



## Events

# The Future of Employer-Sponsored Health Insurance

OCTOBER 13, 2022

9:30 AM - 10:30 AM

Employer-sponsored insurance (ESI) has long been the most common source of health coverage in the United States and provides flexible, high-quality coverage for workers at a better value for taxpayers and the federal government than public alternatives. In 2021, 58 percent of all non-elderly Americans received health insurance through their employer, though in 2000, this number was nearly 70 percent.

### Event Summary

#### Key topics:

- Downsides of decoupling insurance from employment:
  - The value of the employer health coverage tax exclusion would be lost.
  - It would reduce incentives to work.
  - Employer-based insurance pools people together in a health plan for reasons other than health, which ensures diversity in the pool that spreads costs.
- Reasons for ESI's popularity:
  - Allows for individuals to pass complex decisions to a larger entity they trust.
  - Employers can get better deals than individuals can.
  - Employees like the benefits in their employer-sponsored plans.
  - ESI plans can more quickly adapt (e.g., expanded telehealth coverage during the COVID-19 pandemic) than bureaucratic government plans.
- Opportunities for reform:
  - Finding other ways to mimic how ESI plans work for those who fall outside the ESI system (e.g., contract workers).
  - Creating more flexibility in benefits for employees and thus greater control over total compensation.
  - Porting technological innovations, such as ensuring care compliance, between the prescription drug side of plans to the hospital and provider side.

Learn more about Employer-Sponsored Health Insurance:

- [The Value of Employer-Sponsored Health Insurance: A Summary](#)
- [Primer: Employer-Sponsored Insurance](#)
- [Infographic: The Social Value of Employer-Sponsored Health Insurance](#)
- [How the Liberal Health Care Agenda Undermines Employer-Based Health Coverage](#)