Job loss has cost millions their health insurance: EBRI

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Laid-off manufacturing workers are more likely to lose health insurance than service workers, because they're more likely to have employer-provided health insurance in the first place.

As many as 7.7 million workers lost jobs with employer-sponsored insurance (ESI) during the COVID-19 pandemic, according to a new study from the Employee Benefit Research Institute (EBRI). An additional 6.9 million dependents lost insurance benefits as well. Manufacturing workers were most affected by loss of jobs with ESI.

The study, "How Many Americans Have Lost Jobs with Employer Health Coverage During the Pandemic?," was sponsored by The W.E. Upjohn Institute for Employment Research, and The Commonwealth Fund.

In response to the COVID-19 pandemic, most states imposed lockdown orders that closed many workplaces and dramatically slowed U.S. economic activity in the spring of 2020. The result was a massive increase in unemployment, which peaked in April at 14.7%. During the 15 weeks from mid-March to the end of June, Americans filed nearly 49 million new claims for unemployment benefits.

"The strong link between employment and health insurance coverage has important implications for Americans' insurance coverage and access to health care, as ESI is the most common form of health insurance in the United States," EBRI said in a release. "The manufacturing sector is disproportionately impacted because more of those jobs come with ESI, compared with retail, or accommodation and food service workers."

"Workers ages 35 to 44 and 45 to 54 bore the brunt of ESI-covered job losses, in large part because workers in these age groups were the most likely to be covering spouses and other dependents," said Paul Fronstin, Director of EBRI's Health Research and Education Program, in a release. "The adverse effects of the pandemic recession also fell disproportionately on women. Although women made up 47% of pre-pandemic employment, they accounted for 55% of total job losses."

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