

# Landscape of health insurance for low-wage workers in California

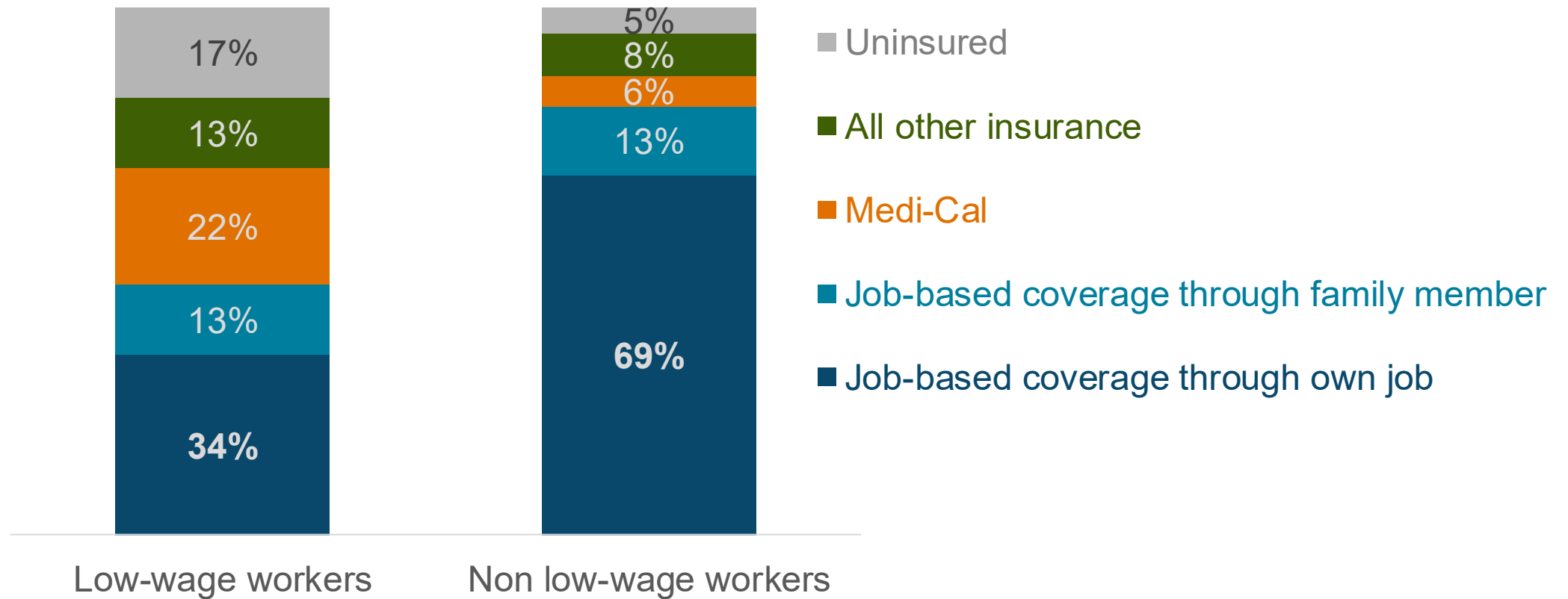
Miranda Dietz

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# Workers paid low wages are less likely to have coverage through their own job

Source of health insurance among California workers, 2022



# Why are some workers left out of job-based coverage?

## No offer

- Self-employed
- Small firms are less likely to offer coverage
  - 35% of CA firms with less than 50 employees offer coverage to some employees

## Not eligible

- Part-time workers may be ineligible
- Recent hires may be ineligible due to waiting periods

## Unaffordable

- Average annual CA worker-share of premium 2025:
  - \$1,303 for single
  - \$7,312 for family
- Worker premium often the same across wage levels within a firm

# Low-income workers less likely to work for an offering employer and less likely to be eligible

Among workers ages 18-64 years, share working for an offering employer and share eligible for employer-sponsored health insurance (ESI) at job, overall and by poverty level, March 2023

■ Works for Offering Employer ■ Eligible for ESI at Job

Overall



Poverty Level

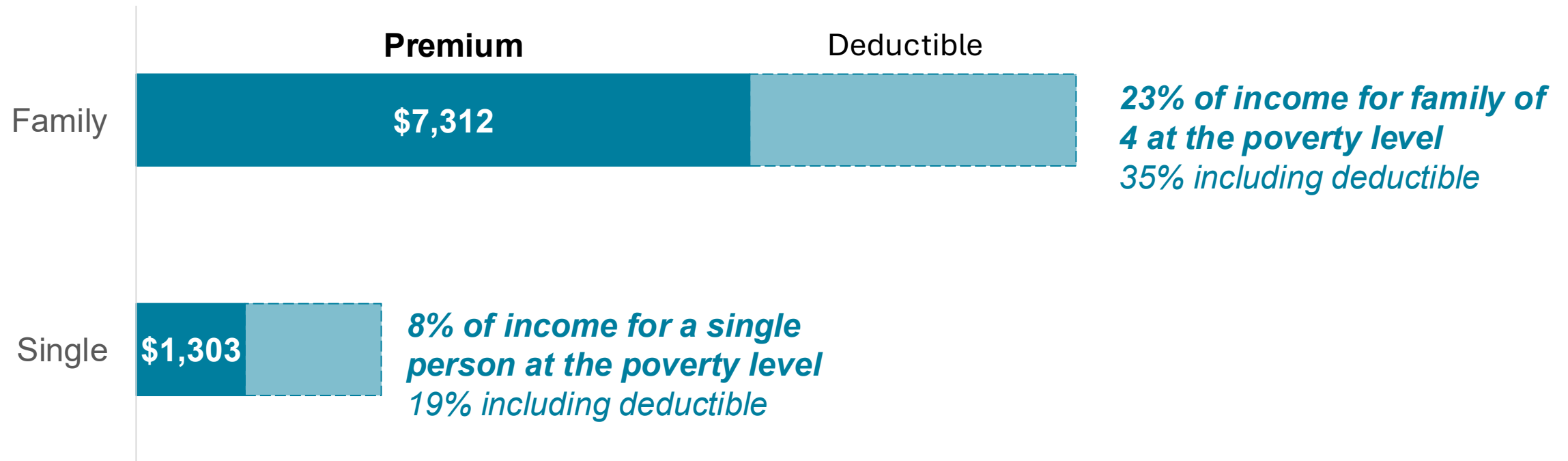


\* Offer rate for group different than others within the category at  $p < .05$

# Eligibility rate for group different than others within the category at  $p < .05$

# Worker cost of coverage can be prohibitive

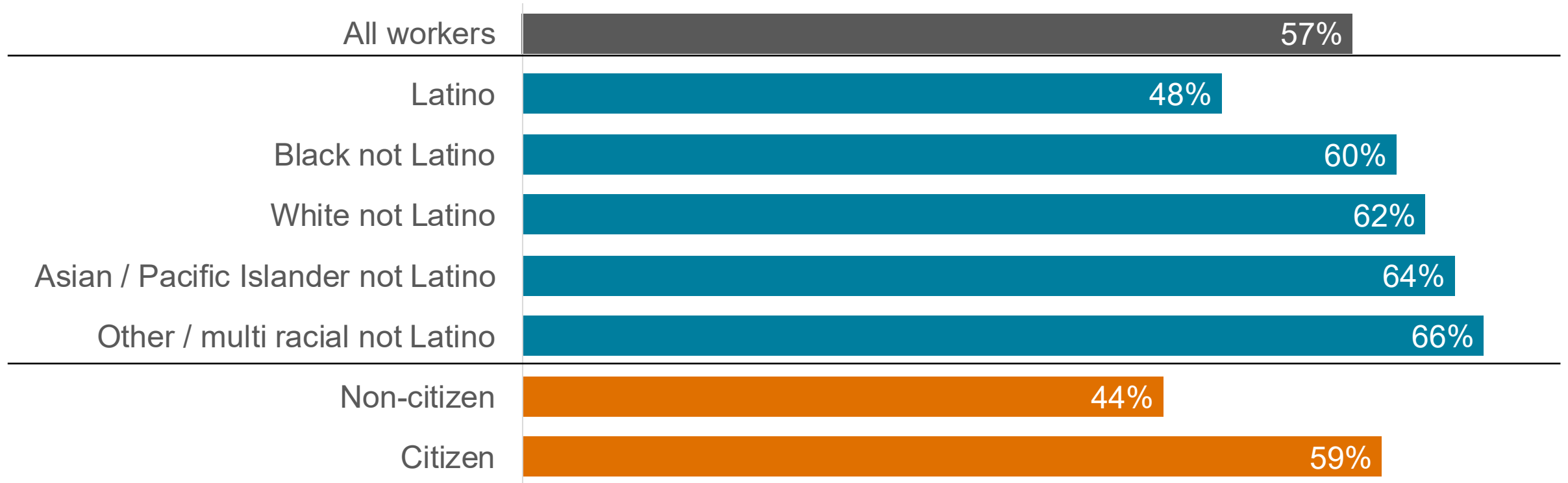
Average annual California worker premium contribution, 2025



Note: 75% of California's covered workers were in a plan with a deductible in 2025.  
Sources: California Employer Health Benefit Survey, 2025. Family deductible uses MEPS-IC 2024.

# Latino and non-citizen workers are less likely to have job-based coverage through their own job

Share of California workers age 19-64 enrolled in job-based coverage through own job, 2025



Note: Includes California non-self-employed workers age 19-64.

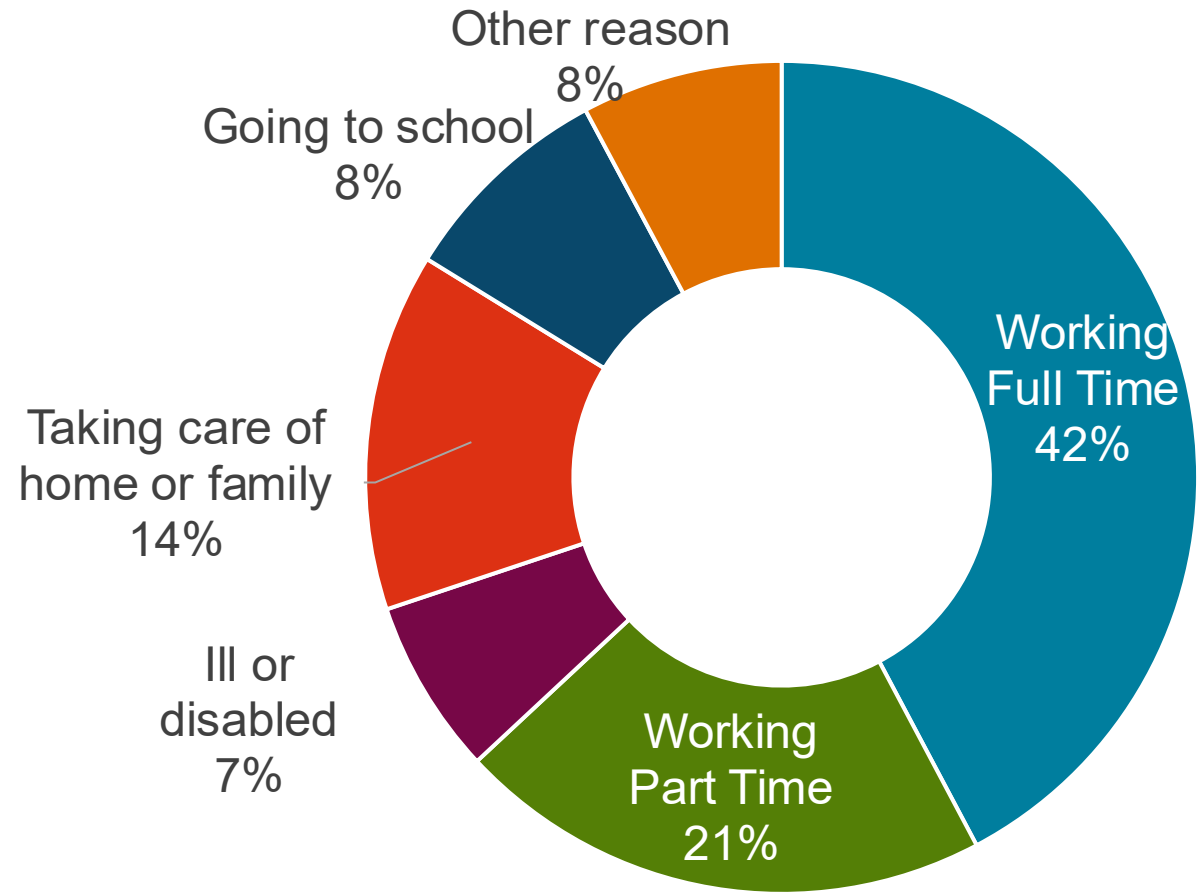
Source: UC Berkeley Labor Center analysis of 2025 Current Population Survey ASEC Supplement

# Lack of coverage for low-wage workers has state budget impacts

- 3.6 million CA workers ages 19-64 are enrolled in Medi-Cal, excluding 900,000 self-employed workers
- \$36 billion in estimated federal and state spending on Medi-Cal for these enrollees in FY 26-27

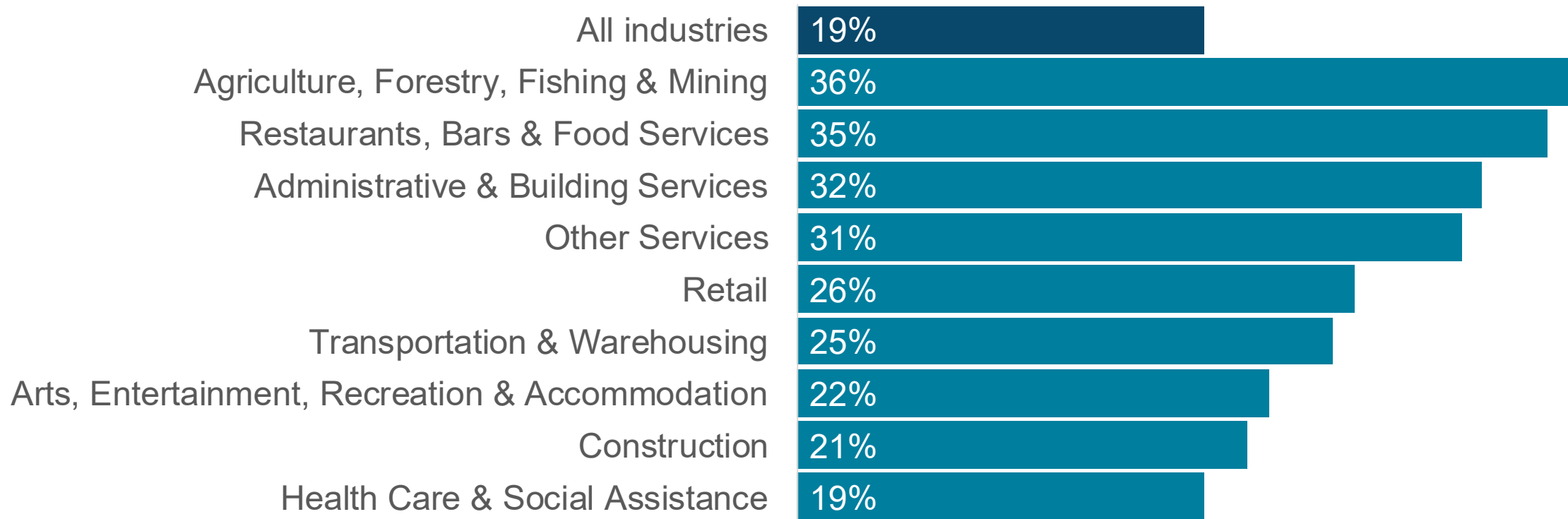
# Most enrollees are already working or *should* be exempt from HR1 work requirements

Work status and barriers to work among Medi-Cal adults, 2023



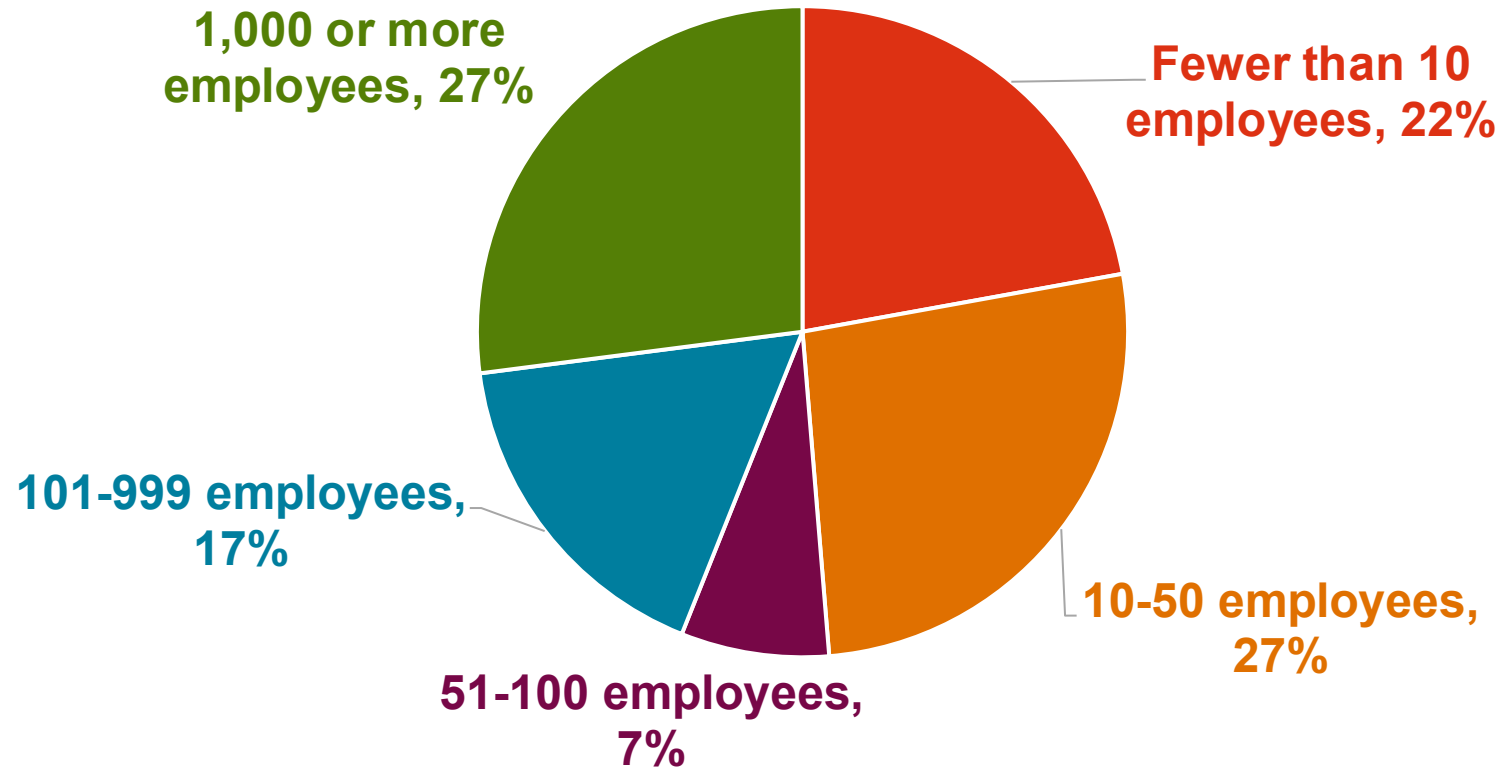
# Workers in Medi-Cal by industry

Share of California workers age 19 to 64 enrolled in Medi-Cal by industry, for higher-than-average industries, 2023



# Medi-Cal enrollees work across the range of firm sizes

California workers age 19 to 64 enrolled in Medi-Cal by firm size, 2023-24

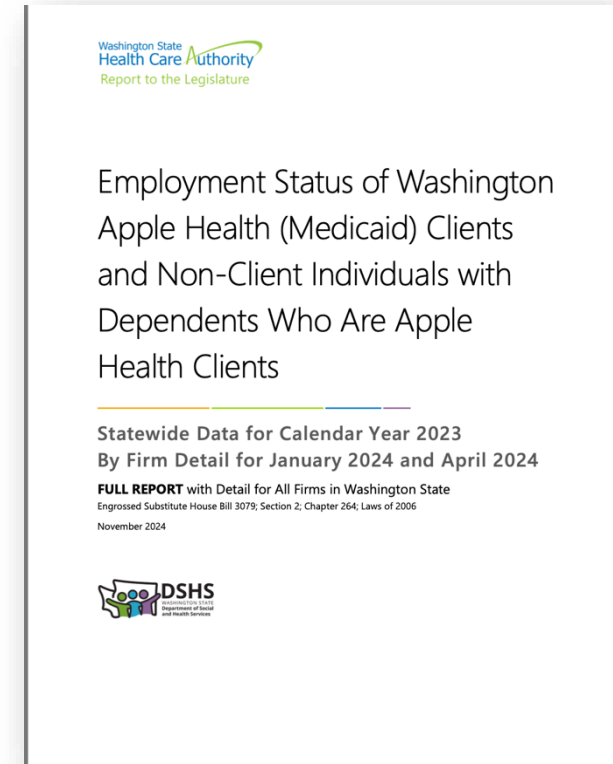


Note: Excludes self-employed workers. Numbers may not add due to rounding  
Source: UCLA California Health Interview Survey 2023-24

# Other states collect and report employer-specific data on Medicaid enrollment

Examples:

- New Jersey
- Washington



# Contact

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- <https://laborcenter.berkeley.edu/health-care/>
- <https://laborcenter.berkeley.edu/low-wage-work/public-cost-of-low-wage-work/>