COMMITTEE ON
ENERGY & COMMERCE
CHAIRMAN FRANK PALLONE, JR.

MEMORANDUM

June 15, 2020

To: Subcommittee on Health Members and Staff

Fr: Committee on Energy and Commerce Staff

Re: Hearing on "Health Care Inequality: Confronting Racial and Ethnic Disparities in COVID-19 and the Health Care System"

On **Wednesday, June 17, 2020, at 11:30 a.m. (EDT), via Cisco Webex online video conferencing,** the Subcommittee on Health will hold a hearing entitled, "Health Care Inequality: Confronting Racial and Ethnic Disparities in COVID-19 and the Health Care System."

I. BACKGROUND

A. COVID-19 and Racial and Ethnic Disparities

Communities of color in the United States have long experienced disparities in health care. While health inequities improved after the passage of the Affordable Care Act (ACA), which expands insurance coverage and limits coverage barriers, people of color continue to fare worse disproportionately to Whites in terms of health access, coverage, and utilization.[1] Studies also show that racial and ethnic minorities receive lower-quality health care even when insurance status or severity of conditions are comparable.[2]

As the United States enters the fifth month of a public health emergency resulting from the coronavirus 2019 (COVID-19) pandemic, these disparities in care and outcomes have been brought into sharp focus. In New York City, Black and Latinx residents are twice as likely to die from the virus than their white counterparts;[3] the governor of Louisiana, where Blacks make up

[1] Kaiser Family Foundation, *Communities of Color at Higher Risk for Health and Economic Challenges due to COVID-19* (Apr. 7, 2020) (www.kff.org/coronavirus-covid-19/issue-brief/communities-of-color-at-higher-risk-for-health-and-economic-challenges-due-to-covid-19/).

[2] Institute of Medicine, *Unequal Treatment: Confronting Racial and Ethnic Disparities in Health Care.* (March 20, 2003) (www.nap.edu/catalog/10260/unequal-treatment-confronting-racial-and-ethnic-disparities-in-health-care).

[3] *Virus Is Twice as Deadly for Black and Latino People Than Whites in N.Y.C.*, New York Times (Apr. 8, 2020) (www.nytimes.com/2020/04/08/nyregion/coronavirus-race-deaths.html).

about 33 percent[4] of the population, announced in April 2020 that Blacks accounted for more than 70 percent of the state's coronavirus deaths;[5] and in Michigan, where Blacks make up 14 percent[6] of the population, they account for 41 percent of coronavirus deaths.[7] According to the provisional death counts reported by the Centers for Disease Control and Prevention (CDC), as of June 3, 2020, Blacks represented 23 percent of COVID-19 related deaths, despite representing 13.4 percent of the overall U.S. population.[8]

Experts have pointed to several factors to explain these trends – first, structural discrimination and institutional racism lead to worse outcomes.[9] Other social determinants of health, which include the environment where an individual lives, learns, or works, also have an impact on health inequities.[10] For all these reasons, people of color are more likely to suffer from certain underlying health conditions, and thus have a higher risk of becoming seriously ill should they be diagnosed with COVID-19.[11]

Generally speaking, nonelderly Black, Latinx, and American Indian/Alaskan Native adults are more likely than White adults to report fair or poor health.[12] That means, Blacks experience higher rates of asthma, diabetes, obesity, and HIV/AIDs compared to Whites.[13] American Indian/Alaska Natives are nearly twice as likely as Whites to have a heart attack or

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[4] U. S. Census Bureau, QuickFacts, Louisiana (www.census.gov/quickfacts/LA) (accessed June 9, 2020).

[5] *'Big disparity': 70% of Louisiana's coronavirus deaths are African Americans, governor says*, WSDU News (Apr. 6, 2020) (www.wdsu.com/article/covid-19-impacts-in-louisiana-high-death-rate-among-african-americans/32058042#).

[6] U. S. Census Bureau, QuickFacts, Michigan (www.census.gov/quickfacts/MI) (accessed June 9, 2020).

[7] State of Michigan, Coronavirus, Michigan Data (www.michigan.gov/coronavirus/0,9753,7-406-98163_98173---,00.html) (accessed June 9, 2020).

[8] Centers for Disease Control and Prevention, Provisional Death Counts for Coronavirus Disease (June 3, 2020) (https://data.cdc.gov/NCHS/Provisional-Death-Counts-for-Coronavirus-Disease-C/pj7m-y5uh/data); U.S. Census Bureau, Quick Facts, (https://www.census.gov/quickfacts/fact/table/US/PST045219).

[9] *'The direct result of racism': Covid-19 lays bare how discrimination drives health disparities among Black people*, STAT News (www.statnews.com/2020/06/09/systemic-racism-black-health-disparities/) (June 9, 2020).

[10] World Health Organization, Social determinants of health (www.who.int/social_determinants/sdh_definition/en/) (accessed June 9, 2020).

[11] *See* note 1.

[12] *Id.*

[13] *Id.*

heart disease, and also experience asthma, diabetes, and obesity at higher rates.[14] Latinxs are also more likely to experience obesity than their white counterparts.[15]

People of color also may have more limited access to care compared to Whites. While the number of insured individuals across all demographics increased following the ACA's passage, Blacks, Latinxs, American Indian/Alaska Natives, and Native Hawaiians or other Pacific Islanders are still more likely to be uninsured compared to Whites.[16] Blacks, Latinxs, American Indian/Alaska Natives, and Native Hawaiians or other Pacific Islanders are more likely than Whites to report going without needed care due to cost, and Blacks, Latinxs, and American Indian/Alaska Natives are more likely than Whites to report delaying care for reasons other than cost (such as, for example, for individuals holding a non-citizen status who fear deportation or removal proceedings or providers such as the Indian Health Service (IHS) who lack adequate resources).[17]

Finally, people of color are more likely to live and work in areas and in multi-generational households where it may be more difficult to practice social distancing. These factors increase the risk of contracting the virus.[18] In the early days of community spread, more densely populated urban areas such as New York City, where social distancing can be difficult, were the hardest hit, in contrast to rural and suburban communities that have a greater capacity for social distancing.

B. Congressional Action

On March 14, 2020, the House passed H.R. 6201, the Families First Coronavirus Response Act, which subsequently passed the Senate and was signed into law by President Trump on March 18, 2020.[19] The bill included a provision that gives states the option to expand Medicaid coverage to uninsured individuals to cover COVID-19 diagnosis and testing with 100 percent federal financing.[20] H.R. 6201 also requires that state Medicaid programs cover testing and diagnosis for COVID-19 at no cost sharing[21] and appropriated $1 billion to the National Disaster Medical System to provide reimbursement to providers for the costs associated with the testing and diagnosis of uninsured individuals.[22]

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[14] *Id.*

[15] *Id.*

[16] *Id.*

[17] *Id.*

[18] *Id.*

[19] Families First Coronavirus Response Act, Pub. L. No. 116-127.

[20] Families First Coronavirus Response Act, Pub. L. No. 116-127, Sec. 6004.

[21] *Id.*

[22] Families First Coronavirus Response Act, Pub. L. No. 116-127, Title V.

On March 27, 2020, Congress passed and President Trump signed into law the Coronavirus Aid, Relief, and Economic Security (CARES) Act.[23] The legislation includes a provision requiring private insurance plans to cover, without cost-sharing, a broader range of diagnostic items and services in order to detect COVID-19. The CARES Act provided $1.3 billion to community health centers. It also set aside $100 billion within the Public Health and Social Services Emergency Fund to support relief for hospitals and providers experiencing high expenses or revenue losses due to COVID-19.[24] On June 9, 2020, the Department of Health and Human Services (HHS) announced it would provide a distribution of funds to safety net hospitals and Medicaid-dependent providers serving vulnerable patient populations.[25]

On April 23, 2020, Congress passed the Paycheck Protection Program and Health Care Enhancement Act, which the President signed the following day.[26] This legislation includes a provision requiring that no later than 21 days after the bill's enactment, the Secretary of HHS provide a report to the committees of jurisdiction on the number and rates of cases, hospitalizations, and deaths as a result of COVID-19 broken down by race, ethnicity, age, sex, geographic region, and other relevant factors. On May 15, 2020, HHS and CDC submitted a four-page document,[27] which compiled sources pulling from state and local data. This document suggested that people of color are disproportionately feeling the effects of the COVID-19 pandemic.[28]

C. Administration Action

Racial disparities in the COVID-19 response and in the American health care system have been acknowledged by senior Administration officials. Dr. Anthony Fauci, the Director for the National Institute of Allergy and Infectious Diseases and a member of the White House's Coronavirus Taskforce, said at a press conference in April 2020 that the pandemic is "shining a

[23] Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136.

[24] Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136, Title VIII.

[25] Department of Health and Human Services, *HHS Announces Enhanced Provider Portal, Relief Fund Payments for Safety Net Hospitals, Medicaid & CHIP Providers* (June 9, 2020) (www.hhs.gov/about/news/2020/06/09/hhs-announces-enhanced-provider-portal-relief-fund-payments-for-safety-net-hospitals-medicaid-chip-providers.html).

[26] Paycheck Protection Program and Health Care Enhancement Act, Pub. L. No. 116-139, Title I.

[27] Department of Health and Human Services, Centers for Disease Control and Prevention, *Report to Congress, Paycheck Protection Program and Health Care Enhancement Act, Disaggregated Data on U.S. Coronavirus Disease (COVID-19) Testing* (Apr. 2020) (www.help.senate.gov/imo/media/doc/FY%202020%20CDC%20RTC%20on%20COVID-19%20Testing%20Data%20-%20CDCfinalclean.pdf).

[28] *Id.*

very bright light on some of the weaknesses and foibles in our society," and that "health disparities have always existed for the Black community," calling it "unacceptable."[29]

On June 8, 2020, HHS released a factsheet outlining the Administration's various initiatives to address the disproportionate impacts of COVID-19 on ethnic and racial minorities.[30] The first level of initiatives incorporates multiple levels of data collection improvement. According to the factsheet, "currently…only a small proportion of data reported to [CDC] includes information on a patient's race or ethnicity."[31] Through the CDC's website and the COVID-Net surveillance system, HHS is building the capability to report on racial and ethnic data by collaborating with hospitals and public health departments, conducting epidemiological investigations, and aggregating electronic health records (EHRs).

Using funds appropriated by Congress, the Administration has awarded funds to community health centers, 64 state and local jurisdictions, and IHS, to make testing more available. In addition to testing expansion, the Administration is utilizing funds from the Provider Relief Fund to cover the costs of COVID-19 related treatment for the uninsured. The factsheet also outlines expansions to telehealth and to strengthening outreach and communication to minority communities.[32]

II. WITNESSES

Rhea Boyd, MD, MPH
Pediatrician and Child Health Advocate
Palo Alto Medical Foundation

Oliver T. Brooks, MD
President
National Medical Association

Avik S. A. Roy
President
The Foundation for Research on Equal Opportunity

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[29] *Coronavirus Has Exposed The World To Health Disparities In Black America: So What Now?*, Forbes (Apr. 8, 2020) (www.forbes.com/sites/lisafitzpatrick/2020/04/08/coronavirus-has-exposed-the-world-to-health-disparities-in-black-america-so-what-now/#7b616a2421ca).

[30] Department of Health and Human Services, *HHS Initiatives to Address the Disparate Impact of COVID-19 on African Americans and Other Racial and Ethnic Minorities* (www.hhs.gov/sites/default/files/hhs-fact-sheet-addressing-disparities-in-covid-19-impact-on-minorities.pdf).

[31] *Id*.

[32] *Id*.