

Health Insurance Coverage in the Construction Industry

Samantha Brown, MPH, Raina D. Brooks, MPH, Xiuwen Sue Dong, DrPH*

OVERVIEW

Most Americans rely on [health insurance coverage](#) to finance their health care services. Without health insurance, people may face multiple barriers to necessary care, and difficulty paying for medical costs with their own resources. Insurance is particularly important for construction workers because [numerous workplace hazards](#) can cause adverse health effects, in addition to fatal and nonfatal injuries.

This Data Bulletin examines the latest trends in health insurance coverage among construction workers, using data from [the Annual Social and Economic Supplement \(ASEC\) of the Current Population Survey \(CPS\)](#), a nationally representative survey administered by the U.S. Census Bureau to American households each March. The ASEC collects health insurance information on the prior calendar year, as well as current coverage at the time of the interview. In this report, insurance data for 2003 to 2018 represents coverage during those calendar years, while data for 2019 refers to coverage at only [the time of the survey](#).



THIS ISSUE

This bulletin provides updated information on health insurance coverage among construction workers by analyzing data from a large national survey.

KEY FINDINGS

Nearly 24% of construction workers did not have any health insurance in 2018, more than double the uninsured rate among all U.S. workers. *Chart 1*

Nearly half (48%) of Hispanic construction workers were uninsured, more than triple that of their white, non-Hispanic counterparts (13%). *Chart 5*

Less than 30% of Hispanic construction workers had employment-based insurance coverage in 2018. *Chart 6*

In 2018, 28% of construction workers in small establishments had employment-based insurance, 60% less than their counterparts in large establishments. *Chart 8*

Unionized construction workers were nearly 50% more likely than their non-unionized counterparts to have employment-based coverage, and twice as likely to have their premiums fully paid by their employer. *Chart 9-10*

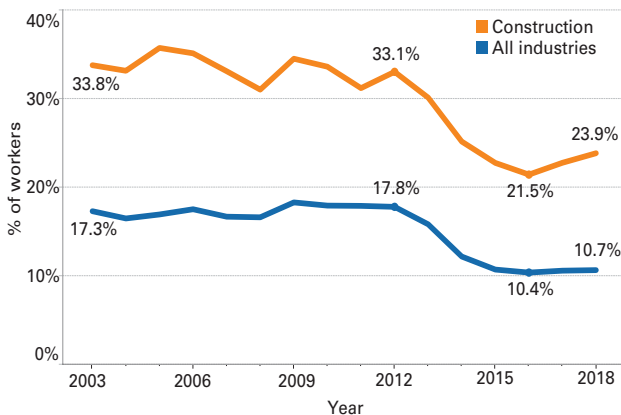
NEXT DATA BULLETIN

Health Disparities Could Mean Coronavirus Hits Some Construction Workers Harder

* Correspondence to: Xiuwen Sue Dong, SDong@cpwr.com.
All chart calculations by the CPWR Data Center.

Between 2012 and 2016, the uninsured rate in the overall U.S. workforce dropped from 17.8% to 10.4%, and then slightly increased to 10.7% in 2018 (chart 1). This trend is likely due to national [policy changes](#) before and after the 2010 Affordable Care Act (ACA). The change is more apparent in construction: the uninsured rate in this industry dropped from 33.1% in 2012 to 21.5% in 2016 and increased to 23.9% in 2018. Moreover, the uninsured rate among construction workers was consistently about twice as high as the rate in the overall workforce from 2003 onward.

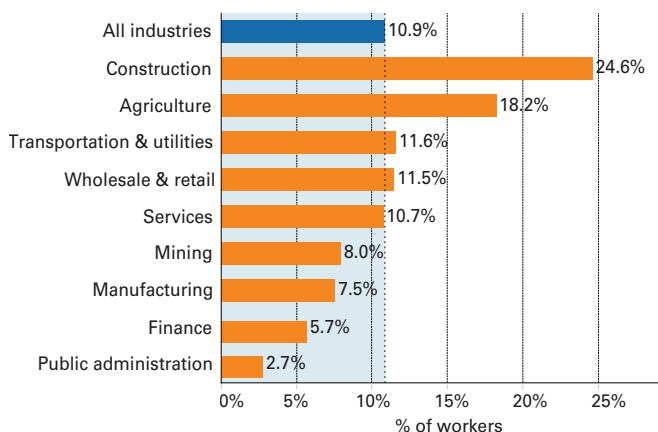
1. Percentage of workers without health insurance, construction vs. all industries, 2003-2018 (All employment)



Source: 2004-2019 March Supplement to the Current Population Survey.

In fact, compared to other major industry sectors, construction had the highest uninsured rate at the time respondents were interviewed in March 2019 (24.6%); about nine times that of public administration (2.7%), three times that of manufacturing (7.5%), and nearly 35% higher than that of agriculture (18.2%; chart 2).

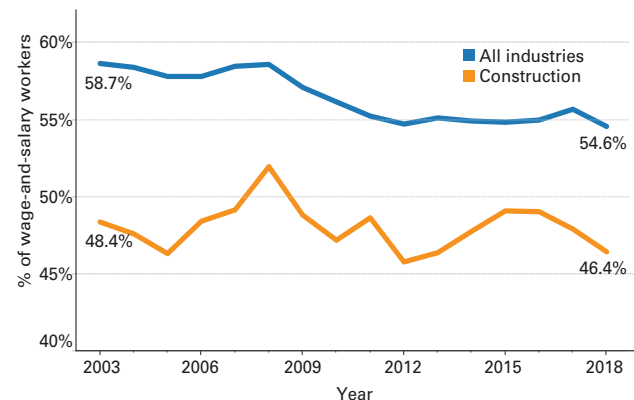
2. Percentage of workers without insurance coverage at the time of interview, by major industry, 2019 (All employment)



Source: 2019 March Supplement to the Current Population Survey.

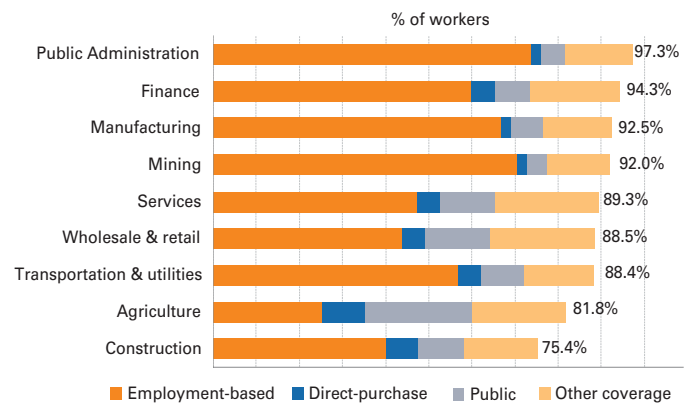
The most [important source of health insurance](#) among wage-and-salary workers in the U.S. is through their employment. However, workers in construction are much less likely to receive employment-based insurance than other workers. From 2003 to 2018, the percentage of employment-based insurance among wage-and-salary workers in construction was, on average, 14.8% lower than the rate in all industries (chart 3). Because of their relatively low rate of employment-based health insurance, construction workers had the lowest rate of overall health insurance coverage but a relatively high rate of direct purchase of insurance (7.5%). Many factors could explain the disparities in health insurance coverage, such as [worker demographics](#), [establishment size](#), and [temporary employment](#).

3. Percentage of workers with employment-based insurance, construction vs. all industries, 2003-2018 (Wage-and-salary workers)



Source: 2004-2019 March Supplement to the Current Population Survey.

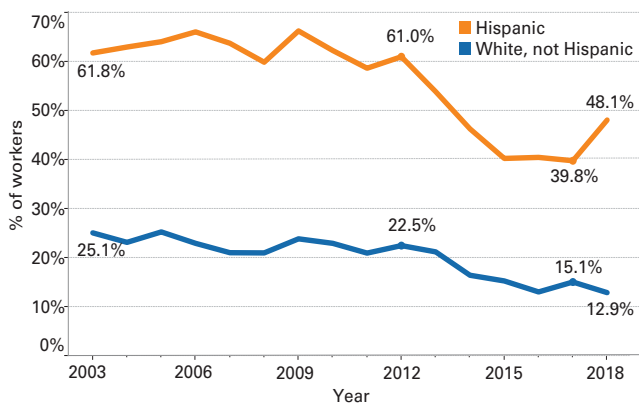
4. Percentage of workers by type of coverage at the time of interview, selected industries, 2019 (All employment)



Source: 2019 March Supplement to the Current Population Survey.

[Hispanic](#) construction workers are historically much [more likely to lack health insurance coverage](#) than their white, non-Hispanic counterparts. Though the uninsured rate among Hispanic construction workers dropped from more than 60% in 2003 to less than 40% in 2017, it surged to 48% in 2018, an increase of approximately 21% within a year (chart 5). In comparison, the uninsured rate among white, non-Hispanic workers somewhat decreased between 2017 and 2018, from 15.1% to 12.9%. By 2018, the uninsured rate among Hispanic construction workers was nearly fourfold that of their white, non-Hispanic counterparts (48.1% vs 12.9%).

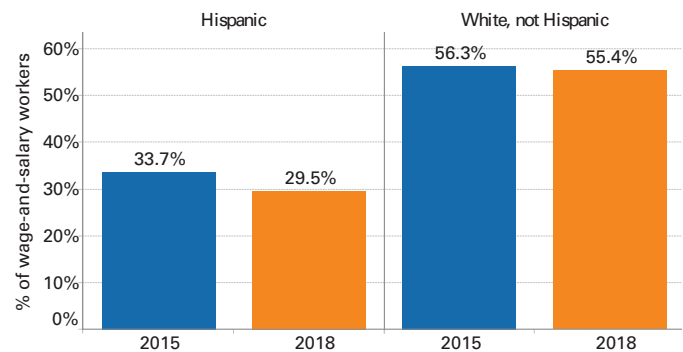
5. Percentage of construction workers without health insurance, Hispanic vs. White, not Hispanic, 2003-2018 (All employment)



Source: 2004-2019 March Supplement to the Current Population Survey.

The high uninsured rate among Hispanic construction workers was mainly due to low employment-based coverage in these workers. In 2018, fewer than one in three (29.5%) Hispanic wage-and-salary construction workers had employment-based coverage, while more than one in two (55.4%) of their white, non-Hispanic counterparts had such coverage (chart 6). In addition, this difference grew by over 10% between 2015 and 2018; in 2015, 33.7% of Hispanic wage earners had insurance through their employment compared to 56.3% of white, non-Hispanic wage earners.

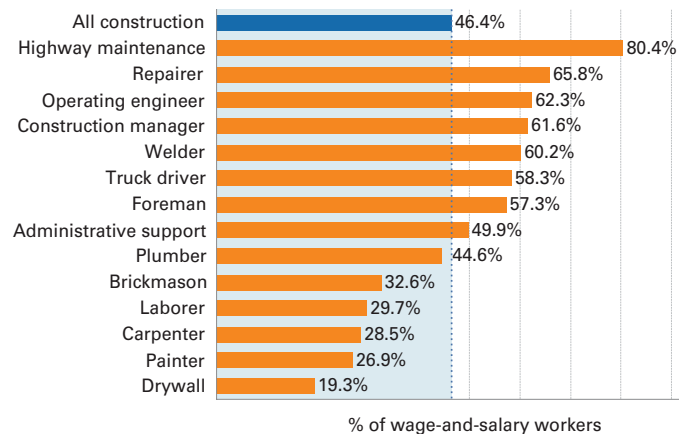
6. Employment-based health insurance in construction, Hispanic vs. White, not Hispanic, change from 2015 to 2018 (Wage-and-salary workers)



Source: 2016 and 2019 March Supplements to the Current Population Survey for 2015 and 2018 data, respectively.

The likelihood of receiving employment-based insurance also varies by construction occupation. In 2018, less than 30% of wage-and-salary drywall installers, painters, carpenters, and construction laborers received insurance through their employment, while the coverage rate was over 80% among highway maintenance workers (chart 7). These disparities are likely due to differences in [union membership](#), [establishment size](#), and [other socioeconomic factors among occupations](#).

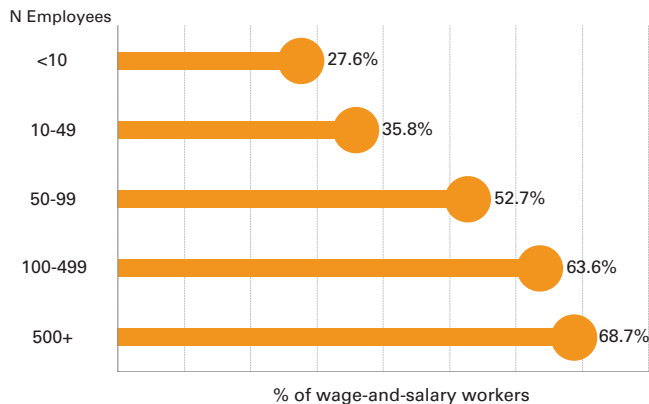
7. Employment-based health insurance among selected occupations in construction, 2018 (Wage-and-salary workers)



Source: 2019 March Supplement to the Current Population Survey.

Establishment size is another determinant of health insurance coverage. Large companies are more likely to provide health insurance coverage compared to smaller employers. In 2018, wage-and-salary construction workers in establishments with over 500 employees were nearly 2.5 times as likely to receive coverage through their employment than those in establishments with fewer than 10 employees (68.7% vs 27.6%; chart 8).

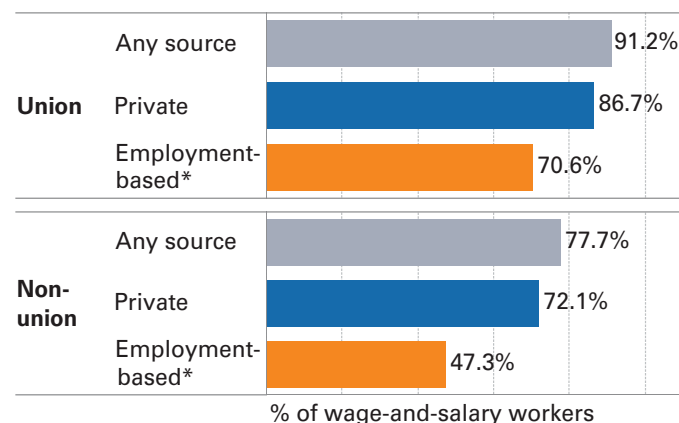
8. Employment-based health insurance in construction, by establishment size, 2018 (Wage-and-salary workers)



Source: 2016 and 2019 March Supplements to the Current Population Survey for 2015 and 2018 data, respectively.

Unionization considerably increased insurance coverage among wage-and-salary construction workers, including any private and employment-based insurance. More than 90% of union members had health insurance coverage from any source, compared to less than 78% of their non-unionized counterparts (chart 9). The rate of private insurance coverage among union members was approximately 20% higher (86.7% vs 72.1%), and the rate of employment-based coverage was nearly 50% higher respectively.

9. Health insurance coverage in construction at the time of interview, by union membership, 2019 (Wage-and-salary workers)

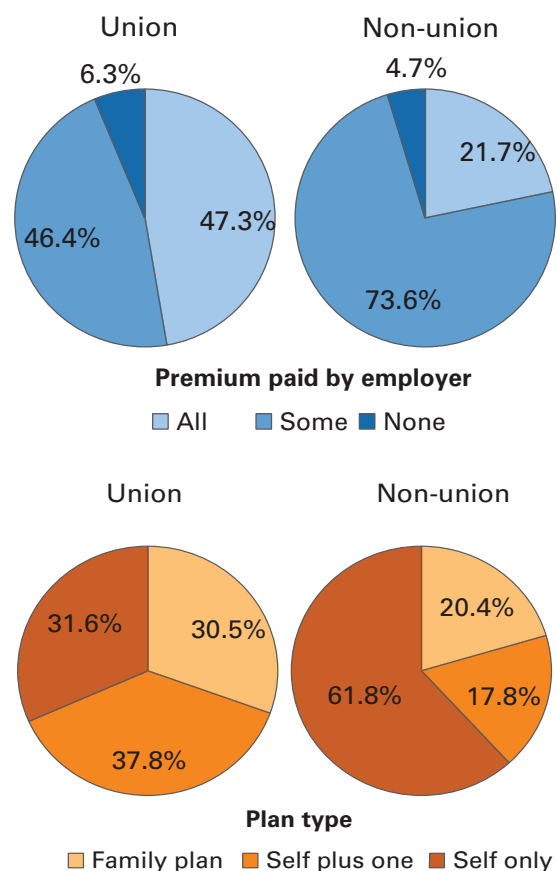


Source: 2019 March Supplement to the Current Population Survey.

*Workers were considered to have employment-based coverage only if they were the policy holder.

Moreover, nearly half of unionized wage-and-salary construction workers had premiums for their employment-based insurance fully paid by their employer, while less than a quarter of their non-unionized counterparts had that benefit (47.3% vs 21.7%; chart 10). Additionally, union members with employment-based insurance were more likely than non-union workers to have plans covering not just themselves but also others, such as family members (68.3% vs 38.2%).

10. Employment-based health insurance in construction at the time of interview, by plan characteristics, 2019 (Wage-and-salary workers)



Source: 2019 March Supplement to the Current Population Survey.

*Chart only includes workers with employment-based health insurance.

Many construction workers continue to lack basic insurance coverage. This is particularly concerning given that serious occupational health hazards are common at construction worksites. Hispanic construction workers experienced the lowest rates of health insurance coverage, and the gap in insurance coverage between Hispanic and non-Hispanic white workers enlarged in recent years. Workers in small establishments and certain occupations were also less likely to be insured. In contrast, unionization greatly increased coverage and improved the quality of insurance plans. It is essential to expand insurance coverage among construction workers to better their overall health.

DATA SOURCE

U.S. Census Bureau, Annual Social and Economic Supplement (ASEC) of the Current Population Survey (CPS), 2004-2019.

REFERENCES

Berchick, E., Hood, E., and Barnett, J. Health Insurance Coverage in the United States: 2017. [2018]. U.S. Census Bureau. <https://www.census.gov/library/publications/2018/demo/p60-264.html> (Accessed February 2020).

Berchick, E., Hood, E., and Barnett, J. Health Insurance Coverage in the United States: 2018. [2019]. U.S. Census Bureau. <https://www.census.gov/library/publications/2019/demo/p60-267.html> (Accessed March 2020).

Chaudry, A, Jackson, A, and Glied, S. New Report: Affordable Care Act Has Narrowed Racial and Ethnic Gaps in Access to Health Care, But Progress Has Stalled. [2019]. Commonwealth Fund. www.commonwealthfund.org/press-release/2020/new-report-affordable-care-act-has-narrowed-racial-and-ethnic-gaps-access-health (Accessed February 2020).

CPWR – The Center for Construction Research and Training. [2018]. The Construction Chart Book, Sixth edition, page 26, <https://www.cpwr.com/publications/research-findings-articles/construction-chart-book> (Accessed February 2020).

CPWR – The Center for Construction Research and Training. Impact of the Affordable Care Act on health insurance coverage and healthcare utilization among construction workers. [2015]. <https://www.cpwr.com/sites/default/files/publications/4th-Quarter-QDR.pdf> (Accessed February 2020).

Dong X, Ringen K, Fujimoto A. [2009]. Part V. Empirical Studies, Chapter 16: Expanding Access to Health Care for Hispanic Construction Workers and Their Children, Expanding Access to Health Care: A Management Approach. Edited by: Terry F. Buss; Paul N. Van de Water. Armonk NY: M.E. Sharpe, Inc. pages 321-343.

Fronstin, P. What Does the Future Hold for the Employment-Based Health Benefits System? [2019]. SSRN, https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3354877 (Accessed February 2020).

Inserro, A. ACA Pushed Uninsured Rate Down to 10% in 2016. [2018]. American Journal of Managed Care, <https://www.ajmc.com/newsroom/aca-pushed-uninsured-rate-down-to-10-in-2016-even-more-so-in-medicaid-expansion-states> (Accessed February 2020).

Simmons-Duffin, S. Trump Is Trying Hard To Thwart Obamacare. How's That Going? [2019]. NPR. <https://www.npr.org/sections/health-shots/2019/10/14/768731628/trump-is-trying-hard-to-thwart-obamacare-hows-that-going> (Accessed February 2020).

U.S. Department of Health & Human Services. [2016]. 20 million people have gained health insurance coverage because of the Affordable Care Act, new estimates show. <https://wayback.archive-it.org/3926/20170128080500/https://www.hhs.gov/about/news/2016/03/03/20-million-people-have-gained-health-insurance-coverage-because-affordable-care-act-new-estimates> (Accessed February 2020).

ABOUT THE CPWR DATA CENTER

The CPWR Data Center is part of CPWR—The Center for Construction Research and Training. CPWR is a 501(c)(3) nonprofit research and training institution created by NABTU, and serves as its research arm. CPWR has focused on construction safety and health research since 1990. The Data Bulletin, a series of publications analyzing construction-related data, is part of our ongoing surveillance project funded by the National Institute for Occupational Safety and Health (NIOSH).

Besides cpwr.com, visit CPWR's other online resources to help reduce construction safety and health hazards:

- Choose Hand Safety
<http://choosehandsafety.org/>
- Construction Safety and Health Network
<https://safeconstructionnetwork.org/>
- Construction Solutions
<http://www.cpwrconstructionsolutions.org/>
- Construction Solutions ROI Calculator
<http://www.safecalc.org/>
- Exposure Control Database
<http://ecd.cpwrconstructionsolutions.org/>
- Stop Construction Falls
<http://stopconstructionfalls.com/>
- The Electronic Library of Construction Occupational Safety and Health
<http://www.elcosh.org/index.php>
- Work Safely with Silica
<http://www.silica-safe.org/>