

NEWS BRIEF

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Delta Air Lines Imposes \$200 Monthly Health Insurance Surcharge on Unvaccinated Workers

On Wednesday, Aug. 25, 2021, Delta Air Lines announced it will require employees to receive a COVID-19 vaccine or pay a \$200 monthly fee.

Starting Nov. 1, unvaccinated employees on Delta Air Lines' health plan would be responsible for paying a \$200 monthly surcharge for health benefits, in addition to being tested weekly for COVID-19. Unvaccinated workers will undergo weekly testing beginning mid-September, according to the company.

Delta Air Lines' CEO, Ed Bastian, said the company acknowledges that vaccinations are the "most effective" way to combat the spread of COVID-19—75% of the organization is fully vaccinated. Moreover, Bastian said it costs Delta Air Lines \$50,000 per employee hospital stay due to COVID-19. The \$200 surcharge is intended to both offset those costs and incentivize employees to get vaccinated.

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"We've always known that vaccinations are the most effective tool to keep our people safe and healthy in the face of this global health crisis."

- Ed Bastian, Delta Air Lines CEO

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This move by Delta Air Lines comes soon after the Pfizer-BioNTech vaccine was fully approved for use by the Food and Drug Administration. With full approval, more companies are beginning to reassess their vaccine policies.

United Airlines, for instance, announced that it will now require its U.S.-based employees to be vaccinated—Goldman Sachs and Google have also announced similar plans.

What's Next?

With a fully approved vaccine on the market, employers can expect more organizations to push for higher vaccination rates among their workforces. Even the federal government recently announced a vaccine requirement among its employees and contractors.

Businesses are having to weigh the value of COVID-19 vaccines and uninterrupted operations against employee uncertainty and vaccine reluctance. The solution won't always be as easy as introducing a mandate, however. Organizations are recommended to evaluate vaccination policies in light of their own unique circumstance.

Reach out today for help reviewing your strategy.

