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COVID-19 makes health care coverage even less affordable for many Americans. Here's how.

The arrival of COVID-19 in the United States has exposed the vulnerabilities of the country's for-profit health care system. With already high unemployment rates expected to escalate throughout the remainder of 2020 (with some estimates of average unemployment around 15-20%), consistently reliable and affordable health care coverage will be problematic for many individuals. For example, the *Annals of Internal Medicine* reported that up to an additional 7.3 million workers will have no health care coverage due to COVID-19, joining the ranks of 28 million in the U.S. who already have no health insurance (and another 44 million who are underinsured). Those who have health care coverage will see increases—some dramatic—in premiums. What follows are key pressure point impacts of COVID-19. Each pressure point challenges accessibility to affordable health care coverage in the United States. Your volunteer candidate liaison from the Colorado Foundation for Universal Health Care and the Indivisible in Colorado Health Action Team can assist you with how to address these pressure points.

Pressure Point #1: Linking health care coverage to jobs means that extensive layoffs eliminate health care coverage for individuals, and especially so for those with family coverage. For example, based on the extent of the COVID-19 shutdown, some industries (e.g., restaurants, non-essential retail outlets) have higher incidences of permanent layoffs, putting employees at risk of losing affordable health care coverage. Additionally, tying health care coverage to employment is an expense for businesses as they attempt to reopen—making health care coverage problematic for their employees.

Questions for candidates to consider:

- Where can I find information about major employers and their layoff/furlough rates in my area?

Resources:

Colorado Department of Employment and Labor; specifically the local Workforce Centers <http://www.colorado.gov/cdle>
County TANF, Food Stamp and other county programs will have information

- Where can I find information about the number and types of employers who have permanently shut down?

Resources:

Local Chamber of Commerce
Call local companies
Local Economic Development Offices
WARN Act: <https://www.colorado.gov/pacific/cdle/warn>

Pressure Point #2: Laid-off employees have limited, often-unaffordable options to receive health care coverage. When an employee over 26 years old is permanently laid off, they have only four options to obtain coverage: 1) apply for COBRA (available for former employees), 2) search for coverage within the Affordable Care Act (ACA)-created health marketplace (Connect for Health Colorado); 3) apply for Medicaid (Health First Colorado) or 4) pursue individual coverage through the private insurance marketplace. All four of these options may not be feasible to Coloradans. COBRA is expensive, averaging almost \$20,000 per year in premiums for family coverage. Many of the ACA's plans are also cost-prohibitive with family plans that feature hefty premiums and deductibles (see Pressure Point #4). Regarding Medicaid, an unemployed person within a household may not meet family income restrictions to be eligible (normally 138% of the federal poverty level, calculated monthly). Finally, individual purchase of health care insurance through the private marketplace is cost prohibitive for most individuals—nationwide, the average premium cost for purchasing family coverage on your own is slightly over \$14,000 per year, with an average deductible of over \$8,800 per year.

Questions for candidates to consider:

- How many individuals in my area are on Medicaid?

Resources:

Health First Colorado (Regional Health Organizations and Individual County Fact Sheets)

Fact Sheets: Individual County Fact Sheets-<https://colorado.gov/hcpf/county-fact-sheets>)

- How many are uninsured in my area?

Resources:

CO Department of Public Health and Environment (possibly local county departments as well)

CHP+: (Children's Health Plan +) www.colorado.gov/pacific/hcpf/child-health-plan-plus

Pressure Point #3: Key segments of the Colorado workforce are particularly vulnerable to unaffordable health care coverage. Groups that already see significantly uninsured members will likely be even more vulnerable to losing affordable health care coverage. Even workers in “essential” work areas like construction, transportation, warehousing, and grocery stores are vulnerable. For example, national figures show that, already, almost one-quarter of all construction workers have no health insurance, with about half of Hispanic construction workers having no coverage. More broadly, only 40 percent of employees in retail trade (which includes

the essential grocery store workers) have employer-provided health insurance. Moreover, in Colorado, the lack of affordable health care coverage for Hispanics in essential industries is particularly alarming as Hispanics, as of late April 2020, have a disproportionately high confirmed infection rate of 33 percent of all COVID-19 cases in Colorado. Additionally, the American Academy of Family Physicians reported that 800,000 health care workers within family medical practices are vulnerable to layoffs.

Questions for candidates to consider:

- How many companies are essential businesses in my area and how many offer health care coverage?

Resources:

County Assessors may have information about largest businesses in the county to call

- How many employees work for these essential businesses?

Resources:

County Commissioners may have information about the essential businesses in their counties and how many employees each has (combine with question below)

- How many essential businesses in my area have either laid off or furloughed employees?

Pressure point #4: The viability of the ACA as an option for replacement health care coverage is questionable. Individuals who have lost health care coverage may see the ACA as a particularly good option, but the range of choices available in the Connect for Health Colorado (the state's ACA health care marketplace) feature costly premiums and high deductibles. For example, a 27-year old who anticipates she will not need significant health care in the upcoming year, will still need to pay, at a minimum, a premium of \$168.00 per month and bear the full brunt of any and all medical charges (including prescriptions) until she has paid \$8,000 up front.

Questions for candidates to consider:

- How many individuals appear at health care facilities without any health care coverage?

Resources:

Call to local clinics and hospitals

- How many people in your area may delay seeking medical care?

Resources:

County Health Departments

- How many bankruptcies in my area are due to medical expense?

Resources: Colorado Health Institute

Pressure Point #5: Health care costs are poised to rise significantly while private insurance companies are poised to protect their business model. COVID-19 has imposed significant costs on hospitals who will, despite any proposed reimbursements from the federal government, face increasing financial pressure to raise rates. One 2020 study from the City University of New York found that COVID-19 would impose a minimum of \$163.4 billion in direct medical costs in the U.S. Because hospitals use profits from insured patients to offset the costs of treating the uninsured, they will likely raise premiums to recoup these losses. Several have already indicated they will raise premiums significantly over the next year (with some reports as high as a 40% jump in one year). If the pandemic persists through the remainder of 2020, insurance companies will need to protect their monetary reserves and raise rates closer to that 40 percent level (and also pull out of some individual insurance markets), making affordable health care coverage more problematic in 2021. Finally, private insurance-based supplemental Medigap plans customarily raise their premiums yearly between 5-8%. The economic costs of COVID will put pressure on these insurers to raise rates beyond that range in 2021.

Questions for candidates to consider:

- How do hospitals in your area manage the risk of increased costs?

Resources:

Colorado Hospital Association

- What has been the pattern of increases in health care premiums in your area?

Resources:

Health Care Marketplace will have info on insurance available in areas and rising costs

- How much competition exists for hospitals in your area? For health insurers?

Resources:

Health Care Marketplace can be a resource for who the health insurers are by area (and coverage including behavioral health listed below)

Pressure Point #6: Access to affordable behavioral health (mental health and substance use) is problematic, especially in a time of increasing anguish from the stressors of COVID-19—mainly because many mental health providers do not accept private health insurance. The need for behavioral health services is rising. Since the appearance of COVID-19, calls, texts and chats to the Colorado Crisis Services hotline in March 2020 saw a 47% jump from March 2019.

Questions for candidate to consider:

- What are the resources available in your community for mental health and substance abuse help? What do they cost?

Resources:

County Health Director should know about providers. May have to call provider for cost information and insurance that they take (resource for question below as well)

- How many of these providers accept private health insurance? Are they providing telehealth services?

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