

## Work and Health Insurance for 50- to 64-Year-Olds

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**Working or having a family member connected to the workforce is a critical gateway to health insurance coverage. However, many workers do not have employer-sponsored coverage. For them and for nonworkers without access to employer coverage, the Affordable Care Act opens new options for obtaining health insurance.**

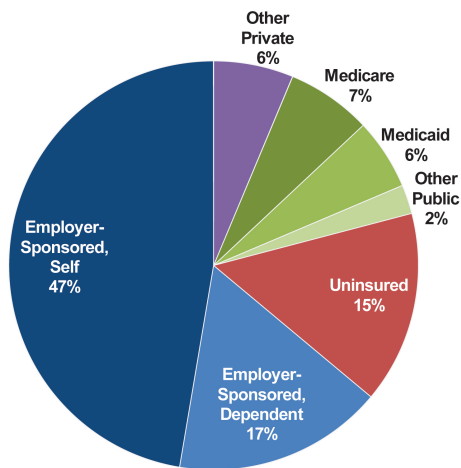
### Most 50- to 64-Year-Olds Have Health Insurance through an Employer Plan

In 2012, 85 percent of people ages 50 to 64 had health insurance at some time during the year (see figure 1).

Fifteen percent were uninsured throughout 2012.

Nearly two-thirds (64 percent) of 50- to 64-year-olds had an employer-sponsored plan that they obtained through their own or a family member's current or former employer. About 15 percent had coverage through a public program and 6 percent bought their own private insurance in the individual market.

**Figure 1**  
**Type of Health Insurance Coverage Among People Ages 50–64, 2012**



Note: Type of health insurance is based on coverage at any time during 2012. Individuals with more than one type of insurance during the year were assigned to a category hierarchically in the following order: employer-sponsored, self; employer-sponsored, dependent; Medicare; Medicaid; other public; other private; and uninsured. So, for example, individuals with both Medicare and Medicaid are shown in the Medicare category.

Source: AARP Public Policy Institute analysis of data from the March 2013 Current Population Survey.

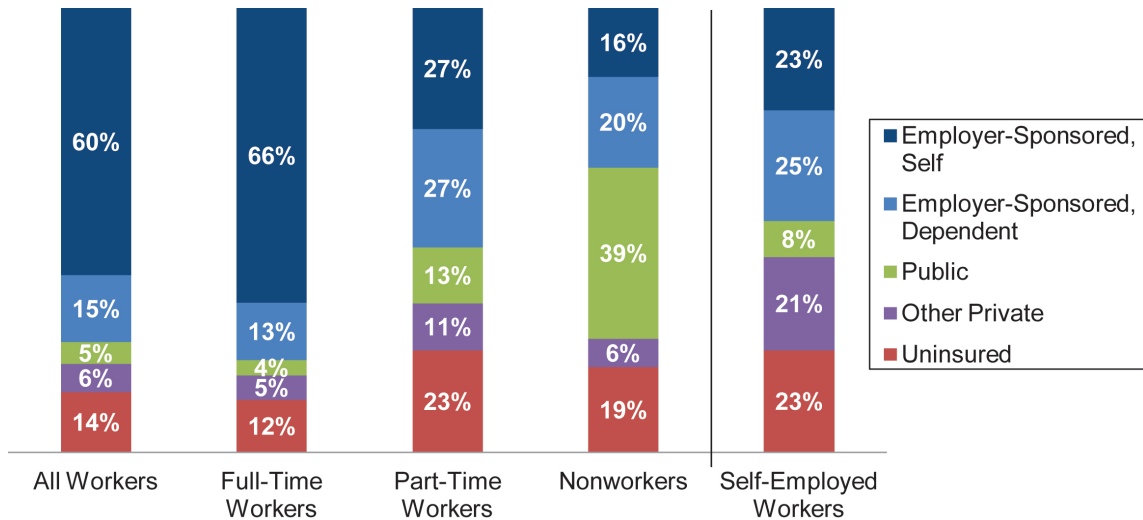
### Not All Workers Have Employer-Sponsored Health Insurance

Working is not a guarantee of employer-sponsored coverage. In fact, one-quarter of workers ages 50 to 64, did not have employer-sponsored health coverage in 2012. Some were not offered health insurance at their jobs; others decided not to buy it.<sup>1</sup>

Most workers with employer-sponsored health coverage received it from their own current or former employer, and some as a dependent on a family member's plan (see figure 2). Some workers had public insurance or bought private insurance on the individual market. About 14 percent of workers ages 50 to 64 were uninsured.

Employers are less likely to offer health insurance to part-time workers

**Figure 2**  
**Type of Health Insurance Among Workers and Nonworkers Ages 50–64, 2012**



Note: Self-employed workers are included in the other worker groups. Health insurance type is based on coverage at any time during 2012; individuals with more than one type of insurance during the year were assigned to a category hierarchically in the order shown, starting with “employer-sponsored, self.” Components may not sum to 100 percent because of rounding.

Source: AARP Public Policy Institute analysis of data from the March 2013 Current Population Survey.

than to full-time workers.<sup>2</sup> Among part-time workers (defined here as those working less than 35 hours per week) ages 50 to 64, 54 percent had employer-sponsored coverage in 2012 (about half through a family member’s plan), compared with 79 percent of full-time workers. Twenty-three percent of part-time workers ages 50 to 64 were uninsured.

Among self-employed adults ages 50 to 64, 48 percent had employer-sponsored coverage (23 percent had coverage through their current or former workplace, and 25 percent were covered as a dependent on a family member’s employer-sponsored plan). Twenty-three percent of self-employed adults ages 50 to 64 were uninsured.

**Many Nonworkers Have Employer-Sponsored Insurance**

In 2012, just over one-third (36 percent) of 50- to 64-year-olds who did not work during the year had employer-sponsored health insurance. Most were enrolled as dependents on a family member’s health

plan; others obtained it through a former employer’s continuation coverage (also known as COBRA coverage) or retiree health insurance.

**Health Reform Gives New Coverage Options to Some Workers and Nonworkers**

Because the Affordable Care Act builds on the current employment-based system, employers are expected to continue to play a dominant role in providing health coverage. However, for certain groups, such as people who are not working, workers without access to employer-sponsored coverage (or whose employer coverage is costly relative to their incomes), and those weighing job and career transitions, the health care law opens new options.

People now have the option of buying private insurance through a Health Insurance Marketplace and may, depending on their income, be eligible for financial assistance to help pay for it. In addition, changed market rules guarantee individuals access to

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health insurance without regard to preexisting health conditions and ban higher premiums because of health problems. More low-income workers and their families may qualify for

Medicaid coverage depending on the state in which they live. The effects of the reforms will become clearer as more national data become available for the post-reform period.

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### Endnotes

<sup>1</sup> The Kaiser Family Foundation and Health Research & Educational Trust, *Employer Health Benefits—2013 Annual Survey*, August 2013, available at <http://kaiserfamilyfoundation.files.wordpress.com/2013/08/8465-employer-health-benefits-20132.pdf>.

<sup>2</sup> Ibid.

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