



ACA Repeal, Medicaid Changes Would Hurt Early Care and Education Providers, Reduce Quality of Early Care and Education

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The stakes are high for young children—along with their families and the early childhood providers who care for them—in Congressional efforts to repeal the Affordable Care Act (ACA) and cut Medicaid. In early May, U.S. House Republicans passed the American Health Care Act (AHCA), taking a major step toward undoing the historic gains of the ACA. The AHCA would leave millions of people uninsured, make coverage less comprehensive and more expensive, and slash hundreds of billions of dollars from the Medicaid program. At the same time, the House bill would provide billions in tax cuts to the wealthy. Senate Republicans have recently unveiled their own version of this damaging bill, which would be just as harmful.

The early childhood workforce, in addition to the children and families they serve, will be directly and negatively affected by the Republican plan to roll back health coverage. They stand to lose the affordable health care so important to their own wellbeing. The loss of coverage threatens their own family economic stability and in some cases, their ability to remain on the job.

Good health and wellbeing are necessary for effective caregiving. Early care and education providers are central to the quality of an early childhood setting and young children’s experiences there. Warm, responsive, and skilled caregivers promote healthy development for young children. Excelling at this job requires an individual who is healthy and therefore able to nurture and care for children. Chronic illness, untreated pain or discomfort, severe stress, or depression can all reduce the ability of people to effectively care for others.¹ This is true for early care and education providers whose mental and physical health may be affected by their working environment. The wellbeing of providers is essential to their ability to provide care and essential to the quality of care and children’s development.² At a minimum, unhealthy providers may be distracted from their caregiving responsibilities, limiting the benefits of early childhood experiences and also potentially impacting children’s wellbeing.

Simply put: children do better when their parents and other caregivers are healthy, both emotionally and physically. That’s why adults’ access to health care supports effective caregiving.

The ACA made health care affordable for millions of low-income adults—including early care and education providers. Child care workers make an average of \$22,310 a year,³ which is less than the federal poverty level for a family of four. Since Medicaid only funded health care services for poor children prior to the ACA, but typically not poor adults, most low-income adults weren’t previously eligible. Medicaid provided healthcare coverage for only 15 percent of adults in families with a child care worker prior to the ACA.⁴ In the 30 states and D.C. that took advantage of the ACA’s Medicaid expansion, many low-income adults gained access to affordable health and mental health services for the first time.⁵ Because early care and education workers earn so little, many have

qualified for health insurance through Medicaid or for government subsidies to offset costs of private health insurance. This is why the workforce has seen improvements in health insurance coverage since the enactment of the ACA. One study in North Carolina, for example, reported that 24 percent of early care and education teachers and assistants reported receiving insurance as a result of the ACA or through their parents' insurance (which was one of the provisions of the ACA). Thirty-four percent of the teaching staff had no insurance in 2013 and has dropped to 19 percent and 17 percent respectively for teachers and assistants in 2015.⁶

New research indicates that Medicaid expansion has not only resulted in improved access to medical benefits but also improved access to behavioral health treatment for newly eligible enrollees.

Affordable health insurance contributes to family economic stability. Prior to the ACA, 73 percent of child care providers with at least one child worried about paying for routine healthcare cost for themselves and their families.⁷ Health insurance coverage lifts the burden of unexpected medical expenses. Without health insurance, high health care costs contribute to economic insecurity, sometimes forcing families to choose between paying medical bills or paying for other basic necessities.

Women—the vast majority of the early care and education workforce—uniquely benefitted from the ACA. Ninety-seven percent of all child care providers are women.⁸ Between 2013 and 2015, as a result of the ACA, more than 7.8 million women under age 64 gained health insurance coverage, a growth rate of 10 percent nationally.⁹ The ACA was instrumental in providing health care benefits for women that were previously not required, including mandatory inclusion of maternity care, coverage without cost sharing for preventive services such as contraceptives, and a prohibition on charging women more than men for the same plan. These provisions have been instrumental in providing more cost-effective access to services for women.¹⁰

The early childhood workforce—and the children they care for—would suffer from repeal of the ACA and Medicaid expansion. The loss of affordable health insurance would be detrimental to the health and wellbeing of early care and education providers and to the quality of care they provide. These women—who collectively care for millions of children in our country every day—play a fundamental role in preparing our next generation for success in school and in future employment. Their wellbeing contributes to the wellbeing of those in their care, and efforts to roll-back their health insurance coverage pose real dangers for themselves, our country's children, and national efforts to improve the quality of early care and education.

¹ Timothy Elliot and Ginger Pezent, "Family Caregivers of Older Persons in Rehabilitation," *NeuroRehabilitation* 23, 2008, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2597573/>.

² Institute of Medicine and National Research Council, *Transforming the Workforce for Children Birth Through Age 8: A Unifying Foundation*. 2015, <https://doi.org/10.17226/19401>.

³ Bureau of Labor Statistics, "Occupational Employment and Wages, May 2016," U.S. Department of Labor, <https://www.bls.gov/oes/current/oes399011.htm>.

⁴ Marcy Whitebook, Deborah Phillips, and Carollee Howes, *Worthy Work, Still Unliveable Wages: The Early Childhood Workforce 25 Years after the National Child Care Staffing Study*, Center for the Study of Child Care Employment, 2014, <http://cscce.berkeley.edu/files/2014/ReportFINAL.pdf>.

⁵ Thirty-one states and DC chose to extend Medicaid coverage to adults with incomes up to 138 percent of federal poverty; and three of the states (AK, DC, and CT) extend eligibility for parents to higher income levels.

⁶ Child Care Services Association, *Working in Child Care and Early Education in North Carolina*, 2015, <http://www.childcareservices.org/wp-content/uploads/2016/01/2015-Workforce-Report-FNL.pdf>.

⁷ Whitebook, Phillips, and Howes, *Worthy Work*.

⁸ National Women's Law Center, *Child Care Providers: Increasing Compensation Raises Women's Wages and Improves Child Care Quality*, 2008, <https://www.nwlc.org/sites/default/files/pdfs/ProvidersApril2008.pdf>.

⁹ National Women's Law Center, *Affordable Care Act Repeal Threatens the Health and Economic Security for 7.8 Million Women who Recently Gained Insurance Coverage*, 2017, <https://nwlc.org/wp-content/uploads/2017/02/Women-Overall-Health-Coverage-by-State-2.pdf>.

¹⁰ Alina Slagnicoff, Usha Ranji, Adara Beamesderfer, and Nisha Kurani, *Women and Health Care in the Early Years of the ACA: Key Findings from the 2013 Kaiser Women's Health Survey*, Kaiser Family Foundation, 2014, <http://www.kff.org/womens-health-policy/report/women-and-health-care-in-the-early-years-of-the-aca-key-findings-from-the-2013-kaiser-womens-health-survey/>.