

The Assault on American Jobs,
Families, Health Care and Retirement
And How You Can Fight Back

The Great Risk Shift

JACOB S. HACKER

...that she has to

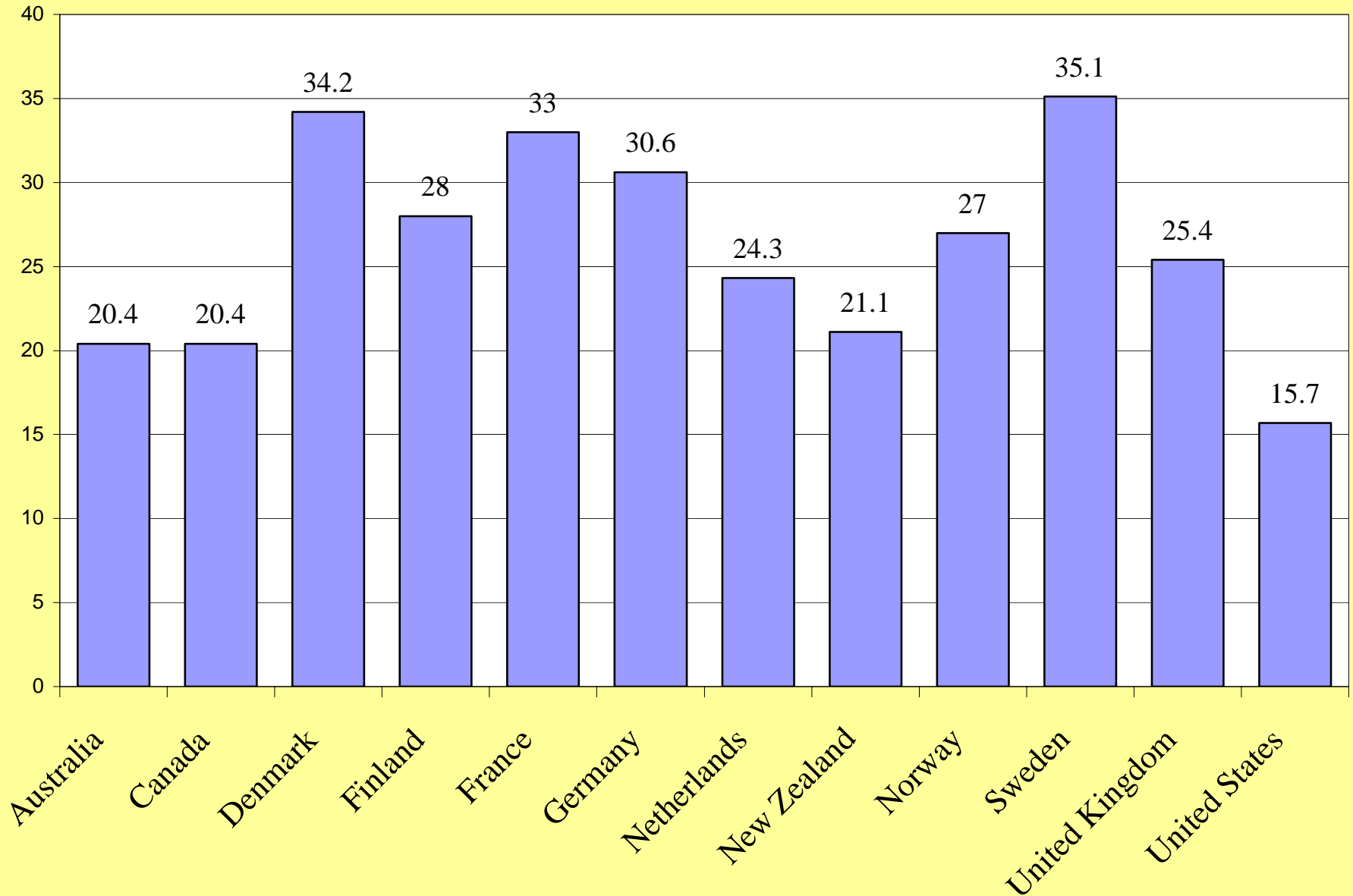
Continued on Page 24



Nicole Bengiveno/The New York Times

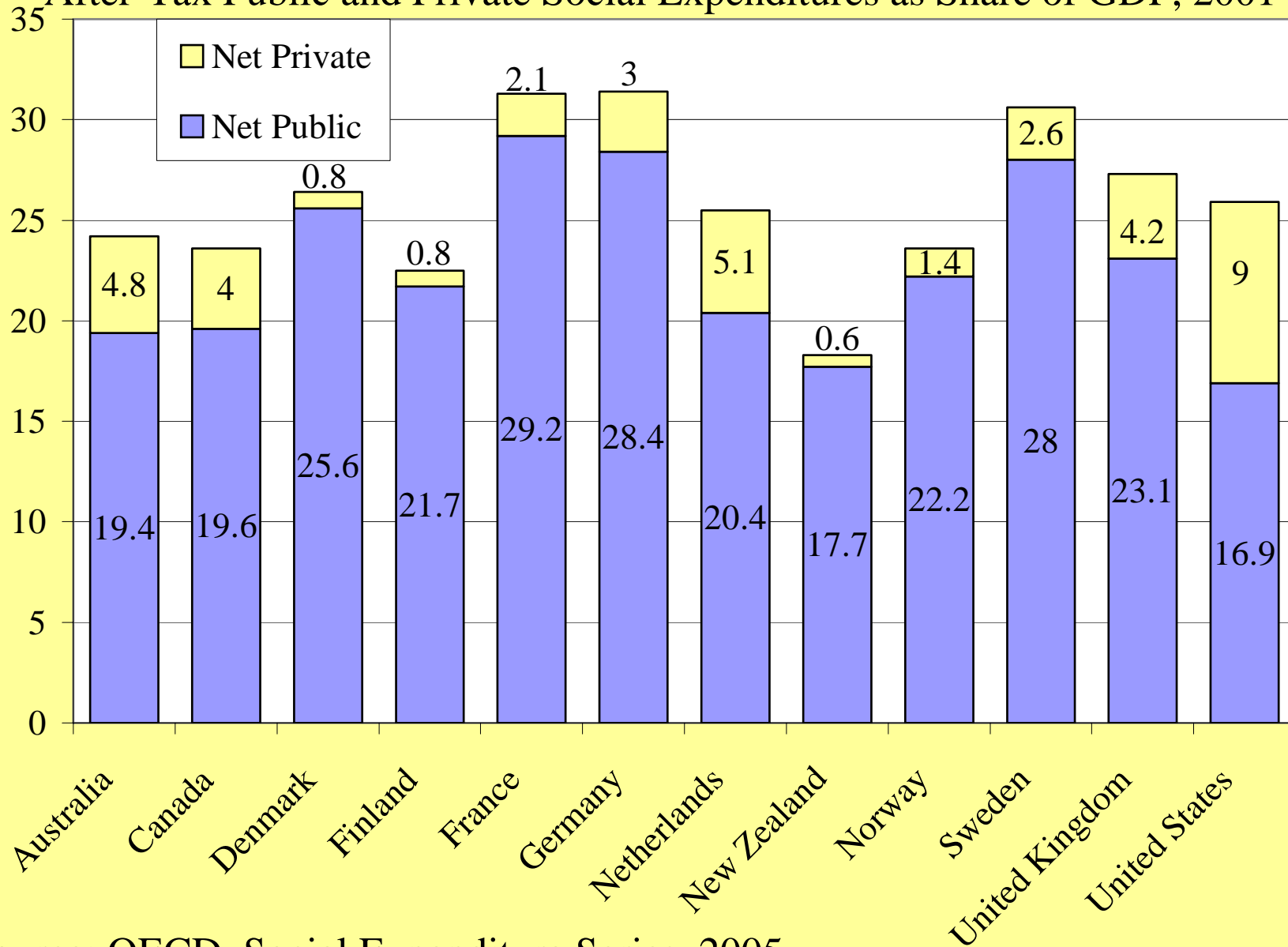
Arnold and Sharon Dorsett with their children, Dakota, Zachery and Jessica, back. Though they had insurance, the Dorsetts had to file for bankruptcy because of Zachery's health care costs.

Total Public Social Expenditures as Share of GDP, 2001



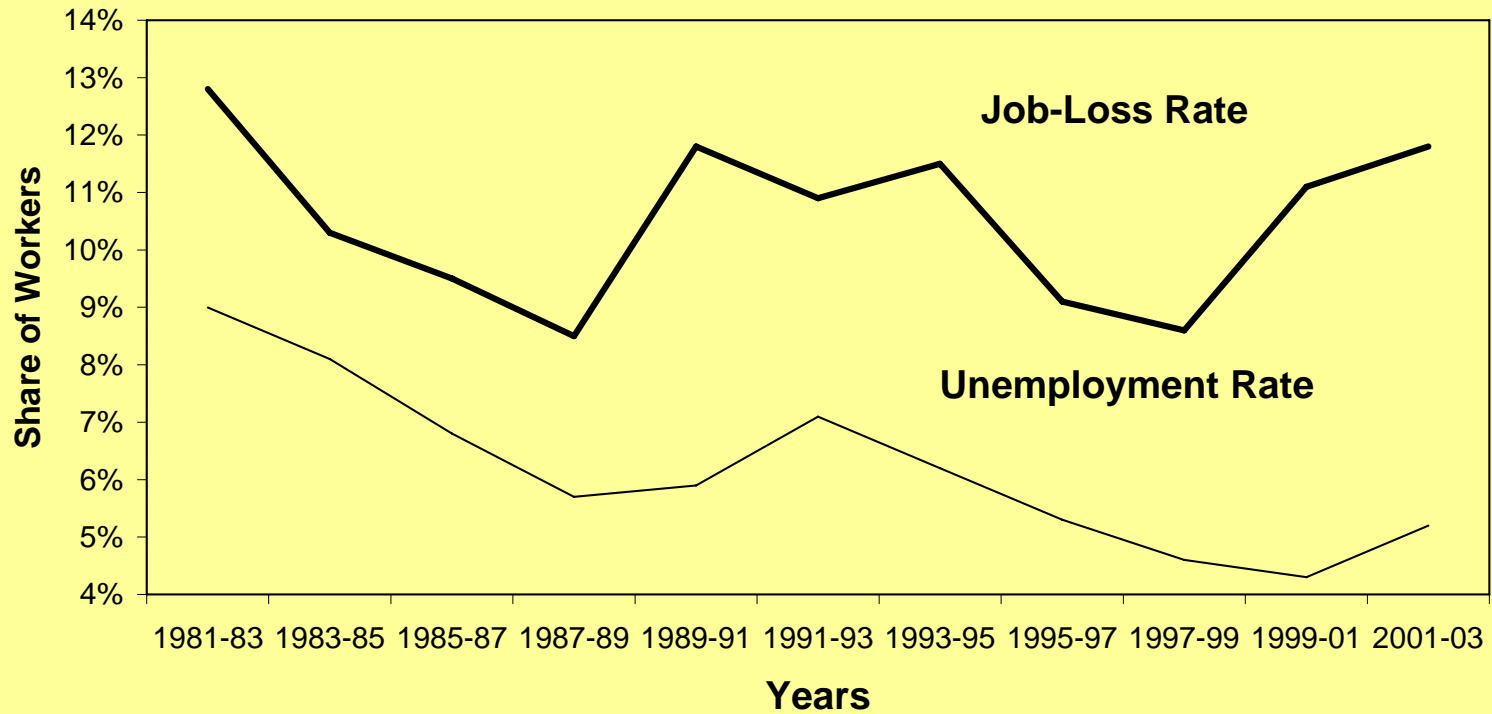
Source: OECD, Social Expenditure Series, 2005.

After-Tax Public and Private Social Expenditures as Share of GDP, 2001



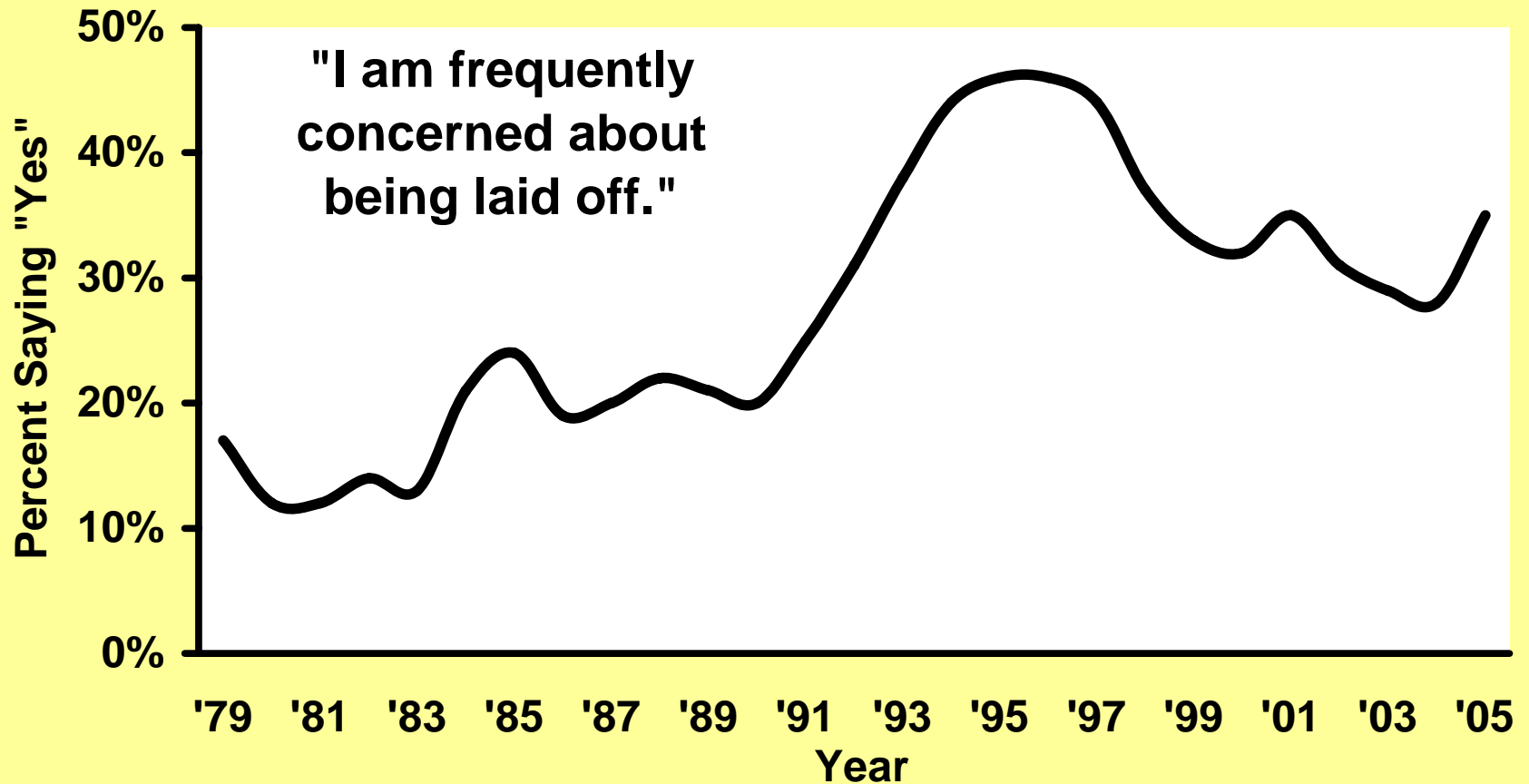
Source: OECD, Social Expenditure Series, 2005.

Job Loss vs. Unemployment



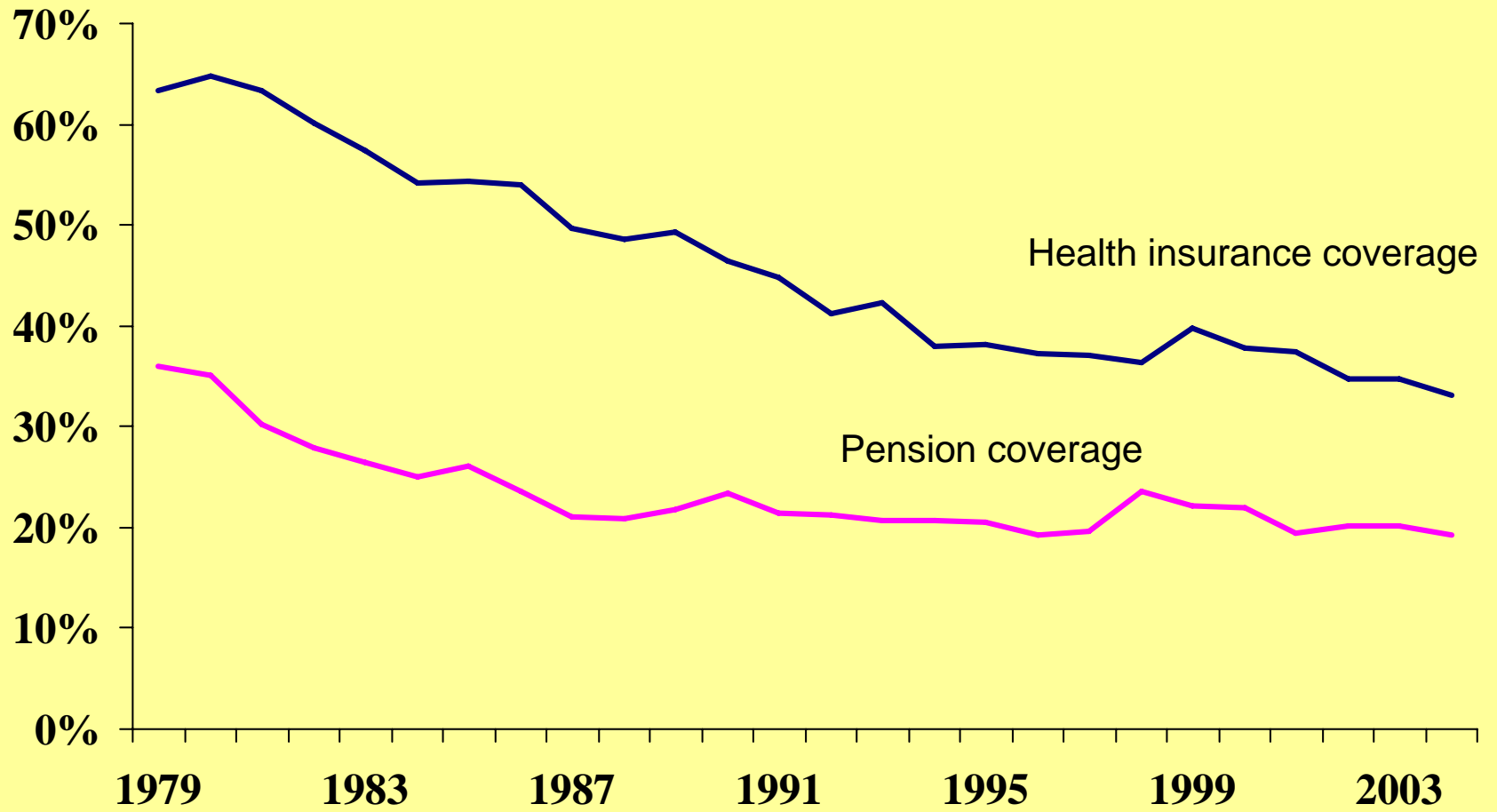
Source: Henry Farber, "What Do We Know About Job Loss in the United States?" January 2005.

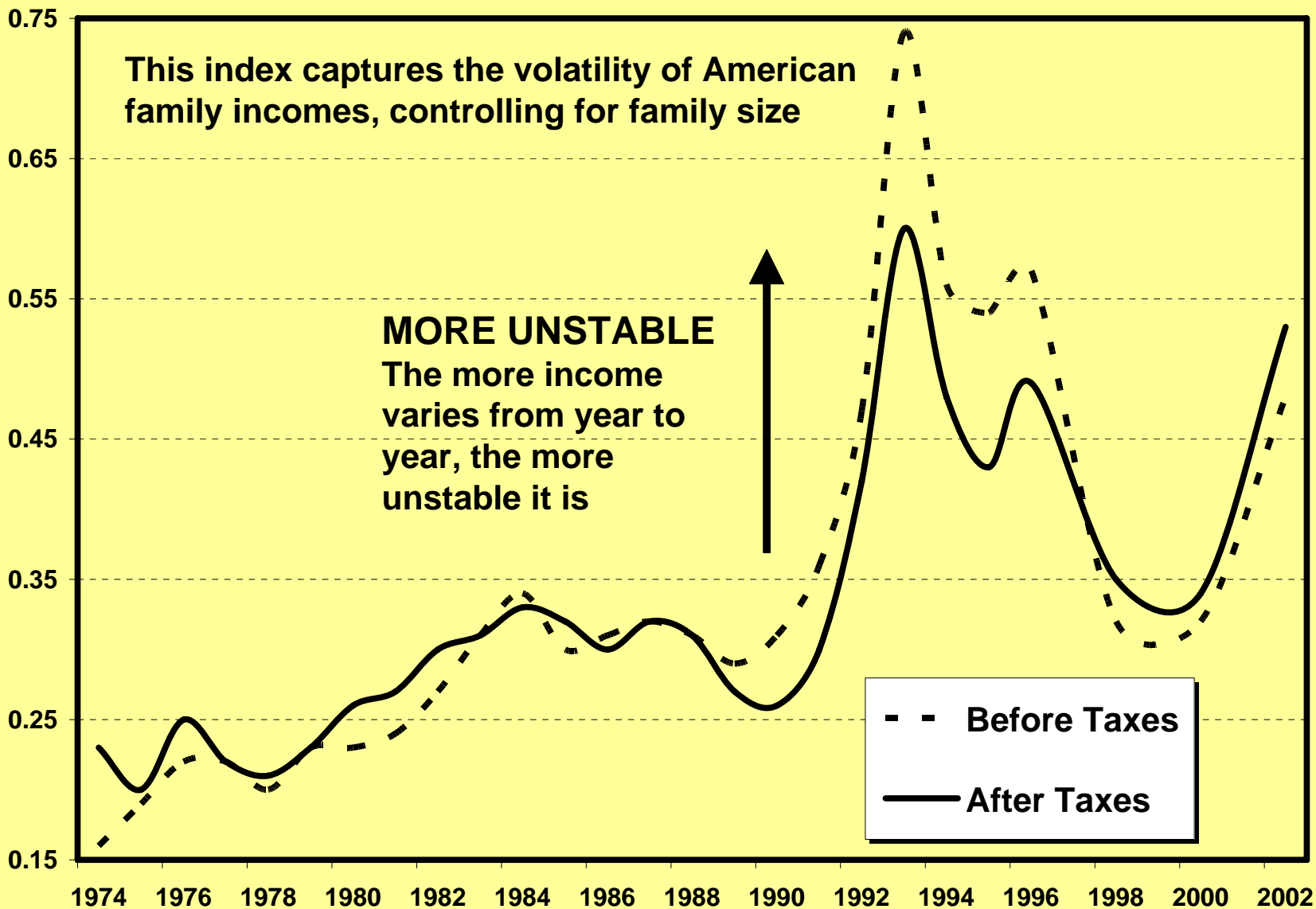
A Growing Perception of Job Insecurity



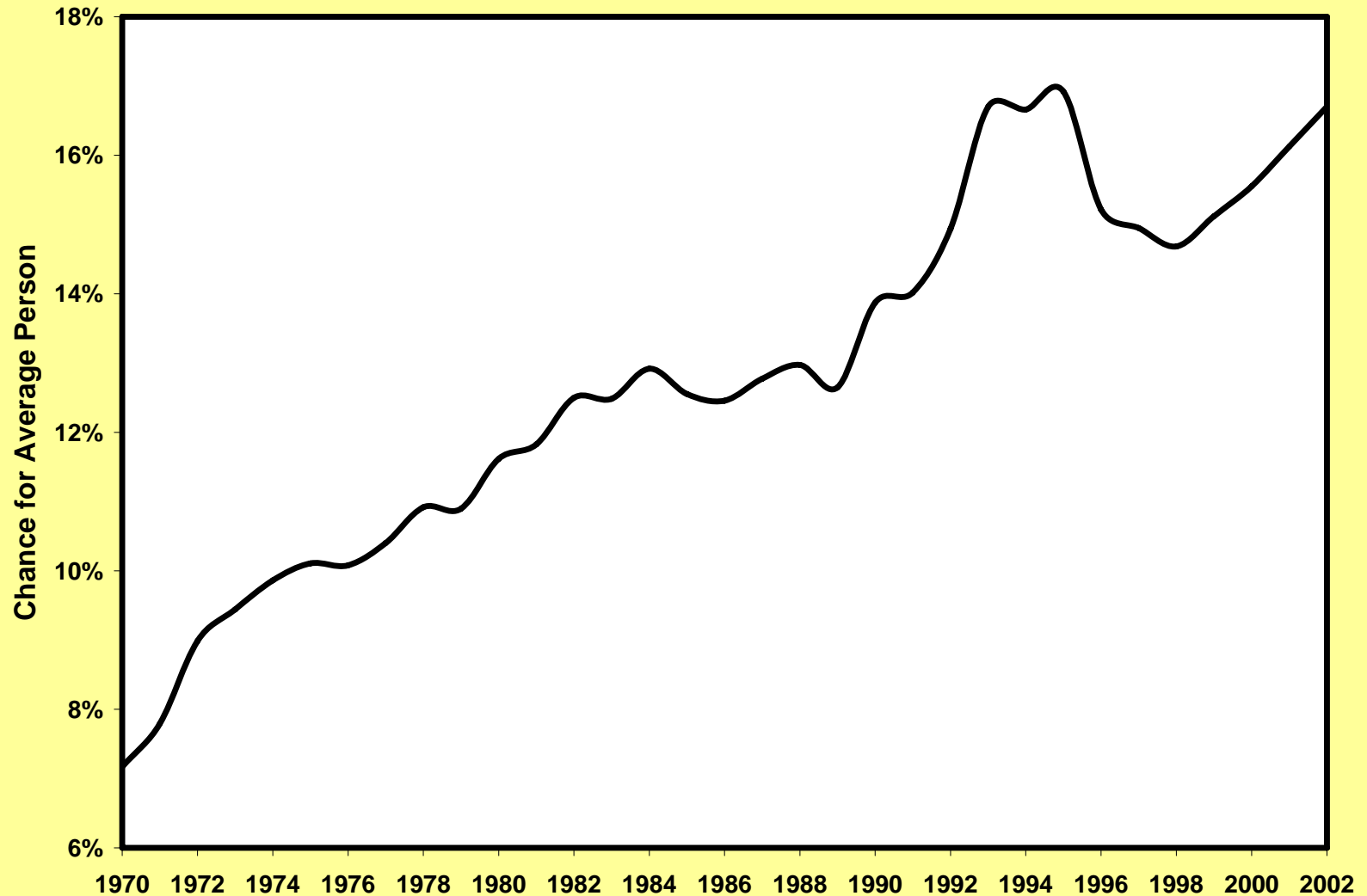
Source: Proprietary data courtesy of ISR; for general information, see <http://www.isrinsight.com>.

Health and pension coverage for recent high-school graduates





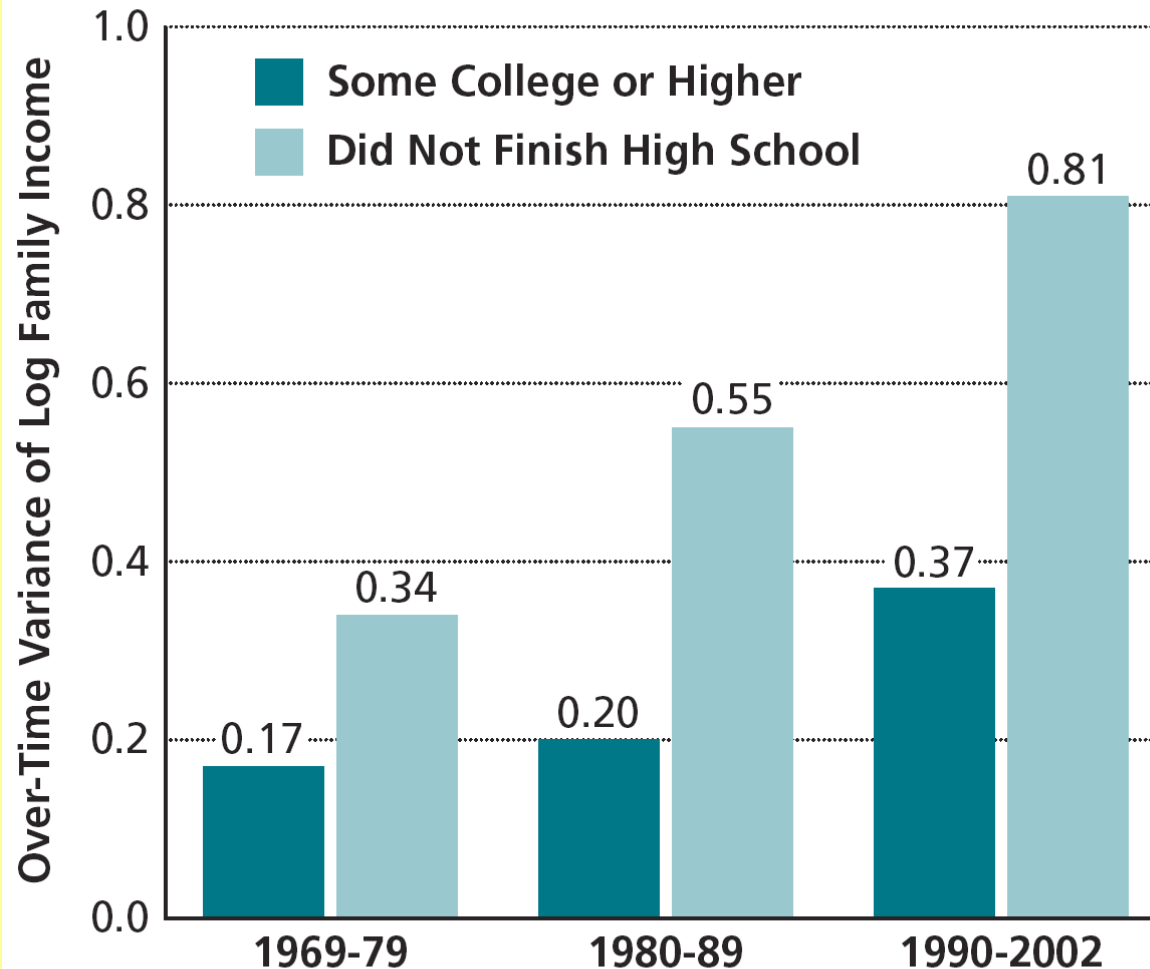
Predicted Chance of a 50 Percent or Greater Income Drop for Average Adults



Source: Panel Study of Income Dynamics, University of Michigan; Cross-National Equivalent File, Cornell University.

Note: Probabilities are based on the time trend from a logistic regression, with all other variables set at their annual means. Variables include age, education, race, gender, income (mean of five prior years), and a series of events (such as unemployment and illness) that affect income. The time trend is highly significant and robust to the inclusion of fixed effects; all standard errors are robust and adjusted for clustering.

Income Instability Increased at Both High and Low Educational Levels, 1969–2002



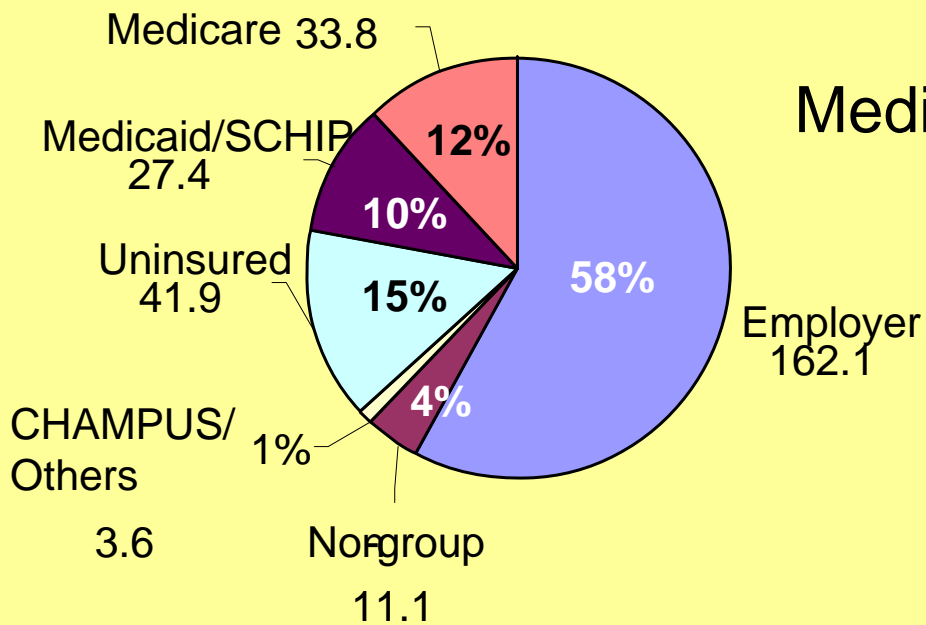
Source: PSID and Cross-National Equivalent File (CNEF), Cornell University.
http://www.human.cornell.edu/che/PAM/Research/Centers-Programs/German-Panel/Cross-National-Equivalent-File_CNEF.cfm

Note: For a description of these calculations, see Hacker 2006.

Who Will be Enrolled?

Distribution of Persons by Primary Source of Coverage under Current Policy and under Medicare Plus Proposal in 2002
(in millions)

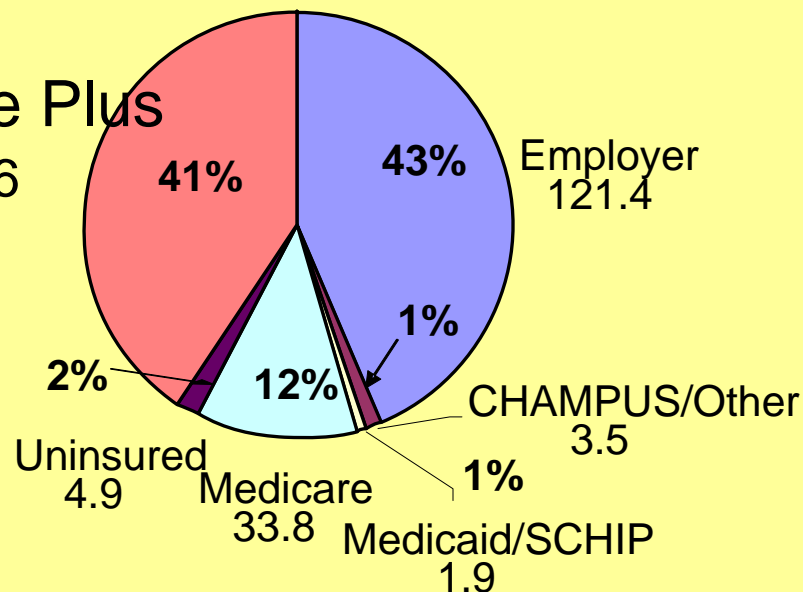
Current Policy



After Full Implementation

Medicare Plus

113.6



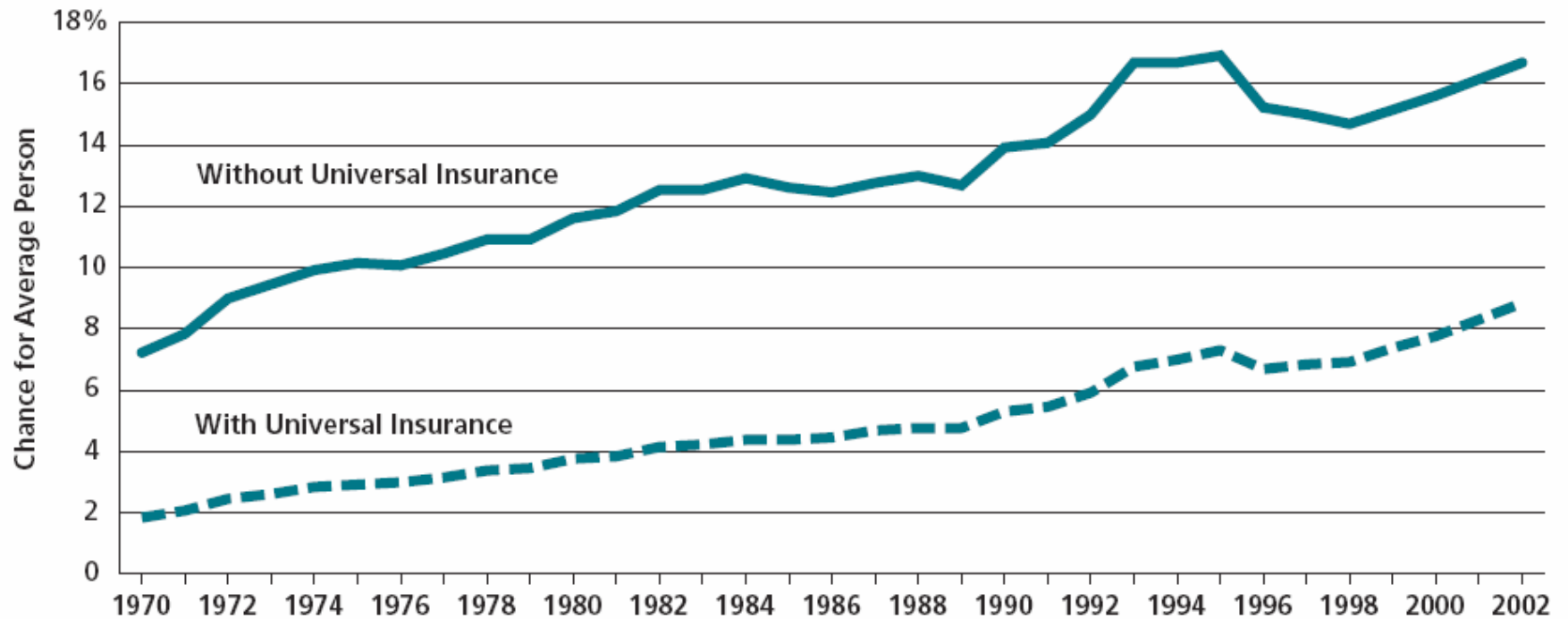


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Universal Insurance:
Enhancing Economic Security
to Promote Opportunity

Jacob S. Hacker
Yale University

Predicted Probability of 50 Percent or Greater Income Drop, 1970–2002



Source: Author's calculations based on PSID; CNEF.

Note: See note to Figure 2 for additional information about the analysis.