



Tax Policies Impact Health

Social determinants and public policies drive most of our health

As public health professionals, we know our health is largely determined outside of the doctor's office. The [environmental and neighborhood conditions](#) in which we live, like walkability, parks, access to healthy foods, and quality schools, and socio-economic factors like poverty and racism and other forms of discrimination drive the majority of our health.

Our tax structure and public policies can support — or undermine — public health and our collective well-being. Tax policies can help redistribute income to bring about more equitable societies and life chances for all, or they can exacerbate inequalities and undermine shared prosperity.

Income and wealth inequalities are the strongest determinants of our health

States and countries with greater inequity have worse health outcomes across multiple areas than more egalitarian places. Poverty is associated with [worse health status and outcomes](#) — higher rates of acute and chronic conditions including psychosocial problems, barriers to healthcare access, and higher rates of death and disease. [Income inequality](#) has also been associated with lower life expectancy, higher rates of infant and child mortality, shorter height, poor self-reported health, low birth weight, AIDS, depression, mental illness, and obesity.

We live in a time of deeply distorted wealth imbalances

[Income](#) and wealth inequality in the United States are increasing — the richest 1% have seen their share of national income [roughly double](#) since 1980, from 11% to 20% in 2014. The Trump Administration and Republican Congress passed a tax cut bill in December 2017 that massively redistributes wealth to the nation's richest. It lowers federal tax rates at all income levels for 8 years — after which tax cuts for the middle class expire.

The 2017 Tax Cuts and Jobs Act is poised to have a huge impact on public health

This huge windfall for the rich adds \$1.5 trillion to our federal deficit that will lead to draconian cuts in federal programs that benefit all of us. [Cuts to non-military federal spending](#) will be so severe that over the coming decade it will be less than half of its 2010 level. Many basic functions of government will suffer, with programs that benefit poor and working class families hit hardest.

- **More housing instability, and a likely increase in family homelessness** - The [cuts to the housing budget](#) will take vouchers that make housing affordable away from 200,000 low-income households, including the elderly and people with disabilities, and eliminate HUD rental subsidies for people with rents that are too high for their income. If implemented, this could cause a [\\$120/month rent increase](#) for 1.8 million households with 3 million children. The result will be housing instability, which undermines health and will likely lead to an increase in family homelessness, as we saw in the 1980s when the [Reagan Administration implemented similar policies](#). We saw similar impact following the [2008 housing foreclosure crisis](#).



- **More food instability, with a deeper impact on rural communities and older adults -** The food stamp program (SNAP) budget will be cut by 31%, with [18 million White](#) people, [11.6 million African-Americans, and 5 million Latinos](#) losing their assistance necessary to maintain adequate nutrition and avoid going hungry. The Administration also plans to restructure the program to food distribution rather than vouchers to purchase food. In addition to eliminating choice and forcing specific food on beneficiaries, this would destroy the [public-private partnership](#) that has characterized SNAP. Community groceries and other small businesses will lose revenue. [Rural communities will especially suffer](#) from these cuts, as they will from the elimination of the Community Development Block grant which includes the Meals on Wheels Program.
- **Neglect to maintain clean soil, air, and water, with disproportionate impact to people of color and low-income communities -** The Environmental Protection Agency (EPA), which protects all of us from toxic pollution in our air, soil, and water, is slated for a [26% budget cut](#), more than any other federal agency. Part of the Administration's justification is that this would share responsibility with the states — however, the Environmental Defense Fund points out that this just shifts costs to the states. Funding to clean up highly toxic superfund sites would be [cut by about one-third](#), with the justification including the notion that this will "encourage private investments in cleanup activities." Low-income and communities of color who disproportionately live, work, and play near superfund sites will suffer the health consequences.
- **More will lose access to health care, with whole rural communities and counties deeply affected.** The Federal budget includes provisions that will [make health insurance more expensive and take it away from millions](#). Federal support to keep Americans insured will be cut by \$763 billion. Medicaid expansion under the Affordable Care Act covers 12 million Americans and would be eliminated. Subsidies to assist people who purchase insurance in the open market would be eliminated. Other changes to Medicaid like converting it to a block grant will likely lead even more people with low income or who have a disability to lose coverage. These changes will affect all of us. The stability of our [community health centers](#) and hospitals, which serve as healthcare safety nets, will suffer as they lose Medicaid revenue. Access to care will deteriorate in communities and, [especially in rural areas](#), whole counties.
- **Failure to use public health research to protect health and uphold health equity -** The Centers for Disease Control (CDC) Center for Global Health that helps control epidemics around the world would be [cut by 80%](#), withdrawing assistance from 39 of the 49 countries where we currently help prevent and respond to outbreaks of infectious disease. Former CDC Director Tom Frieden warned that this will increase the likelihood of epidemics spreading to the US. In addition the [Agency for Healthcare Research and Quality \(AHRQ\)](#), responsible for tracking health disparities and one of the smallest agencies within Health and Human Services, would be eliminated. Their annual report is one of our major sources to track progress in reducing the burden of poverty and other social determinants on vulnerable populations. The Trump budget would undermine our ability to track progress towards health equity.