A Profile of Alabama'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.[1] 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 Alabama's budget would see a net gain of $540 million over a two-year period if the state expanded Medicaid.[2] Approximately 204,100 uninsured non-elderly adults, or 49 percent of the state's uninsured adult population, would gain health insurance.[3]

This fact sheet examines which workers and industries would benefit from expansion of Medicaid coverage.[4] The top three industry sectors employing low-wage uninsured workers are hospitality, retail, and health care and social assistance, accounting for approximately 47 percent of those working without insurance; these industry sectors include businesses such as restaurants, general merchandise stores (such as warehouse clubs and supercenters), and nursing care facilities (see Table 1). The most common jobs for low-wage, uninsured workers are *cashiers, cooks, freight and stock laborers, and maids and housekeeping staff* (see Table 2).

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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 Alabama

For Low-Wage Workers		For Low-Wage, Uninsured Workers	
Retail trade	16.9%	Accommodation and food services	19.0%
Accommodation and food services	15.5%	Retail trade	16.2%
Health care and social assistance	12.8%	Health care and social assistance	11.4%
Manufacturing	10.2%	Manufacturing	11.0%
Construction	7.1%	Construction	10.1%
Administrative, support, and waste management	7.0%	Administrative, support, and waste management	9.3%
Education services	6.5%	Other services (except public administration)	5.6%
Other services (except public administration)	5.5%	Transportation and warehousing	3.0%

Table 2. Top Occupations in Alabama

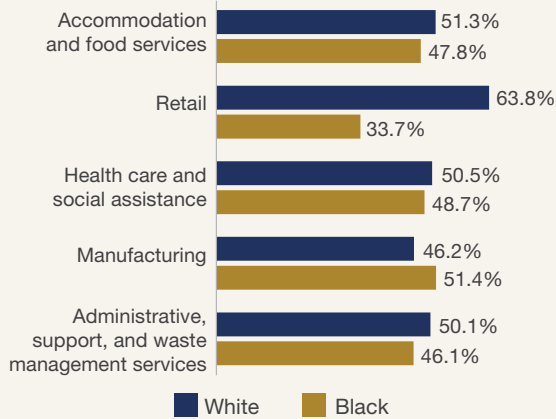| For Low-Wage Workers		For Low-Wage, Uninsured Workers	
Cashiers	7.4%	Cashiers	9.4%
Cooks	3.7%	Cooks	4.9%
Stockers and order fillers	3.2%	Laborers and freight, stock, and material movers	3.5%
Retail salespersons	2.9%	Maids and housekeeping cleaners	3.3%
Waiters and waitresses	2.8%		
Janitors and building cleaners	2.6%		
Laborers and freight, stock, and material movers	2.6%		
First-line supervisors of retail sales workers	2.6%		
Nursing assistants	2.5%		
Maids and housekeeping cleaners	2.3%		

Note: Workers with no occupation are not listed.

Source: Georgetown University Center for Children and Families analysis of US Census Bureau American Community Survey (ACS) 2019 Public Use Microdata Sample (PUMS).
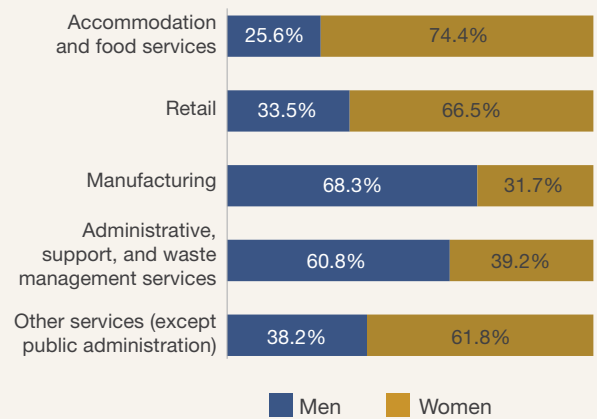
Demographics of uninsured low-income adults

Our analysis finds that women make up a disproportionate share of low-income, non-elderly adult citizens in Alabama (60 percent) and account for 55 percent of those who are uninsured. In Alabama, 58 percent of uninsured low-income citizens are White, 39 percent are Black, and the remainder describe themselves in other categories including American Indian, Asian/Pacific Islander, or multi-racial. Approximately two percent of low-income citizen non-elderly adults identify as Hispanic/Latino.[5] As Figure 1 illustrates, all of the top industry sectors with the greatest number of low-wage uninsured workers have a majority of White workers except for manufacturing. Figure 2 shows that the hospitality, retail, and service industries employ more uninsured, low-wage women, while manufacturing, and administrative, support, and waste management services employ more uninsured, low-wage men.

Figure 1. Race of Low-Wage, Uninsured Workers in Top Industry Sectors

Industry Sector	White	Black
Accommodation and food services	51.3%	47.8%
Retail	63.8%	33.7%
Health care and social assistance	50.5%	48.7%
Manufacturing	46.2%	51.4%
Administrative, support, and waste management services	50.1%	46.1%

Source: Georgetown University Center for Children and Families analysis of U.S. Census Bureau American Community Survey (ACS) 2019 Public Use Microdata Sample (PUMS). [6]

Figure 2. Gender of Low-Wage, Uninsured Workers in Top Industry Sectors

Industry Sector	Men	Women
Accommodation and food services	25.6%	74.4%
Retail	33.5%	66.5%
Manufacturing	68.3%	31.7%
Administrative, support, and waste management services	60.8%	39.2%
Other services (except public administration)	38.2%	61.8%

Source: Georgetown University Center for Children and Families analysis of U.S. Census Bureau American Community Survey (ACS) 2019 Public Use Microdata Sample (PUMS).[7]

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

The map on the right shows the range of uninsured rates for all non-elderly adult workers across the state of Alabama, ranging from 7.4 percent in Shelby County to 19.2 percent in DeKalb County. Table 3 lists eleven counties with high proportions of uninsured workers, each with more than 15 percent of non-elderly employed adults lacking insurance. The counties are a mix of rural counties and those with small cities and towns.
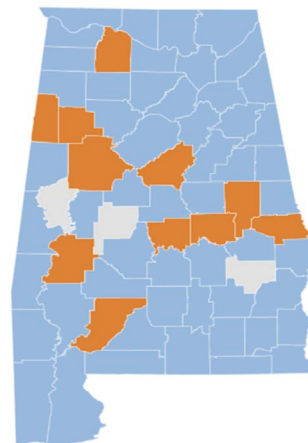
Uninsured Rate for Non-Elderly Workers
- Between 10-20%
- Lower than 10%

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. Grey counties indicate that estimate is suppressed due to high margin of error and low-reliability. Contact authors for more information on the methodology.

Table 3. Counties with High Uninsured Rates for Non-Elderly Adults

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.[8]

County	Uninsured Rate	County	Uninsured Rate
United States	11.0%	Chilton	17.7%
Alabama	12.1%	Russell	17.1%
DeKalb	19.2%	Conecuh	16.9%
Dale	18.2%	Henry	15.7%
Clay	18.1%	Winston	15.5%
Geneva	18.1%	Cullman	15.3%
Marshall	18.0%		

Endnotes

[1] 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/.

[2] 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/.

[3] Kaiser Family Foundation, "Who Could Medicaid Reach with Expansion in Alabama?" (Washington DC: Kaiser Family Foundation, February 2021), available at https://files.kff.org/attachment/fact-sheet-medicaid-expansion-AL.

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

[5] The American Community Survey measures race and ethnicity as two separate facets of an individual's identity. Hispanic/Latino individuals can be of any race.

[6] Estimates for the share of low-wage workers in each industry sector who are American Indian/Alaska Native, Asian/Native Hawaiian or Pacific Islander, and Two or More Races/Some Other Race are suppressed due to small sample sizes and low-reliability. Contact authors for more information on the methodology.

[7] Estimates for health care and social assistance industry as well as construction industry suppressed due to small sample size and low-reliability in one category. Contact authors for more information on the methodology.

[8] Out of Alabama's 67 counties, three county estimates were suppressed due to high margins of error and low-reliability. Suppression rules did result in the exclusion of Bullock County, which may have an uninsured rate for non-elderly workers higher than 15 percent. Contact authors for more information on the methodology.