

# New research on employment-based insurance sheds light on health care reform

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Men with employment-contingent health insurance (ECHI) who suffer a health shock, such as a cancer diagnosis or hospitalization, are more likely to feel "locked" into remaining at work and are at greater risk for losing their insurance during this critical time as compared to men who are on their spouse's insurance plan or on private insurance plans, according to a new study by Virginia Commonwealth University Massey Cancer Center.

Published in the *International Journal of Health Care and Economics*, the study was led by Cathy J. Bradley, M.P.A., Ph.D., RGC Professor for [Cancer Research](#) and co-leader of the Cancer Prevention and Control program at VCU Massey Cancer Center and chair of the Department of [Healthcare Policy](#) and Research at VCU School of Medicine. The researchers used the Health and Retirement Study surveys (conducted every two years by the University of Michigan of more than 26,000 Americans over the age of 50) from 1996 through 2008 to observe employment and health insurance status among 1,582 men. They focused on the individuals who participated in the interviews two years apart and whether a health shock occurred in the intervening period between the interviews. The results shed light on potential benefits and drawbacks of the [Affordable Care](#) Act (ACA).

"With the passage of [health care reform](#), the tendency of those with employment-contingent health insurance, as opposed to other sources of insurance, to remain employed following a health shock such as cancer, may be diminished slightly, along with the likelihood of losing health

insurance," said Bradley. "The Affordable Care Act (ACA) will provide an option to purchase affordable [private insurance](#) and eliminate pre-existing condition clauses, which would be helpful to someone who could no longer work."

Bradley's team distinguished between different kinds of health shock – health shocks that contribute to a decline in overall health and financial shocks, or those which contribute to higher future [health care costs](#) but not a decline in overall health. In addition, the researchers separated respondents into different groups to compare the effects of the health shocks on men with ECHI and on men with another type of health insurance.

"Our findings suggest that financial shocks are more likely to contribute to employment lock because adequate health insurance would be too costly under private plans," explains Bradley. "Additionally, we found that men with access to their spouse's plans were less likely to remain employed following a health shock. However, we found most respondents did not consider their wives' policy as a viable option for health insurance."

Although the results paint a bleak picture for men solely dependent on their employers for insurance, this research comes at an influential time as new health care reform takes effect.

Bradley plans to continue exploring the relationship between health insurance and employment, treatment decisions and recovery from treatment. She recently collected data from 625 women with breast cancer and is working toward publishing several additional studies on these topics.

**More information:** [www.springerlink.com/content/7...1375754/fulltext.pdf](http://www.springerlink.com/content/7...1375754/fulltext.pdf)

Provided by Virginia Commonwealth University

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