

A photograph of two women, one younger with curly hair and one older with glasses and a beaded necklace, sitting at a desk and looking at a document. The image is overlaid with a semi-transparent blue filter.

NEW REPORT

# Women & The American Rescue Plan

Expanding The Affordable Care Act Will Help  
Women Recover From The COVID-19 Crisis & Improve  
Their Access To Health Care For Years To Come

PROTECT  
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## Women & The American Rescue Plan

*Expanding The Affordable Care Act Will Help Women Recover From The COVID-19 Crisis & Improve Their Access To Health Care For Years To Come*

### Introduction

The COVID-19 pandemic has had unique social, economic, and health implications for women. Women are both on the front lines of responding to the crisis as health care workers and on the front lines at home – with millions of women reducing their work hours or leaving the workforce to care for their children as an unrelenting virus has forced schools to move online. This exodus from the workforce has likely resulted in the loss of health care coverage for women as the pandemic continues to ravage the United States.

Women – and especially women of color – have been disproportionately impacted by pandemic-related job losses. Before the pandemic, women [outnumbered](#) men in the workforce; however, due in part to their roles in vulnerable industries [like](#) food service, retail, hospitality and personal care, women have lost employment over the last year at higher rates than men. Women have accounted for [55 percent](#) net job loss since February 2020; in December alone, [100 percent](#) of the jobs lost were among women. At the same time, more than [2.3 million](#) women have left the workforce since February 2020. Many partially attribute this exodus to lack of child care; according to The 19th, working mothers have [reduced](#) their work hours four to five times more than fathers to care for children during the pandemic. The share of women in the workforce is now [down to levels](#) not seen since 1988.

Research has shown that [millions](#) of people could have lost employer-sponsored health coverage as a result of the pandemic-related job losses. Because women are losing employment at higher rates, it is likely they are more likely to be [losing](#) employer-sponsored coverage as well. Even under normal circumstances, lack of health insurance is associated with poor health outcomes, but during a pandemic, the risk of widespread coverage loss is especially dire.

Immediately upon taking office, President Biden introduced the American Rescue Plan, a bold package designed to combat the COVID-19 crisis that has [infected](#) more than 28 million and killed 517,000 Americans as of March 3. In addition to taking bold action to end the pandemic, facilitate an economic recovery and get working families back on their feet, the American Rescue Plan includes critical health care provisions to expand coverage and lower costs while addressing stark inequities in health care that have only been exacerbated by the pandemic.

Making health insurance more affordable and accessible is more important than ever. There is overwhelming evidence that the Affordable Care Act (ACA) has made a historic contribution to improving health care for women and families, and the health care provisions included in the

American Rescue Plan will have profound impacts on women's health care access and outcomes for years to come.

### **Overview Of The Health Care Provisions In The American Rescue Plan**

As part of the American Rescue Plan, Democrats included major provisions to lower health care costs and expand coverage, building on the strong foundation of the ACA. This legislation will lower premiums for people purchasing coverage through the ACA marketplaces and expand access to financial assistance for more middle-class families. Additionally, the American Rescue Plan includes robust financial incentives for the 14 states that have not yet implemented Medicaid expansion.

#### **Lower Costs: Increasing & Expanding ACA Subsidies**

Increasing financial assistance on the ACA marketplaces means more people will be able to get the affordable coverage they need during the pandemic. These measures will reduce health care costs and expand coverage for low- and middle-income families, many of whom may be out of work or facing income loss during the pandemic. Similar legislation previously passed by the House would lower costs for more than [10 million Americans](#) and provide affordable options for uninsured Americans at a time when access to health care is paramount. The Congressional Budget Office estimates that [1.3 million uninsured people](#) would gain coverage as a result of these provisions alone.

- **Guarantee coverage that costs less than 8.5 percent of income.** This legislation lowers the cost of premiums for Americans purchasing coverage through the ACA marketplaces, ensuring enrollees have the option to purchase health care for less than 8.5 percent of their income for the next two years.
- **Make coverage more affordable** by temporarily expanding the eligibility for premium tax credits above 400 percent of the federal poverty level – [roughly](#) \$51,000 for a single person or \$105,000 for a family of four. Under current law, families earning just above 400 percent of the federal poverty level spend an average of [15 percent](#) of their incomes on health insurance. According to [estimates](#) from the Center on Budget and Policy Priorities:
  - The average 45-year-old earning \$60,000 would save \$86 in monthly premiums.
  - A 60-year-old couple with a household income of \$75,000 would save \$1,389 in monthly premiums.
  - A family of four with a household income of \$120,000 would save \$595 in monthly premiums.



- **Improve affordability for low- and middle-income Americans** by increasing the size of the tax credits for all income brackets for the next two years. This [means](#) a typical family of four with a household income of \$75,000 would save \$248 on monthly premiums, while a single adult earning \$30,000 would save \$110 per month.
- **Eliminate premiums** in the exchanges for people earning up to 150 percent of the federal poverty level (roughly \$19,000 for a single person and \$39,000 for a family of four) and for those receiving unemployment insurance in 2021.

### **Success Of The ACA Shows Policies To Improve Affordability In The American Rescue Plan Will Further Increase Women's Coverage And Access To Care:**

Among the many benefits of the ACA, the health care law guaranteed that women cannot be charged more than men for the same coverage. Additionally, [68 million](#) women with pre-existing conditions like diabetes and asthma are protected from discrimination, and they are no longer subject to annual or lifetime limits. The ACA also [guarantees](#) free preventive care, such as mammograms, Pap smears, and other important screenings, in addition to providing birth control with no out-of-pocket costs. These benefits, along with creation of the ACA Marketplace and expansion of Medicaid, have improved the health of women across the country.

**The Number Of Uninsured Women In The U.S. Fell By Nearly Half Between 2010 And 2016.** The number of women lacking health insurance had [fallen by almost half](#) between 2010 and 2016, from 19 million to 11 million. The uninsured rate for women with low incomes fell from 34 percent to 18 percent over the same period. This suggests that expansion of the ACA would further expand coverage for women, particularly for lower income earners.

**The ACA Improved Women's Access To Care.** Studies have shown that women with insurance are far more likely to receive preventive care, [including](#) mammograms. According to the Commonwealth Fund, the percentage of women skipping needed care, including filling a prescription, going to the doctor, or receiving recommended care, [dropped](#) from 48 percent in 2010 to 38 percent in 2016. Additionally, the number of women reporting problems with medical bills [declined](#) after the implementation of the ACA. The Center for American Progress [found](#) that, by 2014, Black women were already more likely to receive care because of the ACA.

### **Expanded Coverage: Incentivizing Medicaid Expansion**

The ACA opened the door for states to expand Medicaid, enabling childless adults with incomes up to 138 percent of the federal poverty line to sign up for coverage. In the time since, [36 states](#) and the District of Columbia have fully expanded their Medicaid programs, covering roughly [15 million](#) people. Additionally, voters in Oklahoma and Missouri approved expansion last year, but these states have not yet implemented the program. Medicaid expansion has played a vital role

in reducing racial disparities in health care access and has served as a critical safety net as millions have lost jobs and their employer-based health insurance during the pandemic.

In addition to providing affordable coverage options for millions of uninsured Americans through the ACA, the American Rescue Plan provides robust financial incentives for the [14 states](#) that have not yet implemented Medicaid expansion. An estimated [four million uninsured adults](#) — including 640,000 frontline workers — could gain coverage if the remaining holdout states adopted expansion. People of color make up nearly [60 percent](#) of this group of uninsured adults who stand to gain coverage.

### **Incentivizing Medicaid Expansion Under The American Rescue Would Dramatically Improve Health Care Access For Women:**

Low-income women are more likely to be uninsured and face barriers to accessing care. In 2019, [11 of the 19 states](#) with women's uninsured rates above the national average had not adopted Medicaid expansion. According to the Kaiser Family Foundation: "Uninsured women often have inadequate access to care, get a lower standard of care when they are in the health system, and have poorer health outcomes. Compared to women with insurance, uninsured women have lower use of important preventive services such as mammograms, Pap tests, and timely blood pressure checks"

*Background: Medicaid Expansion A Proven Tool For Improving Women's Health*

### **Increasing Coverage & Access to Care**

Research confirms that Medicaid expansion increases access to care and leads to better health outcomes. A growing body of evidence shows that expanding Medicaid has [saved lives](#).

- **Increased access to preventative care, cancer screenings and disease-specific treatment.** Medicaid expansion has helped patients access preventative care, including [colon cancer screenings](#). Expansion also increased [patient access to kidney transplants](#) and made [diabetes medication more affordable](#) for low-income patients. The program was also tied to [earlier diagnosis](#) of colorectal and [ovarian cancer](#), and to [reducing](#) diabetes-related amputations. A recent [study](#) found that Medicaid expansion led to earlier diagnosis, increase in treatment for Louisiana breast cancer patients.
- **Improved access to primary care & family planning.** Two studies from Michigan showed that Medicaid expansion [doubled](#) low-income patients' access to primary care, and that enrollees experienced [improved](#) access to birth control and family planning. Another [study](#) found an increase in birth control use among women living in Medicaid expansion states.

## Promoting Maternal Health

The pandemic is worsening already poor maternal health outcomes in the United States. Pregnant women are at high risk of serious illness if they contract the coronavirus. A June 2020 CDC [study](#) found that pregnant women with coronavirus had a 50 percent higher chance of being admitted to intensive care and a 70 percent higher chance of being intubated. As of early March 2021, [73,617 pregnant women](#) in the United States have been infected with the virus and 80 have died. Pregnant women of color have been infected at significantly higher rates than white women. By August, CDC data [showed](#) Hispanic and Latina mothers made up nearly half of coronavirus cases among pregnant women nationally. One [study](#) found that pregnant Black and Hispanic women in Philadelphia were five times more likely to be exposed to coronavirus than white women.

- **Improved maternal health.** The uninsured rate for women of childbearing age in non-expansion states is nearly [double](#) than in states that expanded their programs (16 vs. 9 percent). Research from the Georgetown Center for Children and Families found that Medicaid expansion has [helped fill gaps in maternal health coverage](#), leading to healthier mothers and babies. It also helps new mothers [maintain](#) access to coverage and postpartum care after giving birth.
- **Reduced racial disparities in maternal mortality.** One [study](#) found that reductions in maternal mortality in expansion states were concentrated among Black mothers, “suggesting that expansion could be contributing to decreasing racial disparities in maternal mortality.”

## Improving Financial Security

Policies to boost financial health undoubtedly help women, who have faced decades of income and wealth inequality. Women experience [higher rates](#) of poverty than men. According to a recent analysis by the National Women’s Law Center, women earn [82 cents](#) for every dollar earned by men; on average, women working full-time earn \$10,157 less on average than men annually. Notably, working mothers earn just [70 cents](#) for every dollar paid to fathers. And as women have been laid off or had to leave to care for children home from school, many are struggling even more to make ends meet.

- **Multiple Studies Have Confirmed That Medicaid Expansion Boosts Financial Security For Families.** A January 2021 [study](#) from Health Affairs found that the ACA helped reduce income inequality across the board, but much more dramatically in Medicaid expansion states. The bottom 10th percentile of earners in Medicaid expansion states saw a [22.4 percent](#) boost in their income, compared to 11.4 percent in non-expansion states. A study in Health Affairs [found](#) that Medicaid Expansion also caused a “significant” reduction in poverty. According to the [Georgetown Center for Children and](#)

[Families](#), “covering parents also means covering children, protecting families from economic strains associated with medical debt, and laying the groundwork for optimal child development.”

- **Medicaid Expansion Has Been Tied To Reducing Medical Debt.** The chance of accruing medical debt is [20 percent](#) lower in states that have expanded Medicaid. A 2018 National Bureau of Economic Research analysis found that Medicaid expansion led to a [nearly \\$6 billion decline in unpaid medical bills](#) and to higher credit scores.

## **Conclusion**

Key to the country’s recovery from the pandemic, the health provisions in the American Rescue Plan will ensure families can access the care they need without fear of devastating health care bills. In addition to its expansion of the ACA, there are many other provisions in the package that will undoubtedly help women recover from the health and economic impacts of the pandemic, including robust funding for child care, guaranteed paid leave, and direct checks. The legislation also works to reduce racial inequities in maternal mortality by enabling states to expand Medicaid coverage to new mothers 12 months postpartum. The policies included in the American Rescue Plan to lower costs, expand coverage, and respond to the pandemic are important first steps to improve the health and livelihoods of women.