Proceedings of ICEIPI 2026 Symposium: Inclusive Education, Cultural Transformation, and the Ethical Dimensions of Learning
DOI: 10.54254/2753-7048/2026.LD35461

Comparative Analysis of U.S. Education and Insurance Policies: Connections, Differences, and Policy Implications

Yihan Lin

New Channel High School, Hangzhou, China
15157739515@139.com

Abstract. The U.S. education and insurance systems are shaped by distinctive historical and ideological foundations. Both fields reflect the tension between market-driven principles and evolving efforts to address inequality, despite persistent structural gaps. This study aims to conduct a comparative analysis of American education policy and insurance policy, focusing on their societal goals, implementation mechanisms, and policy outcomes. The analysis adopts literature reviews, case studies, and horizontal and vertical comparisons to identify similarities and differences. Findings show that U.S. education policy is characterized by decentralized governance, where federal authorities provide broad frameworks but local governments and school districts hold primary responsibility. It emphasizes diversity, inclusivity, and the cultivation of critical thinking through flexible curricula and student-centered practices. By contrast, the U.S. insurance system is divided into public and private sectors, is not universally free, and often ties access to employment. While education-related financial policies such as student loans mitigate risks, they do not function as insurance in a strict sense. Comparatively, both systems aim to promote social stability but differ in scope and implementation. Education policies prioritize management and resource allocation, while insurance policies emphasize financial risk-sharing under social security or commercial frameworks.

Keywords: U.S. education policy, insurance policy, comparative analysis, social equity, policy reform

1. Introduction

Education and insurance are two essential pillars of social development in the United States, both deeply rooted in its historical, economic, and ideological foundations [1, 2]. While these two policy domains serve different purposes, they are closely connected through their shared goals of promoting social stability, reducing risks, and addressing inequality. At the same time, they demonstrate significant differences in design, implementation, and outcomes. Exploring the connections, similarities, and divergences between American education and insurance policies therefore provides an important perspective for understanding U.S. social governance.

This study adopts a multi-method approach to analyze these two policy fields. First, statistical data, official reports, and scholarly literature are reviewed to reveal the underlying logic of each system. Second, comparative analysis is conducted both horizontally, to examine structural and

DOI: 10.54254/2753-7048/2026.LD35461

functional differences, and vertically, to trace their historical evolution. Third, typical cases are introduced to illustrate institutional environments and decision-making mechanisms. On this basis, theoretical frameworks are applied to assess both the advantages and disadvantages of the two policies.

The significance of this research lies not only in providing a deeper understanding of U.S. education and insurance systems but also in offering insights for policy optimization and cross-domain learning. By systematically comparing these two domains, the study aims to broaden knowledge, enhance analytical capacity, and provide references for international policy reform.

2. Connections and interactions between education and insurance policies

The U.S. education and insurance systems are shaped by a blend of historical, economic, and ideological foundations. Its policy reflects a tension between federal-state dynamics, market-driven principles, and making efforts to address inequality even though the structural gaps exist.

Moreover, there are multifaceted connections between America's education policies and insurance policies. Firstly is the mandatory correlation between medical insurance and education policies. America's high schools usually required the students to hand in medical insurance which was due to the high cost of America's medical fees. The schools can provide students with various schemes of medical insurance. For example, the Johns Hopkins University's education college requires the full-time international students to buy the medical insurance that is offered by the university unless the students can prove that they have had equal or better insurance coverage. Secondly, the insurance policy plays a role in promoting professional education. The *Affordable Care Act* (ACA) reduces the phenomenon of "job lock" by offering meaningful insurance without employment and offering the insurance widely among the small businesses [3, 4]. This lets the individuals be more willing to choose the suitable jobs but does not offer them the jobs of health insurance, which would promote the people to gain suitable education for these professional jobs. This performance will lead to the enrollment at for -profit colleges increasing because most of the training for these jobs is provided by for-profit colleges with programs lasting less than two years. Thirdly, it comes to the education insurance and education investment planning. The U.S. is exiting a lot of methods to prepare the education foundation. Such as 529 education savings plans and using life insurance for educational investment. By annual tax-free gift to purchase life insurance. This is a means by which the parents can perform long-term saving and planning. When their children enter the university, they can extract finances from the guarantee slip as an education foundation.

3. U.S. education policy

First comes the education policy. For more details, the characteristic of American education policy is decentralized governance [5, 6]. The local and state governments hold primary responsibility for funding and oversight, with federal involvement limited to frameworks like the *Elementary and Secondary Education Act or Every Student Succeeds Act*. The American education policy is at the top of the globe; it succeeds not for a short time but is slowly updated. A long, long time ago, the American education policy was immersed in an extremely disordered and separated situation. The different states and regions have different methods of managing; the private and public schools exit at the same time. In addition, the standard, projects, and teachers have a big gap. However, in the following days to come, the American education policies have gradually risen. There are some main reasons. First and foremost is the development of the unique education system in America. The U.S. Constitution did not entrust education to federal government management; the educational projects

DOI: 10.54254/2753-7048/2026.LD35461

belong to the state government or the scope of people's rights and then form the tradition of educational autonomy. This autonomic body constructed a university administrative management system for "University Board of Directors—President—Administrative Staff." The university professors form an academic review committee and support the university's autonomic system together. The education autonomic produces multifunctional advanced concepts and models, which can incentivize the enthusiasm, initiative, and creativity of the educational management body.

Secondly, there is the constant reform and innovation. America's education continues to reform in the different historical stages [7]. For example, the post-World War II "elementary and secondary school curriculum reform movement" and "birth and education planning." And "released the basic sports." In the recent decades, the US has expanded access to education for disadvantaged groups, promoted advanced education for digital transformation, and so on to reform aims to suit the demand of social development.

Thirdly, the changing in the concepts of serving society. After the Civil War, the United States passed the *Morrill Act* to push each state to fund the universities and let the federal government intervene in the field of education, which formed the concept of "universities serving society." Aiming to let advanced education fit the country and society's development demand.

Lastly is the supporting of the government policies. After the Second World War, during the Cold War period, America pushed advanced education into the Strong Country strategy, such as the *National Defense Education Act*, which was implemented in 1958. Pushing with many aspects and lettingeducation become the significant protection of the US's security with the support of fees, guidance of strategy, and innovative patterns. Since then, from the Bush-era *No Child Left Behind Act* to the Obama-era *Every Student Succeeds Act*, the education system has been constantly updated to reform.

Some related theories about education are the theory of pluralism, the theory of elitism, and the theory of policy. Their meanings, respectively, are that the education policy is the result of negotiations by different profit groups such as parents, enterprises, and government departments. They affect the way of the government by lobbying and stamps. For example, the policy that distributes the tuition fee may be adjusted by the competition from teachers' salaries; the parents require more fees for the activities.

Then it comes to the theory of elitism; the main point is that the education policy is guided by the elitism groups to reflect their value and profit, but the effect on the normal public is limited. The theory of policy is significant as well. The key point is that the education policy is constricted by current policy, like law and tradition.The education policy has to exist in the structure of the government policy, and the policy will change attached to the time. For example, if the American education policy wants to change, it is allowed by the related laws, which are implemented by the state.

To some degree, the American education policy has both advantages and disadvantages. It has the following advantages. First is the diversification and flexibility.The education system includes variousschool-running models, such as private school, public school, and specialty permit school. The students can choose different schools depending on their interest; the classes focus on personality development because the students in America have diverse courses to select. For example, during the high school period, the students can freely choose their courses depending on their personal interests and job objectives. In the universities, the students can try many subjects and then decide on the final profession in a flexible way. In addition, the classes in the US encourage students to express their own points and participate in the discussions. For example, in the Hackness Roundtable Teaching Method Class at Buffalo Girl's school, teachers always encourage students to

DOI: 10.54254/2753-7048/2026.LD35461

put forward different views from multiple angles, whether the ideas are novel or traditional. Secondly, the ahead of resources for advanced education. The USA has plenty of top schools; the abundant research strength provides students with rich opportunities, which attract much talent from across the globe.Thirdly, focus on critical thinking. It emphasizes creativity and activity and encourages students to express different opinions. Last but not least, the high social participant. The USA school is connected with enterprises and society; it normally has outdoor activities, which are helpful for students to be responsible. The disadvantage is the uneven distribution of education resources [8]. This is affected by the regional economy and the gap between the rich and poor. The poor may have no money to pay the tuition fees. Another disadvantage is the basic quality of education is uneven. Different states have different standards of education. Some part of public schools' educational quality decline is due to the leak of money. Next, the costs of education are too high [9]. The high fees cause many students and families to not be able to afford the tuition fees and drop out of the school.

What is the reason that causes the drawbacks of education, and how do you solve it? Because of the uneven distribution of the education resources, the high cost of education, the market class, and the continuation of racial segregation and the market orientation.One solution may be to release the uneven distribution of the resources, control the costs of education, and break the gap between racial segregation.

4. U.S. insurance policy

U.S. insurance policy, particularly in health and property sectors, is greatly market-driven [10]; compared with industrialized nations, the federal oversight is minimal.For example, to some degree, healthcare insurance heavily relies on employer-sponsored plans and the private market. In the aspect of property insurance, market power, red line, and so on… Historical measures lead to opportunity inequality: the low-income people and some minority neighborhoods will face higher fees and limited insurance range, particularly in the disaster areas. These policies reflect a wider emphasis on individual responsibility instead of the division of risk for groups. Intention of the vulnerable frontier groups.

There are some relative theories about the insurance policy:

Initially, it comes to the market as a free theory; the key point is to reduce the government intervention and let the insurance market achieve optimal allocation of resources. The consumers can be satisfied with diversion alternatives by choosing themselves. The second theory is the theory of social risk sharing, which considers that some risks, like unemployment, some big diseases, and so on, have universality, and we have to collectively share risks through a government-led social insurance system [2]. For example, the federal government guides the social security system, which has to focus on division. Next it comes to the regulatory capture theory [11]. Its meaning is the insurance regulatory agency may be affected or even captured by the insurance industry. The regulatory policy aims to protect the profit of the industry instead of consumer equity. To some details, like the regulation of Zenefits by the Utah Insurance Department in the United States. Zenefits is a start-up company that provides a free online human resources platform for small businesses and provides health insurance services through the platform. Because its business model competes with traditional insurance brokers, the Utah insurance department prohibits Zenefits from operating in the state on the grounds of "protecting fair competition." Ban Zenefits from running in this state. This department's worker, Todd E. Kiser, considered that Zenefits used convenience to reflect an unfairness to the traditional insurance broker. This example is considered typical of

DOI: 10.54254/2753-7048/2026.LD35461

regulatory capture, in which the regulator finally serves for the profits of the industries that are under regulation instead of public equity.

Furthermore, in the history of some parts of the states' critical insurance rate policy, citizens had to pay too much attention to the company profit, which led to the irrational prices. Finally, it is the equal and reachable theory. This theory concentrates on the equality of insurance and thinks the low-income person and weak groups have to gain more basic insurance. Always through intervention to improve the coverage. For example, the *Affordable Care Act* through federal subsidy and mandatory insurance requirements expands the coverage range of healthcare insurance, especially for low-income and poor people. These all reflect that in the American insurance policy, free market and government intervention, efficiency and equality are all in a constant gamble and chess game; the real policy is usually the consequence of the theoretical agreement.

The following are the advantages and the disadvantages of the insurance policy. There are a number of advantages toAmerica's insurance policy. Initially, the market was active and the diversity of the products was high. Guiding of the private insurance, the abundant competitiveness. The insurance companies can depend on different demand to exploit products. The consumers can choose the coverage range and the standard of the insurance fees flexibly, satisfying the personality demand. Secondly, the commercial insurance and the strong innovation capability. In the aspect of property insurance, responsibility insurance, and healthcare insurance. The private companies pushed many innovations. For example, combine the data and improve the risky prices to suit the changes of the social economy. Thirdly, social insurance provides basic security. The federal government guides the social insurance to cover the old people, unemployment, and basic risk. Providing the public with basic security, especially in the fluctuation of the economy.Lastly, the finish of the reinsurance system, through the reinsurance market, to diversify catastrophic risks. Impose the capability of the insurance industry to face the loss and release the pressure.

Next comes the disadvantages. First of all, there is the insufficiency of the equality and the coverage rate. Although there has the push of the medical policy, there are some people lack of the insurance which due to the low-income and asymmetric of information.The high-risk people may find the instant insurance fees too high and be refused insurance, which may impose the inequality. Secondly, the cost is high, and the efficiency is waiting to be updated. Particularly in healthcare insurance, the cost of implementation and rising medical fees lead to the increase in the insurance fees. The burden of family and government impositions means some part of the normal public can't afford the financial pressure. Thirdly, the fragmented regulation. The insurance regulation is mainly by state; the regulation and agreement of federal and state are insufficient. The industry across the state will face sophisticated and different standard problems, which may have an influence on the market efficiency and the protection of the consumer equity. Lastly, the market fluctuation risk is great, which means it is more likely to rely on the private market. When the economy is in recession or the disasters happen frequently, the insurance companies may contract the industry or increase the insurance fees when there is a loss. This situation may need government intervention.

5. Conclusion

This study has examined the similarities and differences between U.S. education and insurance policies, focusing on their goals, institutional mechanisms, implementation bodies, and ongoing debates. Both policy areas are deeply influenced by the historical emphasis on market dynamics and individual responsibility, while also shaped by evolving demands for social equality. Despite addressing different societal needs, education and insurance share the challenge of balancing efficiency with fairness.

DOI: 10.54254/2753-7048/2026.LD35461

In the field of education, the policy goal is to ensure the educational opportunity and improve the quality of education to not only promote social equality but also serve for countries to breed talents. Consider the public services as the key goal; through government intervention, the rules, the allocation, and the adjustment of the resources are running. The implement's main body is the government. The argument is always surrounded by the "equality and efficiency."

By contrast, for the insurance policy, the main purpose is to reduce the financial risk that the individual faced and maintain the steadiness of the society through the risk division mechanism. Based on the "risk pricing" and "contractual relationships," the commercial insurance relies on the market competitiveness and self-agreement trade. Founded the dual-subject model. The commercial insurance consider the private insurance companies as the main body, the government mainly to regulation.The main argument focuses on the "balance between the free market and social protection."

In conclusion, the American education and insurance policies have both advantages and disadvantages; they also have similarities and differences as well. These will cause inequality.

References

[1] Mettler, S. (2014). Degrees of inequality: How the politics of higher education sabotaged the American dream. *Basic Books*.

[2] Barr, N. (2012). The economics of the welfare state. *Oxford University Press*.

[3] Baicker, K., Taubman, S. L., Allen, H. L., et al. (2013). The Oregon experiment — Effects of Medicaid on clinical outcomes. *New England Journal of Medicine, 368*(18), 1713–1722.

[4] Gruber, J. (2011). Health care reform: What it is, why it's necessary, how it works. *Macmillan*.

[5] McGuinn, P. J. (2006). No child left behind and the transformation of federal education policy, 1965-2005. *University Press of Kansas*.

[6] Spring, J. (2018). American education. *Routledge*.

[7] Tyack, D., & Cuban, L. (1997). *Tinkering toward utopia: A century of public school reform*. Harvard University Press.

[8] Reardon, S. F. (2018). The widening academic achievement gap between the rich and the poor. *Social Stratification*, 536–550. Routledge.

[9] Ma, J., Pender, M., & Libassi, C. (2020). Trends in college pricing and student aid 2020. College Board.

[10] Cutler, D. M., & Zeckhauser, R. J. (2000). The anatomy of health insurance. *Handbook of health economics*, 1, 563–643. Elsevier.

[11] Stigler, G. J. (2003). The theory of economic regulation. *The Democracy Source Book*, 393–397.