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The People's Hour

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HOST Mark Ford

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SOURCES Diesel price surges to all-time high, fueled by wars, ICE deported this teen to El Salvador twice. He's not supposed to be deported at all, Large employers drop health benefits as costs rise

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- [Axios] Diesel price surges to all-time high, fueled by wars

<https://www.axios.com/2026/09/04/diesel-prices-record-iran-truckers-farmers>

Why: Record diesel prices hit truckers, farmers and every store shelf the second those goods are delivered — this is the Iran conflict landing directly in working families' grocery bills.

- [Washington Times] ICE deported this teen to El Salvador twice. He's not supposed to be deported at all

<https://www.washingtontimes.com/news/2026/sep/3/dhs-wrongly-deports-man-second-time-six-months/>

Why: A government-competence failure inside the deportation system itself — the kind of bureaucratic screwup that lets both sides pile on without defending open borders.

- [Axios] Large employers drop health benefits as costs rise

<https://www.axios.com/2026/09/04/employer-health-insurance-benefit-cut-costs>

Why: Working families losing employer health coverage as costs spiral is a direct hit to the middle class, and a story that cuts across the corporate-vs-worker divide the show's audience cares about.

01 — OPENER JINGLE

[STING — markford_open.mp3]

02 — COLD OPEN (DATE SLATE + ROADMAP)

Good evening, America.

It's Friday, September fourth, twenty twenty six. I'm Mark Ford and tonight I want to show you two stories that look like they've got nothing to do with each other, but they're the same story wearing different clothes. Diesel just hit an all-time record price. And at the same time, some of the biggest, richest employers in this country are quietly gutting your health coverage. Different headlines. Same lesson. The guy in the middle always pays first.

Here's what we've got for you this hour.

We start with diesel going nuclear. Five dollars and eighty five cents a gallon. That breaks the old record from twenty twenty two. I'm going to walk you through why. The Iran war has the Strait of Hormuz choked up. Ukraine's been hitting Russian refineries with drones and taking real supply off the board. And the diesel crack spread, that's the profit margin refiners make turning crude into diesel, has blown out to triple digits. I'll explain why diesel is getting hit harder than gasoline, and why the real bottleneck right now isn't even the price of crude oil. It's refinery capacity. We don't have enough places left in this country that can turn oil into diesel fast enough.

Then we follow that price down to the people who actually eat the cost. Segment two. Small independent truckers. Guys with one rig, no leverage, no pricing power, who have to pay whatever the pump says today. Farmers walking into harvest season getting squeezed from both ends, fertilizer up, fuel up, at the exact moment they need both the most. And every single household in America that has ever bought anything that rode on a truck, which is everything. I'll also get into why the Federal Reserve is boxed in on

interest rates right now, and what happens to this whole fragile system if one hurricane hits a Gulf Coast refinery that's already running on fumes.

Segment three, we shift over to the corporate side. Disney, Starbucks, and what I'm calling the great benefits retreat. Disney is dropping spousal health coverage. Starbucks is cutting coverage for GLP-1 weight loss drugs. Deloitte is rolling back parental leave and IVF funding. These are some of the richest, most profitable companies in the entire country. And they're still cutting. I'll make the case that when companies with that kind of balance sheet start pulling back, that tells you everything about how bad the underlying cost problem actually is. It's not those companies being cheap. It's the system underneath them cracking.

And we close out the hour with the bigger picture. Health care costs. Segment four. Benefit costs are projected to rise more than eight percent next year. That's the worst increase since two thousand three. I'll show you how companies are shifting that bill onto workers, higher premiums, narrower networks, and this new trend of just handing employees a check and telling them to go buy their own insurance on the open market. And I'll ask the question nobody in Washington wants to answer. If Fortune five hundred companies are standing up and saying they can't absorb this cost anymore, what exactly happens to a regular working family trying to absorb it themselves?

Diesel at the pump. Health coverage at the office. Two different rooms, same house. And the guy holding the bag is always the same guy. You.

Stay with us. This is The People's Hour, on The Mark Ford Show, right here on WRZF. We'll be right back.

03 — [BREAK] — COMMERCIAL

[COMMERCIAL — slot for 30s ad]

04 — SEGMENT A: DIESEL GOES NUCLEAR

Diesel just did something it has never done before. On Friday, the average price hit five dollars and eighty five cents a gallon nationwide, according to AAA. That breaks the old record of five dollars and eighty one point six cents, set back in June of twenty twenty two. And it didn't creep up slow. It jumped seventeen cents in just two days. That's not inflation. That's a shock.

Now, I want you to sit with that number for a second, because diesel is not like gasoline. You don't pump it into your Camry. Most people never buy a gallon of it in their life. So why should you care? Because diesel is the fuel that moves everything else. It's in the trucks that bring food to your grocery store. It's in the tractors bringing in the corn and soybean harvest right now, at the exact moment of year when farmers need the most fuel. It's in the fishing boats. It's in the construction equipment pouring the foundation of the house down the street. An economics professor out at UC Davis, Erich Muehlegger, put it about as plain as it can be put. Quote. Diesel is an input to virtually everything we consume. End quote. Everything. Not some things. Virtually everything.

So let's talk about why this is happening, because there are two wars behind this number, and neither one of them is being fought over diesel prices, but both of them are wrecking the diesel market anyway.

The first one is Iran. Since that war started, truckers and farmers and freight companies have been eating higher diesel costs week after week. The reason goes back to a stretch of water called the Strait of Hormuz. If you don't know it, you need to. It's the narrow channel between Iran and the Arabian Peninsula, and something like a fifth of the world's oil moves through it. When that strait gets strangled, and that's the word being used, strangled, the whole global energy market goes into disarray. Doesn't matter that America produces a lot of its own oil. This is a global market. When the world's supply lines get pinched, the price goes up everywhere, including in the pump you use in your own driveway.

The second one is Ukraine. And this one might surprise you, because it's got nothing to do with the Middle East. Ukraine has been running a drone campaign, and it has been, in the words of the reporting, highly effective, targeting Russian oil refineries directly. Not oil fields. Not pipelines. Refineries. That matters, and I'll explain why in a second. But the short version is this: Ukraine has been knocking out chunks of Russia's ability to turn crude oil into usable fuel, and that has further strained refinery capacity for the entire world, at the same moment the Strait of Hormuz is choked off.

So you've got two separate wars, four thousand miles apart, doing two different kinds of damage to the same market at the same time. One is choking the supply of crude oil getting to refineries. The other is knocking refineries themselves out of commission. That is a nasty combination, and it's why the price didn't just rise. It spiked.

Now here's something a lot of people don't understand, and it's worth taking a minute on, because it explains why diesel costs more than gasoline even in a normal year, let alone a year like this one. Diesel isn't just crude oil with a different label slapped on it. There's a process. You take a barrel of crude, you refine it, and out of that one barrel you get a mix of products. Gasoline. Diesel. Jet fuel. Other stuff. Diesel typically costs more than gasoline for three reasons. Higher taxes. Stricter environmental regulations that require more expensive refining to meet clean-diesel standards. And a lower production yield per barrel. That last one is the key. You don't get as much diesel out of a barrel of oil as you get gasoline. So when refining capacity gets squeezed, diesel gets squeezed harder.

And that brings us to the number that really tells the story here. It's called the crack spread. If you've never heard that term, here's what it means. The crack spread is the difference between the price of a barrel of crude oil and the price of the refined product that comes out of it. Basically, it's the refiner's cut. It's what a refinery earns for doing the work of turning crude into something you can actually put in a tank. In recent weeks, the diesel crack spread hit unprecedented triple-digit highs. Triple digits. That has never happened before. What that number is telling you is that the bottleneck right now isn't crude oil in the ground. It's refining capacity. There is plenty

of crude available in some accounting sense, but the world doesn't have enough functioning refinery capacity to turn it into diesel fast enough. And when Ukraine's drones are taking out Russian refineries at the same time Hormuz is under pressure, that capacity problem gets worse, not better.

A man named Patrick De Haan, he's the head of petroleum analysis over at GasBuddy, said it straight. Quote. Until that refining supply picture improves, both gasoline and diesel prices face continued upward pressure. End quote. Not crude oil prices. Refining supply. He's telling you exactly where the problem lives.

Now let's talk about who actually gets hurt by this, because it's not evenly spread.

Start with the truckers. The big outfits, your FedEx, your UPS, they've already jacked up their fuel surcharge rates to cover the higher diesel cost. They can do that because they've got the size and the contracts to pass the cost along. But the small operators can't. George O'Connor, public affairs director at the Owner-Operator Independent Drivers Association, said small business truckers, quote, are the first to feel it when prices jump. End quote. He explained that unlike the big carriers, small truckers can't just raise their rates when fuel spikes. And freight rates right now are already low. So you've got an independent trucker sitting there with a truck that runs on diesel, freight rates that are already thin, and a fuel bill that just jumped seventeen cents in two days. O'Connor said it plain. Quote. With freight rates already low, a sharp increase in diesel can quickly eat up what little margin a small trucking business has left. End quote. That's not a business problem. That's a family's income disappearing.

Now the farmers. This is where it gets worse, because farmers are catching this from two directions at once. It's what you'd call a double whammy. Diesel prices are up because of the wars. And on top of that, fertilizer costs are also being driven up by the same conflict. So the input costs for growing your food are getting squeezed on two fronts simultaneously. And the timing could not be worse. This diesel record is hitting right as the energy-thirsty peak of harvest season is arriving for corn and soybeans, the two biggest farm commodities in this country. That's the

exact moment farmers need the most diesel to run the combines and the trucks hauling grain, and it's the exact moment the price is at an all-time high.

There's a supply chain expert, Jason Miller, professor at Michigan State University, who flagged something else that should worry you. Normally, this time of year, the country builds up diesel inventory ahead of fall refinery maintenance season. That's when refineries go offline for scheduled upkeep, and you stockpile diesel beforehand to cover the gap. Miller says that's not happening the way it should this year. Quote. We could be looking at some basically unprecedented low diesel inventories for that time of the year when we start getting into refinery maintenance season. End quote. And then he added something that should stick with you. Quote. Lord forbid we have a catastrophic hurricane. End quote. Think about that. We're heading into low diesel inventory, heading into refinery maintenance season, heading into peak harvest, in the middle of hurricane season on the Gulf Coast, where a big chunk of American refining capacity sits. One storm in the wrong place right now and this gets a lot worse.

Now, some people will tell you, don't worry about it, fuel is a small slice of what you spend. And that's technically true. Muehlegger from UC Davis admits fuel costs are just a fraction of overall prices you see at the store. But listen to how he finishes that thought. Quote. The punchline here is that with higher diesel prices, that's putting upward pressure on prices, and upward pressure generally within the economy. End quote. In other words, it doesn't stay contained to the fuel pump. It leaks into everything diesel touches, which, remember, is virtually everything. Miller made a related point that I think is the most important one in this whole story. He said gas prices matter more to your personal wallet, because you're the one buying gas. But for the overall economy, quote, diesel matters more. End quote. Gasoline hits your pocketbook. Diesel hits the whole machine.

And that's starting to worry the people who set interest rates. If these diesel costs work their way into the price of ordinary goods on store shelves, instead of just showing up at the gas pump, that makes it a lot harder for the Federal Reserve to justify cutting rates. It might even push them the other

way. John Kilduff, founding partner over at Again Capital, said it on CNBC recently. Quote. The Fed is in a box here. They are going to be staring down an inflation pulse now from this renewed price spike. End quote.

So here's where that leaves us. Two wars nobody in this country is fighting are choking off the fuel that moves this country's food and freight. Refinery capacity, not oil in the ground, is the real bottleneck, and it's getting hit from both directions at once. Small truckers are watching their margins evaporate. Farmers are getting squeezed right at harvest with no inventory cushion and hurricane season still ahead. And the Federal Reserve is now watching this number as closely as anybody. This is happening thousands of miles away from most of you, but it is going to show up in the price of your groceries, your furniture, anything that rode on a truck to get to you. And in this country, that's almost everything you own.

We'll be right back.

05 — [BREAK] — COMMERCIAL

[COMMERCIAL — slot for 30s ad]

06 — SEGMENT B: WHO ACTUALLY PAYS FOR FIVE DOLLAR DIESEL

Diesel hit five dollars and eighty-five cents a gallon on Friday. That is a new all-time record, according to AAA. It beats the old record from June of two thousand twenty-two, which was five dollars and eighty-one point six cents. And here is the part that should get your attention: diesel did not creep up to that number over months. It jumped seventeen cents in two days.

Now I want you to sit with that number for a second, because a lot of people hear "diesel prices" and they think, that is a trucker problem, not my problem. I am here to tell you that is wrong, and I am going to walk you

through exactly why, and exactly who gets hurt first, second, and third when diesel breaks a record like this.

Let's start with why this is happening. Diesel has been climbing steadily since the Iran war started choking off the Strait of Hormuz. That is one blow to the global oil market. Then Ukraine's drone campaign started hammering Russian oil refineries. That is a second blow, and this one is important because it is not about crude oil supply, it is about refining capacity. You can have all the crude oil in the world sitting in tankers, but if the refineries that turn it into diesel are getting hit by drones, you have got a bottleneck. Patrick De Haan, who is the head of petroleum analysis at GasBuddy, put it plainly. He said, quote, "Until that refining supply picture improves, both gasoline and diesel prices face continued upward pressure." End quote.

There is a number buried in this story that tells you how bad the refining squeeze really is. It is called the diesel crack spread. That is the difference between what a refiner pays for a barrel of crude oil and what they can sell the refined diesel for. That spread just hit triple-digit highs, numbers we have not seen before. When the crack spread blows out like that, it means refiners cannot keep up with demand no matter how much crude is available. The bottleneck is the refinery, not the well.

Now, diesel has always cost more than gasoline. There are three reasons for that, and they are worth knowing so you are not fooled into thinking this is some new scam. Diesel carries higher taxes. It falls under stricter environmental regulations that require more expensive refining. And you get a lower yield of diesel per barrel of crude than you do gasoline. Those three things have always made diesel pricier. What is different now is the war premium sitting on top of all of it.

So who actually pays for this? Let's follow the money, because that is the whole point of tonight.

First stop: the independent trucker. Not FedEx. Not UPS. The guy or the woman driving their own rig, hauling loads for a living, no fleet behind them. George O'Connor is the public affairs director at the Owner-Operator Independent Drivers Association, and he said something to Axios that every

listener needs to hear. He said, quote, small business truckers "are the first to feel it when prices jump." End quote. Big carriers like FedEx and UPS can raise their fuel surcharge rates when diesel spikes. They have contracts built for that. The independent trucker does not have that luxury. O'Connor explained it this way, quote, "With freight rates already low, a sharp increase in diesel can quickly eat up what little margin a small trucking business has left." End quote.

Think about what that means in plain English. Freight rates, meaning what truckers get paid to haul a load, are already low. Now diesel jumps seventeen cents in two days on top of a record high. The trucker cannot just call up the shipper and say, I need more money this week because fuel went up. They already agreed to a rate. They are locked in. So the fuel spike comes straight out of their pocket, straight out of what is left after the truck payment, the insurance, and everything else. These are people who work load to load, with no cushion and no leverage. A five dollar and eighty-five cent diesel price is not an inconvenience to them. It is the difference between making a living and not.

Second stop: the farmer. And this is where the timing could not be worse. We are heading into peak harvest season for corn and soybeans, which are the two largest farm commodities in this country. Harvest season is the most energy-hungry stretch of the entire farming calendar. You need diesel to run the combines. You need diesel to run the grain trucks. You need diesel for the irrigation pumps still running before the season closes out. And it is not just diesel. The same war that is choking off crude oil is also driving up fertilizer costs. Erich Muehleger, who is an economics professor at the University of California-Davis, called diesel, quote, "an input to virtually everything we consume." End quote. For a farmer, that is not an abstraction. Diesel and fertilizer are two of the biggest line items on the farm budget, and both of them are spiking at the exact same moment the crop needs to come out of the ground. That is what I mean by a double whammy. It is not one cost going up. It is two, stacked, right at harvest.

Third stop: you. The person listening to me right now who does not drive a truck and does not farm a single acre. Here is how it gets to you. Diesel fuels

the trucking fleets that move almost everything you buy. Groceries. Building materials. Furniture. Clothes. If it came to a store shelf, there is a very good chance it rode on a truck to get there, and that truck burned diesel. When diesel costs more, moving those goods costs more. Some of that gets passed straight to the retailer, and the retailer passes it to you. Muehlegger's point was that fuel costs are just a fraction of what you pay for any given item at the store. But he also said, quote, "the punchline here is that with higher diesel prices, that's putting upward pressure on prices, and upward pressure generally within the economy." End quote. Jason Miller, who is a professor of supply chain management at Michigan State University, made a similar point to Axios. He said gas prices matter more to your personal wallet at the pump, but for the overall economy, diesel matters more. His exact words were, "diesel matters more."

Now here is where this becomes a story about the Federal Reserve, and I want you to follow this chain closely because it explains why everybody in Washington is nervous about a gallon of fuel.

The Federal Reserve has spent the better part of two years trying to bring inflation down so it can start cutting interest rates. Lower interest rates make it cheaper to borrow for a house, a car, a business loan. Everybody wants that. But the Fed can only cut rates if inflation is under control. Here is the problem. If these diesel price hikes start showing up in the price of ordinary goods on store shelves, not just at the gas pump but baked into the cost of everything trucks carry, that makes it much harder for the Fed to justify cutting rates. It might even push them the other direction. John Kilduff, who is a founding partner at Again Capital, said it on CNBC recently. He said, quote, "The Fed is in a box here. They are going to be staring down an inflation pulse now from this renewed price spike." End quote.

A box. That is the word he used, and it is the right word. The Fed wants to help ordinary Americans by cutting rates. But if diesel keeps pushing prices up across the economy, the Fed's hands are tied. So a war half a world away, and drone strikes on Russian refineries, end up deciding whether you can afford a mortgage next year. That is not an exaggeration. That is the chain, link by link.

And now I want to give you the part of this story that should really worry you, because it is not about what has already happened. It is about what has not happened yet.

This time of year, the United States would normally be building up diesel inventory ahead of fall refinery maintenance season. That is standard practice. Refineries go offline for maintenance every fall, so the country stockpiles diesel beforehand to cover the gap. Jason Miller, the Michigan State professor I mentioned, told Axios that this year that stockpile is not happening the way it should. He said, quote, "We could be looking at some basically unprecedented low diesel inventories for that time of the year when we start getting into refinery maintenance season." End quote.

Unprecedented low inventories. Heading into the season where refineries normally shut down anyway. Now add one more sentence from Miller, and this is the one that should stick with you. He said, quote, "Lord forbid we have a catastrophic hurricane." End quote.

Think about what he is saying. We are already at record diesel prices. Refining capacity is already strained by drone attacks on Russian facilities. Inventories are already running low heading into scheduled maintenance season. And hurricane season is not over. If one storm hits a cluster of Gulf Coast refineries the way hurricanes have before, there is no cushion left to absorb it. Not this year. The independent trucker who is already eating the current price spike would get hit again. The farmer bringing in the harvest would get hit again. And you, at the grocery store, checking out with a cart full of goods that all rode on a truck at some point, you would get hit again too.

Five dollar diesel is not a headline about fuel. It is a tax that nobody voted for, collected first from the people with the least power to say no. The independent trucker with no leverage pays it. The farmer staring at harvest season pays it. And every one of us pays it a little bit at a time, every time we buy something that came off the back of a truck.

We'll be right back.

07 — [BREAK] — COMMERCIAL

[COMMERCIAL — slot for 30s ad]

08 — SEGMENT C: DISNEY, STARBUCKS AND THE GREAT BENEFITS RETREAT

Let's talk about something that landed quietly this week, but it tells you everything about where this country is headed. Some of the richest, most powerful companies in America are cutting employee health benefits. Not small companies. Not companies on the edge. Companies with more cash than most countries have in their treasuries.

Start with Disney. Disney just told its workers that starting next year, if your spouse has access to their own health coverage through their own job, Disney is not going to cover that spouse anymore. A Disney spokesperson put out a statement saying the change is happening, quote, "in response to rising health care costs nationwide." End quote. That's the whole explanation. Rising costs. That's it.

Now think about who we're talking about. This is the Walt Disney Company. Theme parks, movie studios, cruise lines, a streaming service, a media empire that spans the entire globe. And Disney is telling working families, if your husband or your wife can get insurance somewhere else, go get it there, because we're not paying for it anymore.

Then there's Starbucks. Starbucks is ending its coverage of GLP-1 drugs for weight loss starting next month. You know what GLP-1 drugs are. Ozempic. Wegovy. The drugs everybody's been talking about for two years, the ones that actually work for a lot of people trying to get their weight and their health under control. Starbucks was covering those for employees. Not anymore. Starting next month, that benefit is gone.

And then Deloitte. One of the biggest professional services firms on the planet, one of the so-called Big Four accounting firms, is rolling back its

parental leave and its IVF funding for certain employees. Paid time off for new parents. Funding to help couples struggling to have children pay for fertility treatment. Getting cut back.

Three different companies. Three different industries. Entertainment, coffee, consulting. All doing the same thing at the same time. That is not a coincidence. That is a trend. And when you see a trend like this, hitting companies this big, this rich, this well known, you need to stop and ask yourself what is actually going on underneath it.

Here's what's going on. Health care costs are exploding again, and this time even the biggest companies in the country are saying they can't just eat the increase anymore.

Dan Mendelson is the CEO of Morgan Health, which is the employer health division of JPMorgan Chase. This is a man who spends his whole professional life inside corporate health benefits. And here's what he said. Quote. "We see employers changing what's offered in the benefit in addition to some employers cutting benefits because they don't feel like they have a choice." End quote.

They don't feel like they have a choice. Let that sink in. This is the CEO of JPMorgan Chase's own health division telling you that companies aren't cutting benefits because they want to look cheap in front of their employees. They're cutting because the math doesn't work anymore.

And the math is ugly. There's a company called Marsh that does an annual survey of employer sponsored health plans across the country. Their latest numbers show that total health benefit cost per employee is set to rise by eight point two percent on average in twenty twenty seven. Eight point two percent. That is the highest increase Marsh has recorded since two thousand three. And get this. That number is after companies have already made their cost cutting moves. That's the increase they're facing even after they've trimmed what they can trim.

It's not just Marsh saying this either. Aon, one of the biggest insurance brokers and consulting firms in the world, put out a similar projection. So did the Business Group on Health. Three separate organizations, three separate

surveys, all landing in the same place. High single digit cost growth, year after year, with no end in sight.

And a good chunk of that cost is getting passed straight down to the employee. Not just through higher premiums, though that's part of it. Through what they call plan design changes. Higher deductibles. Higher copays. Narrower coverage. The stuff that looks small on paper but adds up fast when you're the one standing at the pharmacy counter or the one in the hospital bed getting the bill.

Now here's where it gets interesting, because there's a second piece to this story. It's not just that employers are shifting costs onto workers. That part's old news. Every one of you listening has watched your deductible creep up year after year for a decade. What's new is that big employers are starting to go after the root cause instead of just passing the pain along.

They're doing what's called direct contracting, which means going straight to hospitals and cutting deals instead of going through the middlemen. They're offering narrower networks, meaning fewer hospitals and doctors to choose from, but ones the company has negotiated better rates with. They're swapping out their insurance vendors looking for better deals. They're steering employees toward doctors and providers that have been identified as delivering more value for the money. And they're pouring more money into primary care, on the theory that if you catch problems early with a regular doctor, you avoid the catastrophic, expensive stuff down the road.

Elizabeth Mitchell runs an organization called the Purchaser Business Group on Health. That's a coalition of big employers trying to get a handle on health costs together. She put it about as bluntly as you can put it. Quote. "Employers have already absorbed totally outrageous cost increases. Why is anyone surprised that they'd have to make changes to coverage? There's not some endless pot of money that the health care system can just take." End quote.

There's not some endless pot of money. That's the whole story right there, in one sentence, from a woman who talks to America's biggest employers for a living.

Now Mitchell made an interesting point that I want you to hear, because it's not all doom and gloom the way you might think. She said that as far as she knows, none of the companies in her organization are looking to cut benefits outright. Instead, what they're doing is getting a lot less patient with the insurance companies and hospital systems and vendors that aren't controlling costs. Quote. "They are increasingly prepared to leave partners that don't manage costs effectively." End quote. And then she said this. Quote. "I think that's the change they're collectively making, is putting the pressure where it should be, on providers and health plans and other vendors, to actually bring costs down." End quote.

So there's a fight going on here. On one side you've got big employers who are done just writing bigger checks every year and calling it a cost of doing business. On the other side you've got hospital systems, drug companies, and insurance companies who have gotten very comfortable raising prices and passing the bill along.

Let's zoom in on one specific fight, because it tells you a lot. The GLP-1 drugs. Remember, Starbucks just dropped coverage for weight loss. They're not the only ones. The Business Group on Health did a survey and found that seventy two percent of employers offered GLP-1 coverage for obesity back in twenty twenty five. This year, twenty twenty six, that number has already dropped to sixty percent. In one year. That is a massive, massive pullback on one of the most talked about, most in-demand medications in the country. These drugs are wildly popular. They're wildly effective for a lot of people. And they are also wildly expensive, and employers are looking at that price tag and deciding they can't keep footing the bill for everybody who wants it.

Now here's what should worry you if you're a regular working person listening to this. What we're describing right now is happening at the top of the food chain. Disney. Starbucks. Deloitte. JPMorgan Chase's own health division is warning about this. These are companies with billions in profits, armies of lawyers and accountants, and the negotiating leverage to squeeze better deals out of insurance companies than almost anybody else in the country. If they are getting squeezed hard enough to start cutting spousal

coverage and weight loss drugs and parental leave, think about what's happening to the small businesses that don't have any of that leverage.

The article makes this point directly. Small businesses have been dropping health coverage altogether for years now. Not cutting it back. Dropping it. Because they simply cannot afford the rising cost. If Disney is struggling with this, the guy running a twenty person plumbing company or a local restaurant chain has been getting crushed by it for a long time already, quietly, without anybody writing an article about it.

And there's a new escape hatch starting to show up too. The Business Group on Health survey found that twelve percent of employers are now looking at alternative approaches entirely. One of them is something called an Individual Coverage Health Reimbursement Arrangement. What that means in plain English is the employer stops trying to manage a health plan at all. Instead they just hand you a set amount of money and tell you to go buy your own insurance on the open market. That is a fundamental shift away from the employer sponsored system that this country has run on since World War Two.

I want to leave you with the line that Dan Mendelson closed his interview with, because I think it's the fairest way to sum this whole thing up. Quote. "Employers don't wake up in the morning and say, I want to cut benefits. It's kind of a last resort." End quote.

I believe that. I don't think Disney's leadership sat in a boardroom rubbing their hands together plotting how to squeeze working families. I think they looked at a health care system that has been allowed to raise prices year after year after year, with almost nobody in Washington doing anything serious to stop it, and they finally hit a wall. If the wealthiest companies in America are hitting that wall, the rest of us hit it a long time ago. The only difference is nobody was writing headlines about us.

We'll be right back.

09 — [BREAK] — COMMERCIAL

[COMMERCIAL — slot for 30s ad]

10 — SEGMENT D: THE HEALTH CARE COST SPIRAL NOBODY CAN STOP

Let me tell you about Disney. Big, profitable, iconic American company. Just announced that starting next year, if your spouse works somewhere that offers them health coverage, Disney is not going to cover your spouse anymore. You want your husband or wife on the family plan, your spouse's own employer better be paying for it. A Disney spokesperson said the change was made, quote, in response to rising health care costs nationwide. End quote.

Now sit with that for a second. This is not some struggling regional retailer. This is Disney. And Disney just told its own workforce, we can't afford to cover your spouse anymore unless somebody else pays first.

Starbucks is doing something similar. Starting next month, Starbucks is ending coverage of GLP-ones, the weight loss drugs, for its employees. Deloitte, one of the biggest professional services firms in the country, is rolling back parental leave and IVF funding for certain employees. Three giant companies, three different cuts, same root cause. Health care costs are rising so fast that even the biggest employers in America are saying, we can't keep absorbing this.

And here's the thing. This is not a one-year blip. There's a set of new projections out this week that all say the same thing. Marsh does an annual survey of employer-sponsored health plans, and they're projecting that total health benefit cost per employee is going to rise by eight point two percent on average in twenty twenty-seven. Eight point two percent. That is the highest increase since two thousand three. Twenty-three years. And that number is after companies have already made their cost-cutting moves. That's the number after the belt-tightening, not before it.

It's not just Marsh saying this. Aon ran their own numbers. Business Group on Health ran their own numbers. Different firms, different methodologies, same conclusion. High single-digit cost growth, again, next year. Three separate outfits looking at three separate data sets and landing in the same place. When that happens, you're not looking at a fluke. You're looking at a trend that has become the new normal.

So who eats an eight percent increase? A good chunk of it is going to get passed straight to you, the employee. Higher premiums. Higher deductibles. Narrower plan designs where you're covering a bigger share of the cost yourself. Marsh says a good portion of this increase is going to show up on workers' pay stubs and workers' bills, one way or another.

Now, employers passing costs onto workers, that's not new. That's been happening for two decades. What's new is what's happening underneath that. Companies are now scrambling to attack the root causes, not just shift the bill. They're doing what's called direct contracting, where the employer cuts out the middleman and negotiates straight with hospitals. They're offering narrower networks, meaning fewer doctors and hospitals you're allowed to use, in exchange for lower costs. They're swapping out vendors, meaning they're firing their insurance administrators and health plan partners when those partners don't deliver savings. They're steering employees toward providers rated as delivering the best value. And a lot of them are pouring more money into primary care, on the theory that catching problems early is cheaper than treating them late.

Dan Mendelson runs Morgan Health, that's JPMorgan Chase's employer health division. He put it plainly this week. Quote. We see employers changing what's offered in the benefit, in addition to some employers cutting benefits because they don't feel like they have a choice. End quote. Read that quote again. Because they don't feel like they have a choice. That's JPMorgan Chase's own health division telling you that even the biggest, richest employers in the country feel cornered.

Elizabeth Mitchell runs the Purchaser Business Group on Health. That's a coalition of major employers trying to get a handle on this. Here's what she said. Quote. Employers have already absorbed totally outrageous cost

increases. Why is anyone surprised that they'd have to make changes to coverage? There's not some endless pot of money that the health care system can just take. End quote.

There's not some endless pot of money that the health care system can just take. Write that down. Because for years, the entire health care industry has operated like there is an endless pot of money. Hospitals raise prices. Drug makers raise prices. Insurers raise premiums. And employers just absorbed it, year after year, because that's what you do, you keep your workforce covered, you compete for talent, you eat the increase. Well, Elizabeth Mitchell is telling you that era is ending. The pot is not endless. And now the bill is landing on working families.

Mitchell also said something interesting. She said that as far as she's aware, none of her organization's member companies are looking to cut benefits outright. But, quote, they are increasingly prepared to leave partners that don't manage costs effectively. End quote. In other words, big employers are done being passive customers. They're starting to fire their insurance companies and hospital networks the way you'd fire a bad contractor. She said, quote, I think that's the change they're collectively making, is putting the pressure where it should be, on providers and health plans and other vendors, to actually bring costs down. End quote.

That sounds good on paper. Put the pressure on the hospitals and the insurers instead of the workers. I hope it works. But I want you to notice something. While all this pressure-shifting and vendor-firing is happening behind the scenes, in boardrooms, real families are the ones actually feeling the squeeze right now, this year, on their actual paychecks and actual medical bills.

Look at the GLP-one story specifically, because it tells you everything about how fast this can move. In twenty twenty-five, seventy-two percent of employers offered coverage for GLP-one weight loss drugs. One year later, in twenty twenty-six, that number dropped to sixty percent. Twelve percentage points, gone, in a single year. That's the Business Group on Health's own survey number. If you were on Ozempic or Wegovy through your employer's plan and losing weight, keeping your blood sugar under control, feeling

better, you may be about to get a letter telling you that coverage is ending. Starbucks already sent that letter. More companies are going to send it.

Now here's where this heads next, and I think this is the part that should worry you most. When cost-cutting inside a traditional health plan isn't enough, employers have another option. They can just get out of the insurance business entirely. Small businesses have been doing this for years. They can't afford group coverage anymore, so they simply stop offering it. And now interest in an alternative is rising fast among bigger employers too. The Business Group on Health survey found that twelve percent of employers are actively assessing this alternative right now.

What is the alternative? It's called an Individual Coverage Health Reimbursement Arrangement. I C H R A, for short. Instead of the employer running a group health plan and negotiating with an insurance company on your behalf, the employer just hands you a set amount of money and says, go buy your own insurance on the individual market. Go shop for yourself.

Think about what that actually means for a regular working family. Right now, when your employer negotiates group coverage, they've got leverage. They've got thousands of employees, they can negotiate rates, they can push back on hospital pricing, they've got a benefits department that reads the fine print for you. Under an ICHRA, all of that goes away. You get a check. And you, personally, with no group leverage, no benefits department, no negotiating power, are sent out into the individual insurance market to find your own plan. If prices keep rising eight percent a year, and the money in that check doesn't keep pace, you eat the difference. Alone.

Dan Mendelson said something at the end of his comments that I think sums up the whole mood of corporate America right now. Quote. Employers don't wake up in the morning and say, I want to cut benefits. It's kind of a last resort. End quote. I believe him. I don't think executives at Disney or Starbucks or Deloitte are twirling a mustache trying to hurt their employees. I think they're looking at a health care system where costs have gone up in a straight line for over two decades, where nobody, not the hospitals, not the drug companies, not the insurance companies, seems willing or able to stop

it, and they've finally hit the point where they say, we cannot keep writing this check.

But here's my worry. When Disney can't absorb it. When JPMorgan's own health division says employers feel like they have no choice. When the increase for next year is already projected at eight point two percent, the worst since two thousand three, before it even happens. That tells you this problem has outgrown corporate America's ability to fix it quietly, behind the scenes, through vendor negotiations and narrower networks.

At some point, the pot really does run empty. And when it does, it's not going to be the CEO of Disney who feels it first. It's going to be the mom with two kids, checking her mail, wondering why the number on her premium statement went up again, and wondering how she's supposed to buy her own insurance with a check that never quite covers what the group plan used to.

Small businesses already learned this lesson the hard way. They've been dropping group coverage altogether for years now because they simply couldn't keep up with the increases. What we're watching now is that same math finally catching up to companies with household names and market caps in the hundreds of billions. If Disney can't absorb it, then the size of the company was never actually the thing protecting you. It was just delaying the day the bill showed up at your door.

And here's a detail from Axios's own reporting on this that I think gets buried but shouldn't be. They frame this whole story under the header, why it matters. And the reason it matters, in their words, is that year after year spikes in medical costs finally have real consequences. Real consequences. Not projections. Not warnings. Actual changes to actual benefits that actual families are going to feel starting next year. For twenty years the health care industry has been able to raise prices and raise prices again with almost no pushback, because employers just kept absorbing it quietly and passing a slice to workers through higher deductibles nobody paid much attention to. That run is over. Corporations are now openly, publicly saying, we are not willing to eat most of the increase anymore. That is a shift in posture from the people who used to be the shock absorber between rising health costs and your paycheck.

Think about what a shock absorber does. It takes the hit so the passenger doesn't feel every bump in the road. For two decades, big employers were that shock absorber. They negotiated group rates, they spread risk across thousands of employees, and they quietly ate a lot of the yearly increase so your take-home pay didn't get hammered every single year. What Disney, Starbucks, Deloitte, and now a growing list of Fortune 500 companies are telling you is that the shock absorber is worn out. It cannot take any more bumps. And when the shock absorber goes, every pothole in the road gets transferred straight into the passenger seat. That's you.

Now, I want to be fair to the employers here, because I don't think this is a story about greedy corporations looking for an excuse. Eight point two percent, the highest increase since two thousand three, twenty-three years, is a genuinely brutal number to plan a budget around. If your own household expenses jumped eight percent in one year, on top of an eight percent jump the year before, and another one the year before that, you'd be making hard choices too. The difference is, when a family makes hard choices, they cut vacations or eat out less. When a company with tens of thousands of employees makes hard choices, it cuts your spouse off the plan, or it stops covering the weight loss drug that was actually working, or it hands you a check and tells you to go find your own coverage in a market you don't understand and were never trained to navigate.

So here's where I land on this. The real fight nobody's having yet is the one Elizabeth Mitchell pointed at when she talked about putting pressure on providers, health plans, and vendors to actually bring costs down at the source. That's the honest fight. Everything else, the narrower networks, the swapped vendors, the ICHRA checks, is just rearranging who takes the hit. It doesn't touch why an eight percent increase happens in the first place, year after year, on top of the last one.

Until somebody forces the hospitals, the drug makers, and the insurance middlemen to answer for the actual prices they charge, this spiral does not stop. It just gets shifted, quietly, from the boardroom, down to the kitchen table.

We'll be right back.

11 — [BREAK] — COMMERCIAL

[COMMERCIAL — slot for 30s ad]

12 — CLOSING / SIGN-OFF

That's the show for tonight.

Here's what I want you to walk away with. Diesel and health care sound like two different stories. They're not. They're the same story wearing two different hats.

Diesel prices don't get set by the trucker sitting in the cab. They get set by wars halfway around the world, by refiners deciding what margin they feel like taking this month, by people who never once had to figure out how to make a delivery schedule work on eleven dollars a gallon. The trucker just pays it.

Health care works the same way. The price of your kid's asthma inhaler doesn't get set by you or your doctor. It gets set by a hospital system and an insurance company and a drug maker sitting in a room you're not invited to. Then the bill lands on your kitchen table, and you're the one who has to figure out how to pay it.

That's the pattern. Costs get decided way up top, by people with names you'll never know, and they roll downhill onto the people who had no say in the matter. Truckers. Farmers. Families working two jobs just to stay even. Nobody at that table ever asked them what they thought. Nobody ever will, unless we make them.

That's why this show exists. Somebody's got to say it plain.

I appreciate you spending this hour with me. I know you've got a hundred other places you could be putting your attention, and you chose here. That means something to me, and I don't take it lightly.

Come back tomorrow. Seven o'clock. Same station, same plain talk, no spin.

Until then, take care of the people around you, and don't let anybody tell you the bill rolling downhill is just how things are supposed to work.

I'm Mark Ford. Good night, God Bless and kiss the kids.