



ISSUE BRIEF

Congress Should Prioritize Equitable Healthcare and Economic Security for Everyone in Building Back Better

Juneteenth, also known as “Emancipation Day,” commemorates the end of slavery in the United States. It’s an opportunity to celebrate and also to advocate for more progress in ending discrimination and racism in our economy, in our health system and in our society.

As lawmakers in Congress develop policy that will ensure full recovery from COVID 19, the worst public health crisis in modern history, Juneteenth reminds us that building back better requires equitable, inclusive policies that will finally ensure that everyone, no matter where they live, where they came from or what color their skin may be, should have quality, affordable healthcare they can depend on to stay healthy and take care of their families. A safe, prosperous and secure future.

COVID 19 Exposed Long-Standing Inequities in Health Care and the Economy

COVID 19 is the most widespread and dangerous threat to public health crisis in generations, killing almost 600,000 people in the United States including [26,357](#) in New Jersey. Everyone has been impacted in one way or another. While the virus does not discriminate, [data](#) shows that some groups have been more impacted than others.

Historical racial disparities in healthcare and the economy have left Black people in America more vulnerable to infection, hospitalization and death from the pandemic. At the same time that Black people are more likely to experience negative health and economic impacts from COVID, they are less likely to have [health coverage](#), to have [access to affordable prescription medicines](#), or to make [as much money](#) on the job as their white counterparts.

Even before COVID, Black people in the United States were more likely to lack affordable health coverage than other racial and ethnic groups, even despite significant [progress](#) made by passage and implementation of the Affordable Care Act. Disparities in coverage are particularly acute in the twelve states that did not fully implement the law. In these dozen states, lawmakers have not taken up the law’s Medicaid expansion provisions which would provide coverage to nearly [4 million adults](#) who currently have no healthcare. Nearly a third of uninsured adults in the Medicaid “coverage gap” are Black - two thirds of the total number are people of color.

People of color continue to be more likely to be uninsured than Whites in the United States--of the approximately [30 million](#) uninsured people in the nation, half are Black. Failure to expand Medicaid in states in Florida, Texas, North Carolina, Georgia and other states with high people of color populations is one reason.

Political gridlock that has resulted in failure to expand Medicaid contributes to both disparities in coverage and in health outcomes for Black people in America although it's not the only reason for persistent inequities.

In addition to coverage and resources, [a confluence of other social and economic disparities](#) including environmental conditions, [access to opportunity, long-term stress](#), and racial bias in treatment result in worse health outcomes for Blacks. Black women of child-bearing age, for instance, tend to face [higher risk of complications and death in pregnancy and childbirth](#) than their white counterparts even when controlling for other factors like income, education and health care coverage.

Similarly, Black people in our country are more likely to experience chronic diseases like diabetes, high blood pressure, asthma, and others despite coverage. Chronic illnesses and underlying conditions that make Black people [more susceptible to COVID](#), complicate their recovery and increase their mortality. Economic conditions like chronic underinvestment, occupational segregation of Blacks in low-wage industries, the racial wage gap and the racial wealth gap all play a role that became more sharply apparent during COVID.

The concentration of Black people in front-line "essential" jobs that provided critical services and support during the worst months of the pandemic [increased risk](#) for this population as they maintained constant contact with the public while working in jobs that typically offered low pay, few benefits and limited safety protections. These conditions have long been present but are more acute now – during a pandemic – and an urgent response is needed to address the current harm.

Recovery Lessons Demonstrate Need For Specific Attention to Racial Equity

In 2020 and early 2021, Congress took significant action to address the spread of COVID, distribute vaccinations and pass policies that shielded millions of people from the tremendous economic impact of job loss, health coverage reductions and contracting of the economy that left millions of people struggling with access to basic necessities.

Despite these efforts, recovery from the virus has been uneven with Black and brown people feeling the help and support from Congress later--if at all. Individuals in low-wage jobs or who have [lost their incomes](#) due to the pandemic face housing instability, a child care and paid leave crisis, and constant toxic stress. Many still struggle to afford needed health insurance--in spite of recent changes made by Congress. These health and economic inequities result in dramatically disproportionate impacts. Without these inequities being properly addressed through aggressive policy change, our nation will continue to fail the very people who make our nation whole.

Throughout our country's history, racism has led to the construction of policy, programs and systems that perpetuate inequity in health care, wealth, housing and education rather than eradicating it. These deep inequities over time have led to two Americas – one with greater chances of wealth and health and one denied these pathways—divided by the color of one's skin and reinforced by classism. The existence of this divide has been confirmed by scientific and public health data and by the testimony of countless individuals of color whose everyday struggles underscore the persistent racism that disfigures our nation.

Across the country, there is a loud and consistent demand for more government action to address these inequities through a transparent policy response in the next phase of recovery and stimulus legislation in Congress.

The American Rescue Plan Provides a Strong Start to Building Back

After years of struggling with increasing health care premiums, the American Rescue Plan delivered improvements. Thanks to the American Rescue Plan, over 1 million people have accessed health coverage during the special enrollment period (SEP); the SEP continues through the end of 2021 in New Jersey and through August 15th nationally, and provides access to more generous tax credits that make health premiums more affordable; the improvements are life-changing for families. For those making below 150 percent of the federal poverty level or \$19,140 for an individual, there are no premiums to access health coverage and for higher-income earners, they can rest assured that they will not pay more than 8.5 percent of their income toward their ACA plan premium.

In New Jersey, we are seeing a significant drop in the number of uninsured. Based on enrollment data from late 2020 and early 2021, approximately [622](#) thousand were enrolled in Medicaid expansion and nearly [258](#) thousand were enrolled in ACA Marketplace coverage. Nationally, [31 million people](#) are now accessing ACA-related health coverage, the highest on record.

According to recently released [data from HHS](#), “nearly 2.3 million current enrollees have returned to the Marketplace and reduced their monthly premiums by over 40%, from on average \$103 to \$61, after APTC.” And the number of Black people enrolling in Marketplace plans continues to increase, “among enrollees who reported a race, 15% were Black compared to an average of about 11% in a similar window in prior years.”

For Black and brown families who are struggling to afford health insurance, including those who have lost or reduced income due to the pandemic, the provisions in the ARP make coverage more affordable and accessible. This more affordable ACA marketplace or Medicaid coverage also creates more opportunity and flexibility in finding employment since coverage is not dependent on employers. Getting coverage from the marketplaces or Medicaid provides people more time and flexibility to find the jobs they want and that meet their needs.

For millions of workers who were laid off from their jobs during the pandemic but wanted to continue their employer sponsored health care, the American Rescue Plan Act (ARPA) includes provisions to make COBRA (Consolidated Omnibus Budget Reconciliation Act) affordable. COBRA has long been available to workers who lose jobs or are laid off but want to continue their health plans, but the cost of COBRA is often prohibitive since the individual must pay both the full cost with no contribution from the employer. ARPA provides subsidies to cover 100% of the cost and more time to enroll.

ARPA also created new incentives and opportunities for states to expand health coverage and services that specifically address racial health equity. For instance, the federal relief bill provided states with the option to expand coverage for new mothers under Medicaid from 60 days to a full year. Medicaid pays for around half of all births in the United States, including [39%](#) in New Jersey. Black and brown women are more likely to depend on Medicaid for prenatal and maternity coverage. Typically, coverage for maternity care ends at 60 days after birth. But the ARPA has enabled states to extend that coverage to a full year.

More Attention to Racial Equity Needed in Build Back Better

Increasing access and affordability to coverage now and in the long-term are critical and long-overdue improvements in health care that will improve life for millions. The American Rescue Plan added additional incentives in the form of a temporary increased federal match rate for the remaining 12 non-expansion states to encourage them to expand. But despite the economic, fiscal and humanitarian case for Medicaid expansion, many state legislatures still refuse to expand coverage.

Politics should never take precedence over fair access to healthcare coverage or services but more than [4 million uninsured](#) poor adults, most of whom are [working](#), remain un- or underinsured in the 12 states that have not yet expanded Medicaid. The population in the gap is comprised [disproportionately of Black and brown people](#) (29 percent of people in the coverage gap are Hispanic and 28 percent are Black). **According to recent analysis, if the remaining non-expansion states closed the coverage gap, the number of uninsured Black adults who would become eligible for health coverage would increase fivefold.**

The coming legislation in Congress offers another key opportunity to finally close the coverage gap for the millions of Americans who have been denied health coverage through Medicaid expansion simply because of political opposition to the ACA.

Data and experience with Medicaid expansion over the last decade show that increased access to coverage improves outcomes and reduces unfair disparities. The states that have expanded Medicaid have made the greatest progress in narrowing the gaps in both uninsured rates and health outcomes between Black and Hispanic people and white people. The gap in uninsured rates between white and Black adults shrunk by [51 percent](#) in expansion states (versus 33 percent in non-expansion states) and the gap between white and Hispanic adults shrunk by [45](#)

[percent](#) in expansion states. This means that Black and brown people in expansion states have fewer barriers to health care resulting in [improved health outcomes](#) for both groups.

Taking action to ensure that everyone can get healthcare coverage, including the millions of people in states where politicians do not support Medicaid will ensure fair and equitable access for everyone:

- Black and Brown communities have faced years of discrimination in employment and education. As a result, they are more likely to [work in low-wage jobs without good benefits like health coverage](#). Tax credits are critical to helping gain affordable coverage through the ACA marketplace.
- Black and Brown small business owners [struggle with the cost of healthcare](#), impeding business growth; small business owners [make up more than half](#) of all ACA enrollees.
- Low-wage workers, disproportionately Black and Brown, pay too much for doctor visits and prescription drugs.
- Black and Brown communities [express significant concern](#) about the rising price of prescription drugs. No one should choose between food and prescription medicines they need, but [Latinos](#) and [Blacks](#) can't afford treatments despite having higher rates of chronic diseases like diabetes, high blood pressure and asthma.
- Black and Brown people also make up [a high population](#) of the 12 states that have not expanded Medicaid.
- People in the Medicaid coverage gap are working people in low-wage jobs and nearly [60 percent](#) are people of color. Black and Brown workers in states that have yet to close the coverage gap have few, if any, options to access health coverage when it is needed most.

Closing the Coverage Gap and Affordable Health Coverage are Racial Equity Issues

President Biden said in his first address to Congress that “Health care should be a right, not a privilege,” for everyone in America. Access to affordable health coverage should not be denied to people in states simply because of political gridlock that has consistently blocked the expansion of Medicaid despite federal funding and demonstrated need. No matter where someone lives or who they voted for, they should still have the same access to affordable healthcare as people in other states.

That’s why it’s time for federal lawmakers to intervene and ensure that everyone can get quality affordable healthcare in the Build Back Better package.

President Biden is committed to ensuring economic stability for America’s families--and importantly, a firm commitment to advancing racial justice and health equity. Across the American Jobs Plan, the American Families Plan and the recent FY22 budget, the president has proposed key investments in paid leave, job creation, paid family and medical leave and other investments to reduce child poverty and improve health outcomes.

First, he proposes to make the American Rescue Plan health care tax credits permanent, making health care more affordable and reliable for people. Second, he has repeatedly urged Congress to enable Medicare to negotiate for lower drug prices so that more people can access affordable medicines they need to stay healthy. The President also explicitly calls on Congress to “reduce maternal mortality rates and end race-based disparities in maternal mortality.” The budget provides more than [\\$220 million in discretionary funding](#) to reduce maternal mortality and morbidity and advance the health of birthing people. Finally, in the recent budget framework, the president highlights the need to once and for all close the coverage gap for millions of people residing in states where decision makers choose politics over people.

The job of Congress is to make these priorities a reality for all people and use this historic moment to reorient our systems toward justice. Centering the needs of Black people is paramount in any policy proposal and holds the promise of supporting all low-income and struggling individuals moving forward.

People want more affordable health coverage, lower out-of-pocket costs and lower prescription drug prices.

Evidence that more needs to be done to make premiums affordable comes from both the uninsured — [who cite affordability as the biggest barrier to coverage](#) — and from those who get their care on the Marketplace, with over 45 percent of subsidized enrollees in all income brackets reporting some or great difficulty [affording](#) premiums.

[Recent polling](#) shows that reducing health care costs is a top priority for voters, regardless of political affiliation. Reducing the cost of healthcare and out-of-pocket costs like copays, deductibles and prescription drugs is not a blue state/red state issue – it’s a national one.

Improving the affordability of health coverage and care will help rebuild the economy in ways that also make it work for many more people.

The pandemic caused [tens of millions](#) of job losses and exposed real limitations in the employer sponsored insurance model. But it also affirmed the importance of Medicaid as a social safety net program, building on Medicaid’s long track record of success. Over [7 million](#) more people enrolled in Medicaid during the pandemic as the program provided a streamlined, efficient and accessible mechanism for newly uninsured people to get coverage that they needed during the pandemic.

Closing the coverage gap in the remaining 12 states that have not yet implemented Medicaid expansion will ensure that millions of uninsured people who have waited for nearly a decade for coverage can finally get the healthcare they need. Medicaid coverage increases positive health outcomes, helps people be healthy enough to work and increases economic security for low income people who otherwise must depend on the emergency room, forgo treatment or incur debt to get basic health care.

ARPA changes to the ACA affordability provisions similarly provide increased options and opportunities for people who faced health and economic changes during the pandemic, whether because of job loss, layoffs, income reductions, or other circumstances. The increased affordability and the flexibility for a greater number of people across incomes is an important positive outcome of pandemic changes.

The massive vaccination effort that President Biden's Administration has led is largely possible because of the ACA's free preventive care provision, which ensures that people with ACA coverage and Medicare enrollees receive preventive care at no cost. COVID isn't going anywhere. ACA preventive care provisions will continue to enable millions of people to get tested and receive needed vaccinations even after the emergency declaration is lifted.

As more treatments and remedies are developed for COVID as well as for other illnesses, Congress will need to take action to ensure that these medicines are affordable for everyone. The President has urged Congress to take action now to lower drug prices through negotiations in Medicare so that prescriptions are affordable for everyone. Prescription medicines are increasing in price faster than any other good or service, putting everything from insulin to Epi Pens and cancer drugs out of reach for people, even those with insurance coverage.

Black people in the United States are more likely to suffer from chronic diseases like high blood pressure and diabetes that require prescription drugs as treatment as well as more likely to be diagnosed with acute illnesses like HIV, cancer and, now, COVID, that may require expensive treatments. Unless Congress advances prescription drug reforms, drug corporations will continue to have monopoly prices to set and keep prices sky high. Poll after [poll](#) shows that lowering drug prices is a top priority for voters across race, political party and income.

Our country can't recover and people can't go back to work if they're sick. Many will not return if they fear being exposed to COVID-19 and are already living one hospital bill away from financial ruin. Investing in our health infrastructure creates more economic opportunities in the workforce, protects workers and ensures our nation will be better prepared for the next health crisis. Shots in arms is only one step in the journey. By getting people back to work and ensuring they have the ability to purchase low cost, quality health care if their employer doesn't already offer it, we're building a stable workforce for today and tomorrow.

It's time for the United States to step forward into the post-pandemic era by embracing solutions to long-standing problems that we have the power to eradicate by working together. Building back better means achieving quality, affordable health care for all, at last, and ensuring that no one is left behind. We need to address the long-standing racial disparities that will ensure everyone in American has an equitable opportunity for a healthy and prosperous future.

[Health Care for America Now \(HCAN\)](#) is a grassroots coalition of state and national groups that led the fight to pass the landmark Affordable Care Act (ACA). **Healthcare Over Wealthcare** is a campaign of Health Care for America Now that advocates for prioritizing investments in

equitable, affordable healthcare for everyone over tax breaks for the rich and corporations.
Follow us on Twitter @HCAN.

[New Jersey Citizen Action](#) is a statewide advocacy and social service organization that advocates for social, racial and economic justice for all while also meeting the pressing needs of low and moderate income New Jerseyans through education and direct service.