

# Millions of Americans, including front-line workers' families, face loss of employer-sponsored health insurance in pandemic

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Loss of health insurance is becoming a more and more frequent occurrence in the US as the total number of jobless claims has skyrocketed in recent weeks. Even as coronavirus infection rates accelerate rapidly in many areas of the US and federal and state officials drop efforts to contain the spread of the disease, millions of households are being left vulnerable to sickness due to the elimination of health coverage from employment.

In a particularly cruel development, the families of health care workers, first responders and other workers deemed essential who have died from COVID-19 now face the prospect of losing their health coverage due to the cut-off of their loved ones' employer-sponsored insurance (ESI). In New York City, at least 260 municipal employees have been killed by the coronavirus. Mayor Bill de Blasio announced on May 10 the city would cover the health care premiums for families of city's civil servants who have died from COVID-19 for only a pitiful 45 days.

Despite the horrific death toll due to COVID-19 in public sector occupations, local and state governments are rationing health care treatment and coverage to surviving spouses and children due to the fiscal crises erupting in the states that have felt the greatest economic pressures due to business closures. Families of deceased front-line workers are being compelled to prove that their contraction of COVID-19 was work-related. However, this process is severely undermined by the chronic lack of testing and contact-tracing throughout the country.

In a recent Kaiser Family Foundation (KFF) analysis, researchers found that tens of millions are projected to have lost their health insurance coverage through their ESI plans from March 1—which generally marked the beginning of the pandemic's rampage—to May 2. The report also paints a disturbing picture of the millions of households that have seen significant portions of their income disappear as a result of layoffs and furloughs.

Between March 1 and May 2, it is estimated that nearly 78 million Americans lived in a family where at least one person lost employment. Within these families themselves, 61 percent, or some 47 million people, were covered by ESI prior to losing

their jobs. Nearly 27 million people are estimated to have potentially lost their ESI over the course of the pandemic.

Most of the states where people are especially vulnerable to losing their job's insurance coverage are some of the largest states in the country, some of which have been major hotspots for the pandemic's spread. Just eight states, which include Florida, New York, Georgia, Michigan, and California, account for almost half (49 percent) of all people who are losing ESI benefits.

Significantly, a large number of those losing ESI coverage are children. Nearly 7 million children are expected to lose ESI benefits either through their parent or other household guardian's income, paving the way for a tremendous increase in illness. The danger of potentially untreated medical problems in children is all the more alarming given the recent discovery of a link between coronavirus, which was previously thought to be less dangerous for children, and a rare syndrome connected to Kawasaki disease, which has led to severe fevers, rash, and cardiovascular conditions in dozens of children and infants, leading to a number of deaths.

This staggering loss of health insurance is being compounded by the Trump administration's refusal to reopen the federal marketplace enrollee program under the Affordable Care Act, which typically allocates only certain periods within the year for the population to find new health insurance.

The ramifications for the decline in health insurance coverage will be felt in particular for people directly who are affected by COVID-19 and have fallen ill. Many Americans who visited hospitals to seek treatment after testing positive or entering emergency rooms for symptoms are now facing heavy medical bills. Just for being admitted to a hospital's ER unit for a few hours or a day could result in a medical bill somewhere in the thousand-dollar range and can drive an already laid-off or socially dislocated individual or family into financial ruin.

An article by CBS News described one person was forced to seek emergency room treatment after she experienced trouble breathing and suspicions of having contracted COVID-19. Despite feeling severe pain in her lungs, she did not receive a test and was sent home after being stabilized by ER staff.

Weeks later, she received a bill of nearly \$1,900 for coinsurance charges and co-pay prescription costs.

Even determining what's actually covered through insurance plans for COVID-19 patients and the extent to which out-of-pocket health care costs are factored in remains a mystery for those infected. Many in the medical profession have expressed opposition to the patchwork and generally ineffective guidelines put in place by the government and health officials to determine costs during the pandemic.

Karen Pollitz, a senior fellow at KFF, told CBSNews, "I wish there were a federal law that said it was illegal to give a bill to a patient during all this." Costs for patients that have been hospitalized for the virus have reached up to \$20,000 per person, while some have even reported paying on average \$1,300 in out-of-pocket costs, according to the analysis released by KFF. Patients that aren't even hospitalized still face medical bills for outpatient treatments, testing, and emergency room admissions.

Fear of incurring unsustainable medical bills is also a significant deterrent for people who are potentially sick with COVID-19 but refuse to seek hospital treatment because of high costs. This has undoubtedly contributed to rising deaths in residential homes of untested individuals.

Due to the haphazard and broken nature of America's for-profit health care system, millions of families in the United States have health coverage that is often totally dependent on one adult's job. Certain coverage is also allowed to abruptly end when one's spouse or parent dies while working. Katherine Hempstead, a Robert Wood Johnson Foundation (RWJF) senior policy analyst, told the *Guardian* earlier this month that the pandemic "exposes a lot of the inadequacies in our system." She added that health care is arbitrarily "tied to employment for no real reason."

According to RWJF and the Urban Institute, of the Americans that have lost insurance due to layoffs or furloughs, an estimated that 7 million will remain uninsured and unable to access health care through Medicaid or COBRA. COBRA allows individuals who lose their jobs to continue to pay for the insurance coverage they previously received from their employer at the cost the employer was paying. However, these costs are steep, making COBRA out of reach for the vast majority of unemployed and their families. The alternative is to pay hundreds of dollars per month for individual coverage, which would send most Americans into bankruptcy.

In another piece in the *Guardian*, Dr. Adam Gaffney, the president of Physicians for a National Health Program, said America's for-profit healthcare system "was not built to withstand the combined impact of a pandemic and a recession." He expressed the widespread consensus of public health advocates that "it's inevitable that people will die because they can't get the care they need, because of the looming recession."

A study released by Gallup last month revealed that one out

of every seven adults indicated that they would avoid seeking health care if they or their family members showed minimal symptoms of COVID-19, such as fever or dry cough, due to their worries over the inability to pay for treatment. When a question was framed explicitly to give the impression that they had been infected with the virus, 9 percent still reported that they would avoid care.

Access to health care is also difficult for large sections of the population. Among those that have decided to avoid care due to cost concerns, 6 percent of participants, an estimated 15 million people, reported that they or a relative had been denied care due to heavy patient volume brought on by the pandemic.

For those living in the Northeast region, 11 percent are more likely to report having been denied care. Significantly, this region includes New York, New Jersey and Massachusetts, which have been major epicenters of the coronavirus outbreak.

The spread of the coronavirus and the unfathomable death toll accompanying it has only intensified a health care crisis that was already felt by tens of millions of Americans before the pandemic. A study conducted by Gallup and West Health found that more than 13 percent of American adults, an estimated 34 million people, reported that they knew at least one friend or family member who died in the past five years as a result of not receiving urgent medical care because they were unable to afford it.

The study also found that before the pandemic a rising percentage of adults had been unable to put together enough money over the past 12 months to "pay for needed medicine or drugs that a doctor prescribed" to them. This percentage increased significantly in 2019, from 18 percent in January to near 23 percent by September. Taken together, 22.9 percent represents 58 million adults who experienced some severe level of medical insecurity.

Private insurance corporations are already formulating plans to exploit the pandemic to raise costs for existing plans and pursue their predatory profit interests. In an analysis released last month by Covered California, the health insurance marketplace of the state, insurers are expected to raise premiums by as much as 40 percent to make up for the revenue lost for coronavirus testing and treatments.

Moreover, if the pandemic stretches into next year, which seems highly likely given the universal absence of any systematic program to contain the virus's spread, insurers are projected to demand even higher premiums for that fiscal year to compensate for hundreds of billions of coronavirus-related health care costs.



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