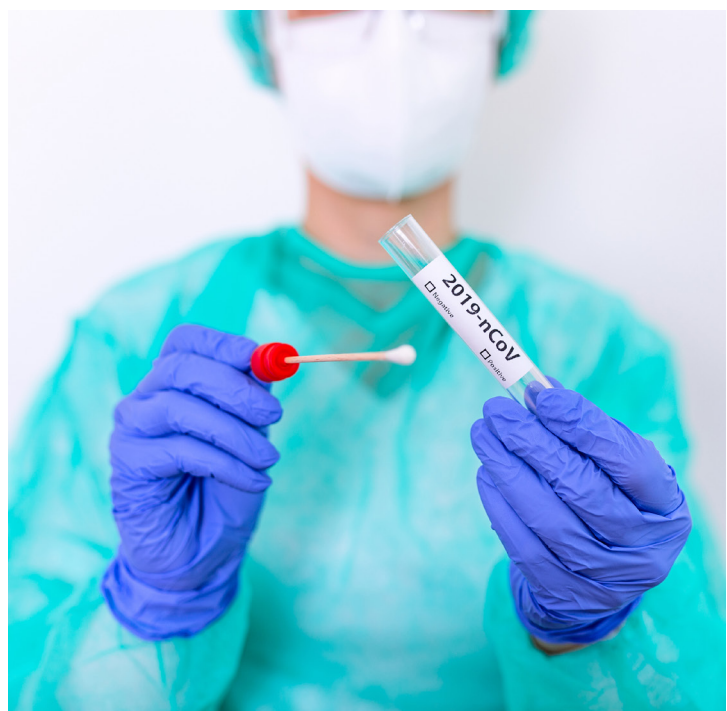


Top 3 Priorities for Combating the COVID-19 Pandemic and Recession



May 2020

America is confronting a profound crisis of deadly disease and economic meltdown. Put simply, our nation is experiencing, at the same time, its gravest public health and economic challenges in generations. This historic period calls for America's elected leaders to take bold action at the scale demanded by the crisis. Families USA — a leading national, non-partisan voice for health care consumers, dedicated to achieving high-quality, affordable health care and improved health for all — urges Congress and the president to achieve three priorities in the next round of COVID-19 legislation.

1. Comprehensive, Affordable Health Coverage for Struggling Families.

Health insurance addresses both critical elements of today's crisis. It lets people seek diagnosis and treatment as soon as illness strikes — an essential step in stopping the pandemic's spread. Health insurance also provides revenue that limits job losses in America's health care system, which was our fastest-growing job sector before the crisis and currently faces catastrophic drops in utilization. Layoffs and furloughs are ending employer-sponsored health insurance for tens of millions of workers and their families. This gathering tsunami of coverage loss will worsen disease, families' economic insecurity, and unemployment unless lawmakers take three steps:

- » ***Provide \$600 million in mandatory, annual funding for consumer assistance*** that helps families obtain the coverage and care they need from our complex health insurance system. Laid-off workers, overwhelmed by the emotional and practical challenges of job loss, rarely have the bandwidth to learn about and enroll in health coverage. In previous recessions, the only successful approach to providing most of these families with health insurance has been intensive, individualized assistance. Now is the time to take this bold action.



Proving I was sick enough to qualify for one of the few COVID tests in my state was a needlessly expensive and stressful process. The test itself was conducted in a drive-through parking lot [and was] one of the oddest medical experiences I've had. It was dystopian and chaotic and waiting for the results was anxiety inducing, made worse when there was worry my test had been lost. I hope the process has become more streamlined since.

—Anna Davis-Abel,
Morgantown, West Virginia



I'm grateful that I had insurance during the time of the COVID-19 virus and I was able to see my private doctor. I received my results back in less than 48 hours which helped reduced my anxiety and started the healing process mentally and physically.

—Aviva Williamson, Shreveport, Louisiana

» ***Make private health insurance truly affordable to struggling families*** by ramping up premium tax credits that help low- and moderate-income consumers buy coverage from health insurance exchanges and by fully subsidizing COBRA coverage offered to laid-off workers. In states that have not expanded Medicaid to serve low-income adults, full premium and cost sharing assistance should enable uninsured adults left behind in their state's coverage gap to purchase non-group private insurance. Further, this assistance should be coupled with new and meaningful incentives for state Medicaid programs to continue with full expansion.

» ***Strengthen Medicaid to serve children, low-income adults, seniors, those who are disabled, and other vulnerable populations.*** All states must have support to finance and expand their programs to meet the current health challenge. Congress must significantly enhance the federal matching percentage for the program and provide 100% support for

states that are newly expanding the program. In addition, the recently enacted Medicaid option to provide COVID-19 testing for the uninsured must expand to encompass COVID-19 treatment, with eligibility extended to all in need, regardless of geography or immigration status.

2. Fiscal Relief That Lets States Staff Pandemic Response, Save Jobs, and Help Hard-Pressed Residents

States are required to balance their budgets. Recessions slash state revenues while boosting the number of families using state programs related to health care, unemployment assistance, and food security, among others. This combination forces states to make major cutbacks that harm people and devastate the economy precisely when both need help. Meanwhile, states must deploy significant staff to implement large-scale COVID testing and contact tracing. To allow for appropriate COVID response and to prevent state and local actions that undermine Congressional efforts to combat recession, federal fiscal relief must include two key components:

- » **Significantly increase federal matching rates for Medicaid.** As under the Take Responsibility for Workers and Families Act, federal resources should target economic need. At a minimum, Congress should provide an immediate 4.8 percentage point boost in Federal Medical Assistance Percentages for each percentage point increase in state unemployment rates above baseline levels, with full federal funding guaranteed to struggling states until their economies recover.
- » **Provide states flexible funding** to offset major revenue losses and cost increases triggered by recession. Congress should immediately enact the governors' National Governors Association's proposal for a \$500 billion state emergency relief fund.

3. Testing and Contact Tracing to Safety Beyond Large-scale Lockdowns

In order to begin to reopen the U.S. economy and keep families safe, a comprehensive effort to test, trace, and quarantine individuals must be nationally coordinated and implemented. In the next COVID package, the federal government should fund these essential efforts with a specific focus on getting resources to communities that are at greater risk of COVID-19 outbreaks and those that lack the ability to stand up robust efforts on their own.

- » **Fund state and local public health departments through the Centers for Disease Control and Prevention.** Building on the testing funds allocated in the previous round of COVID-19 legislation, Congress should issue the Centers for Disease Control and Prevention at least \$3.7 billion in emergency supplemental funding to

be distributed to local, state, territorial, tribal, and federal public health agencies to support a force of at least 100,000 contact tracers, with an additional \$43 billion available to CDC to expand the contact tracing workforce if needed, to implement self-isolation facilities, and to provide income supports for individuals in 14-day isolation periods. States should submit binding plans to allocate these funds within the state based on disease prevalence and local public health staffing needs, prioritizing communities with limited fiscal capacity to stand up pandemic response quickly.

RELATED RESOURCES

For more information about the top three priorities for the next COVID-19 relief package, watch Frederick Isasi, Families USA's executive director and our topic experts at familiesusa.org/ThreeCOVIDPriorities.

For more resources, view the toolkit at familiesusa.org/COVID19.

This publication was written by:

Kimberly Alleyne, Senior Director, Communications, Families USA

Katie Corrigan, Chief of Staff

Eliot Fishman, Senior Director of Health Policy, Families USA

Frederick Isasi, Executive Director, Families USA

Lisa Shapiro, Senior Advisor for Strategy and Children's Policy

The following Families USA staff contributed to the preparation of this material (listed alphabetically):

Justin Charles, Digital Media Associate

Nichole Edralin, Senior Manager, Design and Publications

Adina Marx, Communications Associate



1225 New York Avenue NW, Suite 800

Washington, DC 20005

202-628-3030

info@familiesusa.org

FamiliesUSA.org

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