

# The Republican Health Care Repeal Bill

*Despite the growing fears and mounting opposition from people across the country, the Trump administration and Republicans in the House and Senate are rushing forward to rip apart our health care. They will take coverage away from millions and raise costs for millions more. The plan guts Medicaid, rations health care for seniors, children and the disabled, and undermines protections for people with preexisting conditions -- while giving hundreds of billions in tax breaks to the wealthy and big insurance and pharmaceutical companies. And, we still don't know how many people will lose their care, what the impact will be to states, or how much it will cost because they refuse to release a score from the Congressional Budget Office.*

*After the public made their opposition to repeal clear at town hall meetings, Republicans went into hiding and literally wrote this plan in a secret, locked basement room. The fact that they want to rush it through -- without debate, hearings or letting the public or even other lawmakers know what it means for patients and families and entire states -- tells you all you need to know about how bad it really is for our country and why the Republicans are so scared of people truly understanding what they are doing.*

**The Bottom Line: The Republican health care repeal bill means that there will be fewer covered, weaker protections and higher costs**

- 1. Ends the Medicaid Expansion for low-income adults and jeopardizes Medicaid coverage for seniors, people with disabilities, and families with children as well:** Effectively ends Medicaid expansion by ending needed federal funding, starting in 2020; and caps Medicaid payments to states, forcing them to ration coverage and care.
- 2. Takes away insurance coverage from millions:** Slashing tax credits for lower- and moderate-income people means millions more will lose their health coverage
- 3. Charges people higher premiums:** Increases health care costs for millions by increasing rates on seniors and allowing insurance companies to charge people - including people with pre-existing conditions - 30 percent more if they have gap in coverage.
- 4. Defunds Planned Parenthood threatening women receiving essential care.**
- 5. Provides tax breaks for the wealthiest:** Gives hundreds of billions in tax breaks to the wealthy and the pharmaceutical and insurance industries.
- 6. Breaks President Trump's promise of "insurance for everybody".**

## Fewer Covered

**The Republican health care repeal bill effectively ends Medicaid expansion, rolling back massive coverage gains.**

- The House plan would end enhanced federal match funding for new and returning enrollees, starting in 2020.
  - Medicaid is not a static population. People move in and out of the program all the time, in many cases because they find a job with benefits and then lose that job. Those people would no longer be eligible for federal funding.
  - That means that after a relatively short amount of time, a large percentage of a state's existing enrollees will have cycled out of the program, making it likely that they will see dramatic reductions in their federal match.
- In order to maintain expansion, states would have to find about \$250 billion in their own budgets over the next 10 years, compared to current law.
- In seven states, federal funding cuts would trigger automatic wind-down of expansion. The remaining 25 states (including DC) would likely have to end expansion as well, because maintaining it would become impossibly expensive.

**The Republican health care repeal bill will take coverage away from millions in the individual market.**

- The alternative premium tax credit in the GOP repeal plan does not recognize that lower income people need the most help, and by not adjusting their premium tax credits based on income, many will be forced to pay more in premiums, making health care unaffordable and out of reach.
- In HealthCare.gov states in 2016, 65 percent of enrollees had income below 200 percent of poverty (nearly \$50,000 for a family of four). Virtually all of those enrollees would pay more under this proposal and would pay more for less since there are no cost-sharing reductions for low-income people starting in 2020.
- Replaces the Affordable Care Act tax credits, which vary based on your income, with a flat dollar amount ranging from \$2,000-\$4,000 based on age. The credits are indexed to inflation plus one percentage point, not health care cost growth.

**Weaker Protections**

**The Republican health care repeal bill creates per-capita Medicaid caps that ends Medicaid as we know it, and will lead to the rationing of care for the disabled, children and seniors.**

- It guarantees that Medicaid will not be there when we need it the most.
  - The only reason ultimately to cap Medicaid is to cut it, and cuts will be deepest when needs are the greatest, leaving states to fend for themselves.
  - You need to increase funding for Medicaid during and public health emergencies – Zika or opioids, for example. But with the the cap federal funding will stay flat in those crisis, forcing state to cut coverage and services exactly when they're most needed.

**The bill allows insurance companies to penalize people with pre-existing conditions and others who have a gap in coverage - even if just over a couple of months - by charging them 30% more for their care - this could put care out of reach for many people who need it.**

**It endangers the health care of women by defunding Planned Parenthood.**

- 54 percent of Planned Parenthood health centers are in areas where there's already a health

professional shortage, typically rural or medically underserved areas.

- If Planned Parenthood centers are forced to close because of a lack of federal funding, that will limit basic access to care for millions of women.
  - Planned Parenthood provided birth control for 2 million people in 2014, 360,000 breast exams, 270,000 pap tests.

### **Higher Costs**

#### **The Republican health care repeal bill will raise premiums and deductibles for consumers.**

- It quickly eliminates the individual mandate, which the Congressional Budget Office says could raise premiums by 25 percent next year and cause a death spiral in the individual market.
  - That's because it is likely to harm the risk pool. The GOP bill lowers incentives for healthy people to sign up for coverage by replacing the responsibility fee with a 30 percent mark-up on premiums if you have a gap in coverage. It will do little to encourage a healthy young adult to come in, unless they need health care.
- Ends cost-sharing reductions, which help defray out of pocket costs for more than half of all ACA enrollees. This change will increase the amount of money people pay for deductibles and care.

**Because it's not geographically adjusted, this premium tax credit will lead to higher premiums in rural and high-cost areas.**

**Seniors will see their premiums increase by \$2,000-\$3,000 per year**, because of a change (increasing the age rating from 3 to 1 to 5 to 1) that allows insurers to charge seniors significantly higher prices. (Tax credit only increases a maximum of 2 times for older enrollees.)

**Because the tax credits are indexed to inflation, not health care inflation, even young adults will pay more over time.**

**The only real winners under the Republican plan are the wealthiest and the healthiest and large corporations.**

- The bill gives hundreds of billions in tax breaks to the wealthy and corporations, and cutting Medicaid and reducing tax credits are the only ways the GOP pays for those giveaways.
- The House plan has tax cuts that cost \$600 billion over 10 years that overwhelmingly go to higher-income people and corporations. Only major pay-for are cuts to Medicaid and financial assistance for lower-income people.