

## Key Elements of the U.S. Tax System

TAXES AND HEALTH CARE

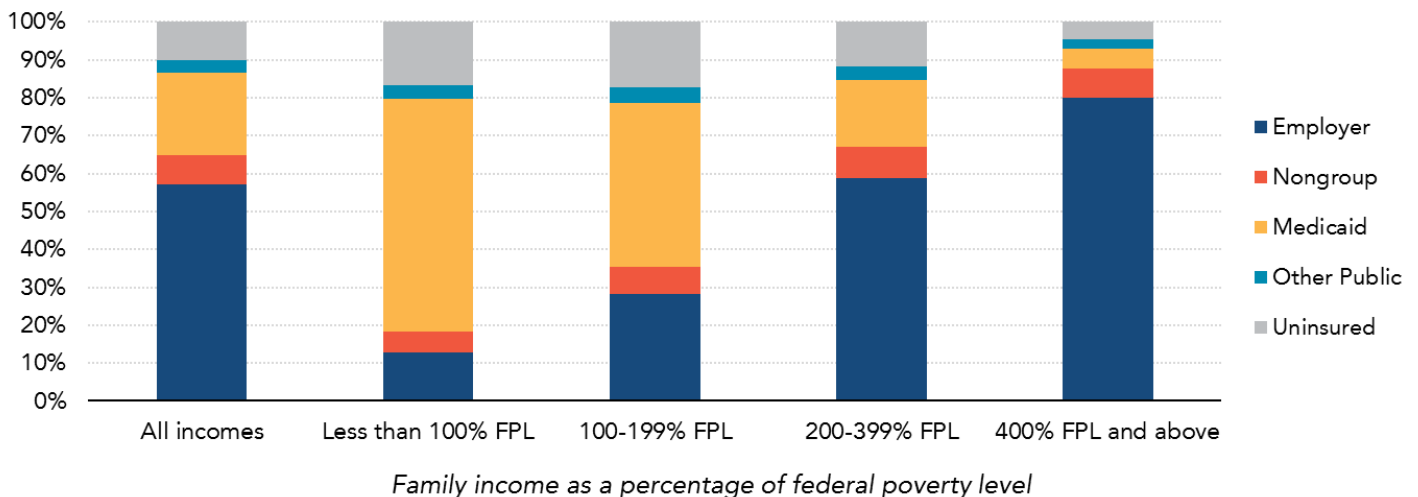
## Who has health insurance coverage?

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A. Ninety percent of nonelderly individuals were covered in 2017, with rates rising sharply with income. The repeal of the individual mandate in 2019 is projected to reduce the percent covered.

In 2017, 57 percent of the nonelderly population obtained health insurance coverage through employment (figure 1). Another 8 percent purchased coverage on their own in the private market, while about 22 percent were covered by Medicaid and 3 percent had coverage from other public sources. That left 10 percent uninsured. Virtually all elderly individuals participate in Medicare, and those with low incomes also receive assistance through Medicaid.

FIGURE 1

Health Insurance Coverage of the Nonelderly by Income  
2017

Source: Kaiser Commission on Medicaid and the Uninsured (2019).

Note: "Other public" insurance includes Medicare and military-related coverage; the Children's Health Insurance Program is included in Medicaid.

Health insurance coverage rises sharply with income. Less than 19 percent of the nonelderly with family incomes below 100 percent of the federal poverty level had private coverage in 2017; 17 percent reported having no health insurance, public or private. In contrast, 88 percent of those with incomes above 400 percent of the federal poverty level had private coverage, and just 5 percent had no insurance.

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The 2017 Tax Cuts and Jobs Act repealed the Affordable Care Act's excise tax on individuals without adequate health insurance starting in 2019. The Congressional Budget Office projects the share of nonelderly adults without health insurance will increase from 11 percent in 2019 to 13 percent by 2029 mostly due to the repeal of the individual mandate.

*Updated May 2020*

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### Data Sources

Congressional Budget Office. 2017a. ["Federal Subsidies for Health Insurance Coverage for People under Age 65: Tables from CBO's September 2017 Projections."](#) Washington, DC: Congressional Budget Office.

Kaiser Commission on Medicaid and the Uninsured. 2019. ["The Uninsured: A Primer—Supplemental Tables."](#) Menlo Park, CA: Henry J. Kaiser Family Foundation.

### Work Cited

Congressional Budget Office. 2017b. ["Repealing the Individual Health Insurance Mandate: An Updated Estimate."](#) Washington, DC: Congressional Budget Office.

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