

**Economic Research Initiative on the Uninsured  
CONFERENCE DRAFT**

**Racial and Ethnic Composition of Firms and Disparities in Firm provisions of  
Health insurance Coverage\***

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## RACIAL AND ETHNIC COMPOSITION OF FIRMS AND DISPARITIES IN FIRM PROVISIONS OF HEALTH INSURANCE COVERAGE

### I. OVERVIEW

Studies by Hall et al. (1999), Ku and Matani (2001), Shi (2001) and the Institute of Medicine (2001) report that black, Hispanic and immigrant groups have higher rates of uninsurance than whites even after accounting for a wide range of factors.<sup>1</sup> Part of these insurance discrepancies can be explained by the socioeconomic positioning of these groups. For example, since blacks, Hispanics, and immigrants are disproportionately employed in service occupations that exhibit low rates of insurance coverage relative to managerial and professional work where they are underrepresented. However, within occupational categories, the uninsurance rates for blacks, Hispanics and immigrants exceed that of their white and native-born peers, suggesting that actions at the firm level may be a source of their low insurance coverage rates. This study offers and tests a new explanation for this disparity, namely that firms with predominantly black and/or Hispanic workforces (*black* and *Hispanic firms*) are less likely to offer health insurance than comparable firms with predominantly white workforces (*white firms*). Moreover, we contend that blacks and Hispanics are more likely to be employed in *non-white firms*.<sup>2</sup>

There are a myriad of explanations why comparable *black* and *Hispanic firms* offer less coverage than *white firms*. Among the possible explanations are (1) higher premiums faced by firms to cover workers from non-white groups, (2) lower profitability of these *non-white firms*, (3) lower demand for coverage from predominantly black and

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<sup>1</sup> See Crow, Harrington, and McLaughlin (2002) for a survey of what is known about the link between race, ethnicity, immigrant status and insurance coverage. They report that the uninsurance rate for whites is 9.38 percent, 17.47 percent for blacks, 22.10 percent for Hispanics, and 31.64 percent for immigrants.

<sup>2</sup> A related question is the magnitude by which members of blacks, Hispanics and Immigrants are over-represented in firms where the workforce is primarily black (Hispanic). We will use data from the household component of the MCSUI to explore this hypothesis. *Forthcoming*

Hispanic workforces, (4) lower collective bargaining ability to negotiate health insurance coverage for workers at firms that employ relatively more black and Hispanic employees, and, lastly, (5) workers employed at firms with large shares of non-white workers may be more susceptible to labor market discrimination and as a result be offered less insurance coverage.

The purpose of this study is to empirically determine if firms with larger shares of non-white workers are less likely to provide their employees with health insurance coverage, after controlling for others factors expected to influence a firm's provision of coverage. Using data drawn from the employer sample of the *Multi-City Study of Urban Inequality (MCSUI)* we explore whether the probability of providing health insurance to employees is lower for *black firms*, *Hispanic firms* and ethnically-racially mixed firms, than for comparable *white firms*.

## **II. RACIAL AND ETHNIC COMPOSITION OF FIRM WORKFORCES AND FIRM PROVISION OF HEALTH INSURANCE: WHY MIGHT THERE BE A LINK**

### **A. INTUITION**

The purpose of this paper is to test if similarly situated firms provide more or less coverage to employees who work in predominantly black, Hispanic, white or ethnically-racially mixed workforces. *A priori*, we expect that the over-representation of blacks and Hispanics in non-white workforces to be associated with lower coverage rates for them. There are several mechanisms by which employment in predominantly non-white workforces may lead to lower coverage rates. First, insurance companies may set greater premiums for firms that hire relatively fewer white workers. Insurance companies may perceive the labor force of firms with larger shares of these workers to be less healthy,

and hence require larger coverage premiums. The higher premiums may translate into a less willingness for firms to offer insurance coverage.

Second, *black* and *Hispanic firms* may be less profitable than comparable *white firms* for a myriad of reasons. These firms may have workforces that poses less skills or are less healthy, leading to both lower productivity and more absent days from work. Workforces that are composed primarily of non-white workers also may have higher turn-over rates leading to greater hiring and job training costs to the firms that employ them. Managers may respond to these factors by seeking cost savings elsewhere, which may include not providing health insurance. In addition, these firms may locate in areas that put them at cost disadvantage via higher input costs and/or locate in markets that have less demand for their products possibly due to a lower resource customer base. Thus, lower profitability-- via less productivity, greater costs or lower demand--might translate into *black* and *Hispanic firms* offering less health insurance coverage.

A third reason could be that workforces that are more composed of non-whites may value health insurance less-- possibly as a result of distrust of the medical profession, or lower expectations that they will actually receive quality care if they were to purchase coverage. Further, they may have less resources to pay health insurance premiums even if the firm offers coverage. This lower worker demand for coverage may lead employer to offer less coverage.

Fourth, workforces that are predominantly black or Hispanic may have less opportunity to collective bargain over fringe benefits, including health insurance, and when able to bargain have less leverage. Predominantly black and Hispanic workforces

may be less likely to be unionized, which limits their chances to effectively negotiate for health insurance.

Finally, it may be the case that workforces heavily composed of non-whites may be offered less insurance coverage as a result of bigoted or some other discriminatory reason. As such, workers at these firms may not be offered health insurance as a result of employer or societal discrimination.

### **III. EMPIRICAL PROCEDURES**

#### **A. DATA**

We use data from the *Multi City Study of Urban Inequality (MCSUI)*, which is a cross-sectional survey that began in 1992 and ended in 1995, to test whether firms with greater worker diversity are less likely to provide health insurance to their employees. The survey was administered on the metropolitan areas of Los Angeles, Boston, Atlanta, and Detroit, and designed in part to address urban inequality. The *MCSUI* contains two components: a *Household Survey* with more than 8,916 respondents, and an *Employer Survey* administered to 3,510 senior managers at firms.

For this study we focus on the *Employer Survey*, which is titled, *The Multi-City Telephone Employer Survey (MCTES)*. The survey was a telephone based survey that focused on hiring and vacancies at firms that employ non-college degree workers. Observations were selected, in part, based on a stratification of firm size so that larger firms had a higher likelihood of being included in the sample. This sampling technique accounts for the otherwise under-representation of workers at large firms. The focus of the survey on non-college degree workers is convenient for this current study, since these workers are more likely to be uninsured relative to those with a college degree. In

addition, there is an extensive section of the survey that inquires about the last employee hired for a non-college degree position, which included questions about whether health insurance was offered. The survey also questioned firms about the racial/ethnic composition of their non college degree workforce, which along with health insurance offerings, are the key variables of this analysis. Finally, the data contains extensive information on firm structure, firm location, and worker characteristics which allows us to isolate the effects of racial/ethnic composition of firms on health insurance provisions.<sup>3</sup>

## B. EMPIRICAL STRATEGY

We assume that each firm has a propensity to provide health insurance to its employees. For the  $i^{th}$  firm, the dichotomous decision is specified as follows:

$$(1) \quad H\text{ Ins}_i = \alpha + \beta_i^j (\text{Work Force}_i^j) + \psi_i(X_i) + \varepsilon_i$$

$$H\text{ Ins}_i = 1 \text{ if } H\text{ Ins}_i^* \geq 0; H\text{ Ins}_i = 0 \text{ otherwise}$$

where  $H\text{ Ins}_i^*$  is a latent underlying response variable;  $H\text{ Ins}_i$  is observed (actual) health insurance provision, with  $H\text{ Ins}_i = 1$  for firm's that do, and  $H\text{ Ins}_i = 0$  for firms that do not provide health insurance. Assuming  $\varepsilon_i$  is distributed as  $N(0, \sigma_\varepsilon^2)$ , parameter estimates of the variables in Equation (1) are obtained by maximizing a probit likelihood function with respect to the parameter vector. Various comparative statics can be performed to examine the marginal effect of the racial/ethnic composition of a firm's workforce on its provision of health insurance.

Two measures of the dependent variable,  $H\text{ Ins}_i$ , are used. The first measure indicates if a firm offered health insurance to the last employee hired for a position that

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<sup>3</sup> See Holzer (1996) for an extensive description of the data along with an analysis of firm vacancies and hiring based on the data.

does not require a college degree. The second measure reveals if a firm offered coverage to the employee's family members.<sup>4</sup> In addition, we estimate Equation 1 based on two models: Model 1, *The White Model*, which examines the relationship of the white male and white female non-college degree composition of a firm's workforce and that firm's offering of health insurance; and, Model 2, *The Black and Hispanic Model*. Model 2, investigates the relationship between the black male, black female, and Hispanic composition of a firm's workforce and the provision of health insurance.<sup>5</sup> Model 1 allows us to examine if there are any detectable aggregate effects associated with being in a white versus non-white workforce, while Model 2 allows us to check any detectable effect that might be specific to black or Hispanic workforces. Using two specifications to examine the connection between workforce composition and the provision of health insurance based on provides an indication of the robustness of our findings.

In Equation 1, the vector  $Work\ Force_i^j$ , which is specified to describe the ethnic/racial and gender composition of a firm's non-college degree workforce, is defined differently depending on Models 1 or 2.<sup>6</sup> For Model 1-- *the White Model*-- specifications,  $Work\ Force_i^j$  is a series of dummy's of various proportions of a firm's workforce, respectively, for white males and females, whose values are indexed by  $j$  ranging from 1-10. For both white males and females we specify the following five categories of firm composition: (a) zero percent, (b) 1-9 percent, (c) 10-49 percent, (d) greater than or equal to 50 percent, and (e) missing, unresponsive firm respondent, or

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<sup>4</sup> At this point this draft only addresses employee coverage. A *forthcoming* expanded draft will examine the link between firm provision of family health insurance and the racial/ethnic composition of a firm's work force.

<sup>5</sup> We estimate a *White Model* and a *Black and Hispanic Model* separately in order to avoid collinearity from grouping the two models together.

<sup>6</sup> Hereafter, it will be implicit that I am referring to the non-college degree workforce of a firm when discussing the ethnic/racial composition of a firm.

undefined. When we estimate the model, category (c) is excluded and chosen to represent the control group for both white males and females.<sup>7</sup> These categories were selected to identify firms that might reasonably be considered “*nonwhite firms*” (percent white either 0 or 1-9), “*ethnically/racially mixed firms*” (percent white 10-49), and “*white firms*” (percent white at least 50 percent). For Model 2, *The Black and Hispanic Model*, specifications, we specify the same five categories, only now  $j$  will be indexed from 1-15 to represent five categories each for black males, black females and combined Hispanic males and females.<sup>8</sup> This approach allows the identification of *black firms*, *Hispanic firms*, *non-Black firms*, *non-Hispanic firms*, and *ethnically/racially mixed firms*.

The set of other health insurance determinants in Equation 1 is described by the vector  $X_i$ , which we use as controls to isolate the effects of the ethnic/racial firm composition on firm health insurance provisions (see Table 1 for list of variable definition and their descriptive statistics).  $X_i$  contains a string of dummy’s to categorize a firm’s number of permanent employees. Controls for the number of part-time employees, seasonal employees, temporary employees and contract employees are included in  $X_i$ . A connection between firm size and the likelihood of providing health insurance to workers can be drawn from a number of different channels. For instance, larger firms may be able to purchase insurance at a lower price. Also, workers may prefer employment in smaller establishments. Thus, larger firms may feel compelled to offer health insurance as a fringe benefit to compensate for their greater size when

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<sup>7</sup> Although gender is not of primary interest in this paper – when possible – we have chosen not to combine males and females in order to allow for the possibility that ethnic/racial firm composition exhibits differential effects on insurance offerings based on gender. We rely on F-test to examine the combined effects of white male and female firm composition as well as the differential effects associated with gender.

<sup>8</sup> Unfortunately, the data was not collected in a way to allow us to disaggregate the Hispanic group by gender for all four cities.

searching for employees. Also, large firms allow for risk pooling, which can lower the cost of insurance faced by the firm. In addition, firms may be less inclined to offer health insurance to workers who are not permanent full-time employees, since these workers may leave the firm prematurely and any investments made in their health would not be reaped by the investing firm. Moreover, firms may attempt to avoid the cost of providing health insurance by hiring part-time, seasonal or contractual workers, workers who typically receive less fringe compensation.

$X_i$  also includes other characteristics related to a firm's workforce such as percent of the non-professional and managerial workforce that is covered by a collective bargaining agreement (unionized)-- an agreement that often includes provisions for health insurance. In addition, there are controls for the non-college degree portion of the workforce including categorical variables for education and occupation type. The education variables are defined by a string of dummy variables indicating the percent of non high school degree employees and the percent of employees with some college experience. The occupation of these workers is characterized by a string of dummy variables describing the proportion of clerical workers, sales workers and blue collar workers at a firm.

The  $X_i$  vector also includes indicators of the firm's industry based on first digit census SIC codes; an indicator if the firm is for-profit; and an indicator if the firm has multiple worksites or not. In addition,  $X_i$  includes geographical controls-- metropolitan

area (Atlanta, Boston, Detroit or Los Angeles) of the firm and whether it is located in a central city.<sup>9</sup> Finally, there are temporal controls for when the survey was conducted.

The variables listed above along with the ethnic/racial composition of a firm describe that firm's provisions of health insurance to its workers, and hence constitute our main model of health insurance provisions. However, we also examine another model, which ignores potential problems of simultaneity, by including in  $X_i$  some additional indicators that may be endogenously related to health insurance provisions. They are the average number of months of current vacancies at a firm and measures of the short-term and long-term economic performance of the firm. We include the average months of vacancies at a firm to account for the possibility that firms offer health insurance as a means to attract workers. The economic performance variables are operationalized by two sets of categorical variables. First, we specify if a firm experienced a positive or negative change in the volume of its sales in the last year, and then, specify if a firm experienced an increase or decrease in sales over the past 5-10 years. Moreover, these controls are included because past profitability is likely to affect the willingness and ability of a firm to offer health insurance.

Lastly, we examine the effects of the ethnic/racial workforce composition of firms in various firm settings. By stratifying the data based on various setting described by  $X_i$ , we can better isolate the effects of ethnic/racial workforce composition as well as examine the interactive effects of these compositions with the particular characteristic on which we stratify. For example, stratifying the data by presence of a union worker at a firm and comparing the  $\beta_i^j$  coefficients on the indicators for the various ethnic/racial

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<sup>9</sup> It should be noted that this measure of central city is constructed based on firm mailing address, and it may not necessarily be based on its physical location.

workforce descriptors in Equation 1, we can determine if the relationship between ethnic/racial workforce composition and firm health insurance provisions is affected by whether there is a collective bargaining agreement at the firm.

#### IV. EMPIRICAL RESULTS

##### A. Sample Characteristics

Table 1 provides definitions and descriptive statistics for the sample of all variables used to estimate Equation 1 for both Models 1 and 2. The analysis is based on 3,053 firms. Firm information is provided by either the owner, Director of Human Resources or another high level manager. The data set began with information on 3,510 firms, but 467 firms are not included because we did not have information on these observations for at least one of the following variables: whether the firm offered health insurance, number of permanent, part-time, seasonal, temporary or contractual workers, and the percent of the workforce that is unionized.<sup>10,11</sup>

##### 1. Health Insurance; Provision And Workforce Composition

For the main dependent variable *Insurance*, most firms, 78 percent, offered health insurance to the last non-college degree employee that they hired.<sup>12</sup> The second dependent variable, health insurance provisions to family members, *Insurance Fam*, indicates that firms in our sample were less generous with health insurance offers to family members of employees, 69 percent of firms offered this coverage. The next variables are indicators of ethnic/racial compositions of firms. On

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<sup>10</sup> 14 firms were lost due to lack of information on health insurance provisions, 259 for number of employees in various categories, and 184 for lack of information on percent of workforce that is unionized.

<sup>11</sup> Note that all statistics in this analysis are based on unweighted data.

<sup>12</sup> From hereafter, it will be implicit that I am refereeing to the last non-college degree employee hired when discussing firm health insurance provisions.

average firms reported a greater proportion of white non-college degreed workers than black or Hispanic non-college degreed workers.<sup>13</sup>

Table 2 illustrates that for firms respectively with no white males or females at most 58 percent of them were offered insurance, and for firms that are between 1-9 percent white male or female at most 83 percent of them offered coverage. In contrast, at least 65 percent of firms with no black males or females, or no Hispanics were offered insurance, and, for 1-9 percent of those same ethnic/racial categories, at least 87 percent were offered coverage. Thus, it appears that firms with no white employees are associated with less coverage than firms of no blacks or Hispanics, and the same pattern, but to a lesser extent, also holds for firms between 1-9 percent of those particular groups, which is consistent with our hypothesis.

Turning our attention to the other end of the distribution – firms that have more than 50 percent of a particular ethnic/racial and gender group – an interesting pattern emerges. Firms that are majority white male have the highest likelihood of coverage provisions (77.33 percent); followed closely behind by majority black female firms (77.08 percent); then by majority white female firms (72.46 percent); followed by majority black male firms (71.15 percent); and lastly by majority Hispanic firms (66.37 percent). Clearly, Hispanic dominated firms in comparison to other ethnically dominated firms are less likely to offer insurance.

The comparisons of black-white dominated firms are more nuanced. It appears that both race and gender are relevant. White male dominated firms are more likely to offer coverage than black male dominated firms, while the reverse is true for females.

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<sup>13</sup> From hereafter, when discussing a firm's workforce, it will be implicit that I am discussing its non-college degreed workforce unless otherwise stated.

Within ethnic/racial and gender groups, we find that the two inner categories-- 1-9 percent and 10-49 percent--are associated with higher coverage than the other categories (no representation, or at least 50 percent representation)

## 2. Firm and Workforce Characteristics

Turning back to Table 1, we observe that there is a wide distribution of firms in the sample across various firm sizes, and on average firms had about 46 part-time employees, eight seasonal employees, 18 temporary employees and 11 contractual employees, however the large standard deviations of these variables suggest that there is a lot of variance across firms. On average, firms have 16 percent of their workforce covered by collective bargaining agreements, 73 percent are for-profit firms and 39 percent are multi-site firms. In terms of location, 39 percent of the firms in the sample are located in central cities, and they are nearly evenly divided between the four cities with Los Angeles and Boston having slightly higher percentages.

The education and occupational distribution of the firms are as follows: for education, only seven percent of the firms had a workforce that was majority high school dropouts, while 27 percent had over half of its workforce with some college; for occupational distribution of the firms' workforces, 41 percent are majority blue collar workers, 20 percent are majority clerical and 16 percent are majority sales. Most of the firms in the sample are in service, manufacturing or retail trade industries. For the variables that may be endogenously related to insurance provisions, a typical firm had job vacancies that on average lasted less than a month, while 36 percent of the firms

experienced sales growth in the last year, and over half of the firms experienced sales growth in the last 5-10 years.<sup>14</sup>

The next section presents the results of our formal investigation of the possible link between the ethnic/racial composition of a firm's workforce and the provision of health insurance by a firm.

## **B. Empirical Analysis**

### **C. d**

Equation 1 is estimated for both Model 1, *The White Model*, and Model 2, *The Black and Hispanic Model*. Our estimation is conducted using two specifications that differ based solely on the set of variables used as determinants of health insurance provision. Specification A includes only the variables believed to be exogenous while Specification B extends the analysis by adding some variables that might be endogenous with the provision of health insurance. Specification B differs from A by including the average number of months of current job vacancies at a firm, and measures of short-run and long-run changes in volumes of sales. The parameters reported in the tables are the estimated marginal contribution to firm health insurance provision of each of the indicators evaluated at the mean value of all the indicators.

#### **1. Workforce Composition: The Likelihood of Providing Health Insurance**

Table 3 displays our results when Equation (1) is estimated with the full sample of data for Model 1 and Model 2 for Specification A (columns 2 and 3) and Specification B (columns 4 and 5). The first section of rows in Table 3 lists the marginal contribution--to the offer of health insurance by a firms--of various proportions

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<sup>14</sup> Because of competitive forces that drive low profit firms out of business, it is not surprising that only ten percent of the firms reported contraction of sales volume in the last five to ten years

of white males and white females relative to firms that are, respectively, 10-49 percent white male and 10-49 percent white female. For Model 2, the marginal contribution of various proportions of black males, black females and Hispanics are measured relative to firms that are, respectively, 10-49 percent black male, black female and Hispanic.<sup>15</sup> In addition, the last rows of the table present F-test that allow us to examine if the marginal contribution of combined sub-categories of ethnic/racial firm compositions affect firm coverage. Also, the use of F-tests permits us to determine if there are any gender differences within racial/ethnic workforce composition. We begin by discussing our Specification A findings.

Based on Model 1, *The White Model*, we find that firms whose workforce is at least 50 percent white male are about four percent more likely to offer health insurance, *ceteris paribus*, and the statistic is significant at the ten percent level. Thus, having a majority white male firm is associated with a greater likelihood of coverage. Further, the F-tests reveal that firms with a combination of no white male or female are significantly less likely to offer health insurance. Both of these results are consistent with our hypothesis that white as opposed to non-white workforces are more likely to be offered health insurance even after controlling for a myriad of influences.

In terms of gender differences, white male dominated firms (firms where at least 50 percent of the non-college educated workers are white males) are significantly more likely to offer insurance than white female dominated firms. Hence, gender as well as race/ethnicity seem to have influences on health insurance provisions.

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<sup>15</sup> Hereafter, when discussing the marginal contribution of the ethnic/racial category on the health insurance provisions, I am implicitly comparing that category to the reference category of firms composed of 10-49 percent of that group.

Estimates of Model 2, *The Black and Hispanic Model*, suggest that the portion of a firm's workforce that is black is unrelated to the provision of health insurance.

However, we find significant evidence that ethnicity affects the provision of health insurance by firms. Hispanic firms (50 percent or more of the workforce is Hispanic), relative to firms that are 10-49 percent Hispanic, are more than five percent less likely to offer insurance coverage. This indicates that Hispanics workforces in particular suffers significant losses in terms of health insurance provisions.

The last two columns of Table 3, present the results to Equation 1 when Specification B is adopted--when measures of average months of vacancies, and short-run and long-run sales growth are added to Equation 1. There are no substantive differences in the parameter estimates generated by Specification A and Specification B. In terms of the additional variables in specification B, the average number of months of job vacancies at a firm does not yield any significant effects on insurance coverage. Further, firms that have had expanded sales growth in the last 5-10 years are, as expected, more likely to offer insurance, and the statistic is highly significant, for both Models 1 and 2. Moreover, firms that have experienced a reduction in their sales growth in the last year are less likely to offer insurance. A puzzling finding is that firms that experienced sales growth over the last year are also less likely to offer insurance coverage, but the statistic is only marginally significant.

**1. The Likelihood of Providing Health Insurance: Factors Aside from Workforce Composition**

A number of hypotheses can be offered to explain why a firm chooses to offer its workers health insurance, aside from the role of workforce composition. Our estimates provide support for many of these conventional explanations

including firm size which is gauged by the number of permanent employees at a firm.

The vector  $X_i$  contains a string of dummy variables indicating the number of permanent full-time employees with the reference category being firms with less than five employees. As suspected, relative to that category, the likelihood of a firm offering health insurance increases as the categories rise in size, and all of the statistics are highly significant. Controls for the composition of a firm's permanent workforce, the number of permanent employees who are; part-time, seasonal, temporary and contracted are all statistically insignificant.

We also are not able to detect any significant effects associated with the percent of the non-professional and managerial workers who are unionized, or whether the firm is for-profit or located in a central city. However, we do find that firms with more than one site are between seven and eight percent, depending on Model 1 or Model 2, less likely to offer coverage.

For the educational controls, we were not able to detect any significant effects associated with the proportion of the workforce with some college experience. However, we are able to detect effects associated with the proportion of the workforce who did not attain a high school degree. In both models relative to firms with 10 to 49 percent of their workforce characterized as high school dropouts, firms without a high school dropout are more likely to offer insurance, and firms with at least 50 percent of their employees characterized as dropouts are less likely to offer insurance, and both statistics are highly significant.

The next set of controls describes how the occupational composition of a firm's workforce influences their likelihood of health insurance provisions. The probit analysis

does not yield any statistically significant findings associated with the blue collar composition of workforces, however, it does yield significant findings based on the proportion of the workforce that is clerical and sales. Relative to firms that are 10-49 percent clerical, firms that have less than 1-9 or zero percent clerical are less likely to offer insurance. For sales workers, the effects are not so ordinal, we find that relative to firms that are 10-49 percent composed of sales workers, having no sales workers reduces the likelihood of insurance offerings, while having at least 50 percent of the workforce in sales also leads to a reduction.

For the industry controls, the service industry is used as the reference. Relative to the service industry, manufacturing firms are more likely to offer coverage, while retail trade firms are less likely, and both statistics are highly significant. The other industries did not yield any statistically significant findings

Next we are unable to detect any temporal effects. However, when looking at firm provisions across cities we find that firms in Boston and Atlanta are more likely than firms in Los Angeles to offer insurance, while there is no statistical difference between Detroit and LA.

The next sub-sections examine bivariate relationships between the ethnic/racial composition of firms, other health insurance determinants, and health insurance probit models based on Equation 1 within various stratifications of those determinants. These stratifications allow us to better isolate the effects of ethnic/racial workforce composition for various firm settings as well as examine their interactive effects on predicting whether firms offer health insurance.

### C. FIRM SIZE

In the probit results of Table 3, firm size was shown to positively effect firm health insurance provisions. The top panel of Table 4 also displays a positive relationship between a firm's size of its permanent workforce and whether or not the firm offered health insurance. For example, less than half of firms with less than ten permanent employees offered health insurance, while more than 75 percent of firms with at least 50 workers offered coverage.

The next panels display the relationship between the ethnic/racial composition of a firm and the size of its permanent workforce. Across all ethnic/racial groups – as measured by a particular ethnic/racial and gender group that makes up 10-49 percent of firm's workforce – we find an increase of firm diversity as firms get larger. Yet, we also find that across all categories of firm size there are fewer firms with no white males or females than there are of no black males or females, or no Hispanics. Thus, it is rarer to find a firm that is completely segregated from whites than from blacks or Hispanics.

Table 5 provides a summary of the probit estimates of the independent marginal contribution of ethnic/racial and gender composition on health insurance provisions. The first two column of results are based on Models 1 and 2, respectively, for firms that have fewer than five permanent employees.<sup>16</sup> No ethnic/racial firm composition is found to significantly affect health insurance provisions for the 287 included firms based on *The White Model*.

However, for *The Black and Hispanic Model*, which is based on 284 observations, firms with less than five employees and no black males are 17 percent less likely to offer

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<sup>16</sup> In the interest of space we only present the parameter results on ethnic/racial composition of the firm along with F-test parameters based on those variables for the stratified models. The full set of regression results for all the parameter of the stratified models are available upon request.

coverage, while firms whose proportion of black males is 1-9 percent are 16 percent more likely to have offered coverage, and both statistics are measured in relationship to firms that are 10-49 percent blacks male and are marginally significant at the 90 percent level. In contrast, firms that are composed of only 1-9 percent black females are 86 percent more likely to offer coverage, and the statistic is highly significant. Likewise, given the large magnitude of that estimate, we find that firms that are composed 1-9 percent and less than 10 percent of black females are highly significantly more likely to offer coverage than are firms with similar proportions of black males (see the F-tests in Table 5)

For firm composition of Hispanics we also obtain mixed results. Firms that are majority Hispanic are 21 percent less likely to offer health insurance coverage to the last employee hired, and the statistic is highly significant, while on the other hand, firms that have no Hispanics are 47 percent less likely to have offered coverage, and that statistics is significant at the 95 percent level. The former statistic is consistent with out hypothesis while the latter refutes it.

The next set of columns in Table 5 also refer to small firms; firms that have 5-9 permanent employees. Model 1 for these firms indicates that majority white male firms are 23 percent more likely to offer coverage, which contributes to the F-test result that firms that are at least 50 percent white male and female are also significantly more likely to offer coverage. However, Model 2 indicates that majority Hispanic firms are also more likely, 28 percent, to offer coverage, and the statistic is marginally significant at the 90 percent level.

For firms that are relatively large small firms (10-19 employees), we are able to detect statistically significant results that are inconsistent with our hypothesis. We find that firms that are majority white males are 12 percent more likely to have offered coverage and the statistic is marginally significant, further, white majority female firms are 22 percent more likely and the statistic is highly significant. In the *Black and Hispanic Model*, firms that are only 1-15 percent Hispanic are 16 percent more likely to offer coverage and the statistic is highly significant.

Aside from the finding that majority white male firms were marginally significantly more likely to offer coverage than majority white female firms, there were no statistically significant effects for the *white Model* based on firms that employ between 20 and 49 permanent workers. However, for the *Black and Hispanic Model*, we find that firms with no black males and between 1-9 percent black male firms are each more than seven percent more likely to offer health insurance coverage. Moreover, firms void of both black males and females combined were more likely to offer coverage. Also, majority Hispanic firms were 17 percent less likely to offer coverage. All of these finding are consistent with the notion that firms that have lower compositions of non-whites and higher compositions of whites are more likely to offer health insurance coverage.

The next set of results, which is based on models that contain 393 observations of firms between 50 and 99 permanent employees, yielded evidence that are inconsistent with our hypothesis. The combinations of majority white male and female firms and firms that are 1-9 percent Hispanic are both associated with a reduction in the likelihood of coverage offering; and the statistics were marginally significant at the 90 percent level.

The next set of results in the Table indicates no support that refutes the notion that white dominant firms are more likely than non-white dominant firms to offer health insurance, but moderate, at best, support in favor. Of the 463 firms with at least 100 and less than 250 permanent employees, firms with a combination of no white males or females were less likely to offer coverage.

Lastly, for very large firms with at least 250 permanent employees, firms with no white males are eight percent less likely to offer coverage, and this finding is marginally significant. In addition, firms that are over 50 percent black male are three percent less likely to offer insurance coverage, and further, that firms whose Hispanic workforce makes up between 1-9 percent of its workforce are about one percent more likely to have offered coverage. Finally, the table indicates that firms that are majority black male are less likely to offer coverage than majority black female.

Table 4 reveals that firm insurance provisions increase with firms size. Although larger firms have a greater proportion of whites, the magnitude of this proportion weakens for larger firms. However, the probit results within strata of firm size finds several instances where workforces skewed towards whites yielded higher rates of insurance provision. However, there are some instances where the reverse is true as well.

#### **D. EDUCATIONAL COMPOSITION OF THE WORKFORCE**

The next set of results will consider how the educational composition of a firm's non-college degree workforce affect the relationship between the ethnic/racial composition of a firm and its provisions for health insurance. The top panel of Table 6 shows that for the most part as the proportion of high school dropouts in a firm rises the likelihood of offering health insurance falls. Firms that have a majority of dropouts are

only 52 percent likely to have offered health insurance to the last worker that they hired. Furthermore, the table indicates that firms with no high school dropout or that are 1-9 percent dropouts are more likely to be composed of whites, particularly white males, whereas firms with a majority high school dropout workforce are more heavily distributed with blacks and Hispanics, particularly Hispanic. Thirty-eight percent of majority dropout firms are majority Hispanics. Thus, the educational distributional ethnic/racial composition of firm workforces seems to work adversely against firms that are skewed towards non-whites, particularly for Hispanics.<sup>17</sup>

Table 6 displays the marginal contribution of significant parameter estimates first in firms characterized by majority high school dropout workers, and then for firms characterized by a majority of workers with some college experience. For low skilled worker firm having a majority white male and female workforce is associated with lower likelihood of health insurance offerings, and the statistic is marginally significant. Furthermore, low skilled worker firms with no black males are 46 percent less likely to offer coverage. These two findings are not consistent with the presumption that white firms, as measured by the composition of their workforce, are more likely to offer coverage than non-white firms.

However, firms that are only 1-9 percent black female are 34 percent more likely to offer coverage and the statistic is marginally significant. In addition, firms that are majority black male are 71 percent less likely to offer coverage and the statistic is highly significant, and highly suggestive that low skilled firms that are majority black are associated with a low offering of health insurance. In addition, we find gender

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<sup>17</sup> In a forthcoming analysis we will examine the distribution workforce in relation to workers that had some college/

differences based on firm compositions of blacks. For firms that have no black males and majority black males, they are, respectively, less likely to offer coverage than are their similarly composed black female counterpart firms.

For firms with a majority of worker with some college, we find that firms composed of only 1-9 percent white males are 15 percent less likely to offer coverage, while firms that have no white males are 11 percent less likely. Likewise firms that have no white males or no white females are also less likely to offer coverage. The results for the Hispanic composition of relatively high skilled firms is somewhat mixed. These firms that employ no Hispanics are surprisingly 10 percent less likely to have offered coverage, yet, these firms that are majority Hispanic are 19 percent less likely to offer coverage, and that statistic is highly significant.

## **E. OCCUPATIONAL COMPOSITION OF THE WORKFORCE**

We now turn our attention to the relationship between the ethnic/racial and gender composition of the non-college degree workforce of firms and its impact on whether the firm offers health insurance coverage for firm settings that are characterized by certain compositions of occupational types, namely, non-college degreed clerical, sales or blue collar workers.

### **a. Clerical Workers**

Table 7 indicates that only 38 percent of firms with no clerical workers did not offer health insurance coverage. However, as long as the firm is composed of 1-9 percent clerical worker, it is over 70 percent likely to offer coverage. The lower panels of the table illustrate that every classification of the clerical workforce of firms has a larger distribution of white workers, however, for firms with no clerical workers and majority

clerical workers that distribution favors whites even more. Nonetheless, since firms with no clerical workers make up a small fraction, less than 14 percent, of all firms, it is difficult to determine if whites are disadvantaged by their over-representation in these firms without performing further analysis.

Table 6 indicates that for firms that are majority clerical, there are no statistically detectable effects associated with the white male or female composition of its workforce, however, having no black females is associated with a eight percent reduction in the likelihood of coverage offering and having a majority Hispanic workforce increased the likelihood of offerings by about eight percent. So for highly clerical firms we find evidence that refutes our hypothesis that firms which are highly composed of white workers are more likely to offer coverage than firms composed of non-white workers.<sup>18</sup>

#### **b. Sales Workers**

Table 8 illustrates that only 65 percent of firms with sales workers offer health insurance, and firms that are majority sales workers are even less likely with 54 percent coverage rates. A similar patten, albeit not quite as pronounced, of the distribution ethnic/racial workers across the distribution of firm composition of clerical workers emerges across the distribution of firm composition of sales workers. Although there is a greater composition of white workers across all firms regardless of the proportion of sales workers, the distribution is even larger for firms with no sale workers and firms with majority sale workers, the low insurance categories. Thus, the distribution of non-white workers across firms based on the proportion of sales workers does not appear to be the culprit for their lower insurance coverage. So, we turn to regression analysis within firms categorized by sales workers to determine if the

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<sup>18</sup> Forthcoming, probit analysis based on other categories of the compositions of clerical employee

ethnic/racial composition of workers within sales firms affects the likelihood of coverage offerings.

The evidence is somewhat mixed for firms that are majority sales workers. *The White Model*, Model 1 in the last panel of Table 6 reveals that majority sales firms which are only 1-9 percent composed of white males are 26 percent less likely to offer coverage, while sales firms that are majority white female are 12 percent more likely to offer coverage, and both statistics are significant at the 90 percent level. On the other hand, when we turn to *The Black and Hispanic Model*, we find that firms which are composed of only 1-9 percent Hispanics are 20 percent less likely to offer coverage.<sup>19</sup>

### c. Blue Collar Workers<sup>20</sup>

Table 6 details the probit results for firms whose workforce is at least 50 percent blue collar. For the *White Model*, no statistically significant ethnic/racial firm composition effects are detected, however, the model does indicate that being majority white male firms have a higher likelihood of insurance coverage than majority white female firms. In the *Black and Hispanic Model*, consistent with our hypothesis, we find that majority Hispanic firms are about ten percent less likely to offer insurance.

## F. INDUSTRIAL CLASSIFICATION OF FIRMS

The top panel of Table 9 shows the relationship between whether firms offer health insurance and the industrial classification of that firm. Manufacturing firms are ten percent more likely to offer health insurance to their employees than their next closest industry, finance, which has an offer rate of 69 percent. At the other end of the spectrum,

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<sup>19</sup> Forthcoming, probit analysis based on other categories of the compositions of sales employee

<sup>20</sup> Forthcoming will be descriptive statistics

only 53 percent of retail trade firms offer health insurance to their employees, and the next lowest is transportation with a offer rate of 62 percent. Service is by far the largest industrial classification for firms used in our sample and its offer rate is 67 percent.

Beginning with manufacturing, the industry with the highest offer rate, Table 9 indicates that 32 percent of these firms are majority white males. Quite a few of these firms are also majority Hispanic, 17 percent, however, 31 percent of them also have no Hispanics. Finance firms are skewed towards white females. Forty percent of finance firms are majority white female, while at least 37 percent of them have either no black females, black males or Hispanics. Service, transportation and retail trade industry firms are more evenly distributed across race and ethnic groups. Lastly, blacks, particularly black females, are largely excluded from wholesale trade firms. For the Hispanic composition in wholesale trade, on the one hand there are 19 percent majority Hispanic, but on the other hand 34 percent of the wholesale trade firms are without Hispanic workers.

Table 10 allows us to examine the marginal contribution of the ethnic/racial composition of firms within various industries. Starting with the manufacturing industry we are not able to detect any statistically significant effects associated with ethnic/racial firm compositions. So to the extent that blacks and Hispanics are excluded from these firms their likelihood of being offered health insurance is affected, however, there does not seem to be any effects associated with firm compositions within manufacturing firms.

*The White Model* for finance firms suggests that firms that are majority white are nine percent more likely to offer insurance (significant at the 90 percent level). *The Black and Hispanic Model* produced mixed results. Black dominated firms are highly

significantly less likely to offer health insurance, however, finance firms with no Hispanics are 12 percent less likely to offer insurance, which is inconsistent with our hypothesis, and the statistic is marginally significant.

The service industry did not produce any significant relationship between ethnic/racial firm composition and health insurance provisions based on the *Black and Hispanic Model*, and the results for the *White Model*, are mixed and gendered. Table 10 illustrates that service industry firms with no white females are eight percent less likely to offer insurance, however, majority white female service firms are also less likely to offer coverage (7 percent), and both statistics are marginally significant. The table also indicates the differential gender effects of majority firms. Majority white female firms are less likely to offer coverage than majority white male firms.

*The White Model* for wholesale trade firms reveals that firms with only 1-9 percent whites are less likely to offer health insurance. Moreover, white male firms in this category are 55 percent less likely. In terms of gender, firms with no white males are marginally significantly less likely to offer insurance than firms with no white females. For the *Black and Hispanic Model*, firms that are 1-9 percent composed of black females are also less likely, 43 percent, to offer health insurance, and further, that statistics contributed to the finding that firms composed of 1-9 percent of blacks in general are also less likely to offer insurance.

For the transportation the opposite occurred, which is consistent with the hypothesized relationship between ethnic/racial composition and coverage provisions. The category of firms with only a 1-9 percent black workforce, are more likely to offer

health insurance, and firms in this category with black females are 12 percent more likely to offer coverage.

Lastly, the retail trade industry, which is the industry with the lowest offer rate, yields the most evidence, particularly from the *White Model*, consistent with our hypothesis of firm composition and insurance offerings. Retail firms with no white males are 16 percent less likely to offer insurance and retail firms that are 1-9 percent white male are 28 percent less likely to offer insurance and the statistics are highly significant. The F-tests for joint contribution of no white male or female firms also reduces the likelihood of health insurance provisions, and the statistic is also highly significant. In addition, the joint contribution of 1-9 percent white male and female firms is associated with lower provisions of health insurance, but this statistic is mainly driven by white males in this group, and is illustrated by the F-test showing that white male firms in this group offer significantly less coverage than their female counterparts. For the *Black and Hispanic Model*, Table 11 also displays that majority black male firms are 25 percent less likely to offer coverage. Thus, although retail industry firms have low offer rates of insurance, being in predominantly white workforces are somewhat of a protective factor in this industry.

#### G. UNIONIZATION<sup>21</sup>

Table 11 displays the probit results for firms in our sample with at least one union worker and firms with none. Ironically, firms that have at least one union member provide more support for our hypothesis – with one exception – than firms that have none. The one exception is for majority white female firms, which are shown to be

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<sup>21</sup> A descriptive table of unionization a ethnic/racial composition of a firm is forthcoming

associated with an eight percent reduction in the likelihood of health insurance provisions, and the statistic is marginally significant. The other estimates in these unionized firms indicate that firms with no white males are nine percent less likely to offer coverage, firms with no white females are also nine percent less likely to offer coverage, likewise, the combination of firms with no white males and no white females are significantly less likely to offer coverage (the statistic is highly significant), and further, the combination of firms that are composed of between 1-9 percent white male and 1-9 percent white female are marginally significantly less likely to offer coverage.

The *Black and Hispanic Model* also provides evidence consistent with our hypothesis, even in the class of union firms. Firms that are only 1-9 percent black female are marginally significantly more likely to offer health insurance, five percent more likely, while black males dominated union firms are 14 percent less likely to offer coverage. Further, Hispanic dominated firms are 11 percent less likely to offer coverage, while firms with no Hispanics are six percent more likely to offer coverage.

Table 11 also list F-tests that describe significant gender differences between the black male and black female compositions of firms and provision of health insurance. On the one hand, firms that are free of black males offer less coverage than comparable firms free of black females. On the other hand, firms that are majority black male also offer less coverage than comparable firms that are majority black female.

For the firms that have no union workers, we do not find any evidence that refutes are hypothesis, but we do not find as much evidence in support as is found for firms with at least one union worker. White male dominate firms are five percent more likely to

offer coverage, and white male dominate firms are also more likely than white female dominant firms to offer coverage.

#### **H. MULTIPLE WORKSITES<sup>22</sup>**

*(TO BE FILLED IN LATER) AT SOME POINT ADD SUMMARY STATS AND PROBIT*

Table 3, shows a strong negative relationship between firms with multiple worksites and health insurance coverage of their employees. Table 11, stratifies our sample by firms based on whether the firm has more than one worksite. Beginning with one worksite firms We observe that firms that combine to have no white males and no white females are marginally significantly less likely to offer health insurance coverage. In addition, firms that are majority Hispanic are six percent less likely to offer coverage, and the statistic is marginally significant.

When we examine firms with multiple sites we find that firms that are white male dominant are 12 percent more likely to provide health insurance, and the finding is highly significant. There are gender effects associated with these firms as well. White male dominant firms are highly significantly more likely to offer coverage than white female dominant firms. Thus, although multi-site firms are associated with lower health insurance provisions, this association is somewhat ameliorated if the firm is majority white male.

#### **I. FOR-PROFIT STATUS<sup>23</sup>**

#### **J. FIRM REGION: METRO AREA AND CENTRAL CITY STATUS<sup>24</sup>**

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<sup>22</sup> Descriptive stats and relationship with multi-site firms and ethnic/racial firm composition is forthcoming

<sup>23</sup> Descriptive stats and probit analysis is forthcoming

**K. LENGTH OF UNFILLED EMPLOYMENT POSITIONS<sup>25</sup>****L. SHORT-RUN AND LONG-RUN SALES GROWTH<sup>26</sup>**

Table 12 shows the probit results based on short-run (over the past year) sales increases and decreases and long-run (over the past 5-10 years) sales increases and decreases. The table illustrates that for firms that experienced sales growth over the past year, if it is over 50 percent white male then it is also eight percent more likely to offer coverage than firms that are 10-49 percent white male. The comparable statistics for firms that are majority black male is a 19 percent reduction in coverage offering and the statistics is highly significant. Further, black male dominant firms are significantly less likely to offer coverage than comparable majority black female firms. Lastly, majority Hispanic firms also are 11 percent less likely to offer insurance, and the statistic is marginally significant.

When short-run sales are down, firms that have no black females are marginally significantly more likely, 16 percent, to offer coverage, and the higher likelihood is significantly more than for firms with no black males.

In terms of long-run sales growth, over the past 5-10 years, majority white firms are highly significantly more likely to offer coverage, and the break down by gender is seven percent for majority white male firms (the statistic is highly significant) and five percent for majority white female firm (the statistic is marginally significant). *The Black and Hispanic Model* did not detect any significant findings. For the 314 firms that reported a decrease in sales over the past 5-10 years, the only significant parameter that is

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<sup>24</sup> Descriptive stats and probit analysis is forthcoming

<sup>25</sup> Descriptive stats and probit analysis is forthcoming

<sup>26</sup> Descriptive stats and relationship with ethnic/racial composition of the firm is forthcoming.

estimated is for majority Hispanic firms, at it is oppositional to our hypothesis. These firms had a 13 percent higher likelihood of insurance provisions than similar firms that ranged from 10-49 percent Hispanic.

## V. CONCLUSION

This paper opened with a discussion of large disparities of health insurance coverage based on race and ethnicity (for example Crow, Harrington, and McLaughlin (2002) report that the uninsurance rate for whites is 9.38 percent, 17.47 percent for blacks, 22.10 percent for Hispanics, and 31.64 percent for immigrants). There are well known explanations for these disparities, but they tend to focus on differences in individual socioeconomic and demographic characteristics of group members. This proposed study addresses these disparities in coverage from a different perspective.

We provide firm level evidence that employment at firms with white workforces is associated with a higher likelihood of employer sponsored health insurance than employment in black or Hispanic workforces. After controlling for a myriad of determinants of employer sponsored health insurance offering, we find that employment workforces that have a greater distribution of whites are more likely to receive health insurance provisions than those workforces that are not white. With some exceptions and counters, we find considerable evidence in many firm settings that firms to support this claim. Moreover, we find that the gender composition of workforces is also a relevant prediction of firm health insurance coverage.

There are many accounts were white male dominant firms yield higher likelihoods of coverage than their non-white peers. This analysis also shows that white male dominant firms are more likely to have firm coverage provisions than comparable

white female dominant firms. The reverse is often the case for black dominant firms. With some exceptions, significant difference in health insurance provisions between black male dominant workforces and black female dominant workforces, typically favor the insurance coverage of female dominant workforce. Finally, this paper yields a fairly consistent finding throughout various specification used in this study that firms with majority Hispanic workforces are less likely to provide insurance coverage.

The results of this paper also provide some insights into the four potential explanations listed in the introduction why firms with predominantly white workforces might have a greater proclivity to providing their employees with insurance. The lists stated that non-white firms may (1) face with higher insurance premiums, (2) yield lower profitability, (3) have workers with lower demand for health insurance, (4) lower ability for collective bargaining, and (5) have workers that receive differential treatment (discrimination) because of their race, ethnicity or gender. After performing stratifications on the educational attainment of workers, the long-run and short-run sales growth of a firm, and whether there are unionized workers at a firm, we still find patterns of higher firm insurance provisions based on the ethnic/racial composition of the firm. Hence, we can somewhat rule out explanations (1), (2) and (4) as the culprit for the relationship between ethnic/racial composition and insurance provision. Thus, we are left with (3) a lower demand for coverage – it is difficult to examine this reason without the use of firm level data, since it is an explanation based on attitudes and beliefs formed at the individual level – (5) discrimination, or some other unlisted explanation.

Given the evidence that firms with predominantly black and Hispanic workforces offer less insurance coverage, then we may better direct policy efforts to alleviate the insurance disparities stated above. A limitation of this study is that we can not say with certainty the exact mechanism that cause *black* or *Hispanic firms* to offer less coverage. Nonetheless, we do employ controls and stratify the data so as to gain insight into why *non-white firms* may offer less coverage. At the very least, this study is a first step analysis that might encourage policy makers to consider firm level activities when addressing racial and ethnic health disparities.

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**Table 1**

**Definition of Variables used in the Econometric Analysis and Associated Summary Statistics\***

**Data Source:** *Multi City Survey of Urban Inequality (MCSUI)*, n = 3053

<b>Variables</b>	<b>Variable Definitions</b>	<b>Mean (Std. Dev.)</b>	<b>Variables</b>	<b>Variable Definitions</b>	<b>Mean (Std. Dev.)</b>
<b>Insurance</b>	1 if firm offered health insurance to the last hired non-college degree worker, 0 otherwise	.78 (.41)	<b>WhiteF Missing</b>	1 if firm does not report white female workers % of the firms non-college degree workforce, 0 otherwise	.13 (.34)
<b>Insurance Fam</b>	1 if firm offered health insurance to a family member of the last hired non-college degree worker, 0 otherwise	.69 (.46)	<b>BlackM 0</b>	1 if black male workers comprise 0 % of the firms non-college degree workforce, 0 otherwise	.38 (.48)
<b>WhiteM 0</b>	1 if white male workers comprise 0 % of the firms non-college degree workforce, 0 otherwise	.15 (.36)	<b>BlackM 1-9</b>	1 if black male workers comprise 1-9 % of the firms non-college degree workforce, 0 otherwise	.22 (.41)
<b>WhiteM 1-9</b>	1 if white male workers comprise 1-9 % of the firms non-college degree workforce, 0 otherwise	.11 (.31)	<b>BlackM 10-49</b>	1 if black male workers comprise 10-49 % of the firms non-college degree workforce, 0 otherwise	.23 (.42)
<b>WhiteM 10-49</b>	1 if white male workers comprise 10-49 % of the firms non-college degree workforce, 0 otherwise	.37 (.48)	<b>BlackM &gt;49</b>	1 if black male workers comprise at least 50 % of the firms non-college degree workforce, 0 otherwise	.05 (.21)
<b>WhiteM &gt;49</b>	1 if white male workers comprise at least 50 % of the firms non-college degree workforce, 0 otherwise	.24 (.42)	<b>BlackM Missing</b>	1 if firm does not report black male workers % of the firms non-college degree workforce, 0 otherwise	.13 (.34)
<b>WhiteM Missing</b>	1 if firm does not report white male workers % of the firms non-college degree workforce, 0 otherwise	.13 (.34)	<b>BlackF 0</b>	1 if black female workers comprise 0 % of the firms non-college degree workforce, 0 otherwise	.41 (.49)
<b>WhiteF 0</b>	1 if white male workers comprise 0 % of the firms non-college degree workforce, 0 otherwise	.12 (.32)	<b>BlackF 1-9</b>	1 if black female workers comprise 1-9 % of the firms non-college degree workforce, 0 otherwise	.20 (.40)
<b>WhiteF 1-9</b>	1 if white male workers comprise 1-9 % of the firms non-college degree workforce, 0 otherwise	.12 (.33)	<b>BlackF 10-49</b>	1 if black female workers comprise 10-49 % of the firms non-college degree workforce, 0 otherwise	.20 (.40)
<b>WhiteF 10-49</b>	1 if white male workers comprise 10-49 % of the firms non-college degree workforce, 0 otherwise	.38 (.49)	<b>BlackF &gt;49</b>	1 if black female workers comprise at least 50 % of the firms non-college degree workforce, 0 otherwise	.06 (.23)
<b>WhiteF &gt;49</b>	1 if white male workers comprise at least 50 % of the firms non-college degree workforce, 0 otherwise	.24 (.43)	<b>BlackF Missing</b>	1 if firm does not report black female workers % of the firms non-college degree workforce, 0 otherwise	.13 (.34)

\* Data Source, *Multi City Study of Urban Inequality (MCSUI)*. Unweighted means are reported.

Table 1 (Continued)

## Definition of Variables used in the Econometric Analysis and Associated Summary Statistics

Variables	Variable Definitions	Mean (Std. Dev.)	Variables	Variable Definitions	Mean (Std. Dev.)
<b>Hispanic 0</b>	1 if Hispanic workers comprise 0 % of the firms non-college degree workforce	.39 (.49)	<b>Part Employ</b>	Total number of part-time permanent employees at the firm	45.8 (264.1)
<b>Hispanic 1-9</b>	1 if Hispanic workers comprise 1-9 % of the firms non-college degree workforce	.20 (.40)	<b>Season Employ</b>	Total number of seasonal, but permanent, employees at the firm	7.5 (73.8)
<b>Hispanic 10-49</b>	1 if Hispanic workers comprise 10-49 % of the firms non-college degree workforce	.18 (.38)	<b>Temp Employ</b>	Total number of temporary full-time employees at the firm	18.0 (156.8)
<b>Hispanic &gt;49</b>	1 if Hispanic workers comprise at least 50 % of the firms non-college degree workforce	.10 (.30)	<b>Contract Employ</b>	Total number of contract full-time employees at the firm	11.0 (122.4)
<b>Hispanic Missing</b>	1 if firm does not report Hispanic workers % of the firms non-college degree workforce, 0 otherwise	.14 (.35)	<b>Union</b>	% of the firms non-college degree workforce that is unionized	16.1 (33.4)
<b>Employ &lt;5</b>	1 if total number of permanent full-time employees at the firm is <5, 0 otherwise	.10 (.29)	<b>For Profit</b>	1 if firm is for profit, 0 otherwise	.73 (.44)
<b>Employ 5-9</b>	1 if total number of permanent full-time employees at the firm is between 5-9, 0 otherwise	.10 (.30)	<b>Mult Worksites</b>	1 if the firm has more than 1 worksite, 0 otherwise	.39 (.49)
<b>Employ 10-19</b>	1 if total number of permanent full-time employees at the firm is between 10-19, 0 otherwise	.11 (.32)	<b>Central City</b>	1 if the firm is located in the central city, 0 otherwise	.29 (.45)
<b>Employ 20-49</b>	1 if total number of permanent full-time employees at the firm is between 20-49, 0 otherwise	.19 (.39)	<b>Atlanta</b>	1 if the firm is located in Atlanta, 0 otherwise	.23 (.42)
<b>Employ 50-99</b>	1 if total number of permanent full-time employees at the firm is between 50-99, 0 otherwise	.13 (.34)	<b>Boston</b>	1 if the firm is located in Boston, 0 otherwise	.26 (.44)
<b>Employ 100-249</b>	1 if total number of permanent full-time employees at the firm is between 100-249, 0 otherwise	.17 (.38)	<b>Detroit</b>	1 if the firm is located in Detroit, 0 otherwise	.23 (.42)
<b>Employ &gt;250</b>	1 if total number of permanent full-time employees at the firm is >250, 0 otherwise	.20 (.40)	<b>Los Angeles</b>	1 if the firm is located in Los Angeles, 0 otherwise	.28 (.45)

**Table 1 (Continued)**

**Definition of Variables used in the Econometric Analysis and Associated Summary Statistics**

<b>Variables</b>	<b>Variable Definitions</b>	<b>Mean (Std. Dev.)</b>	<b>Variables</b>	<b>Variable Definitions</b>	<b>Mean (Std. Dev.)</b>
<b>Dropout 0</b>	1 if 0 % of the firm's non college degree workforce is composed of high school dropouts, 0 otherwise	.48 (.50)	<b>Clerical 1-9</b>	1 if 1-9 % of the firm's non college degree workforce works in Clerical positions, 0 otherwise	.23 (.42)
<b>Dropout 1-9</b>	1 if 1-9 % of the firm's non college degree workforce is composed of high school dropouts, 0 otherwise	.10 (.30)	<b>Clerical 10-49</b>	1 if 10-49 % of the firm's non college degree workforce works in Clerical positions, 0 otherwise	.36 (.48)
<b>Dropout 10-49</b>	1 if 10-49 % of the firm's non college degree workforce is composed of high school dropouts, 0 otherwise	.23 (.42)	<b>Clerical &gt;49</b>	1 if at least 50 % of the firm's non college degree workforce works in Clerical positions, 0 otherwise	.20 (.40)
<b>Dropout &gt;49</b>	1 if at least 50 % of the firm's non college degree workforce is composed of high school dropouts, 0 otherwise	.07 (.25)	<b>Clerical Missing</b>	1 if firm does not report % of the non college degree workforce clerical positions, 0 otherwise	.09 (.28)
<b>Dropout Missing</b>	1 if firm does not report % non college degree workforce composed of high school dropouts, 0 otherwise	.12 (.33)	<b>Sales 0</b>	1 if 0 % of the firm's non college degree workforce works in Sales positions, 0 otherwise	.39 (.49)
<b>CollegeAtt 0</b>	1 if 0 % of the firm's non college degree workforce is composed of persons who at least attended college, 0 otherwise	.08 (.28)	<b>Sales 1-9</b>	1 if 1-9 % of the firm's non college degree workforce works in Sales positions, 0 otherwise	.18 (.38)
<b>CollegeAtt 1-9</b>	1 if 1-9 % of the firm's non college degree workforce is at least attended college, 0 otherwise	.09 (.28)	<b>Sales 10-49</b>	1 if 10-49 % of the firm's non college degree workforce works in Sales positions, 0 otherwise	.19 (.40)
<b>CollegeAtt 10-49</b>	1 if 10-49 % of the firm's non college degree workforce is composed of persons who at least attended college, 0 otherwise	.38 (.49)	<b>Sales &gt;49</b>	1 if at least 50 % of the firm's non college degree workforce works in Sales positions, 0 otherwise	.16 (.37)
<b>CollegeAtt &gt;49</b>	1 if at least 50 % of the firm's non college degree workforce is composed of persons who at least attended college, 0 otherwise	.29 (.45)	<b>Sales Missing</b>	1 if firm does not report % of the non college degree workforce composed of persons in sales, 0 otherwise	.08 (.28)
<b>CollegeAtt Missing</b>	1 if firm does not report % of the firm's non college degree workforce who at least attended college, 0 otherwise	.16 (.37)	<b>BlueCol 0</b>	1 if 0 % of the firm's non college degree workforce works in Blue Collar positions, 0 otherwise	.25 (.43)
<b>Clerical 0</b>	1 if 0 % of the firm's non college degree workforce works in Clerical positions, 0 otherwise	.11 (.32)	<b>BlueCol 1-9</b>	1 if 1-9 % of the firm's non college degree workforce works in Blue Collar positions, 0 otherwise	.07 (.26)

**Table 1 (Continued) Definition of Variables used in the Econometric Analysis and Associated Summary Statistics**

<b>Variables</b>	<b>Variable Definitions</b>	<b>Mean (Std. Dev.)</b>	<b>Variables</b>	<b>Variable Definitions</b>	<b>Mean (Std. Dev.)</b>
<b>BlueCol 10-49</b>	1 if 10-49 % of the firm's non college degree workforce works in Blue collar positions, 0 otherwise	.17 (.37)	<b>Interview Yr1</b>	1 if firm representative is interviewed between June 1, 1992 and May 31 1993, 0 otherwise	.47 (.50)
<b>BlueCol &gt;49</b>	1 if at least 50 % of the firm's non college degree workforce works in Blue Collar positions, 0 otherwise	.41 (.49)	<b>Interview Yr2</b>	1 if firm representative is interviewed between June 1, 1993 and May 31, 1994, 0 otherwise	.44 (.50)
<b>BlueCol Missing</b>	1 if firm does not report % of non college degree workforce in Blue Collar positions, 0 otherwise	.10 (.29)	<b>Interview Yr3</b>	1 if firm representative is interviewed after May 31, 1994, 0 otherwise	.08 (.27)
<b>Mining/ Agriculture</b>	1 if firm is in Mining or Agriculture industries, 0 otherwise	.01 (.04)	<b>Vacancy Ave</b>	Average months of most recent vacancies at the firm	.70 (2.64)
<b>Construction</b>	1 if firm is in Construction industry, 0 otherwise	.02 (.14)	<b>SalesLastYr Up</b>	1 if firm sales increased over the past year, 0 otherwise	.36 (.48)
<b>Manufacturing</b>	1 if firm is in Manufacturing industry, 0 otherwise	.21 (.41)	<b>SalesLastYr Down</b>	1 if firm sales decreased over the past year, 0 otherwise	.12 (.33)
<b>Transportation</b>	1 if firm is in Transportation industry, 0 otherwise	.06 (.23)	<b>SalesLastYr Same</b>	1 if firm sales were the same as the past year, 0 otherwise	.08 (.28)
<b>Services</b>	1 if firm is in Services industry, 0 otherwise	.35 (.48)	<b>SalesLastYr Missing</b>	1 if firm did not report sales change over the past year, 0 otherwise	.43 (.50)
<b>Whole Sale Trade</b>	1 if firm is in Whole Sale Trade industry, 0 otherwise	.06 (.24)	<b>SalesLast5Yr Up</b>	1 if firm sales increased over the past 5-10 years, 0 otherwise	.52 (.50)
<b>Retail Trade</b>	1 if firm is in Retail Trade industry, 0 otherwise	.17 (.37)	<b>SalesLast5Yr Down</b>	1 if firm sales decreased over the past 5-10 years, 0 otherwise	.10 (.30)
<b>Finance</b>	1 if firm is in Finance industry, 0 otherwise	.08 (.28)	<b>SalesLast5Yr Same</b>	1 if firm sales were the same as the average over the previous 5-10 years, 0 otherwise	.14 (.34)
<b>Public Administration</b>	1 if firm is in Public Administration industry, 0 otherwise	.02 (.14)	<b>SalesLast5Yr Missing</b>	1 if firm did not report what happened to sales over the past 5-10 years, 0 otherwise	.24 (.43)
<b>Industry Missing</b>	1 if firm does not report industry in which it participates, 0 otherwise	.04 (.18)			

**Summary Statistics Table 2**

**Race, Ethnic, and Gender Composition of the Non-College Educated Workers at a Firm by Provision of Employee Health Insurance \***

<b>Composition of the Firms Workforce</b>	<b>Health Insurance (n=2704)</b>	<b>No Health Insurance (n=792)</b>	<b>Percent Offered Coverage</b>	<b>Composition of the Firms Workforce</b>	<b>Health Insurance (n=2704)</b>	<b>No Health Insurance (n=792)</b>	<b>Percent Offered Coverage</b>
<i>Panel A: White Males</i>				<i>Panel B: Black Males</i>			
<b>WhiteM 0</b>	287 (10.6)	208 (26.3)	0.58	<b>BlackM 0</b>	837 (31.0)	434 (54.8)	0.66
<b>WhiteM 1-9</b>	314 (11.6)	72 (9.1)	0.81	<b>BlackM 1-9</b>	639 (23.6)	89 (11.2)	0.88
<b>WhiteM 10-49</b>	992 (36.7)	252 (31.8)	0.80	<b>BlackM 10-49</b>	642 (23.7)	145 (18.3)	0.82
<b>WhiteM &gt;49</b>	621 (23.0)	182 (23.0)	0.77	<b>BlackM &gt;49</b>	111 (4.1)	45 (5.7)	0.71
<b>WhiteM Missing</b>	490 (18.1)	78 (9.9)	0.86	<b>BlackM Missing</b>	475 (17.6)	79 (10.0)	0.86
<i>Panel C: White Females</i>				<i>Panel D: Black Females</i>			
<b>WhiteF 0</b>	227 (8.4)	180 (22.7)	0.56	<b>BlackF 0</b>	932 (34.5)	464 (58.6)	0.67
<b>WhiteF 1-9</b>	341 (12.6)	70 (8.8)	0.83	<b>BlackF 1-9</b>	589 (21.8)	88 (11.1)	0.87
<b>WhiteF 10-49</b>	1051 (38.9)	236 (29.8)	0.82	<b>BlackF 10-49</b>	562 (20.8)	121 (15.3)	0.82
<b>WhiteF &gt;49</b>	592 (21.9)	225 (28.4)	0.72	<b>BlackF &gt;49</b>	148 (5.5)	44 (5.6)	0.77
<b>WhiteF Missing</b>	493 (18.2)	81 (10.2)	0.86	<b>BlackF Missing</b>	473 (17.5)	75 (9.5)	0.86
<i>Panel E: Hispanics</i>							
<b>Hispanic 0</b>	908 (33.6)	398 (50.3.3)	0.70				
<b>Hispanic 1-9</b>	588 (21.8)	77 (9.7)	0.88				
<b>Hispanic 10-49</b>	483 (17.9)	124 (15.7)	0.80				
<b>Hispanic &gt;49</b>	223 (8.3)	113 (14.3)	0.66				
<b>Hispanic Missing</b>	502 (18.6)	80 (10.1)	0.86				

\* Rows describe alternative distributions of a firms non-college educated workforce. Columns reveal if the firm offered individual employee health insurance to the last worker hired. For firms that fit a particular racial/ethnic distribution of their non-college educated workforce, cells present the absolute number of firms that provide or do not provide health insurance. The percent of the column total is presented in parentheses.

**Probit Table 3**

**Impact of a Variable on the Probability of a Firm Providing Employees with Individual Health Insurance\***

Variables	Pooled Data: Specification A (n=3053)		Pooled Data: Specification B (n=2989)	
	Model 1	Model 2	Model 1	Model 2
<b>WhiteM 0</b>	-.025 (.025)		-.026 (.025)	
<b>WhiteM 1-9</b>	-.022 (.028)		-.019 (.027)	
<b>WhiteM &gt;49</b>	.038* (.019)		.042** (.019)	
<b>WhiteM Missing</b>	.134 (.061)		.120 (.071)	
<b>WhiteF 0</b>	-.028 (.027)		-.029 (.027)	
<b>WhiteF 1-9</b>	-.022 (.028)		-.017 (.028)	
<b>WhiteF &gt;49</b>	-.017 (.022)		-.024 (.022)	
<b>WhiteF Missing</b>	-.094 (.133)		-.049 (.132)	
<b>BlackM 0</b>		-.023 (.023)		-.028 (.024)
<b>BlackM 1-9</b>		.011 (.024)		.010 (.025)
<b>BlackM &gt;49</b>		-.048 (.042)		-.043 (.041)
<b>BlackM Missing</b>		-.079 (.117)		-.062 (.113)
<b>BlackF 0</b>		-.008 (.024)		-.007 (.024)
<b>BlackF 1-9</b>		.015 (.026)		.013 (.026)
<b>BlackF &gt;49</b>		.031 (.032)		.033 (.031)
<b>BlackF Missing</b>		.093 (.079)		.076 (.085)
<b>Hispanic 0</b>		-.020 (.026)		-.018 (.026)
<b>Hispanic 1-9</b>		-.000 (.028)		-.004 (.028)
<b>Hispanic &gt;49</b>		-.053* (.033)		-.058* (.034)
<b>Hispanic Missing</b>		.050 (.064)		.070 (.062)

\* Columns report change in likelihood of providing insurance to the employee, standard errors in parentheses. Specification A is our preferred model, while Specification B contains some variables that might be endogenous such as firm performance in the past year and over a longer span of time.

**Probit Table 3 (Continued)**

Variables	Pooled Data: Specification A (n=3053)		Pooled Data: Specification B (n=2989)	
	Model 1	Model 2	Model 1	Model 2
<b>Employ 5-9</b>	.064** (.022)	.062** (.022)	.062** (.022)	.062** (.022)
<b>Employ 10-19</b>	.132*** (.016)	.127*** (.016)	.132*** (.016)	.127*** (.016)
<b>Employ 20-49</b>	.164*** (.016)	.158*** (.017)	.164*** (.016)	.158*** (.017)
<b>Employ 50-99</b>	.168*** (.014)	.159*** (.016)	.167*** (.014)	.158*** (.016)
<b>Employ 100-249</b>	.207*** (.014)	.195*** (.015)	.207*** (.014)	.196*** (.015)
<b>Employ &gt;250</b>	.218*** (.016)	.205*** (.017)	.216*** (.016)	.203*** (.018)
<b>Part Employ</b>	.285 e07 (.465 e07)	.117 e07 (.469 e07)	.188 e07 (.470 e04)	.785 e07 (.474 e04)
<b>Season Employ</b>	.117 e03 (.114 e03)	-.127 e03 (.113 e03)	.113 e03 (.115 e03)	-.126 e03 (.114 e03)
<b>Temp Employ</b>	.177 e03 (.264 e03)	.163 e03 (.235 e03)	.176 e03 (.273 e03)	.165 e03 (.249 e03)
<b>Contract Employ</b>	.152 e03 (.276 e03)	-.135 e03 (.250 e03)	.148 e03 (.290 e03)	-.134 e03 (.264 e03)
<b>Mult Worksites</b>	-.075*** (.017)	-.070*** (.017)	-.073*** (.017)	-.068*** (.017)
<b>Union</b>	.000 (.000)	.000 (.000)	.000 (.000)	.000 (.000)
<b>For Profit</b>	-.001 (.020)	-.002 (.020)	-.002 (.027)	-.008 (.027)
<b>Central City</b>	.017 (.017)	.077 (.017)	.011 (.017)	.002 (.017)
<b>Dropout 0</b>	.089*** (.020)	.092*** (.021)	.090*** (.020)	.093*** (.021)
<b>Dropout 1-9</b>	.039 (.026)	.039 (.026)	.031 (.027)	.032 (.027)
<b>Dropout &gt;49</b>	-.124*** (.040)	-.116*** (.041)	-.117*** (.040)	-.110*** (.041)
<b>Dropout Missing</b>	-.077* (.047)	-.075* (.047)	-.079* (.048)	-.078* (.048)
<b>CollegeAtt 0</b>	-.042 (.030)	-.042 (.030)	-.042 (.031)	-.043 (.030)
<b>CollegeAtt 1-9</b>	.031 (.027)	.023 (.027)	.027 (.027)	.022 (.028)
<b>CollegeAtt &gt;49</b>	-.029 (.020)	-.029 (.020)	-.029 (.020)	-.028 (.020)
<b>CollegeAtt Missing</b>	.044 (.030)	.034 (.031)	.037 (.031)	.030 (.032)
<b>Clerical 0</b>	-.139*** (.032)	-.147*** (.032)	-.138*** (.033)	-.147*** (.033)
<b>Clerical 1-9</b>	-.039* (.023)	-.048** (.023)	-.042* (.023)	-.050* (.023)

**Probit Table 3 (Continued)**

Variables	Pooled Data: Specification A (n=3053)		Pooled Data: Specification B (n=2989)	
	Model 1	Model 2	Model 1	Model 2
<b>Clerical &gt;49</b>	.029 (.024)	.025 (.021)	.029 (.022)	.024 (.021)
<b>Clerical Missing</b>	-.028 (.078)	-.039 (.081)	-.039 (.081)	-.052 (.084)
<b>Sales 0</b>	-.058** (.024)	-.065*** (.024)	-.060*** (.024)	-.068*** (.024)
<b>Sales 1-9</b>	.031 (.026)	.025 (.026)	.029 (.026)	.022 (.026)
<b>Sales &gt;49</b>	-.053* (.029)	-.058** (.029)	-.052* (.029)	-.059* (.029)
<b>Sales Missing</b>	.063 (.059)	.059 (.061)	.059 (.060)	.056 (.062)
<b>BlueCol 0</b>	.037 (.023)	.033 (.023)	.033 (.024)	.028 (.024)
<b>BlueCol 1-9</b>	.047 (.030)	.042 (.031)	.042 (.031)	.036 (.031)
<b>BlueCol &gt;49</b>	.002 (.022)	.011 (.022)	.000 (.022)	.009 (.022)
<b>BlueCol Missing</b>	-.076 (.066)	-.070 (.064)	-.070 (.066)	-.066 (.065)
<b>Atlanta</b>	.041** (.020)	.042 (.0230)	.039* (.020)	.036 (.024)
<b>Boston</b>	.060*** (.018)	.067*** (.020)	.058*** (.019)	.061*** (.020)
<b>Detroit</b>	.019 (.025)	.022 (.028)	.018 (.026)	.014 (.029)
<b>Mining/Agriculture</b>	-.029 (.198)	-.034 (.203)	-.038 (.204)	-.040 (.207)
<b>Construction</b>	.012 (.052)	.036 (.046)	.003 (.054)	.028 (.048)
<b>Manufacturing</b>	.084*** (.020)	.095*** (.019)	.077*** (.020)	.089*** (.019)
<b>Transportation</b>	-.058 (.038)	-.049 (.038)	-.061 (.040)	-.051 (.039)
<b>Whole Sale Trade</b>	.020 (.031)	.035 (.029)	.009 (.032)	.024 (.031)
<b>Retail Trade</b>	-.099*** (.028)	-.093*** (.027)	-.100*** (.029)	-.096*** (.028)
<b>Finance</b>	-.031 (.032)	-.026 (.032)	-.037 (.034)	-.033 (.033)
<b>Public Administration</b>	.049 (.056)	.048 (.056)	.051 (.055)	.055 (.053)
<b>Industry Missing</b>	.048 (.035)	.051 (.034)	.045 (.036)	.048 (.036)
<b>Interview Yr1</b>	.018 (.031)	.021 (.031)	.017 (.031)	.021 (.031)
<b>Interview Yr2</b>	.024 (.028)	.027 (.029)	.021 (.029)	.024 (.029)

Probit Table 3 (Continued)

	Pooled Data: Specification A (n=3053)		Pooled Data: Specification B (n=2989)	
	Model 1	Model 2	Model 1	Model 2
Vacancy Ave			-.004 (.003)	-.005 (.003)
SalesLastYrUp			-.051* (.030)	-.053* (.030)
SalesLastYrDown			-.070** (.038)	-.070** (.038)
SalesLastYr Missing			-.041 (.031)	-.044 (.031)
SalesLast5YrUp			.057*** (.022)	.052*** (.021)
SalesLast5YrDown			.026 (.027)	.022 (.027)
SalesLast5Yr Missing			.033 (.031)	.022 (.032)
Null Hypothesis				
WhiteM 0 + WhiteF 0 = 0	2.82* [0.093]		3.01* [0.083]	
WhiteM 1-9 + WhiteF 1-9= 0	1.65 [0.200]		1.08 [0.299]	
WhiteM >49 + WhiteF >49 = 0	0.50 [0.479]		0.38 [0.537]	
WhiteM 0 – WhiteF 0 = 0	0.01 [0.931]		0.01 [0.942]	
WhiteM 1-9 – WhiteF 1-9= 0	0.00 [0.998]		0.00 [0.971]	
WhiteM >49 – WhiteF >49 = 0	4.28** [0.039]		5.97** [0.015]	
BlackM 0 + BlackF 0 = 0		1.25 [0.264]		1.44 [0.230]
BlackM 1-9 + BlackF 1-9= 0		0.72 [0.396]		0.57 [0.450]
BlackM >49 + BlackF >49 = 0		0.06 [0.810]		0.01 [0.923]
BlackM 0 – BlackF 0 = 0		0.15 [0.695]		0.30 [0.583]
BlackM 1-9 – BlackF 1-9= 0		0.01 [0.920]		0.00 [0.948]
BlackM >49 – BlackF >49 = 0		2.32 [0.128]		2.26 [0.133]
Chi Sq [Prob > Chi Sq]	720*** [0.00]	721*** [0.00]	719*** [0.00]	720*** [0.00]
Pseudo R Sq	.22	.22	.23	.23

**Summary Statistics Table 4**

**Race, Ethnic, and Gender Composition of the Non-College Educated Workers at a Firm by Category of Total Permanent Employees at the Firm (Firm Size)\***

	<b>Employ &lt;5 (n=337)</b>	<b>Employ 5-9 (n=350)</b>	<b>Employ 10-19 (n=369)</b>	<b>Employ 20-49 (n=630)</b>	<b>Employ 50-99 (n=432)</b>	<b>Employ 100-249 (n=593)</b>	<b>Employ &gt;250 (n=756)</b>
<b>Health Insurance</b>	119	176	253	450	331	481	565
<b>No Health Insurance</b>	218	174	116	180	101	112	191
<b>% Health Insurance</b>	35	50	69	71	77	81	75
<i>Panel A: White Males</i>							
<b>WhiteM 0</b>	36	32	23	13	9	7	1
<b>WhiteM 1-9</b>	1	2	6	12	21	18	10
<b>WhiteM 10-49</b>	15	28	36	41	41	44	36
<b>WhiteM &gt;49</b>	34	31	29	27	19	16	16
<b>WhiteM Missing</b>	14	7	7	6	10	16	37
<i>Panel B: White Females</i>							
<b>WhiteF 0</b>	35	21	18	11	6	6	1
<b>WhiteF 1-9</b>	1	1	9	15	16	18	13
<b>WhiteF 10-49</b>	16	32	37	40	44	42	37
<b>WhiteF &gt;49</b>	34	39	29	27	22	17	12
<b>WhiteF Missing</b>	14	7	7	6	10	17	37
<i>Panel C: Black Males</i>							
<b>BlackM 0</b>	73	69	63	46	28	18	4
<b>BlackM 1-9</b>	1	3	10	20	31	36	27
<b>BlackM 10-49</b>	7	15	18	23	28	26	28
<b>BlackM &gt;49</b>	6	7	2	5	4	4	5
<b>BlackM Missing</b>	14	7	7	7	9	16	36

\* Total firms of a particular size are reported for each row. Columns describe alternative workforce distributions and the total number of firms meeting that distribution are reported. Cells present the percent of the total firms in a particular size grouping (row) that fall into a particular workforce distribution. Firms that did not report either firm size or composition of their non-college educated workforce were identified with an indicator for missing information--the distribution of these firms is not reported.

Summary Statistics Table 4 (continued)

Race, Ethnic, and Gender Composition of the Non-College Educated Workers at a Firm by Category of Total Permanent Employees at the Firm (Firm Size)\*

	Employ <5 (n=337)	Employ 5-9 (n=350)	Employ 10-19 (n=369)	Employ 20-49 (n=630)	Employ 50-99 (n=432)	Employ 100-249 (n=593)	Employ >250 (n=756)
<i>Panel D: Black Females</i>							
<b>BlackF 0</b>	74	72	64	55	34	20	5
<b>BlackF 1-9</b>	2	3	8	17	28	32	28
<b>BlackF 10-49</b>	4	13	15	17	22	28	27
<b>BlackF &gt;49</b>	7	5	7	5	8	5	4
<b>BlackF Missing</b>	14	7	6	6	9	16	36
<i>Panel E: Hispanics</i>							
<b>Hispanic 0</b>	68	65	56	47	33	20	10
<b>Hispanic 1-9</b>	2	4	9	16	22	28	33
<b>Hispanic 10-49</b>	5	16	17	18	20	24	17
<b>Hispanic &gt;49</b>	11	7	11	12	13	11	4
<b>Hispanic Missing</b>	14	8	7	6	11	17	37

**Probit Table 5**

**Summary Table—Firm Size Sub-Samples: The Impact of Workforce Racial and Ethnic Composition on the Probability of a Firm Providing Employees with Individual Health Insurance\***

Variables	Employ <5 (n=287)		Employ 5-9 (n=301)		Employ 10-19 (n=332)		Employ 20-49 (n=565)	
	Model 1	Model 2	Model 1	Model 2	Model 1	Model 2	Model 1	Model 2
WhiteM 0								
WhiteM 1-9								
WhiteM >49			.228**		.116*			
WhiteF 0								
WhiteF 1-9								
WhiteF >49					.216***			
BlackM 0		.168*						.086**
BlackM 1-9		-.158*						.072*
BlackM >49								
BlackF 0								
BlackF 1-9		.862***						
BlackF >49								
Hispanic 0		-.473**						
Hispanic 1-9						.160**		
Hispanic >49		-.211***		.277*				-.174**
WhiteM 0 + WhiteF 0 = 0								
WhiteM 1-9 + WhiteF 1-9= 0								
WhiteM >49 + WhiteF >49 = 0					12.39***			
WhiteM 0 – WhiteF 0 = 0								
WhiteM 1-9 – WhiteF 1-9= 0								
WhiteM >49 – WhiteF >49 = 0							3.14*	
BlackM 0 + BlackF 0 = 0								5.44**
BlackM 1-9 + BlackF 1-9= 0		22.29***						
BlackM >49 + BlackF >49 = 0			2.86*					
BlackM 0 – BlackF 0 = 0				2.83*				
BlackM 1-9 – BlackF 1-9= 0								
BlackM >49 – BlackF >49 = 0				2.99*				
Pseudo R Sq	.26	.29	.36	.37	.38	.36	.35	.37

\* Cells report estimated coefficient and significance level, if significant. F-tests are reported for group comparisons. Reference groups are; WhiteM 10-49, WhiteF 10-49, BlackM 10-49, BlackF 10-49, and Hispanic 10-49.

Table 5 (continued)

**Summary Table--Industry Sub-Samples: The Impact of Workforce Racial and Ethnic Composition on the Probability of a Firm Providing Employees with Individual Health Insurance\***

Variables	Employ 50-99 (n=393)		Employ 100-249 (n=463)		Employ >249 (n=566)			
	Model 1	Model 2	Model 1	Model 2	Model 1	Model 2		
WhiteM 0					-.080*			
WhiteM 1-9								
WhiteM >49								
WhiteF 0								
WhiteF 1-9								
WhiteF >49								
BlackM 0								
BlackM 1-9								
BlackM >49						-.034*		
BlackF 0								
BlackF 1-9								
BlackF >49								
Hispanic 0								
Hispanic 1-9		-.124*				.009*		
Hispanic >49								
WhiteM 0 + WhiteF 0 = 0			4.79**					
WhiteM 1-9 + WhiteF 1-9= 0								
WhiteM >49 + WhiteF >49 = 0	-2.81*							
WhiteM 0 – WhiteF 0 = 0								
WhiteM 1-9 – WhiteF 1-9= 0								
WhiteM >49 – WhiteF >49 = 0								
BlackM 0 + BlackF 0 = 0								
BlackM 1-9 + BlackF 1-9= 0								
BlackM >49 + BlackF >49 = 0								
BlackM 0 – BlackF 0 = 0								
BlackM 1-9 – BlackF 1-9= 0								
BlackM >49 – BlackF >49 = 0						3.58*		
Pseudo R Sq	.25	.25	.31	.32	.29	.31		

**Summary Statistics Table 6**  
**Race, Ethnic, and Gender Composition of the Non-College Educated Workers**  
**at a Firm by Degree to which the Firm Employs High School Dropouts\***

<b>Composition of the Firms Workforce</b>	<b>Dropout 0 (n=1624)</b>	<b>Dropout 1-9 (n=336)</b>	<b>Dropout 10-49 (n=792)</b>	<b>Dropout &gt;49 (n=231)</b>	<b>Dropout Missing (n=8264)</b>
<b>Health Insurance</b>	1143	262	548	119	
<b>No Health Insurance</b>	481	74	244	112	
<b>% Health Insurance</b>	70	78	69	52	
<i>Panel A: White Males</i>					
<b>WhiteM 0</b>	22	3	9	19	0
<b>WhiteM 1-9</b>	10	13	16	20	0
<b>WhiteM 10-49</b>	36	48	46	36	0
<b>WhiteM &gt;49</b>	28	27	23	22	0
<b>WhiteM Missing</b>	5	10	6	3	100
<i>Panel B: White Females</i>					
<b>WhiteF 0</b>	15	4	9	26	0
<b>WhiteF 1-9</b>	7	20	19	20	0
<b>WhiteF 10-49</b>	36	52	49	35	0
<b>WhiteF &gt;49</b>	36	14	17	16	0
<b>WhiteF Missing</b>	5	10	6	3	100
<i>Panel C: Black Males</i>					
<b>BlackM 0</b>	54	18	25	40	0
<b>BlackM 1-9</b>	18	37	28	24	0
<b>BlackM 10-49</b>	19	32	35	25	0
<b>BlackM &gt;49</b>	3	6	6	8	0
<b>BlackM Missing</b>	4	8	6	3	100

\* Rows are the percent of a firms non-college educated workforce that are high school dropouts. The total number of firms for each Dropout percent category are reported. Columns describe alternative workforce distributions. Cells present the percent of the total firms in a particular Dropout Share employment group that fall into a particular workforce distribution. Firms that did not report the share of their workforce that are dropouts or the composition of their non-college educated workforce were identified with an indicator for missing information.

**Summary Statistics Table 6 (continued)**  
**Race, Ethnic, and Gender Composition of the Non-College Educated Workers**  
**at a Firm by Degree to which the Firm Employs High School Dropouts**

<b>Composition of the Firms Workforce</b>	<b>Dropout 0 (n=1328)</b>	<b>Dropout 1-9 (n=583)</b>	<b>Dropout 10-49 (n=639)</b>	<b>Dropout &gt;49 (n=574)</b>	<b>Dropout Missing (n=8123)</b>
<i>Panel D: Black Females</i>					
<b>BlackF 0</b>	53	26	36	51	0
<b>BlackF 1-9</b>	16	37	25	24	0
<b>BlackF 10-49</b>	20	24	28	13	0
<b>BlackF &gt;49</b>	7	4	5	10	0
<b>BlackF Missing</b>	4	9	6	3	100
<i>Panel E: Hispanics</i>					
<b>Hispanic 0</b>	56	26	28	32	0
<b>Hispanic 1-9</b>	17	38	27	11	0
<b>Hispanic 10-49</b>	17	21	25	16	0
<b>Hispanic &gt;49</b>	6	5	14	38	0
<b>Hispanic Missing</b>	5	9	7	3	100

**Probit Table 7**

**Summary Table--High School Dropout, College Attendance, Clerical Work, and Sales Work Sub-Samples: The Impact of Workforce Racial and Ethnic Composition on the Probability of a Firm Providing Employees with Individual Health Insurance\***

Variables	Dropouts > 50 % of Workers (n=189)		College Attendees > 50 % of Workers (n=851)		Clerical Workers > 50 % of Workers (n=615)		Sales Workers > 50 % of Workers (n=482)	
	Model 1	Model 2	Model 1	Model 2	Model 1	Model 2	Model 1	Model 2
WhiteM 0			-.111**					
WhiteM 1-9			-.153**				-.255*	
WhiteM >49								
WhiteF 0								
WhiteF 1-9								
WhiteF >49							115*	
BlackM 0		-.465**						
BlackM 1-9								
BlackM >49		-.715***						
BlackF 0						-.082**		
BlackF 1-9		.335*						
BlackF >49								
Hispanic 0				-.097**				
Hispanic 1-9								-.202*
Hispanic >49				-.192***		.076**		
WhiteM 0 + WhiteF 0 = 0			-9.79***					
WhiteM 1-9 + WhiteF 1-9= 0								
WhiteM >49 + WhiteF >49 = 0	-3.45*							
WhiteM 0 – WhiteF 0 = 0								
WhiteM 1-9 – WhiteF 1-9= 0								
WhiteM >49 – WhiteF >49 = 0								
BlackM 0 + BlackF 0 = 0								
BlackM 1-9 + BlackF 1-9= 0								
BlackM >49 + BlackF >49 = 0								
BlackM 0 – BlackF 0 = 0		4.18**						
BlackM 1-9 – BlackF 1-9= 0								
BlackM >49 – BlackF >49 = 0		5.56**						
Pseudo R Sq	.49	.54	.24	.24	.30	.31	.30	

\* Cells report estimated coefficient and significance level, if significant. F-test values are reported for group comparisons. Reference groups are; WhiteM 10-49, WhiteF 10-49, BlackM 10-49, BlackF 10-49, and Hispanic 10-49.

Probit Table 7 (continued)

Variables	BlueCol > 50 % of Workers (n=1232)						
	Model 1	Model 2					
WhiteM 0							
WhiteM 1-9							
WhiteM >49							
WhiteF 0							
WhiteF 1-9							
WhiteF >49							
BlackM 0							
BlackM 1-9							
BlackM >49							
BlackF 0							
BlackF 1-9							
BlackF >49							
Hispanic 0							
Hispanic 1-9							
Hispanic >49		-.097**					
WhiteM 0 + WhiteF 0 = 0							
WhiteM 1-9 + WhiteF 1-9= 0							
WhiteM >49 + WhiteF >49 = 0							
WhiteM 0 – WhiteF 0 = 0							
WhiteM 1-9 – WhiteF 1-9= 0	4.64**						
WhiteM >49 – WhiteF >49 = 0							
BlackM 0 + BlackF 0 = 0							
BlackM 1-9 + BlackF 1-9= 0							
BlackM >49 + BlackF >49 = 0							
BlackM 0 – BlackF 0 = 0							
BlackM 1-9 – BlackF 1-9= 0							
BlackM >49 – BlackF >49 = 0							
Pseudo R Sq	.28	.27					

**Summary Statistics Table 8**  
**Race, Ethnic, and Gender Composition of the Non-College Educated Workers**  
**at a Firm by Degree to which the Firm Employs Clerical Workers\***

<b>Composition of the Firms Workforce</b>	<b>Clerical 0 (n=413)</b>	<b>Clerical 1-9 (n=771)</b>	<b>Clerical 10-49 (n=1239)</b>	<b>Clerical &gt;49 (n=690)</b>	<b>Clerical Missing (n=8134)</b>
<b>Health Insurance</b>	155	583	905	500	
<b>No Health Insurance</b>	258	188	334	190	
<b>% Health Insurance</b>	38	76	73	72	
<i>Panel A: White Males</i>					
<b>WhiteM 0</b>	28	7	9	29	0
<b>WhiteM 1-9</b>	7	19	11	11	0
<b>WhiteM 10-49</b>	36	44	41	34	0
<b>WhiteM &gt;49</b>	26	23	31	18	0
<b>WhiteM Missing</b>	3	6	8	9	100
<i>Panel B: White Females</i>					
<b>WhiteF 0</b>	30	9	10	14	0
<b>WhiteF 1-9</b>	5	30	11	3	0
<b>WhiteF 10-49</b>	31	42	51	27	0
<b>WhiteF &gt;49</b>	31	13	21	47	0
<b>WhiteF Missing</b>	3	7	8	9	100
<i>Panel C: Black Males</i>					
<b>BlackM 0</b>	62	23	38	51	0
<b>BlackM 1-9</b>	8	33	24	18	0
<b>BlackM 10-49</b>	22	30	27	17	0
<b>BlackM &gt;49</b>	6	6	4	4	0
<b>BlackM Missing</b>	2	6	6	9	100

\* Rows are the percent of a firms non-college educated workforce that is Clerical. The total number of firms for each Clerical percent category are reported. Columns describe alternative workforce distributions. Cells present the percent of the total firms in a particular Clerical Share employment group that fall into a particular workforce distribution. Firms that did not report the share of their workforce that is clerical and or the composition of their non-college educated workforce were identified with an indicator for missing information.

**Summary Statistics Table 8 (continued)**  
**Race, Ethnic, and Gender Composition of the Non-College Educated Workers**  
**at a Firm by Degree to which the Firm Employs Clerical Workers**

<b>Composition of the Firms Workforce</b>	<b>Clerical 0 (n=413)</b>	<b>Clerical 1-9 (n=771)</b>	<b>Clerical 10-49 (n=1239)</b>	<b>Clerical &gt;49 (n=690)</b>	<b>Clerical Missing (n=8134)</b>
	<i>Panel D: Black Females</i>				
<b>BlackF 0</b>	63	32	48	41	0
<b>BlackF 1-9</b>	8	32	23	15	0
<b>BlackF 10-49</b>	18	24	19	26	0
<b>BlackF &gt;49</b>	8	5	4	10	0
<b>BlackF Missing</b>	2	6	7	9	100
	<i>Panel E: Hispanics</i>				
<b>Hispanic 0</b>	62	27	40	49	0
<b>Hispanic 1-9</b>	10	29	22	17	0
<b>Hispanic 10-49</b>	16	21	21	17	0
<b>Hispanic &gt;49</b>	10	15	9	8	0
<b>Hispanic Missing</b>	2	8	7	9	100

**Summary Statistics Table 9**  
**Race, Ethnic, and Gender Composition of the Non-College Educated Workers**  
**at a Firm by Degree to which the Firm Employs Sales Workers\***

<b>Composition of the Firms Workforce</b>	<b>Sales 0 (n=1328)</b>	<b>Sales 1-9 (n=583)</b>	<b>Sales 10-49 (n=639)</b>	<b>Sales &gt;49 (n=574)</b>	<b>Sales Missing (n=8123)</b>
<b>Health Insurance</b>	881	476	476	310	
<b>No Health Insurance</b>	447	107	163	264	
<b>% Health Insurance</b>	66	82	75	54	
<i>Panel A: White Males</i>					
<b>WhiteM 0</b>	22	4	8	23	0
<b>WhiteM 1-9</b>	15	18	8	6	0
<b>WhiteM 10-49</b>	35	46	43	39	0
<b>WhiteM &gt;49</b>	20	25	36	26	0
<b>WhiteM Missing</b>	9	8	5	6	100
<i>Panel B: White Females</i>					
<b>WhiteF 0</b>	14	7	12	18	0
<b>WhiteF 1-9</b>	11	28	11	5	0
<b>WhiteF 10-49</b>	36	46	54	32	0
<b>WhiteF &gt;49</b>	31	12	18	39	0
<b>WhiteF Missing</b>	9	8	5	6	100
<i>Panel C: Black Males</i>					
<b>BlackM 0</b>	41	22	43	56	0
<b>BlackM 1-9</b>	20	37	24	14	0
<b>BlackM 10-49</b>	26	28	25	20	0
<b>BlackM &gt;49</b>	5	6	4	5	0
<b>BlackM Missing</b>	9	6	4	5	100

\* Rows are the percent of a firms non-college educated workforce that is Sales. The total number of firms for each Sales percent category are reported. Columns describe alternative workforce distributions. Cells present the percent of the total firms in a particular Sales Share employment group that fall into a particular workforce distribution. Firms that did not report the share of their workforce that is Sales and or the composition of their non-college educated workforce were identified with an indicator for missing information.

**Summary Statistics Table 9 (continued)**  
**Race, Ethnic, and Gender Composition of the Non-College Educated Workers**  
**at a Firm by Degree to which the Firm Employs Sales Workers**

<b>Composition of the Firms Workforce</b>	<b>Sales 0 (n=1328)</b>	<b>Sales 1-9 (n=583)</b>	<b>Sales 10-49 (n=639)</b>	<b>Sales &gt;49 (n=574)</b>	<b>Sales Missing (n=8123)</b>
	<i>Panel D: Black Females</i>				
<b>BlackF 0</b>	40	34	53	56	0
<b>BlackF 1-9</b>	18	35	24	13	0
<b>BlackF 10-49</b>	26	21	16	18	0
<b>BlackF &gt;49</b>	8	4	3	8	0
<b>BlackF Missing</b>	8	6	4	5	100
	<i>Panel E: Hispanics</i>				
<b>Hispanic 0</b>	42	23	44	59	0
<b>Hispanic 1-9</b>	20	31	21	12	0
<b>Hispanic 10-49</b>	19	22	19	16	0
<b>Hispanic &gt;49</b>	10	16	10	7	0
<b>Hispanic Missing</b>	9	8	5	7	100

**Summary Statistics Table 10**

**Race, Ethnic, and Gender Composition of the Non-College Educated Workers at a Firm by Industry of Firms\***

	<b>Manufac turing (n=697)</b>	<b>Trans portation (n=192)</b>	<b>Wholesale Trade (n=216)</b>	<b>Retail Trade (n=587)</b>	<b>Finance (n=276)</b>	<b>Services (n=1274)</b>
<b>Health Insurance</b>	572	119	143	310	191	857
<b>No Health Insurance</b>	125	73	73	277	85	417
<b>% Health Insurance</b>	82	62	66	53	69	67
	<i>Panel A: White Males</i>					
<b>WhiteM 0</b>	7	9	8	16	20	19
<b>WhiteM 1-9</b>	11	8	4	9	11	14
<b>WhiteM 10-49</b>	37	35	41	43	36	32
<b>WhiteM &gt;49</b>	32	29	39	21	12	15
<b>WhiteM Missing</b>	13	18	7	11	21	20
	<i>Panel B: White Females</i>					
<b>WhiteF 0</b>	11	10	13	15	7	10
<b>WhiteF 1-9</b>	19	17	14	9	3	9
<b>WhiteF 10-49</b>	44	37	45	40	29	31
<b>WhiteF &gt;49</b>	12	18	20	24	40	29
<b>WhiteF Missing</b>	14	18	7	12	21	20
	<i>Panel C: Black Males</i>					
<b>BlackM 0</b>	34	26	48	37	46	36
<b>BlackM 1-9</b>	27	22	22	19	19	17
<b>BlackM 10-49</b>	23	27	18	27	11	22
<b>BlackM &gt;49</b>	3	8	5	6	2	4
<b>BlackM Missing</b>	12	17	7	12	22	20

\* Total firms of a particular size are reported for each row. Columns describe alternative workforce distributions and the total number of firms meeting that distribution are reported. Cells present the percent of the total firms in a particular size grouping (row) that fall into a particular workforce distribution. Firms that did not report either firm size or composition of their non-college educated workforce were identified with an indicator for missing information--the distribution of these firms is not reported.

**Summary Statistics Table 10 (Continued)**

**Race, Ethnic, and Gender Composition of the Non-College Educated Workers at a Firm by Industry of Firms\***

	<b>Manufac turing (n=697)</b>	<b>Trans portation (n=192)</b>	<b>Wholesale Trade (n=216)</b>	<b>Retail Trade (n=587)</b>	<b>Financ (n=276)</b>	<b>Services (n=1274)</b>
	<i>Panel D: Black Females</i>					
<b>BlackF 0</b>	45	40	62	44	37	32
<b>BlackF 1-9</b>	26	22	23	19	14	16
<b>BlackF 10-49</b>	14	18	9	20	22	23
<b>BlackF &gt;49</b>	2	4	0	6	5	9
<b>BlackF Missing</b>	12	17	6	11	21	20
	<i>Panel E: Hispanics</i>					
<b>Hispanic 0</b>	31	34	47	44	42	36
<b>Hispanic 1-9</b>	21	23	18	17	17	18
<b>Hispanic 10-49</b>	17	19	17	17	16	18
<b>Hispanic &gt;49</b>	17	6	19	9	4	8
<b>Hispanic Missing</b>	14	18	8	12	21	21

**Probit Table 11**

**Summary Table--Industry Sub-Samples: The Impact of Workforce Racial and Ethnic Composition on the Probability of a Firm Providing Employees with Individual Health Insurance\***

Variables	Manufacturing (n=645)		Transportation (n=158)		Wholesale Trade (n=165)		Retail Trade (n=505)	
	Model 1	Model 2	Model 1	Model 2	Model 1	Model 2	Model 1	Model 2
WhiteM 0							-.161**	
WhiteM 1-9					-.547*		-.276***	
WhiteM >49								
WhiteM >49								
WhiteF 0								
WhiteF 1-9								
WhiteF >49								
BlackM 0								
BlackM 1-9				-.257**				
BlackM >49								-.250**
BlackF 0								
BlackF 1-9				.118*		-.432*		
BlackF >49								
Hispanic 0								
Hispanic 1-9								
Hispanic >49								-.186*
WhiteM 0 + WhiteF 0 = 0							5.47**	
WhiteM 1-9 + WhiteF 1-9= 0					3.57*		2.90*	
WhiteM >49 + WhiteF >49 = 0								
WhiteM 0 – WhiteF 0 = 0					-3.15*			
WhiteM 1-9 – WhiteF 1-9= 0							3.93**	
WhiteM >49 – WhiteF >49 = 0								
BlackM 0 + BlackF 0 = 0								
BlackM 1-9 + BlackF 1-9= 0				6.34**		-2.98*		
BlackM >49 + BlackF >49 = 0								
BlackM 0 – BlackF 0 = 0								
BlackM 1-9 – BlackF 1-9= 0								
BlackM >49 – BlackF >49 = 0								
Pseudo R Sq	.38	.37	.25	.28	.41	.42	.25	.25

\* Cells report estimated coefficient and significance level, if significant. F-tests are reported for group comparisons. Reference groups are; WhiteM 10-49, WhiteF 10-49, BlackM 10-49, BlackF 10-49, and Hispanic 10-49.

Table 11 (continued)

**Summary Table--Industry Sub-Samples: The Impact of Workforce Racial and Ethnic Composition on the Probability of a Firm Providing Employees with Individual Health Insurance\***

Variables	Finance (n=237)		Services (n=1075)					
	Model 1	Model 2	Model 1	Model 2				
WhiteM 0								
WhiteM 1-9								
WhiteM >49	.087*							
WhiteF 0			-.084*					
WhiteF 1-9								
WhiteF >49			-.068*					
BlackM 0								
BlackM 1-9								
BlackM >49								
BlackF 0								
BlackF 1-9								
BlackF >49								
Hispanic 0		-.116*						
Hispanic 1-9								
Hispanic >49								
WhiteM 0 + WhiteF 0 = 0								
WhiteM 1-9 + WhiteF 1-9 = 0	-3.70*							
WhiteM >49 + WhiteF >49 = 0	2.80*							
WhiteM 0 – WhiteF 0 = 0								
WhiteM 1-9 – WhiteF 1-9 = 0								
WhiteM >49 – WhiteF >49 = 0			-3.55*					
BlackM 0 + BlackF 0 = 0								
BlackM 1-9 + BlackF 1-9 = 0								
BlackM >49 + BlackF >49 = 0		-29.86***						
BlackM 0 – BlackF 0 = 0								
BlackM 1-9 – BlackF 1-9 = 0								
BlackM >49 – BlackF >49 = 0		66.44***						
Pseudo R Sq	.40	.41	.20	.20				

**Probit Table 12**

**Summary Table--Union Status and Number of Worksite Sub-Samples: The Impact of Workforce Racial and Ethnic Composition on the Probability of a Firm Providing Employees with Individual Health Insurance\***

Variables	Union Workers At the Firm (n=699)		No Union Workers At the Firm (n=2537)		Multiple Worksite Firms (n=1185)		One Worksite Firms (n=1868)	
	Model 1	Model 2	Model 1	Model 2	Model 1	Model 2	Model 1	Model 2
<b>WhiteM 0</b>	-.093*							
<b>WhiteM 1-9</b>								
<b>WhiteM &gt;49</b>			.054**		.121***			
<b>WhiteF 0</b>	-.092*							
<b>WhiteF 1-9</b>								
<b>WhiteF &gt;49</b>	-.077*							
<b>BlackM 0</b>								
<b>BlackM 1-9</b>								
<b>BlackM &gt;49</b>		-.143**						
<b>BlackF 0</b>								
<b>BlackF 1-9</b>		.050*						
<b>BlackF &gt;49</b>								
<b>Hispanic 0</b>		.063**						
<b>Hispanic 1-9</b>								
<b>Hispanic &gt;49</b>		-.107**						
<b>WhiteM 0 + WhiteF 0 = 0</b>	-9.66***						-2.88*	
<b>WhiteM 1-9 + WhiteF 1-9= 0</b>	3.61*							
<b>WhiteM &gt;49 + WhiteF &gt;49 = 0</b>								
<b>WhiteM 0 – WhiteF 0 = 0</b>								
<b>WhiteM 1-9 – WhiteF 1-9= 0</b>								
<b>WhiteM &gt;49 – WhiteF &gt;49 = 0</b>			2.98*		10.45***			
<b>BlackM 0 + BlackF 0 = 0</b>								
<b>BlackM 1-9 + BlackF 1-9= 0</b>								
<b>BlackM &gt;49 + BlackF &gt;49 = 0</b>								
<b>BlackM 0 – BlackF 0 = 0</b>		3.27*						
<b>BlackM 1-9 – BlackF 1-9= 0</b>								
<b>BlackM &gt;49 – BlackF &gt;49 = 0</b>		5.53**						
<b>Pseudo R Sq</b>	.25	.27	.22	.22	.25	.24	.20	.20

\* Cells report estimated coefficient and significance level, if significant. F-test values are reported for group comparisons. Reference groups are; WhiteM 10-49, WhiteF 10-49, BlackM 10-49, BlackF 10-49, and Hispanic 10-49.

**Probit Table 13**

**Summary Table--Firm Sales Status Sub-Samples: The Impact of Workforce Racial and Ethnic Composition on the Probability of a Firm Providing Employees with Individual Health Insurance\***

Variables	Sales Up Last Year (n=1105)		Sales Down Last Year (n=373)		Sales Up Over Last 5 Years (n=1589)		Sales Down Over Last 5 Years (n=314)	
	Model 1	Model 2	Model 1	Model 2	Model 1	Model 2	Model 1	Model 2
WhiteM 0								
WhiteM 1-9								
WhiteM >49	.076**				.070***			
WhiteF 0								
WhiteF 1-9								
WhiteF >49					.046*			
BlackM 0								
BlackM 1-9								
BlackM >49		-.193***						
BlackF 0				.116*				
BlackF 1-9								
BlackF >49								
Hispanic 0								
Hispanic 1-9								
Hispanic >49		-.105*						.133**
WhiteM 0 + WhiteF 0 = 0								
WhiteM 1-9 + WhiteF 1-9= 0								
WhiteM >49 + WhiteF >49 = 0					4.83***			
WhiteM 0 – WhiteF 0 = 0								
WhiteM 1-9 – WhiteF 1-9= 0								
WhiteM >49 – WhiteF >49 = 0	4.57**							
BlackM 0 + BlackF 0 = 0								
BlackM 1-9 + BlackF 1-9= 0								
BlackM >49 + BlackF >49 = 0								
BlackM 0 – BlackF 0 = 0				4.16**				
BlackM 1-9 – BlackF 1-9= 0								
BlackM >49 – BlackF >49 = 0		4.81**						
Pseudo R Sq	.27	.28	.38		.24	.24	.38	

\* Cells report estimated coefficient and significance level, if significant. F-tests are reported for group comparisons. Reference groups are; WhiteM 10-49, WhiteF 10-49, BlackM 10-49, BlackF 10-49, and Hispanic 10-49.