Summary of Schur et al.’s “Workers’ Perspectives on Mandated Employer Health Insurance” March 2004

The authors surveyed of approximately 1,500 U.S. residents, including 538 Californians, on their views of job-based coverage. Respondents were between the ages of 18 and 64 and were either employed or had an employed spouse. Results were reported for both the U.S. as a whole and for the state of California. The study finds that the majority of working age adults surveyed support employer-based coverage in some form with significant employer contributions and assistance for low-income workers. While many surveyed feel a mandate would negatively impact wages and unemployment, less feel they will be personally affected.

Support for Mandates

• Of both U.S. and California respondents:
  • 50% supported an employer mandate to cover all employees.
  • 25% supported a mandate to cover some, but not all, employees
  • 10% supported a mandate for large employers only.
  • 10% felt there should be no mandate.
• In both the U.S. and California, the strongest support came from lower-income, less educated and Latino communities.
• Among both respondent groups, the uninsured were not much more likely to support a full mandate than the insured.

Employer Contribution and Dependents’ Coverage

• The majority (65% CA and 70% U.S.) of those who support a full employer mandate say that employers should cover most of premiums’ costs. The strongest support was from African-Americans.
• The majority (65% CA and 75% U.S.) of those who support some type of mandate support a requirement for dependents’ coverage.
  • Insured respondents expressed stronger support for this measure than uninsured respondents did.
  • Urban residents were more likely to support this requirement than those who live in rural areas.
  • 90% of those who support a requirement for dependent coverage (in both CA and the U.S.) felt that employers should also contribute to costs for the coverage. Support was strongest among the insured and respondents age 55-64.

Premium Assistance

- Approximately 75% of those who support some type of employer mandate (both California and U.S.) support financial assistance for low-income workers to cover health coverage and related expenses.
- 42% of these respondents in CA support assistance from the government. 32% support assistance from employers.
- Low-income and uninsured respondents were more likely to support government assistance.

Benefits

- Little more that 50% of both CA and US respondents said employees should choose their benefits for employer-sponsored coverage.
- 25% said employers should choose.
- 16%-18% of CA and US respondents said the state or federal government should determine benefits.

Labor Market Impacts of Mandated Coverage

- The large majority of respondents (81% CA, 86% U.S.) felt mandated employer coverage would have “some” impact on wages and employment overall.
- Low-income, less educated, uninsured and African-Americans were less likely to agree.
- Significantly smaller percentages of respondents (51% CA, 56% U.S.) felt their personal income or job security would be affected by employer mandated health coverage.
- In California, approximately equal shares (50% each) of uninsured and insured respondents felt they would be personally affected by a mandate. However, more insured respondents expected an overall negative market effect (lower wages, increased unemployment) that did the uninsured (85% vs. 75%).