POLICY PILLARS AND PRIORITIES

A Bold Vision for a Legislative Pathway Toward Health and Economic Equity

JANUARY 2021
U.S. HOUSE OF REPRESENTATIVES
When I became Ways and Means Chair at the outset of the 116th Congress, I made it a Committee priority to explore the causes of our nation’s economic and health inequities. Our country leads the world in scientific, medical, and technological innovations, yet Americans – especially those from communities of color – live shorter and less healthy lives compared to people in every other wealthy democracy. As part of the Committee’s effort to understand and address these troubling realities, I took steps to make sure we heard from voices that better reflect the population of today’s America. We added a diverse group of new Democratic members. We expanded our Committee staff to include talented folks from a range of different backgrounds. And we made sure that nearly 60 percent of our hearing witnesses were either people of color and/or women.

Our Committee examined the challenges confronting all communities, particularly those that are too often overlooked. Experts testified on issues including taxpayer fairness, the maternal mortality crisis, climate change, gun violence, and the difficulties facing Americans as they age. Members launched initiatives like the Rural and Underserved Communities Health Task Force, which explored policy options that could improve health outcomes and care across the nation. And staff investigated discrimination in the foster care system, barriers to health equity, and other injustices that for too long have gone unchecked.

The American Dream begins and ends with economic opportunity, but that opportunity is not distributed evenly across the nation. For many people of color, good jobs with good pay are disproportionately out of reach. Consider that Black workers earn an average of more than $200 a week less than White workers and are significantly less likely to have employer-provided health or retirement benefits. People of color have less access to paid family leave and are more likely to have to quit their jobs or take lower paid work to care for family members. These kinds of disadvantages related to employment lead to other setbacks in the pursuit of financial security. For example, while 73 percent of White households own their homes, only 45 percent of Black and 46 percent of Latino households do.

These kinds of inequities are not limited to economic conditions. Women of color are at a higher risk of severe maternal morbidity and mortality compared White women in America. Black and Latino men are more likely to be arrested than White men and receive longer sentences for the same crimes. Even U.S. trade policy contributes to inequality in our country. The loss in manufacturing jobs disproportionately hurt Black workers in several ways, negatively affecting their wages and house values, as well as poverty, death, and child poverty rates.

Now, the ongoing COVID-19 crisis is further exposing and exacerbating these longstanding inequities. Throughout the pandemic, communities of color have been at higher risk of contracting and dying from the virus. Even as the economy has begun to climb out of the recession, jobless rates for Black and Hispanic workers remain disproportionately high. Women of color disproportionately work in many frontline jobs as child care providers, nurses, grocery store employees, and home health aides. Unable to do this work remotely, many of these women not only risk exposure to COVID while on the job, but they are also unable to personally care for children or other dependent family members whose schools and care providers have closed due to the pandemic. Crushing the virus and getting our economy back on track will help all
Americans – but especially communities of color whose health and economic wellbeing have been particularly impacted.

As we begin the 117th Congress armed with our better understanding of these problems, we are now able to put forward more informed solutions. There is no silver bullet to correct the inequities that are 400 years in the making and deeply ingrained in our systems, institutions, and laws. But we cannot allow the scope of these challenges to intimidate us. There is cause for hope: 2021 will bring new leaders to the White House who respect the dignity of all people and who are committed to fighting racism. Democrats held our majority in the House and still have an opportunity to unseat the Republican majority in the Senate. And every day, more Americans are becoming aware of the unfair realities marginalized communities have faced for generations. Progress is possible.

The framework we present here is Ways and Means Committee Democrats’ plan to make our nation a more just and equitable place. Some actions we can pursue almost immediately. Other advancements may take longer to become law. But inaction is not an option. Complacency cannot be tolerated. As the accompanying report to the framework clearly details, our nation’s challenges are numerous and dire.

Our dear friend and colleague, the late Rep. John Lewis, said: “We have a mission and a mandate to be on the right side of history.” Our proposals in this framework aim to ensure we do all we can to be on the right side of history and leave this country better than we found it.

Richard E. Neal
Chairman
Committee on Ways and Means
January 2021
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THE PATH FORWARD

The set of necessary policies to put our nation on the path toward health and economic equity is the New Deal of our time. Yet unlike the early 20th century reimagining of America’s promise, this iteration must intentionally mitigate and avoid continuing the legacy of de facto racial discrimination that has allowed federal programs to play a role in marginalizing communities of color.

Economic, social, and tax policy must support effective initiatives that lift more people onto career ladders and help families prosper. Federal policy should help people afford higher education, not struggle under a mountain of student debt when they complete their training. And policies should reward businesses doing right by their workers and give employers an incentive to hire those who otherwise might be overlooked or excluded from the workforce. These approaches would combat inequality and promote a more just and prosperous country, with the doors of opportunity opened wider.

Achieving this goal of racial equity in health and the economy will require unprecedented cross-sector collaboration and community-based partnerships; emphasis on public health and health care infrastructure and workforce; and renewed focus on data necessary to effectively and efficiently allocate resources and evaluate the effectiveness of federal programs.

An overview of pillars and policy priorities is included below to guide Members in their efforts to legislate with a goal of achieving health and economic equity in the U.S.
Health Equity Pillars

- Adaptable, Accessible Technologies and Modernized Infrastructure
- Appropriate, Adequate, and Trusted Workforce
- Affordable, Comprehensive, and Accessible Health Care
- Support to State and Local Governments for Maximum Efficiency of Resources

A commitment to achieving health equity demands acknowledging the relationship between health and economic well-being – and the ways in which centuries of institutionalized prejudices and decades of administrative inefficiencies fuel inequity on both fronts. These barriers are interdisciplinary and influenced by factors inside and outside the traditional health care system. Thus, we know that no one policy can solve our complex and multidimensional problems. Similarly, one bill or legislative initiative alone will not be sufficient to eradicate centuries of bias and inequity. However, solutions must be grounded in an understanding of this history and the broad range of implications for all systems that institutional and systemic racism influence.

Economic Equity Pillars

- Economic Justice for Workers
- Economic Justice for Families and Children
- Retirement Security
- Investment in Communities from the Ground Up
- Environmental Justice

Expanding opportunity and ensuring all people can live with economic dignity and security requires economic policy that helps everyone to lift themselves up, rather than tilt the playing field ever more steeply in favor of the most privileged members of our society. We must ensure that children and working people do not live in poverty, that parents can access child care, along with other necessities, and that workers can retire with security and dignity. Policy should recognize and address past harms to specific populations, such as communities of color, and it should promote more inclusive practices that help reverse widespread systemic disparities.
HEALTH EQUITY POLICY PRIORITIES

Adaptable, Accessible Technologies and Modernized Infrastructure

Legislation must provide foundational definitions and standards to ensure the health system and health services researchers have access to holistic data that informs assessments of need and effectiveness. A national data alignment effort is critical because it will form the evidence base upon which new technologies can equitably and efficiently be used in health care, social, and other services. This commitment would also help bridge the divide between the technology sector’s interest in health care opportunities and the health care sector’s most pressing and costly needs that could be addressed with technological innovation. These priorities will help to support and reinforce the data infrastructure upon which health care delivery and financing rely, allowing better analysis of inequities and technology’s role in exacerbating or improving those conditions.

Policy Approaches

- Require standardized and holistic data collection and monitoring of health equity metrics
- Define social determinants of health, support and evaluate approaches shown to mitigate their impact on health (e.g., home visiting, foster care prevention, caregivers, community health workers, disability services providers)
- Ensure technological advancements do not leave underserved communities behind by supporting efforts to –
  - revisit the role of algorithms in clinical decision tools that rely on race, ethnicity, or other non-medical factors in assessing patients and systemic bias vulnerabilities related to the use of Artificial Intelligence (AI) in health payment and delivery
  - adopt broadband nationwide to enable access to telehealth in underserved communities
  - accommodate needs for assistive technologies and telehealth for individuals living with disabilities
HEALTH EQUITY POLICY PRIORITIES

Appropriate, Adequate, and Trusted Workforce

Legislation should prioritize initiatives that acknowledge the importance of a sufficient, competent, and trusted health and social services workforce. Education, career development, and other opportunities for current and prospective health professionals must reflect the diversity of the U.S. and ensure that the workforce can equitably treat patients from all racial, ethnic, and economic backgrounds.

Policy Approaches

- Adapt health care culture to one that is safe for all patients and supported by a diverse workforce with structural and cultural competencies in accessibility (language and assistive technologies), community health, women’s health, and geriatric health to help engender trust
- Diversify the health workforce pipeline, expand career advancement opportunities, and increase geographic equity of the workforce
- Address the dearth of behavioral health prescribing capacity and service delivery in underserved communities and institutions receiving public funding
- Address barriers to entry into the health professions, including for those disadvantaged by inequities in the education and criminal justice systems
- Align education and workforce incentives in the tax code to the needs of 21st century learners
- Ensure that workers receive living wages, paid leave, other employment supports for essential health work, and opportunities for retirement security
- Fund evidence-based approaches that increase the number of people of color pursuing health careers, like the Health Profession Opportunity Grant program
HEALTH EQUITY POLICY PRIORITIES

Affordable, Comprehensive, and Accessible Health Care

Congress must continue to champion the importance of coverage for all Americans, maximizing opportunities to improve the current employment-based system while remaining vigilant in efforts to champion a new iteration of health care coverage in the U.S. Adequate coverage of comprehensive physical, behavioral, dental, and preventive health care services should be widely available and accessible through all standard insurance products. Programs designed to assess the quality of health and human services must collect and assess sufficient fiscal and health outcomes data to facilitate effectiveness and parity research.

Policy Approaches

- Close gaps in health coverage for vulnerable populations, such as low-income, working-age adults living in states that have not adopted the ACA Medicaid expansion and those who, despite potential eligibility for assistance, remain uncovered and underserved, such as foster youth and those who are homeless.
- Improve quality program incentives to discourage preferential selection of patients (i.e., cherry picking and patient dumping).
- Address the crisis in maternal mortality and severe maternal morbidity for women of color (e.g., invest in continuous insurance eligibility throughout pregnancy, delivery, and the first year of life; and federal home visiting and other proven programs to provide new parents and families with the maternal and child health information they need to fully live up to their potential).
- Maintain strong consumer protections for affordable access to fairly priced prescription drugs.
- Refine health plan benefits with a focus on inclusion and expansion of social benefits.
- Strengthen proven programs that reduce the number of uninsured.
- Support a “no wrong door” approach to providing assistance with health coverage and costs.
- Increase accessibility and reasonable accommodations within health care facilities so people with disabilities have better access to diagnostics, care, and treatment.
HEALTH EQUITY POLICY PRIORITIES

Support to State and Local Governments for Maximum Efficiency of Resources

Congress’s leadership in collaborating with states and local governments to understand how federal policies support or hinder solutions to public health and health system adequacy and emergency readiness at the community level is critical. Not only is it key for Congress to consider new authorities with the intention of moving the health system toward a more patient-centered approach, but it is equally important to acknowledge and relieve confusion associated with overlapping federal funding streams. By establishing policies that require coordination across similar programs while still safeguarding against duplication and abuse, Congress can provide much-needed and desired flexibilities for state and local lawmakers.

Policy Approaches

- Foster multidisciplinary partnerships in non-traditional sectors that impact health (e.g., engage corporate social responsibility initiatives to work on priority issues, increase community engagement, and invest in partnerships with local/state/non-profit partners)
- Provide framework and resources to support evidence-based community health improvement initiatives led by community-based organizations (CBOs), faith-based organizations, community health centers, and public health departments
- Remove impediments in administering the array of programs that impact health with full or blended federal funding giving states and localities more flexibility to serve their populations
- Support local, state, and tribal public health readiness and emergency preparedness through funding reforms that create an ongoing stream of funding to grown and strengthen critical public health infrastructure through tribal health programs, community health centers, and state and local health agencies
- Pursue payment reforms and innovation models that over time help sustain improved and expanded health services established through infrastructure investments
ECONOMIC EQUITY POLICY PRIORITIES

Economic Justice for Workers

Congress must do more to ensure that everyone who wants to work has the opportunity to do so. We must ensure workers can afford a decent life. Employer tax incentives – such as the Work Opportunity Tax Credit and the Employee Retention Tax Credit – encourage businesses to hire workers who might otherwise be at risk of being overlooked or shut out of the labor market and keep their employees on the payroll during the current pandemic-related downturn. Still, these tax credits do not eliminate the barriers ongoing poverty or systemic racism cause, and more work is needed to ensure that workers can move up the economic ladder. Furthermore, especially in light of the pandemic, Congress must build on proven programs, such as the Earned Income Tax Credit and other initiatives aimed at supporting lower-income workers.

Policy Approaches

- Eliminate barriers to work and job training that both poverty and generations of systemic racism cause
- Ensure that the Employee Retention Tax Credit helps companies that the pandemic has harmed keep workers on the payroll
- Extend the Work Opportunity Tax Credit, which provides financial support for businesses that hire workers who are disproportionately likely to have difficulty finding a place in the workforce
- Guarantee paid leave for all American workers, including new parents, people managing their own health challenges, and those caring for loved ones
- Guarantee safe, affordable, high-quality child care for workers and families who need it
- Increase the Earned Income Tax Credit for childless workers, and reduce the minimum age of eligibility from 25 to 19
- Provide equal access to adequate unemployment benefits and reemployment services to help laid-off workers get good jobs
- Provide job services and supports targeted to vulnerable populations and focused on long-term career advancement, not just employment
- Support extension of the Earned Income Tax Credit to U.S. possessions
- Ensure trade policies support and do not undermine economic justice for workers in the United States and in trading partner countries
ECONOMIC EQUITY POLICY PRIORITIES

Economic Justice for Children and Families

Congress must do more to ensure that families from marginalized communities have the resources they need. Children of color often begin their lives at a disadvantage, and consequences can persist into post-secondary education and even for a lifetime. A fully refundable Child Tax Credit and expanded support for child care expenses would dramatically reduce child poverty and set children up for success. The children of immigrant families deserve the same access to economic relief and tax credits as other tax filers.

Policy Approaches

- Reduce and then eliminate child poverty, which drives a lifetime of health and economic challenges
- Assess state and federal policies governing access and participation in family support programs and address barriers that disproportionately disqualify people of color
- Allow tax-paying immigrant families to qualify for economic impact stimulus payments
- Expand and make fully refundable the Child and Dependent Care Tax Credit
- Make the Child Tax Credit fully refundable
- Improve access to the Child Tax Credit for residents of U.S. possessions
- Incentivize sponsors of apprenticeship programs to provide child care services
- Enhance the refundable portion of the American Opportunity Tax Credit and maximize access for Pell Grant recipients
- Increase the amount of employer-sponsored dependent care individuals can receive without incurring tax liability
- Level the playing field by addressing unfair federal offsets against noncustodial parents who are working hard to support their children
- Repeal policies that prevent legal immigrants from receiving supports funded by their tax payments when they fall on hard times
- Assess the impacts that trade policies have on the ability of families from marginalized communities and children of color to access needed resources
ECONOMIC EQUITY POLICY PRIORITIES

Retirement Security

Congress must do more to help American families, especially minority families, have a secure and dignified retirement. Social Security provides the foundation of retirement security, and its benefits must be strengthened and improved, particularly for low-wage workers. Social Security disability benefits must be protected against harmful attacks. Beyond Social Security, families of color are far less likely to have retirement savings and access to employer-based retirement plans. Policies to remedy these inequities will help increase their savings for retirement.

Policy Approaches

- Strengthen and improve Social Security benefits, particularly for low-wage workers
- Protect Social Security disability benefits from harmful regulations and other attacks designed to reduce access to benefits
- Implement Automatic IRAs and 401(k)s; require automatic enrollment in 401(k)-type plans
- Make the Saver’s Credit refundable, and direct the U.S. Department of the Treasury (Treasury) to raise awareness of the credit, especially in minority communities
- Help American families accumulate emergency savings while increasing targeted financial wellness advice and assistance with saving, debt, and budgeting
- Create child savings accounts
- Adjust the new part-time workers in 401(k) plans provision to require only two years of service
- Make it easier for military spouses to save within their employer retirement plans
- Ensure that small businesses can take full advantage of the start-up credit when participating in a multiple employer plan (MEP)
- Direct Treasury to provide education to small businesses about the advantages and availability of MEPs and groups of plans
- Assess the impacts that trade policies have on the ability of American families to plan for and enjoy a secure and dignified retirement
ECONOMIC EQUITY POLICY PRIORITIES

Investment in Communities from the Ground Up

Congress must spur the development of affordable housing and investment in communities of color. All people deserve access to safe, affordable housing and to live in vibrant communities. Yet, 20 percent of Black households, 17 percent of American Indian or Alaska Native households, 15 percent of Hispanic households, and 10 percent of Asian American households are extremely low-income renters, compared to six percent of White, non-Hispanic households.\(^1\) Similarly, people of color are more likely to live in low-income areas and areas of concentrated poverty. These communities often lack access to health facilities, community centers, and other amenities.

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<th>Policy Approaches</th>
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<td>Fund state and county social services and community investment strategies, and make partnerships with community organizations and leaders a condition of federal grants</td>
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<td>Address inequities in tribal and territorial funding in means-tested programs</td>
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<td>Increase funding for programs that serve disadvantaged communities, and hold states accountable for using the dollars to serve poor families</td>
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<td>Increase the supply of affordable housing through the Low-Income Housing Tax Credit</td>
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<td>Provide deeper targeting of the Low-Income Housing Tax Credit to those with extremely low incomes</td>
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<td>Support neighborhood stabilization and pathways to homeownership by incentivizing affordable, quality homes in disinvested areas.</td>
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<td>Support low-income housing development in tribal areas by providing a basis boost</td>
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<td>Incentivize provision of supportive services to those who need them to retain permanent housing</td>
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<tr>
<td>Increase investments in community facilities, housing, and other development in low-income communities through the New Markets Tax Credit program</td>
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<td>Ensure that tribal areas receive a proportionate share of New Market Tax Credit investments</td>
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<td>Assess the impacts trade policies have on communities and their access to economic opportunity and justice</td>
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ECONOMIC EQUITY POLICY PRIORITIES

Environmental Justice

Congress must do more to achieve environmental justice. Environmental factors, such as air and water quality, are fundamental determinants of our health and well-being. All people have the right to live, work, and play in communities that are safe, healthy, and free of life-threatening conditions. However, people of color are more likely than white people to live alongside power plants, oil refineries, and landfills – contributing to predictably disparate impacts. Climate change is also more likely to harm people of color.

Policy Approaches

- Provide bond financing incentives to states and local governments, including by enhanced bond financing incentives that can be used to improve water quality and reduce other environmental stressors
- Provide for research and academic programs focused on addressing or improving data regarding environmental justice
- Promote environmental justice through U.S. trade policies, including trade agreements and programs