



New Report Finds Most Rideshare Drivers Not Receiving Promised Health Care Benefits under Proposition 22

Survey of more than 500 drivers reveals that California rideshare drivers, particularly Latinx drivers, are struggling to access health insurance and workplace safety measures

Drivers, advocates, and experts call for Prop 22 repeal as gig companies push to enact similar policies nationwide

OAKLAND, CA — Nearly a year after tech industry giants won passage of a law that exempted them from classifying millions of their drivers as full employees, new research released today reveals that Proposition 22 has reduced workers' access to health care and allowed companies to circumvent mandated safety trainings, despite Uber's and Lyft's claims otherwise. These findings come after drivers led a nationwide strike last month to demand better work conditions, illustrating the broken promises of Prop 22.

In partnership with Rideshare Drivers United, leading research and action institute PolicyLink surveyed and interviewed California-based drivers about their access to health insurance, as well as the insurance stipends and safety trainings gig companies pledged to provide while campaigning for Prop 22's passage. Many drivers expressed frustration with the challenges in getting insurance and most saw it as part of a larger pattern of deception and disregard for the workforce by Uber, Lyft, and Doordash.

The <u>survey</u> also revealed the following:

- Just 10 percent of respondents are receiving a stipend while 40 percent of respondents either never heard about their ability to qualify for the stipends or weren't sure if they had received notification.
- Drivers are either turning to public health-care options or forgoing health insurance altogether: of respondents who are insured, 29 percent rely on Medi-Cal. Sixteen percent of all respondents are uninsured, double the national uninsurance rate.
- Latinx respondents are less likely to know about the stipends and are also more likely to be uninsured.
- One in six respondents have not received safety training from a rideshare or delivery company.

"This research reveals the failure of Uber and Lyft to provide health care access and a safe workplace for rideshare and delivery drivers during one of the largest public health crises in global history," said **Eliza McCullough, PolicyLink associate and report co-author**. "The Prop 22 campaign has broken its promise to improve the lives of drivers."

"The Prop 22 healthcare stipend is inaccessible to the majority of Uber's and Lyft's workforce. Instead of providing benefits, Uber and Lyft spent \$220 million on a propaganda campaign. In the meantime, many drivers, and particularly drivers of color, are struggling in the middle of a pandemic without insurance and feel more disillusioned by these companies than ever," said Brian Dolber, Rideshare Drivers United organizer, Associate Professor of Communication at California State University San Marcos, and report co-author.

PolicyLink's survey was completed by 531 drivers, 65 percent of whom were people of color. 52 percent of respondents were born outside the United States, and 37 percent speak a language other than English as their primary language. 51 percent of respondents were over the age of 50 and 21 percent of respondents were over age 60, making their access to health insurance critically important. While gig companies claimed Prop 22 would significantly benefit workers of color and immigrants - the vast majority of their workforce - this data and other recent research proves that the law has had the opposite effect.

Rather than rectifying the problems app-based drivers face, PolicyLink and Rideshare Drivers United's survey reveals that Prop 22 has only intensified drivers' vulnerability to health and safety risks, as well as feelings of confusion and disillusionment. After a coalition of gig companies <u>filed</u> a petition for a similar ballot initiative in Massachusetts, and with <u>other campaigns</u> underway in states across the country, app-based drivers, advocates, and experts are calling on policymakers to immediately repeal the new law and prevent the passage of this law elsewhere.

"Uber and Lyft sold voters a false sense of good while campaigning to pass Proposition 22, promising that this new law would improve the lives of drivers. These findings make it crystal clear that Prop 22 has done the opposite," said **Nicole Moore, Lyft driver and Rideshare Drivers United organizing committee member**. "As gig companies attempt to sell this proposition to voters in other states, policymakers must take immediate action to protect workers and prevent passage of similar legislation."

Rideshare companies and regulatory agencies must take immediate steps to improve access to health care and workplace safety for drivers:

- Companies must remove restrictions on the health-care stipend. The stipend should cover 100 percent of the average monthly premium for a Covered California Bronze plan. Drivers' total work time, rather than engaged work time, should be counted when calculating stipend qualification.
- Regulatory agencies must improve transparency of stipend rollout by requiring that
 companies report the percentage of drivers who receive stipends disaggregated by race
 and ethnicity on a quarterly basis to ensure that everyone who can qualify for a stipend
 is actually receiving one.

- Uber, Lyft, and other companies need to provide targeted outreach to drivers who are more likely to be uninsured. Information about how to qualify for and receive a health-care stipend should be available in multiple languages and formats.
- Rideshare companies must improve implementation of safety trainings by ensuring
 that all drivers receive trainings and providing public data on the percentage of drivers
 who have completed trainings. These trainings should also highlight information about
 how to report instances of sexual assault or harassment.

While these changes will immediately improve working conditions for millions of drivers, long-term policy action must be taken to create a rideshare industry that benefits everyone:

- Federal policymakers must ensure just working conditions and a living wage for all gig workers through policies such as the <u>PRO Act</u>. Even with the repeal of Prop 22, current protections are not enough.
- Policymakers should establish a single-payer, national health insurance program alongside expanded pathways to citizenship to provide everyone in the US with comprehensive coverage to ensure that workers across all industries have access to free, quality health care.

To view a copy of the report, please click <u>here</u>. To view a recording of the media briefing featuring drivers, advocates, and experts, please click <u>here</u>.

###

<u>PolicyLink</u> is a national research and action institute advancing racial and economic equity by Lifting Up What Works®. Our mission is to ensure all people in America—particularly those who face the burdens of structural racism—can participate in a just society, live in a healthy community of opportunity, and prosper in an equitable economy. Our guiding ethos is Equity—the just and fair inclusion into a society in which all of us can participate, prosper, and reach our full potential. Visit <u>PolicyLink.org</u> for more information.

<u>Rideshare Drivers United</u> is an independent association of US rideshare drivers coming together to demand higher pay and workplace rights for all rideshare drivers.