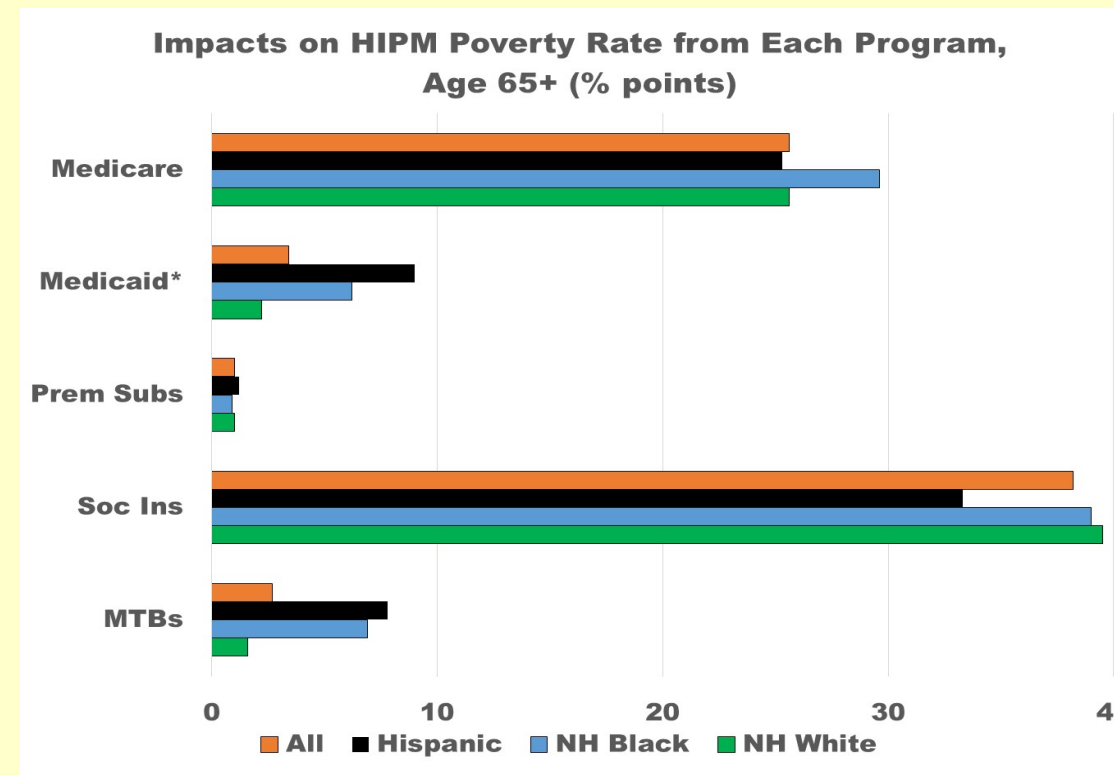


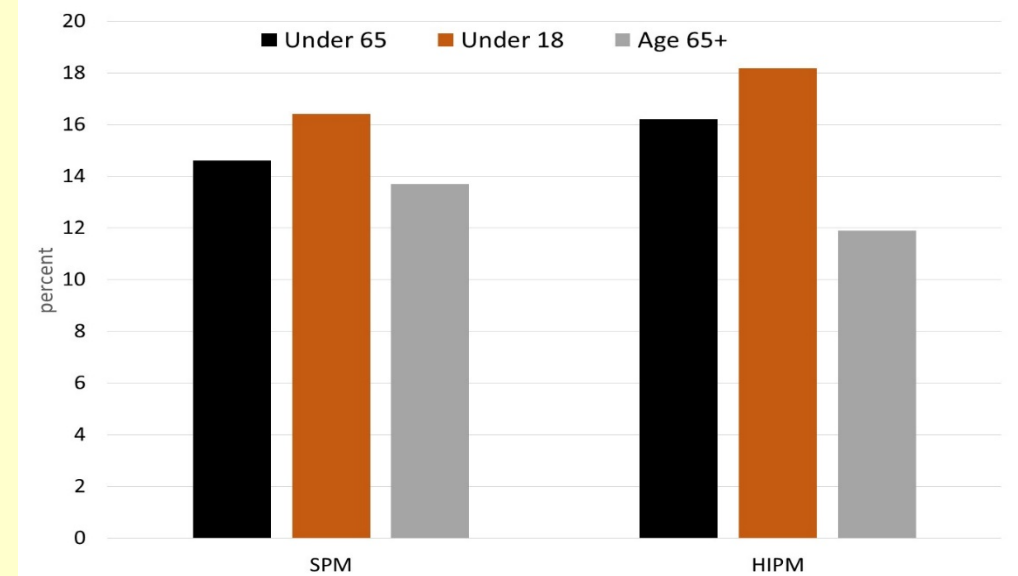
Sanders Korenman, Dahlia K. Remler & Rosemary T. Hyson

Rationale & Background

- Health care is a basic need (UN Declaration of Human Rights, 1948, Article 25)
- US government spends > \$1T annually on health insurance benefits; \$700B+ on elderly
- US does **not** have universal health insurance
- Insured pay substantial costs out-of-pocket
- US poverty measures include no health needs or resources (NAS, 1995. *Measuring Poverty*)
- Therefore, US poverty measures **cannot** validly show effects on poverty of either uninsurance or health insurance benefits
- How large are the distortions?



Census SPM v. HIPM Poverty Rates by Age



Aims & Objectives

- Use the HIPM to assess impact of health insurance, social insurance, and means-tested benefits (MTBs) on poverty rates of population 65+
- Rate differences by race, Hispanic origin, age, etc.
- Compare poverty rates & populations classified as poor between HIPM & SPM (a US Census measure)

References (HIPM)

Korenman & Remler, 2016. *J Health Econ*
Remler, Korenman & Hyson, 2017. *Health Affairs*
Korenman, Remler & Hyson, 2019. *Soc Serv Rev*
*Korenman, Remler & Hyson, 2021. *J Econ Ageing*
+ We acknowledge Russell Sage Foundation support.

Findings from HIPM analyses

1. Medicare second only to Social Security (non-medical social insurance) in reducing elderly poverty: > 25 percentage point impact. (left)
2. Young-old difference in poverty larger with HIPM due to Medicare eligibility at age 65; children, especially, appear poorer. (above)
3. HIPM classifies a less-advantaged 65+ population as poor than Supplemental Poverty Measure (SPM): e.g., less-educated, fewer homeowners, more non-whites. (not shown)
4. HIPM may more completely describe poverty and more accurately guide policy

HIPM (health-inclusive poverty measure; see refs)

1. Puts a need for health insurance in threshold
2. Includes health benefits in resources
3. **Non-fungibility** of health insurance: ensures health benefit value never exceeds threshold health insurance need since insurance cannot pay for non-health needs (food, shelter)
4. Incorporates out-of-pocket payments for insurance premiums and health care

Data & Methodology

- Current Pop. Survey, ACA & Medicare plan data
- Accounting impact estimates, non-causal

If you are interested in implementing our HIPM with your data, please contact us