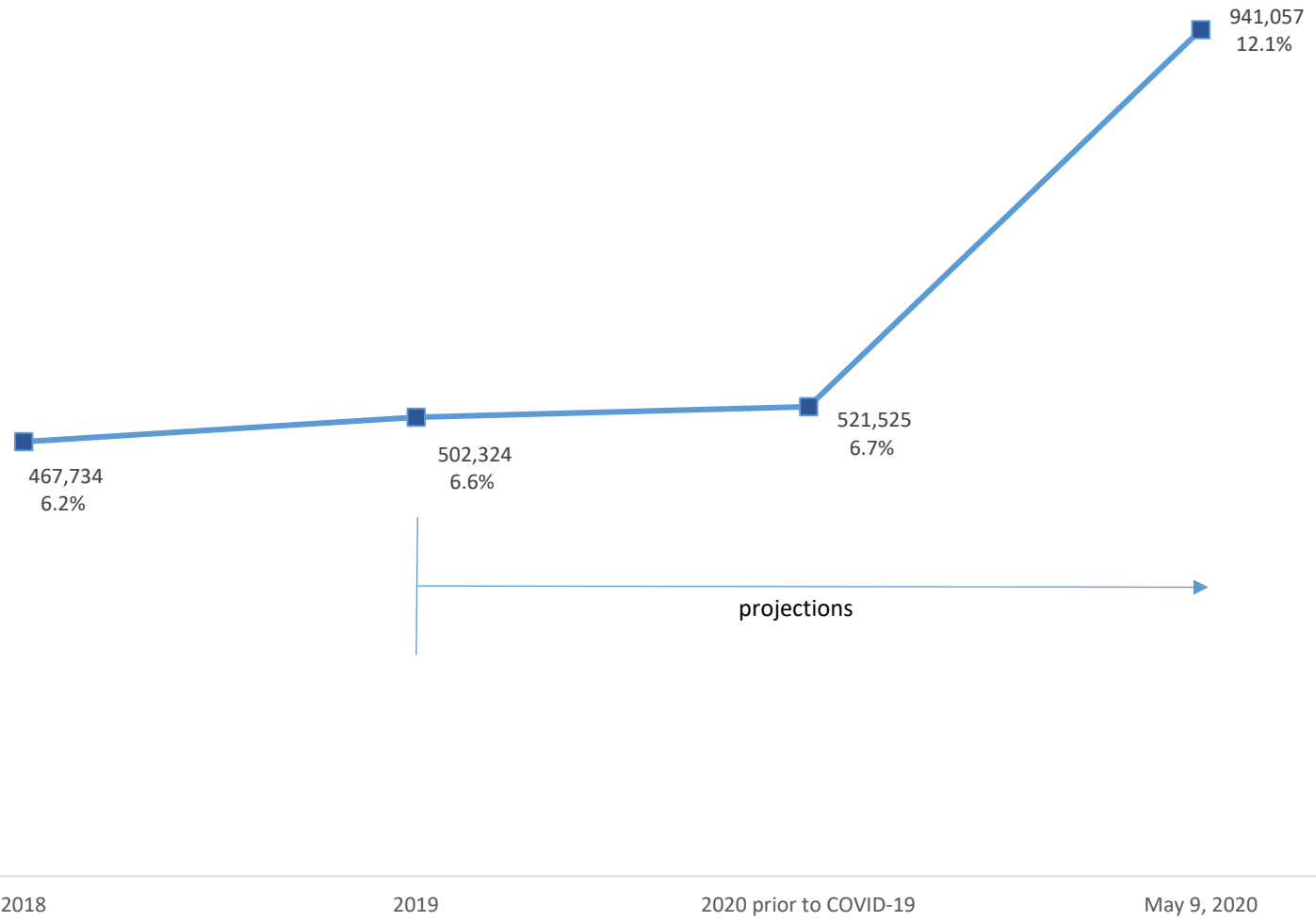


Figure 2. Uninsured Adults 18-64 in Washington (Number and Percentage)
2018, 2019, 2020 (prior to COVID-19), Week Ending 5/9/2020

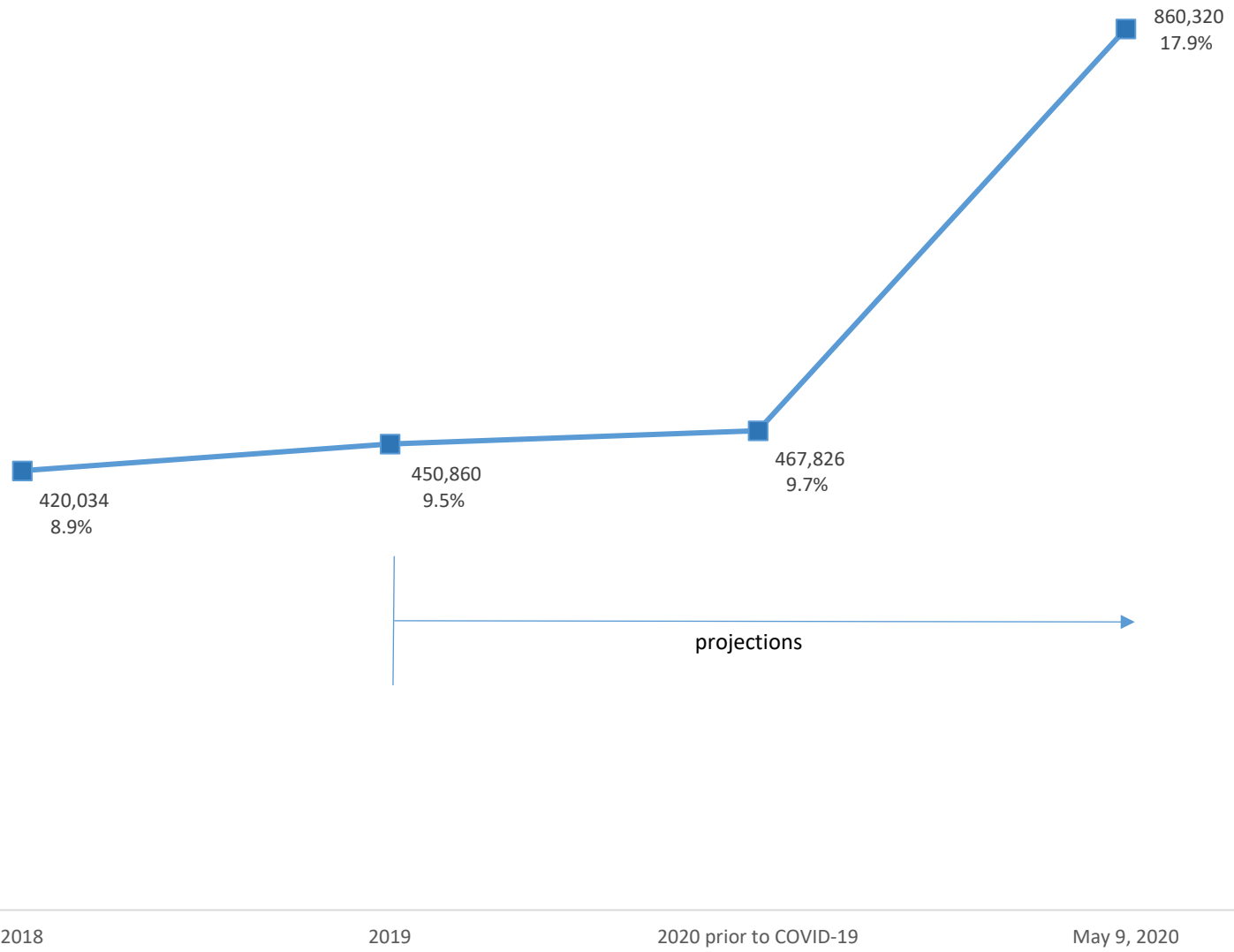


Figure 3. Source of Coverage (%) Before and After COVID-19 Outbreak
 (as of week ending 5/9/2020)
 Newly Unemployed Workers in Washington

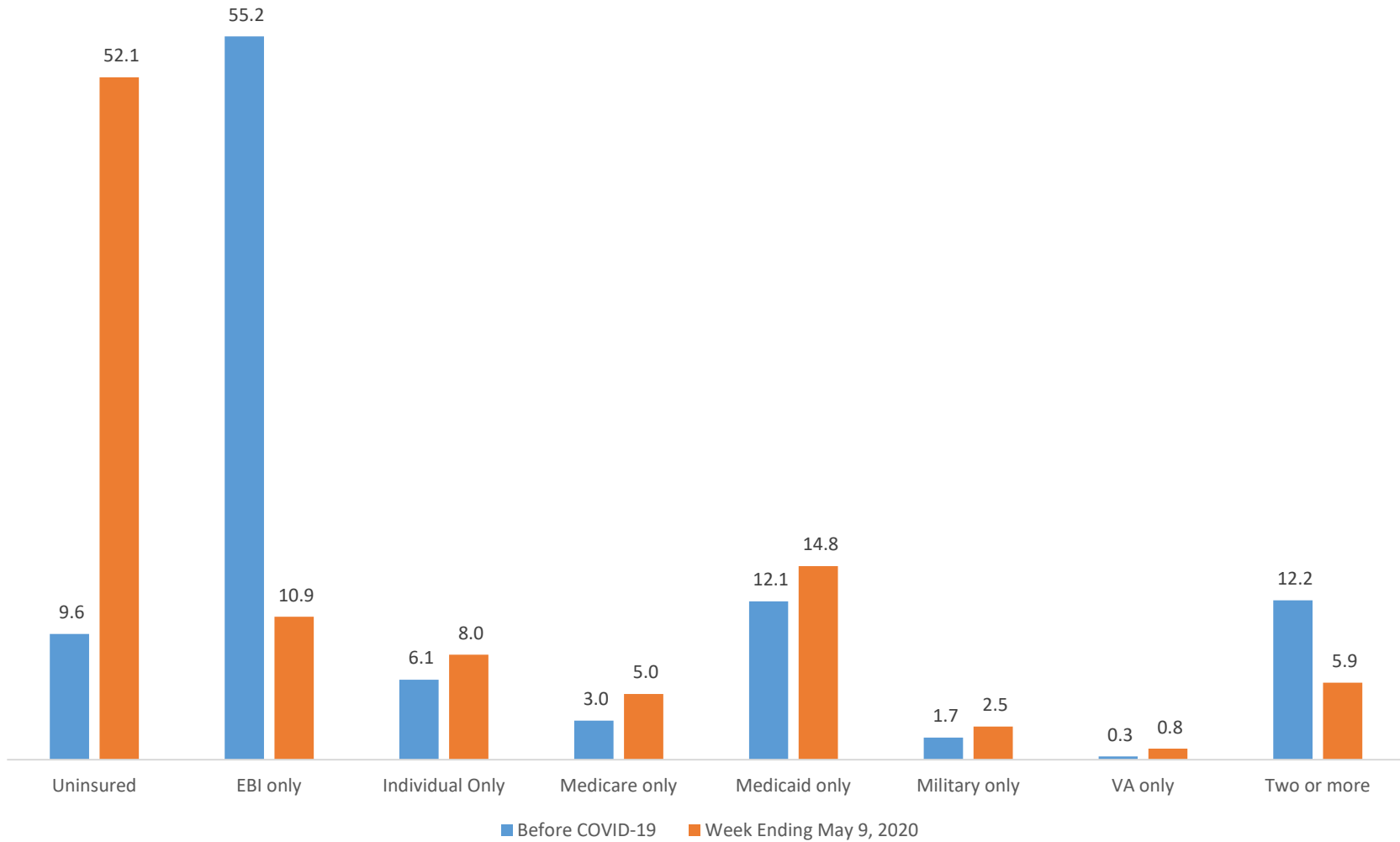


Figure 4. County Uninsured Rates (%) in 2020, Washington: Pre-COVID19 and Week Ending on 5/9/2020

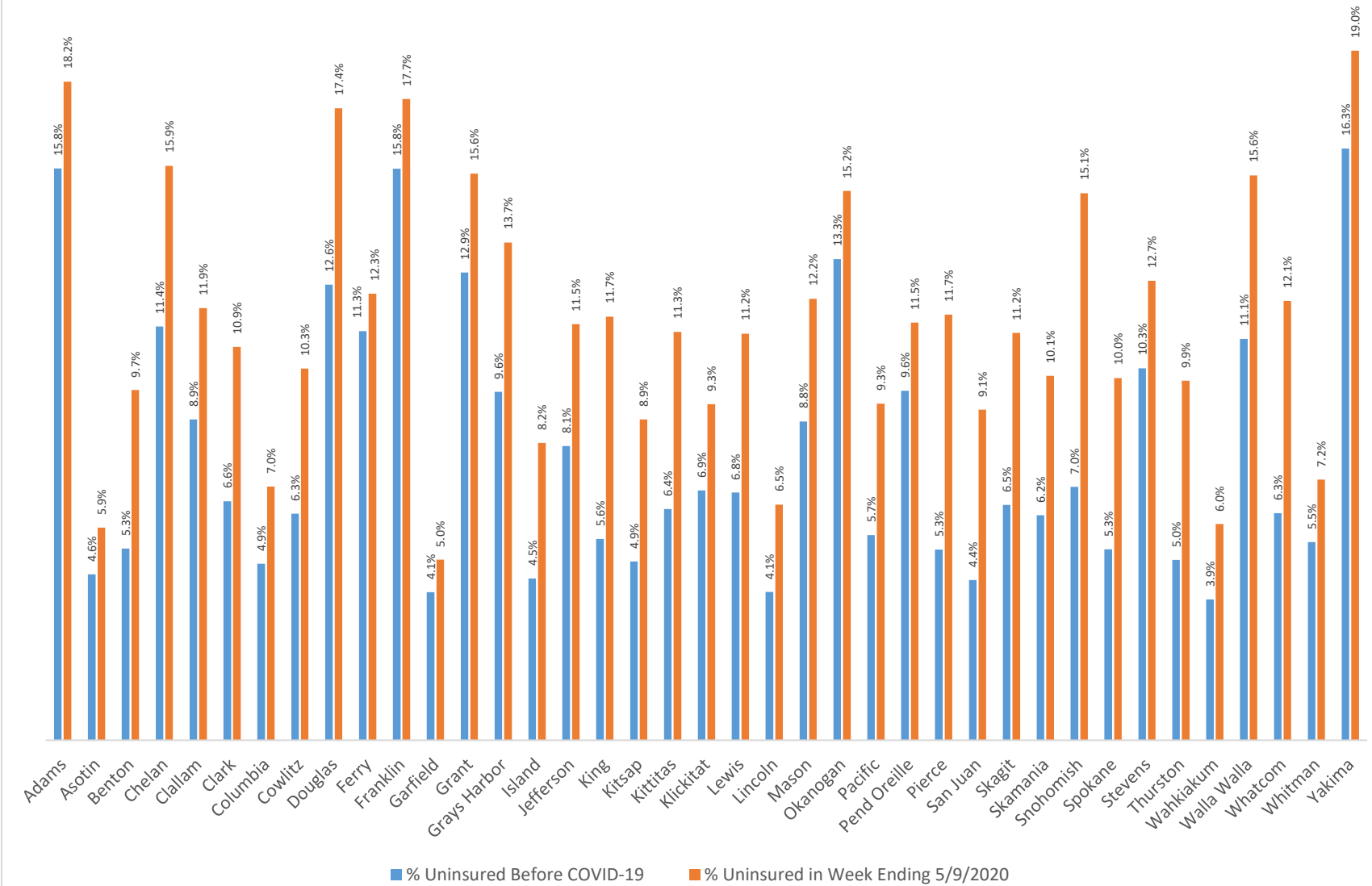
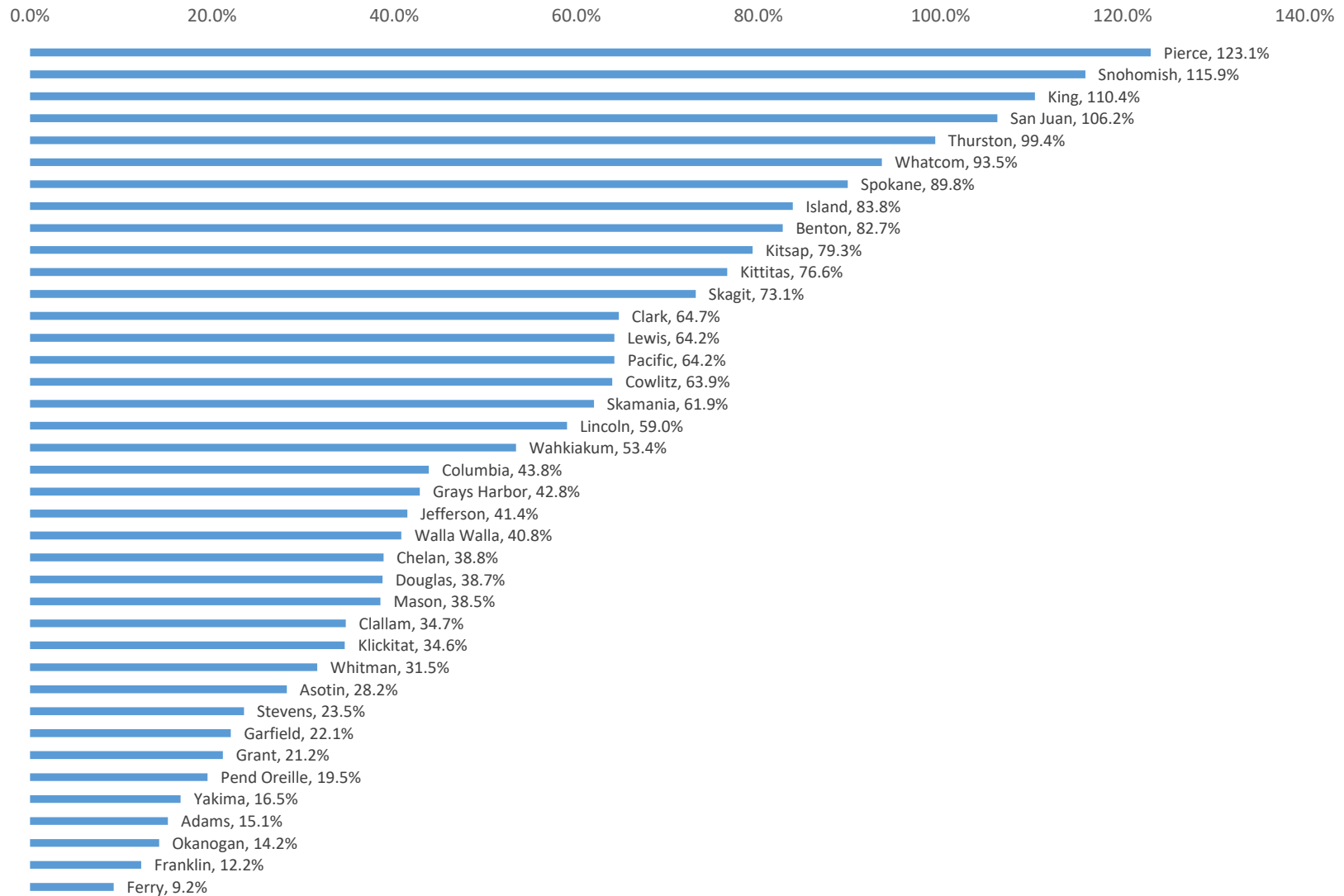


Figure 5. Percent Change of County Uninsured Rates in 2020, Washington:
From Pre-COVID19 to Week Ending 5/9/2020



Method and Data

Estimates reported above were generated using an OFM simulation file based on the 2018 American Community Survey 1-Year Public Use Microdata Sample file (ACS). Key data sources contributing to the simulation file include, in addition to ACS, detailed OFM population projections for 2019 and 2020, weekly unemployment insurance (UI) claims in 2020, qualified health plans (i.e., the Exchange) and Medicaid enrollment in 2019 and 2020. The simulation also involves several assumptions, such as proportions of new enrollees in Exchange and Medicaid who were previously uninsured and proportions of UI claimants whose EBI continued through leave without pay (LWOP) and COBRA (a coverage program for former and retired employees). Changes in the assumptions can affect the resultant estimates of coverage changes related to the COVID-19 pandemic.

Appendix

County Uninsured Rates (%) and Percent Change, Before COVID-19 and the Week Ending on May 9, 2020: Washington State

County	% Uninsured Before COVID-19	% Uninsured in Week Ending 5/9/2020	Percent Change	County	% Uninsured Before COVID-19	% Uninsured in Week Ending 5/9/2020	Percent Change
Adams	15.8%	18.2%	15.1%	Lewis	6.8%	11.2%	64.2%
Asotin	4.6%	5.9%	28.2%	Lincoln	4.1%	6.5%	59.0%
Benton	5.3%	9.7%	82.7%	Mason	8.8%	12.2%	38.5%
Chelan	11.4%	15.9%	38.8%	Okanogan	13.3%	15.2%	14.2%
Clallam	8.9%	11.9%	34.7%	Pacific	5.7%	9.3%	64.2%
Clark	6.6%	10.9%	64.7%	Pend Oreille	9.6%	11.5%	19.5%
Columbia	4.9%	7.0%	43.8%	Pierce	5.3%	11.7%	123.1%
Cowlitz	6.3%	10.3%	63.9%	San Juan	4.4%	9.1%	106.2%
Douglas	12.6%	17.4%	38.7%	Skagit	6.5%	11.2%	73.1%
Ferry	11.3%	12.3%	9.2%	Skamania	6.2%	10.1%	61.9%
Franklin	15.8%	17.7%	12.2%	Snohomish	7.0%	15.1%	115.9%
Garfield	4.1%	5.0%	22.1%	Spokane	5.3%	10.0%	89.8%
Grant	12.9%	15.6%	21.2%	Stevens	10.3%	12.7%	23.5%
Grays Harbor	9.6%	13.7%	42.8%	Thurston	5.0%	9.9%	99.4%
Island	4.5%	8.2%	83.8%	Wahkiakum	3.9%	6.0%	53.4%
Jefferson	8.1%	11.5%	41.4%	Walla Walla	11.1%	15.6%	40.8%
King	5.6%	11.7%	110.4%	Whatcom	6.3%	12.1%	93.5%
Kitsap	4.9%	8.9%	79.3%	Whitman	5.5%	7.2%	31.5%
Kittitas	6.4%	11.3%	76.6%	Yakima	16.3%	19.0%	16.5%
Klickitat	6.9%	9.3%	34.6%	State	6.7%	12.1%	80.3%