

RESOLUTION 2021 D

SUBJECT: Decoupling Health Insurance Coverage from Employment Status to Improve Health Access

SUBMITTED TO: Michigan Osteopathic Association House of Delegates

SUBMITTED BY: Oakland County Osteopathic Medical Association

REFERRED TO: Public Affairs

Recommendation from Committee: Approve with Amendments

ACTION AT MOA HOD: **REFERRED TO MOA FINANCE COMMITTEE FOR COST ANALYSIS**

1 **Whereas**, the US has historically relied on a private market health care system that
2 emerged post WWII due to a 1943 IRS rule that employer-based health insurance should
3 be exempt from taxation; and

4 **Whereas**, this rule has developed into the current system making employers responsible
5 for payments of health insurance coverage; and

6 **whereas**, the COVID-19 pandemic has left a large swath of the population vulnerable to
7 loosing health care coverage because it is reliant on their continued employment; and

8 Whereas,, many people experience “job lock” which is considered dependency on
9 employment with fear of leaving their current jobs for better opportunities because
10 exchanging their current health coverage for an alternative to their employer’s sponsored
11 plan might be worse than what they currently have¹; and

12 **Whereas**, due to the COVID-19 pandemic 12 Million people in the US have lost
13 employee sponsored health coverage²; and

14 **Whereas**, the Commonwealth fund reports that small businesses reviewed through 2019,
15 despite a healthy economic period, have rising health care costs, representing a major
16 burden for small-business owners; and

17 **Whereas**, most businesses are taking steps to cut these costs and would look favorably
18 upon policy changes that would help curb the cost of providing health care coverage to
19 their employees, concluding that, “The weight of health coverage and costs threatens the
20 competitiveness of small businesses, with many health policy solutions that would help
21 small businesses.” (3); and

22 **Whereas**, the US population and economy thrives when a strong, healthy, prepared, and
23 labor-ready workforce affords workers the opportunity to succeed with equitable health
24 coverage less the fear of finding improved employment; and

25 **Whereas**, non-employer sponsored health care coverage provides the population with the
26 ability to attain their optimal health, thereby maintaining a population that is employment
27 and mobility ready; and

28 **Whereas**, this reform may help many Americans thrive by enhancing the viability of
29 small businesses while reducing overall crippling medical costs; therefore, be it

30 **Resolved**, that the Michigan Osteopathic Association (MOA) has the MOA insurance
31 committee investigate decoupling health insurance coverage from employment status and
32 benefits including potential (intended and unintended) consequences; and, be it further

33 **Resolved**, that the MOA develops a comprehensive report over the next year with the
34 aim of working to ensure equitable health care access for all persons that is independent
35 of employment status and benefits to be presented at the next annual moa house of
36 delegates; and be it further

37 **Resolved**, that if subsequently adopted by the MOA, that this resolution is appropriately
38 forwarded to the American Osteopathic Association to consider further adoption and
39 making this a national advocacy priority.

40 **Resources:**

41 1. [https://www.nytimes.com/2017/09/05/upshot/the-real-reason-the-us-has-employer-](https://www.nytimes.com/2017/09/05/upshot/the-real-reason-the-us-has-employer-sponsored-health-insurance.html)
42 [sponsored-health-insurance.html](https://www.nytimes.com/2017/09/05/upshot/the-real-reason-the-us-has-employer-sponsored-health-insurance.html)

43 2. [https://www.fiercehealthcare.com/payer/12m-have-likely-lost-employer-coverage-](https://www.fiercehealthcare.com/payer/12m-have-likely-lost-employer-coverage-amid-covid-19-report)
44 [amid-covid-19-report](https://www.fiercehealthcare.com/payer/12m-have-likely-lost-employer-coverage-amid-covid-19-report).

45 3. “Small-Business Owners’ Views on Health Coverage and Costs” Sept 2019
46 Commonwealth Fund, [https://www.commonwealthfund.org/publications/issue-](https://www.commonwealthfund.org/publications/issue-briefs/2019/sep/small-business-owners-views-health-coverage-costs)
47 [briefs/2019/sep/small-business-owners-views-health-coverage-costs](https://www.commonwealthfund.org/publications/issue-briefs/2019/sep/small-business-owners-views-health-coverage-costs). Accessed March 10,
48 2021.