



The American Health Care Act Eliminates Basic Protections for People with Pre-Existing Health Conditions

Supporters of the American Health Care Act (AHCA) claim the bill keeps protections for people with pre-existing conditions, but this is simply not true. While the AHCA does not allow outright denial of coverage, this is a protection in name only since insurers can charge so much that they are effectively denying coverage. After all, an offer of coverage costing several thousand dollars a month is not an honest offer of coverage. If the AHCA became law, it would not be long before many states fell back to a system where those diagnosed with cancer or diabetes were priced out of care and turned away.

- **AHCA allows states to opt out of most commercial insurance protections.**
Under the AHCA, states may seek waivers of most of the protections established under the Affordable Care Act (ACA). The waivers would allow insurers to charge applicants more based on their health conditions, sell plans that did not offer benefits like mental health treatment or maternity care, and reinstate practices that cap the amount a plan would pay out in a given year or over a lifetime. These waivers would be speedily approved by the federal government in most cases.
- **AHCA will harm people with pre-existing conditions even if they maintain continuous coverage.**
It might appear that the waivers in the AHCA would only allow insurers to charge premiums based on health status to people with a recent gap in coverage. The framework created by the waiver, however, would allow states to effectively eliminate community rating protections for *all* people seeking individual market coverage, including people who had maintained continuous coverage.
- **States will be pressured to opt out of insurance protections due to AHCA provisions that raise costs.**
Many states are likely to seek the waivers described above because of the higher consumer costs expected under the AHCA. The bill is estimated to raise premiums by 15-20% thanks to the elimination of the individual mandate. The AHCA also provides enrollees with much less financial assistance thanks to the elimination of cost-based subsidies and subsidies to cover deductibles. As consumer costs under the AHCA skyrocket, states will be under serious pressure to do something. Opting out of ACA protections will be an appealing option to lower costs for the healthy and push poorer, sicker, and more expensive applicants out of the risk pool to fend for themselves.
- **High risk pools will do little to aid the sick.**
High risk pools have been offered as a way to protect those with pre-existing conditions, but the funding needed for an adequate high risk pool will be off the charts. The meager funding provided in the AHCA is not nearly enough. Underfunded high risk pools like the ones we had before the ACA imposed unaffordable premiums, long wait lists, and annual caps on the care someone can receive.

The way to protect people with pre-existing conditions is to maintain and build upon the system and protections established by the Affordable Care Act. The American Health Care Act sabotages much of what the ACA built and is a step in the wrong direction.

Protect Our Care Illinois is a statewide coalition of health care advocates, providers, consumers, and workers, standing together to protect and expand access to quality affordable health care provided by the Affordable Care Act and Medicaid.

www.protectourcareil.org

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