

As mass layoffs intensify, tens of millions in US stand to lose health insurance

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In a blog released by the Economic Policy Institute (EPI) earlier this month, the non-partisan think tank revealed that some 9.2 million people lost their health insurance coverage over the previous four weeks due to the coronavirus pandemic and the nationwide economic shutdown. Up to 35 million Americans could lose their coverage in the next few weeks.

EPI generated their projection using data from unemployment insurance (UI) claims that have been filed due to an unprecedented number of layoffs and furloughs that resulted from businesses closing. The institute estimates that 45 percent of the workers who received health benefits from their employers lost coverage either immediately or over subsequent weeks. On April 2, the institute released its first estimated track of lost health coverage, reporting 3.5 million had lost health benefits as a result of 8.7 million UI claims.

Its current approximation demonstrates that this number has almost tripled in just two weeks, as more Americans are finding themselves without health insurance as a result of layoffs and hours reductions. Since the week of April 2, 17 million UI claims have been added, bringing the total UI claims to 26 million by April 20.

Moreover, the number of individuals receiving coverage from an employer could decline by 12 million to 35 million, according to the consulting firm Health Management Associates. This would include both workers and their family members who are covered through the same plan. Roughly 58 million non-elderly people earning \$50,000 a year who receive coverage through their employers would have their health coverage adversely affected.

The acceleration of unemployment claims has increased the desperation of Americans for health insurance. In mid-March, more than 3,700 Maryland

residents had signed up for public and private health insurance about a week after the state opened its special enrollment period due to the coronavirus. The uptick in health insurance purchases has also been fueled by fears of the virus infection itself, with many individuals and families who have contracted COVID-19 facing unbearable financial circumstances due to exorbitant medical bills. A joint analysis conducted by the Peterson Center on Healthcare and Kaiser Family Foundation (KFF) found that the cost of treatment for severe cases of COVID-19 could top \$20,000.

Dr. Steffie Woolhandler, a lecturer at Harvard University, said regarding the historic rise of terminated employer-provided health care that “the epidemic highlights the folly of tying health coverage to jobs.” She told the commondreams.org, “Our health care system saddles people with medical bills when they’re least able to afford them because they’ve been laid off or are too sick to work.”

In West Virginia alone, more than 30,000 people are expected to become uninsured, according to the forecast made by the Health Associate consulting firm. West Virginia Health Right, a charitable foundation that provides free health services to the state’s poorest residents, has had its clinic be inundated with calls from distressed families seeking care. The clinic has received 15 to 20 calls a day since late March from newly uninsured people, some of them members of the middle class who have never sought out charitable relief. Although the state has mandated limiting health-related visits that aren’t emergencies, the clinic has had to accept 113 patients over the past month, a jump from 72 that were serviced a year ago around this time.

Demands for health care coverage and treatment on a mass scale is more significant given the projected number of severely ill COVID-19 cases. A KFF study

released this week analyzed data from the 2018 Behavioral Risk Factor Surveillance Alliance System and discovered 4 in 10 American adults, some 92 million people, have a high risk of developing serious illness if they become infected with the coronavirus.

Access to testing for COVID-19 is also severely limited for the uninsured. Studies have found that over half of uninsured people do not have a regular doctor or clinic to go to when medical care is needed, which leaves many not knowing where to go for testing if they think they have been exposed to the virus.

In certain states, nearly half the population is susceptible to serious illness, such as in West Virginia (49.3 percent). In some of the states with the highest number of reported coronavirus cases, the share of adults developing extreme symptoms is relatively high, including in Louisiana and Florida (42.1 percent each) and Michigan (41.2 percent). It is estimated that 5.1 million adults who are at a higher risk of getting a serious illness if they become infected with coronavirus are uninsured.

Despite increasing public pressure on the Trump administration to allow a new enrollment period for the health care exchanges under the Affordable Care Act, the administration has remained firmly opposed to it. The annual enrollment period allocates time between November and January for people to enroll in health insurance. Health care advocates across the country have protested this inhumane policy, highlighting that nearly 30 million people in the US remain uninsured. Combined with the rising number uninsured due to job loss, this is leaving many at risk of contracting COVID-19 and facing crippling medical fees or the threat of death.

Many adults who are uninsured also face a great risk of being exposed to the novel coronavirus. A significant segment of the occupations deemed “essential,” therefore requiring workers to show up, tend to provide minimal to no health care coverage. These include workers in service-oriented jobs such as grocery workers and food delivery services.

Uninsured workers who are forced to take time off due to illness or having a family member become sick will likely suffer significant financial consequences as a result of missing work, as there exists no official program to offer assistance for individuals without paid sick leave. In 2018, only an estimated 26 percent of

workers said they had paid sick leave. This has forced many low-wage workers to avoid taking time off, putting their health at significant risk.

The recent trillion-dollar economic stimulus package passed by Congress in response to the pandemic crisis, known as the CARES Act, included no provision authorizing assistance for the millions of uninsured, with unfathomable sums of money handed to the major corporations and banks. Uninsured people are vulnerable to paying the full cost of care and often at higher rates than those with insurance, whose insurer would be able to negotiate with hospital chains to lower payment rates.

Although some in the uninsured population can get care at community health centers and charitable institutions, these providers are vastly underfunded and have limited resources. Also, not all uninsured individuals have geographic access to a safety net provider, making low-cost care essentially impossible. Due to the domination of the health care market by for-profit providers, and the lack of public options for care, many uninsured individuals are left to bear the burden of a medical bills without any prospect of relief.



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