Up to 7.7 million workers lost jobs with employer-sponsored coverage during COVID-19

As many as 7.7 million workers lost jobs with employer-sponsored insurance (ESI) due to the COVID-19 pandemic, according to a recent study from the Employee Benefit Research Institute (EBRI), the W.E. Upjohn Institute for Employment Research and the Commonwealth Fund. The study, How Many Americans Have Lost Jobs with Employer Health Coverage During the Pandemic?, also found that 6.9 million dependents were covered by ESI through these job losers, and manufacturing workers were most affected by loss of jobs with ESI.

“This study illustrates how the country’s predominantly job-based health insurance system leaves workers and their families at risk of losing coverage during a severe economic downturn,” said Sara Collins, Commonwealth Fund vice president for health care coverage, access, and tracking. “Unlike prior recessions, the reforms of the Affordable Care Act are a safety net for many who lose coverage. But the law is now at risk of repeal before the Supreme Court, just when Americans need it most.”

In March 2019, 69 percent of the 152 million workers ages 16 and older had ESI, meaning that 175 million workers and their dependents had coverage. But if millions of workers and their dependents have lost ESI during the pandemic, the study noted that the result would be increased enrollment in COBRA continuous coverage, Patient Protection and Affordable Care Act (ACA) marketplace plans, and Medicaid, as well as an increase in the number of uninsured.

Manufacturing ESI. The study found that employees are not equally impacted. For example, total job losses in manufacturing were roughly proportional to employment—manufacturing accounted for 10 percent of pre-pandemic employment and 12 percent of unemployed workers in June. But because manufacturing has one of the highest rates of ESI coverage at 66 percent, it accounted for a greater proportion of loss of jobs with ESI (18 percent of lost jobs with ESI and 19 percent of potential ESI coverage loss when dependents are included).

SOURCE: www.ebri.org