Expand Healthcare Coverage During COVID-19

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Background

We are facing one of the worst public health crises in modern history: COVID-19 cases and deaths continue to increase even as some states have started to reopen. Frontline workers are putting their lives on the line to protect us all while lacking proper personal protective equipment (PPE), and communities of color are disproportionately falling ill and dying from COVID-19. In addition to overstretched hospitals battling the pandemic, the unemployment rate has reached levels not seen since the Great Depression. As people lose their jobs, they are also losing their employer-sponsored healthcare. Our broken healthcare system is putting profits over people, and the costs couldn't be more clear.

On March 27, 2020, Congress passed the CARES Act, providing $2 trillion of relief to Americans. The CARES Act provides approximately $150 billion for healthcare including access to testing, treatment, and prevention for COVID-19, telehealth, and diagnostic and prevention services. On April 21, 2020 the Senate and House leadership agreed to another relief package, CARES 3.5, that included an additional $75 billion for hospitals and healthcare providers and $25 billion for COVID-19 testing. Yet, these bills did not do nearly enough to cover the uninsured and the underinsured or provide hospitals or states and local governments with the support they need.

Problem

Despite the $2 trillion in the CARES Act and the interim relief package in April, hospitals, community health centers, healthcare workers, local public health departments, and - most importantly - patients still need more relief. At the start of this health crisis, about 87 million Americans were already uninsured or underinsured and, with tens of millions of Americans losing their jobs, the number of uninsured has drastically increased. Americans face a number of key barriers to getting the affordable, quality healthcare they need.

High costs. Excessive cost is one of the main barriers to healthcare in the U.S. The CARES Act included $100 billion for healthcare providers to cover coronavirus-related costs and the interim agreement provided an additional $25 billion for testing or screening of COVID-19, but not for treatment or cost-sharing for COVID-19 related services. The CARES Act funds leave out anyone uninsured, including those who lost their insurance when they lost their jobs because of COVID-19. The interim agreement passed in April does provide $1 billion to cover testing for the uninsured, but this is unlikely to meet the need. Even before COVID-19, a survey found that the average deductible for employer-based coverage was $1,655 for single

plans. This is contrasted by the fact that 70 percent of Americans do not have $1,000 readily available for emergencies. With loss of income and health insurance due to rising unemployment, many people will struggle to cover the costs for COVID-19 related treatments and some may avoid seeking treatment all together because of the fear of medical bills.

Losing employer-based health insurance. In 2018, nearly half of the American population had employer-based health insurance coverage. As the pandemic progresses, millions are filing for unemployment as they lose their jobs. That also means that up to 43 million Americans could lose their employer-based health insurance coverage during this crisis. The CARES Act did not include any provisions or funding to protect workers that lose their health insurance coverage due to the pandemic. The only options left for the unemployed is buying through the Health Insurance Marketplace, or the Exchange, or opting into the COBRA program. However, this does little to close the coverage gap considering the varying ACA plan premiums through Marketplace and the high costs for COBRA Insurance. The average COBRA premium for family coverage is $1,069 per month while the average unemployment insurance benefit is $1,278. Even with additional funding for unemployed workers provided by the CARES Act, the cost of COBRA is likely prohibitive for many families. In addition, workers from small businesses with fewer than 20 workers are not eligible at all. Our reliance on an employer-based healthcare has created a dangerous gap in coverage during a pandemic.

Solution: Create a Medicare Crisis Program

Congresswoman Pramila Jayapal (WA-07) and Congressman Joe Kennedy (MA-04) announced their **Medicare Crisis Program Act** **on Friday, May 1st, 2020**. This proposal will ensure that people who lose their jobs due to the pandemic have access to the health services they need by allowing eligible individuals to enroll in Medicare and prohibiting providers from billing uninsured patients for COVID-19 related services.

Eligibility. Anyone who is uninsured and eligible for unemployment benefits due to COVID-19 qualifies for the Medicare Crisis Program.

Covers costs. This proposal will provide coverage through Medicare for the duration of the crisis. It will also ensure coverage without cost-sharing for all testing and COVID-19 treatments under Medicare, Medicaid, CHIP, private and group health plans, TRICARE and Veteran's Affairs plans, the Indian Health Service, and all health plans covering Federal workers. The proposal also expands the eligibility for Medicaid and increases the federal matching rate during pandemics and economic downturns.

Conclusion

The coronavirus pandemic has exacerbated many of the long-standing issues in our healthcare system. Now, more than ever, people need affordable health coverage. Petitions are circulating demanding private insurance companies waive patient cost-sharing for all COVID-19 related treatments and demanding Congress take action to enroll all unemployed Americans in Medicare. The Medicare Crisis Program Act would ensure that everyone who loses their employer-based health insurance during COVID-19 is eligible for affordable healthcare coverage.