



Tariffs, Health Coverage, and Disability Employment: Hidden Risks for People with IDD and the DSP Workforce

Summary

This article examines how U.S. economic and health-care policies that target “the big picture” can quietly reshape everyday opportunities for people with intellectual and developmental disabilities (IDD). Firms with fewer than 500 employees generate roughly 43–44% of U.S. business-sector output and provide many of the real jobs and service agencies on which people with IDD and Direct Support Professionals (DSPs) depend. Broad new tariffs raise costs and uncertainty for these firms, while repeal or major rollback of the Affordable Care Act (ACA) would remove critical health-coverage options for small-business owners, employees, DSPs, and families. Taken together, these changes can reduce competitive employment for people with IDD, deepen DSP workforce shortages, and accelerate consolidation into a smaller number of large employers and providers. The article maps these risks and outlines how quality standards and policy advocacy can respond.

Highlights

- **Small-Business Backbone:** Firms with fewer than 500 employees provide a large share of U.S. output and jobs, and include most disability service agencies, social enterprises, and community employers that hire people with IDD.
- **Tariff Shock to Inclusion:** Broad tariffs raise input costs and uncertainty for small firms, slowing job creation and making employers more risk-averse—especially toward entry-level and nontraditional hires, including jobseekers with IDD.
- **ACA as Enabler of Small-Firm Work:** Marketplace coverage, Medicaid expansions, and consumer protections under the ACA allow many small-business owners, workers, DSPs, and families of people with IDD to work outside large employers while still maintaining health insurance.

- **Risks of ACA Repeal:** Eliminating or sharply weakening the ACA would push many people back toward large employers for coverage, increase uninsurance and medical debt, and make self-employment, small-firm work, and small-agency leadership less viable for those with ongoing health needs.
 - **DSP Workforce Under Pressure:** DSPs are typically low-wage workers who rely heavily on Medicaid and ACA coverage. Tariffs that raise living costs, combined with ACA repeal and possible Medicaid cuts, intensify turnover and vacancies, forcing agencies to reduce or close services.
 - **Consolidation Without Security:** Large corporations and multi-site providers may survive shocks better than small organizations, but consolidation in a context of funding pressure and workforce shortages often leads to fewer locations, higher caseloads, and more standardized, less individualized support.
 - **Quality and Rights at Stake:** When small employers and community providers weaken, people with IDD face fewer opportunities for competitive integrated employment, longer waitlists, and greater risk of being pushed back toward institutional or segregated settings.
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Key Message

Tariffs and ACA repeal are not only macro-economic or partisan issues; they are **quality and inclusion issues** for disability services. Policies that destabilize firms with fewer than 500 employees and erode health-coverage protections directly affect whether people with IDD can get and keep real jobs in their communities, and whether DSPs can afford to stay in the field. Large employers and providers may gain relative power, but the overall system becomes more fragile and less inclusive. To protect safety, accountability, and the right to community life, disability policy, standards, and advocacy must treat the economic health of small businesses, small providers, and the DSP workforce as core elements of quality—not background conditions.

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