

# A Profile of South Dakota's Low-Wage Uninsured Workers

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The recently enacted American Rescue Plan Act of 2021 (ARP) includes new large financial incentives for states to extend health insurance coverage to low-wage workers and other adults earning less than \$17,775 a year.<sup>1</sup> These incentives apply to regular spending in a state's Medicaid program and offer a five-percentage point across the board increase in the federal share for a 24-month period after the state extends coverage. The Kaiser Family Foundation estimates that South Dakota's budget would see a net gain of \$60 million over a two-year period if the state expanded Medicaid.<sup>2</sup> Approximately 27,800 uninsured nonelderly adults, or 42 percent of the state's uninsured adult population, would gain health insurance.<sup>3</sup>

This fact sheet examines which workers and industries would benefit from expansion of Medicaid coverage.<sup>4</sup> The hospitality sector accounts for 28 percent of those working without insurance (see Table 1). Restaurants and other food service businesses employ one in five low-wage uninsured workers in the state.<sup>5</sup>



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The Georgetown University Center for Children and Families (CCF) is an independent, nonpartisan policy and research center founded in 2005 with a mission to expand and improve high-quality, affordable health coverage for America's children and families. CCF is based in the McCourt School of Public Policy's Health Policy Institute.

**Table 1. Top Industry Sectors in South Dakota**

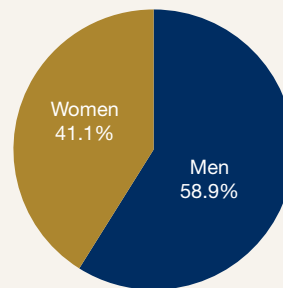
For Low-Wage Workers		For Low-Wage, Uninsured Workers*	
Accommodation and food services	18.6%	Accommodation and food services	27.7%
Retail	13.0%		
Health care and social assistance	12.6%		
Educational services	8.3%		
Manufacturing	6.6%		
Agriculture, forestry, fishing, and hunting	6.1%		

\* Due to small sample size, only the top sector in employing low-wage uninsured workers can be identified.  
Note: Workers with no occupation are not listed.  
Source: Georgetown University Center for Children and Families analysis of U.S. Census Bureau American Community Survey (ACS) 2019 Public Use Microdata Sample (PUMS).

## Demographics of uninsured low-income adults

Overall, White people comprise 57 percent of low-income uninsured nonelderly adults. American Indians are disproportionately represented and comprise 39.4 percent of low-income uninsured adults. Low-income uninsured citizens are more likely to be men than women as Figure 1 shows.

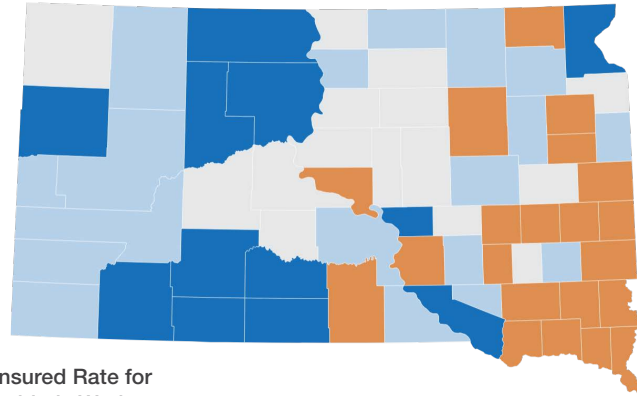
**Figure 1. Low-Income, Uninsured Nonelderly Citizens by Gender**



Source: Georgetown University Center for Children and Families analysis of US Census Bureau American Community Survey (ACS) 2019 Public Use Microdata Sample (PUMS). Contact authors for more information on the methodology.

# Which parts of the state have higher proportions of uninsured workers?

The map shows counties in the state and their proportions of uninsured adult workers of all incomes and citizenship status. Workers in Buffalo County have an extraordinarily high uninsured rate of 56 percent. As Table 2 shows, the counties with the highest proportion of uninsured workers are all rural,<sup>6</sup> and 5 out of 8 are entirely tribal land. In fact, all of the counties in South Dakota that consist entirely of tribal land have among the highest uninsured rates for workers in the state. According to the Census Bureau, people whose only health coverage is Indian Health Service are uninsured as IHS is not considered comprehensive coverage.



**Uninsured Rate for Nonelderly Workers**

- Above 20%
- Between 10-20%
- Lower than 10%
- Estimate suppressed due to unreliable data

Note: Includes all workers ages 19-64 regardless of income or citizenship status.

Source: Georgetown University Center for Children and Families analysis of U.S. Census Bureau American Community Survey (ACS) 2015-2019 Table DP03.

**Table 2. Top Eight Counties with Highest Uninsured Rates for Nonelderly Workers in South Dakota**

County	Uninsured Rate
United States	11.0%
South Dakota	10.8%
Buffalo	56.4%
Oglala Lakota	46.0%
Todd	44.8%
Mellette	32.6%
Dewey	30.2%
Bennett	27.3%
Ziebach	26.9%
Corson	23.9%

Note: Includes all workers ages 19-64 regardless of income or citizenship status.

Source: Georgetown University Center for Children and Families analysis of US Census Bureau American Community Survey (ACS) 2015-2019 Table DP03. Out of South Dakota's 66 counties, 15 county estimates were suppressed due to high margins of error and low-reliability. Suppression rules did not affect the top eight presented in this table. Access to Indian Health Service alone is not considered a comprehensive form of health coverage. Contact authors for more information on the methodology.

## Endnotes

<sup>1</sup> For more information on the provisions of the law, see E. Park and S. Corlette, "American Rescue Plan Act: Health Coverage Provisions Explained" (Washington DC: Georgetown University Center for Children and Families and Center on Health Insurance Reform, March 2021), available at <https://ccf.georgetown.edu/2021/03/11/american-rescue-plan-act-health-coverage-provisions-explained/>. Low-income individuals defined as those earning less than 138 percent of the Federal Poverty Line—approximately \$17,775 for an individual or \$30,305 for a family of three. Workers defined as those who report industry and occupation information on the American Community Survey. Contact authors for more information on sources of data and methods.

<sup>2</sup> R. Rudowitz, B. Corallo, and R. Garfield, "New Incentive for States to Adopt the ACA Medicaid Expansion: Implications for State Spending" (Washington DC: Kaiser Family Foundation, March 2021), available at <https://www.kff.org/medicaid/issue-brief/new-incentive-for-states-to-adopt-the-aca-medicaid-expansion-implications-for-state-spending/>.

<sup>3</sup> Kaiser Family Foundation, "Who Could Medicaid Reach with Expansion in South Dakota?" (Washington DC: Kaiser Family Foundation, February 2021), available at <https://files.kff.org/attachment/fact-sheet-medicaid-expansion-SD>.

<sup>4</sup> All data are derived from the American Community Survey (2019). Most data come from the Public Use Microdata Sample; county data calculated from American Community Survey five-year (2015-2019) prepared tables. Contact authors for more information on sources of data and methods.

<sup>5</sup> Ibid.

<sup>6</sup> Rurality drawn from J. Hoadley et al., "Rural Health Report: Medicaid is a Lifeline for Small Towns and Rural Communities" (Washington DC: Georgetown University Center for Children and Families and the University of North Carolina NC Rural Health Research Program), available at <https://ccf.georgetown.edu/wp-content/uploads/2017/06/Rural-health-final.pdf>. Contact authors for more information on the methodology.