



PROTECT OUR CARE **IL**

Understanding the Efforts to Repeal and Replace the Affordable Care Act

June 2017

protectourcareil.org



Today's agenda

- ▶ Brief Introductions of POC-IL and speakers
- ▶ The Affordable Care Act (ACA/Obamacare) – an overview and impact
- ▶ The American Health Care Act (AHCA/TrumpCare) – an overview of the House Bill and (what we know of the Senate Bill) and impact
- ▶ Other ways Congress/Trump Administration can impact ACA
- ▶ Next Steps with AHCA
- ▶ Q&A



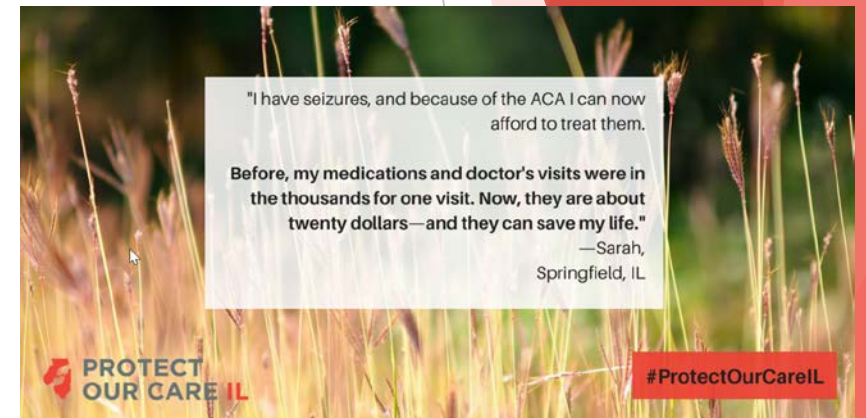
Protect our Care – Illinois Guiding Principles

- ▶ We are committed to ensuring **eligibility, coverage and access to affordable, comprehensive, and quality health insurance** and will oppose and fight any proposal or policy that reduces them.
- ▶ Any ACA replacement plan must provide health insurance coverage that is **as comprehensive, or better than the current existing provisions under the ACA**, to as many or more people.
- ▶ **Block grant/per capita limits are bad policies because they would severely cut Medicaid and thus block healthcare access for Illinois' Medicaid consumers, harm the state budget, and destabilize health providers.** We will oppose and fight all proposals and policies to block grant or add per capita limits to the Medicaid program.
- ▶ Elected officials must be held accountable for voting against these principles. **Reductions to healthcare access will harm people's health, and elected officials have a responsibility to protect the health of the public.**



Reminder – Before the Affordable Care Act

- ▶ Premiums increasing rapidly.
- ▶ People were afraid to change jobs due to “job lock”
- ▶ People got fewer preventive services, Rx due to cost.
- ▶ Women paid more than men.
- ▶ Poor adults did not qualify for Medicaid unless they were pregnant, disabled or a parent.
- ▶ 105 million Americans had plans with lifetime limits on coverage, meaning if they got seriously ill, their coverage could end forever.

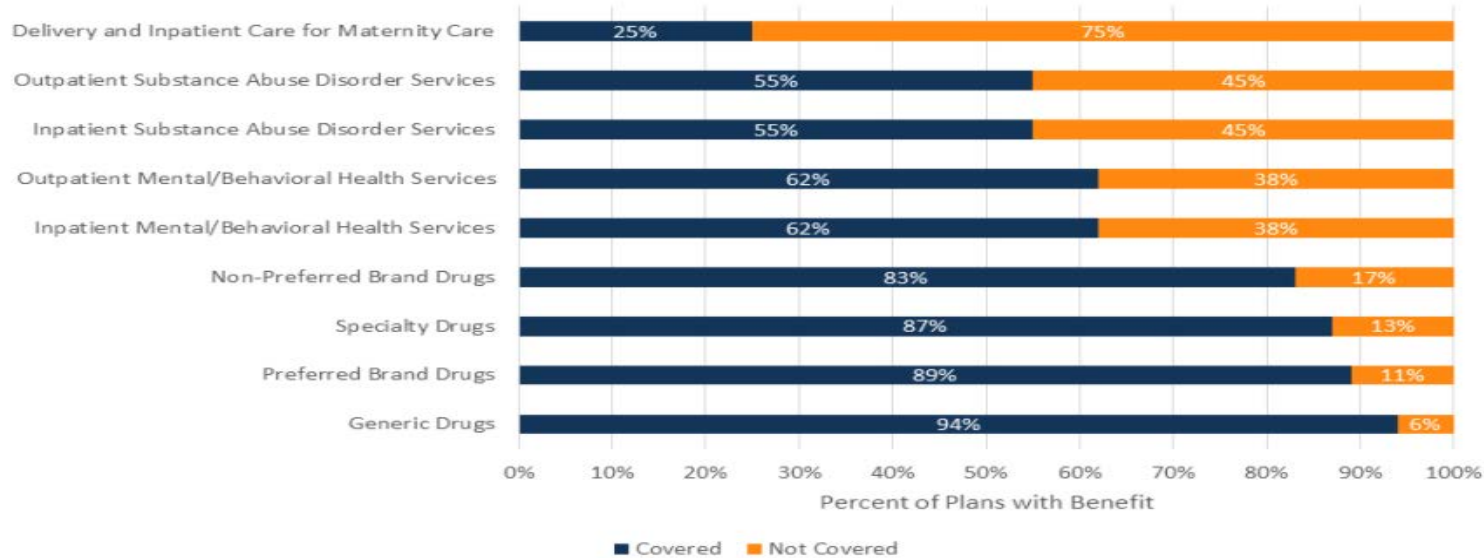




Reminder – Before the Affordable Care Act

Figure 1

Coverage of Benefits in 2013 Non-Group Plans



Source: Kaiser Family Foundation analysis of Centers for Medicare and Medicaid Services (CMS) data:
https://www.cms.gov/ccio/resources/data-resources/health_plan_finder_data.html.



Source: Kaiser Family Foundation, [Would States Eliminate Key Benefits if AHCA Waivers are Enacted?](#) June 14, 2017



Examples of Pre-Existing Condition Exclusions

In the individual market before the Affordable Care Act, 43 states and D.C. allowed insurers to discriminate against people based on their health status.

Source: Kaiser Family Foundation

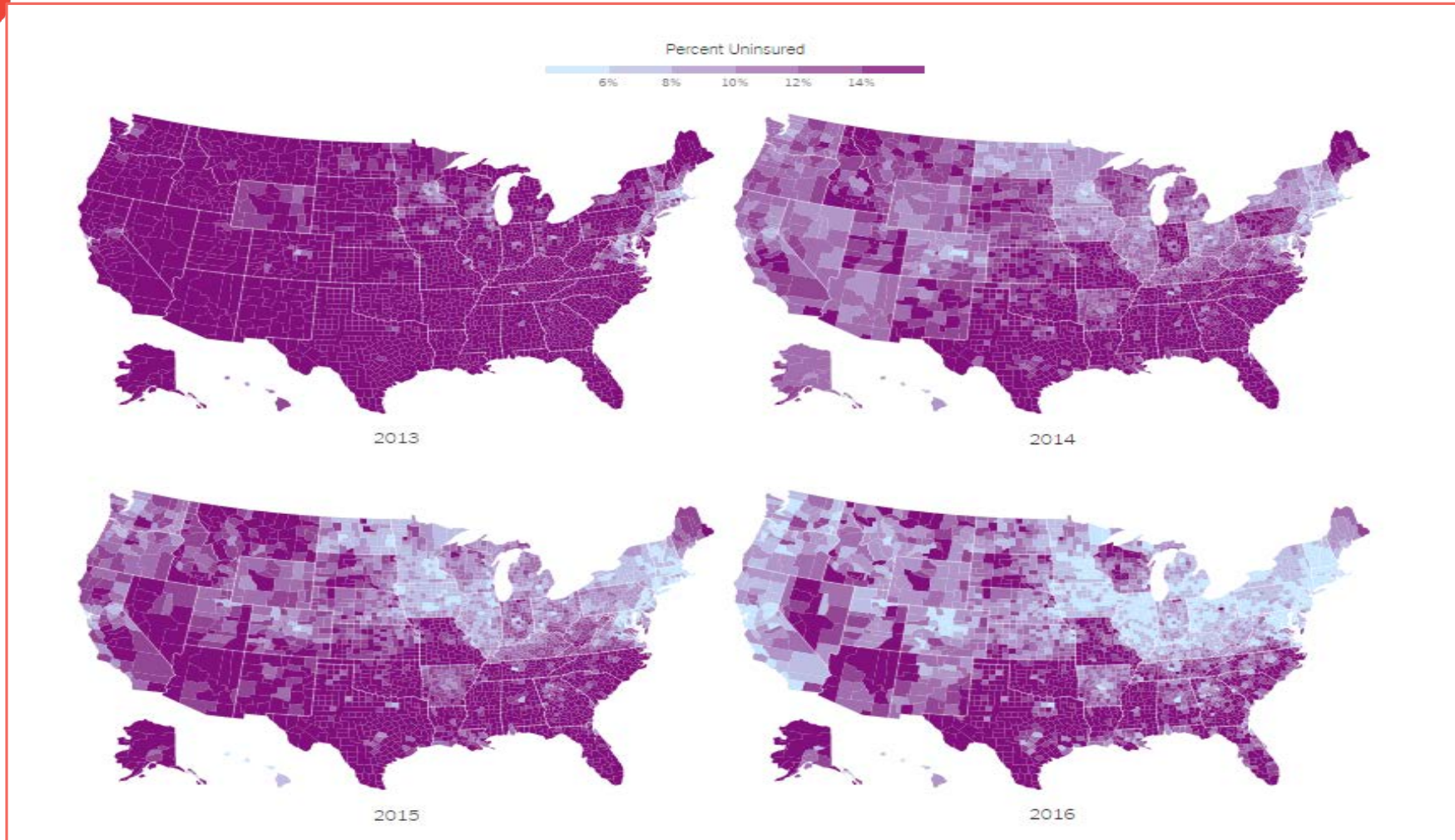
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- ▶ AIDS
- ▶ Alcoholism/Alcohol Abuse (within 7 years)
- ▶ Angioplasty
- ▶ Aortic Stenosis
- ▶ Arteriosclerotic Heart Disease
- ▶ Ascites (within 5 years)
- ▶ Bi-Polar Disorder
- ▶ Boecks Sarcoidosis
- ▶ By-pass surgery
- ▶ Cancer (other than skin cancer)/Malignant Melanoma²
- ▶ Cerebral Vascular Accident
- ▶ Cerebral Vascular Disease
- ▶ Chronic Obstructive Pulmonary Disease (if currently smoking)
- ▶ Chronic Pancreatitis
- ▶ Chronic Renal Failure
- ▶ Cirrhosis of Liver
- ▶ Coronary Heart Disease
- ▶ Cushing's Syndrome
- ▶ Cystic Fibrosis
- ▶ Diabetes (managed with any type of medication)
- ▶ Drug Addiction/Abuse (within 5 years)
- ▶ Fatty Liver (hepatic steatosis) (fully recovered with normal lab results for minimum of 6 months)
- ▶ Grand Mal Epilepsy (within 5 years)
- ▶ Heart Attack
- ▶ Height and Weight (see chart)
- ▶ Hemodialysis/Peritoneal Dialysis
- ▶ Hemophilia
- ▶ HIV
- ▶ Hodgkins Disease
- ▶ Huntington's Chorea
- ▶ Immune Deficiency Syndrome
- ▶ Leukemia (within 7 years)
- ▶ Liver Atrophy
- ▶ Lupus Erythematosus (Systemic)
- ▶ Multiple Neurofibromatosis (within 7 years)
- ▶ Multiple Sclerosis
- ▶ Muscular Dystrophy
- ▶ Myasthenia Gravis
- ▶ Myocardial Infarction
- ▶ Nephrosclerosis
- ▶ Organic Brain Disorder
- ▶ Pacemaker
- ▶ Paget's Disease
- ▶ Parkinson's Disease
- ▶ Pending surgery of any kind
- ▶ Peripheral Vascular Disease
- ▶ Polycystic Kidney
- ▶ Pregnancy (current)
- ▶ Psychotic Disorder
- ▶ Rheumatic Heart Disease
- ▶ Stroke
- ▶ Systemic Scleroderma
- ▶ Tetralogy of Fallot
- ▶ Transient Ischemic Attack (within 5 years)
- ▶ Organ Transplants
- ▶ Valve Replacement

Source: BCBS of Colorado



High Uninsured Rates Across the Country



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Source: NY Times. [The Impact of Obamacare, in Four Maps](#), October 2016
(Based on data from Enroll America)



ACA Highlights












Key features of the Affordable Care Act (ACA)

- ▶ **Medicaid Expansion (ACA Adult):** State Option that covers 650,000 low income adults in Illinois.
- ▶ **Children up to Age 26** – Can Stay on Parents’ Plans.
- ▶ **Easy Way to Compare Insurance - Metal Levels/Marketplace.**
- ▶ **Preventive Services (vaccines, cancer screenings, etc)** – No Co-Pays.
- ▶ **Financial Assistance to buy insurance in Marketplace** for people earning up to \$48K. 335,000 on Marketplace in Illinois and 78% get **tax credits**. 49% get **cost sharing reductions (CSRs)** for people earning up to \$29,700.
- ▶ **Age Rating Limit:** Allows older people to be charged no more than 3x as much as younger people.
- ▶ **No Gender Rating or rating based on pre-existing conditions.**
- ▶ **“Essential Health Benefits”** required under most small group and individual plans.
- ▶ **No lifetime/annual limits on coverage.**

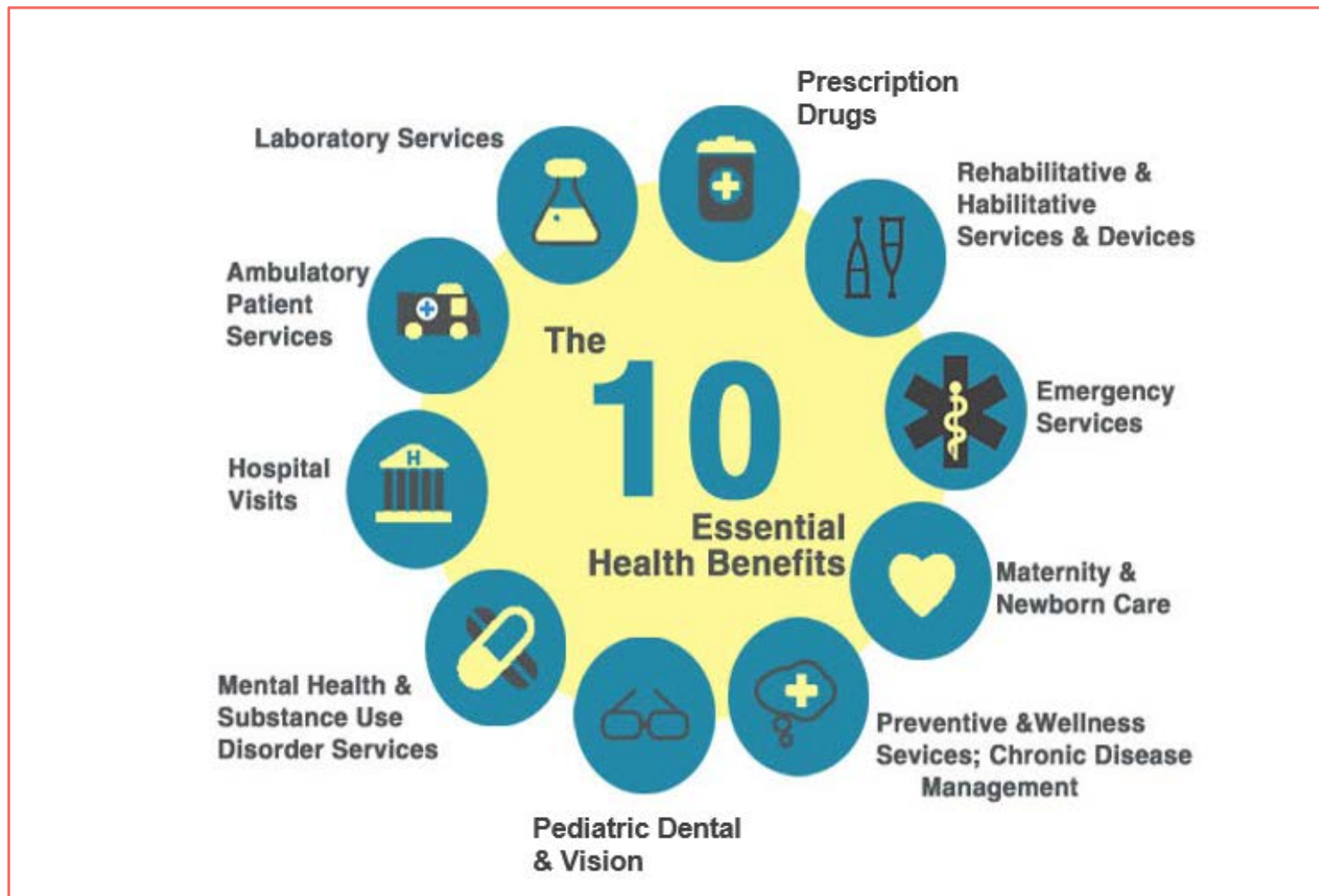


Free Preventive Services

<p>TESTS BLOOD PRESSURE DIABETES CHOLESTEROL</p> 	<p>CANCER SCREENINGS MAMMOGRAMS AND COLONOSCOPIES</p> 	<p>INTERVENTION</p> <ul style="list-style-type: none">quit smokinglose weighteat healthyidentify depressionreduce alcohol useavoid sexually transmitted diseases 
<p>STD SCREENINGS SEXUALLY TRANSMITTED INFECTIONS</p> 	<p>REGULAR VISITS WELL-WOMAN, WELL-BABY, AND WELL-CHILD</p> 	<p>CARE FOR HEALTHY PREGNANCIES</p> 
<p>VACCINATIONS FLU, PNEUMONIA, MEASLES, POLIO, MENINGITIS AND OTHER DISEASES</p> 		



10 Essential Health Benefits





Individual and Employer Responsibility

- ▶ **Individual mandate/penalty/fee/individual responsibility payment**
- ▶ **Employer mandate (employers with 50+ Full Time Equivalent Employees)**
- ▶ **Small employers are exempt from mandate**

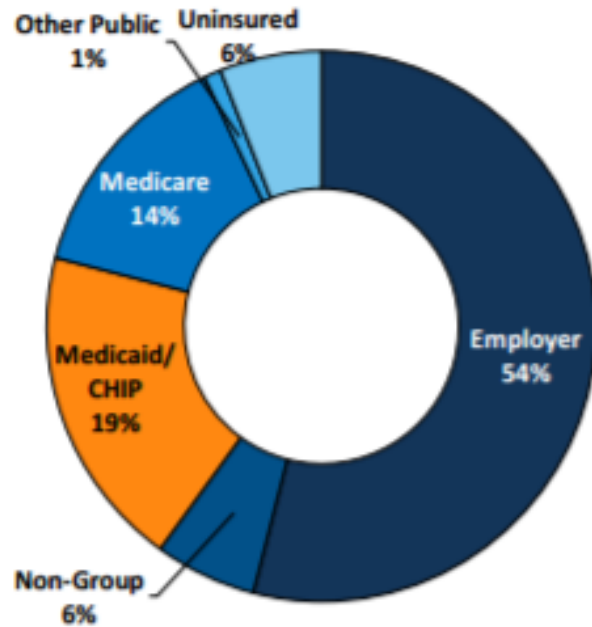
*****These components ensure a large pool of people are covered!**



Don't Forget Medicaid!

Covers 3.1 million children, pregnant women, seniors and people with disabilities

In 2015, 19% of people in IL were covered by Medicaid/CHIP.



In IL, Medicaid/CHIP covers:



1 in 7 adults <65



1 in 2 low-income individuals



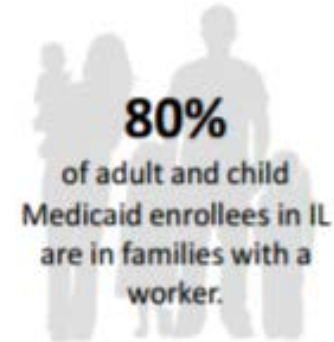
2 in 5 children



3 in 5 nursing home residents



2 in 5 people with disabilities

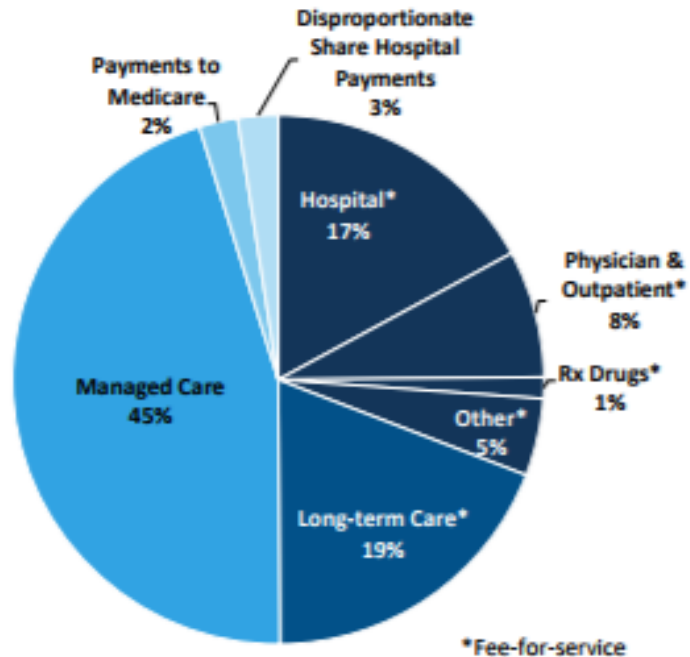


Source: Kaiser Family Foundation. [Medicaid in Illinois](#), June 2017.



Medicaid is Crucial to Illinois Economy

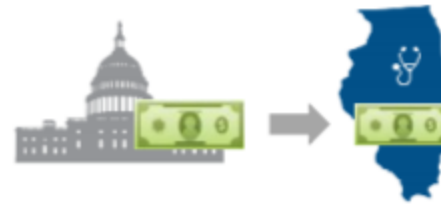
In FY 2016, Medicaid spending in IL was \$19.3 billion.



Federal funding to states is guaranteed with no cap and fluctuates depending on program needs.

In IL the federal share (FMAP) is 51.3%. For every \$1 spent by the state, the Federal government matches \$1.05.

Expansion states receive an increased FMAP for the expansion population. IL received \$4.0 billion in federal funds for expansion adults from Jan 2014 – Sept 2015.



13%
of state general fund spending
in IL is for Medicaid.

69%
of all federal funds received
by IL is for Medicaid.



How Can the ACA Be Improved?

- ▶ Provide more generous financial assistance to address high premiums for those over 400% FPL and high deductibles.
- ▶ Better fund risk adjustment payments to keep insurers stable.
- ▶ Provide certainty with CSR payments so that insurers don't leave marketplaces.
- ▶ Create a public insurance option.
- ▶ Fix family glitch.
- ▶ Encourage remaining states to expand Medicaid.



Key features of AHCA/Trumpcare

- ▶ Medicaid Expansion “freezes” in 2020 and phases out after.
- ▶ Medicaid funding changes from Federal Entitlement to a fixed amount or cap.
- ▶ Ends Cost-Sharing Reductions and ACA Tax Credits - instead gives Tax Credits by age and income from \$2,000-4,000 to buy insurance in Marketplace or off Marketplace.
- ▶ Older people can be charged 5 times as much as younger people.
- ▶ Change in Actuarial Value requirement.
- ▶ Allows states to request a waiver of protections for EHBs, pre-existing condition protections, and other ACA consumer protections.
- ▶ No Individual Mandate – instead a continuous coverage requirement/No Employer Mandate. Encourages Health Savings Accounts and High Risk Pools.
- ▶ Cuts Federal Funding to Planned Parenthood.
- ▶ \$600B in Tax Cuts for Wealthy, Insurers, Pharmaceutical Companies, others.



AHCA by the Numbers, according to the CBO

- ▶ 14 million fewer people insured one year after passage
- ▶ 23 million fewer insured in 10 years
- ▶ \$834 Billion in Medicaid Cuts
 - ▶ Estimated \$40 Million in IL
- ▶ Premiums will go up in 2018-19
 - ▶ After that – variation depending on state waiver options
- ▶ In some states premiums will decline (but coverage will be less generous)
- ▶ 1 out of 6 Americans will live in an area with an unstable insurance market. Sick people would have trouble finding coverage.
- ▶ Older Americans would face much higher premiums (poorer, older people would be hit the hardest)
- ▶ Twice as many uninsured – 51 million in 2026
- ▶ Saves \$119 Billion in federal \$
- ▶ Repeals \$664 Billion in taxes



Uninsured Rate Spikes Back Up

CBO: HOUSE GOP HEALTH BILL STILL REVERSES ALL ACA COVERAGE GAINS

Non-elderly uninsured rate, 2010-2026



Source: National Health Interview Survey; Congressional Budget Office

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710,000 Lose Coverage in IL

Net projected loss in health insurance coverage via AHCA as of 2026 by state and type of coverage
 compiled by Emily Gee, Center for American Progress • reformatted by Charles Gaba, ACASignups.net

ILLINOIS	Medicaid Loss (adults)	Medicaid Loss (children)	Medicaid Loss (disabled)	Medicaid Loss (expansion)	Total Medicaid Loss (nonelderly)	Employer Sponsored Policy Loss	Individual Market Loss	Total Projected Coverage Loss (nonelderly)	Medicaid Loss (elderly)
Bobby L. Rush (IL-01)	5,000	10,500	1,300	10,400	27,200	6,700	10,900	44,800	3,000
Robin L. Kelly (IL-02)	5,700	12,100	1,500	10,900	30,200	6,100	10,300	46,600	2,800
Daniel Lipinski (IL-03)	4,200	9,000	1,100	9,000	23,300	7,400	10,900	41,600	1,600
Luis V. Gutiérrez (IL-04)	6,600	14,000	1,800	19,900	42,300	5,300	10,900	58,500	1,800
Mike Quigley (IL-05)	2,200	4,700	600	7,600	15,100	8,700	11,200	35,000	2,000
Peter J. Roskam (IL-06)	1,800	3,900	500	2,900	9,100	8,900	12,700	30,700	1,200
Danny K. Davis (IL-07)	5,700	12,100	1,500	14,200	33,500	6,200	10,900	50,600	3,100
Raja Krishnamoorthi (IL-08)	4,000	8,400	1,100	8,000	21,500	7,600	11,800	40,900	1,700
Janice D. Schakowsky (IL-09)	2,700	5,800	700	8,100	17,300	7,400	10,900	35,600	2,600
Bradley S. Schneider (IL-10)	3,100	6,600	800	6,400	16,900	7,200	11,900	36,000	1,400
Bill Foster (IL-11)	3,700	7,800	1,000	8,200	20,700	8,000	11,300	40,000	900
Mike Bost (IL-12)	4,400	9,400	1,200	8,400	23,400	6,400	8,100	37,900	2,100
Rodney Davis (IL-13)	3,900	8,400	1,100	7,500	20,900	6,800	8,000	35,700	1,600
Randy Hultgren (IL-14)	2,500	5,300	700	3,800	12,300	9,100	11,700	33,100	900
John Shimkus (IL-15)	4,400	9,300	1,200	6,200	21,100	6,500	9,400	37,000	2,400
Adam Kinzinger (IL-16)	3,500	7,400	900	5,800	17,600	7,300	9,700	34,600	1,800
Cheri Bustos (IL-17)	5,100	10,900	1,400	9,100	26,500	6,000	9,100	41,600	2,400
Darin LaHood (IL-18)	3,000	6,300	800	4,000	14,100	7,700	8,100	29,900	1,600
Total	71,500	151,900	19,200	150,400	393,000	129,300	187,800	710,100	34,900

Updated 4/25/17 • Full CAP analysis: <https://www.americanprogress.org/?p=433017>







Loss of Coverage Impacts All Ages

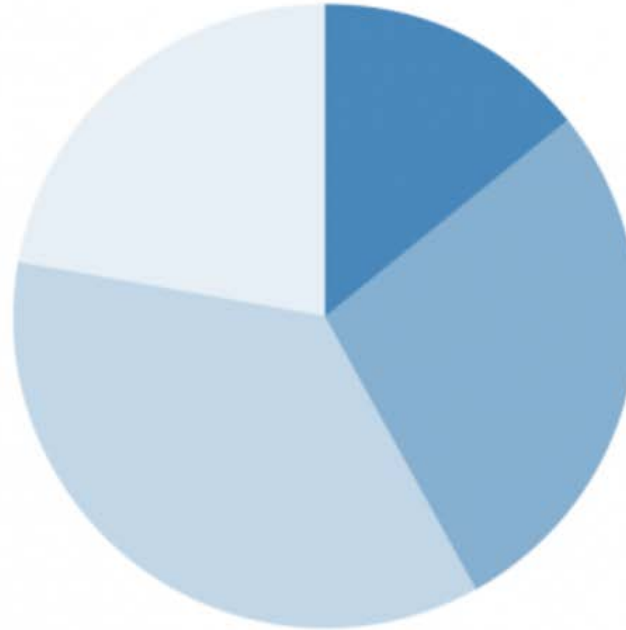
FIGURE 2



People of All Ages Would Lose Coverage Under House Health Bill

People losing coverage in 2026

3 million*	
Children (18 and below)	
6.4 million	
Adults, 19-29	
8.2 million	
Adults, 30-49	
5.1 million	
Adults, 50-64	



*The Congressional Budget Office (CBO) estimate of the number of children losing coverage could range from 2.8 million to 3.7 million.

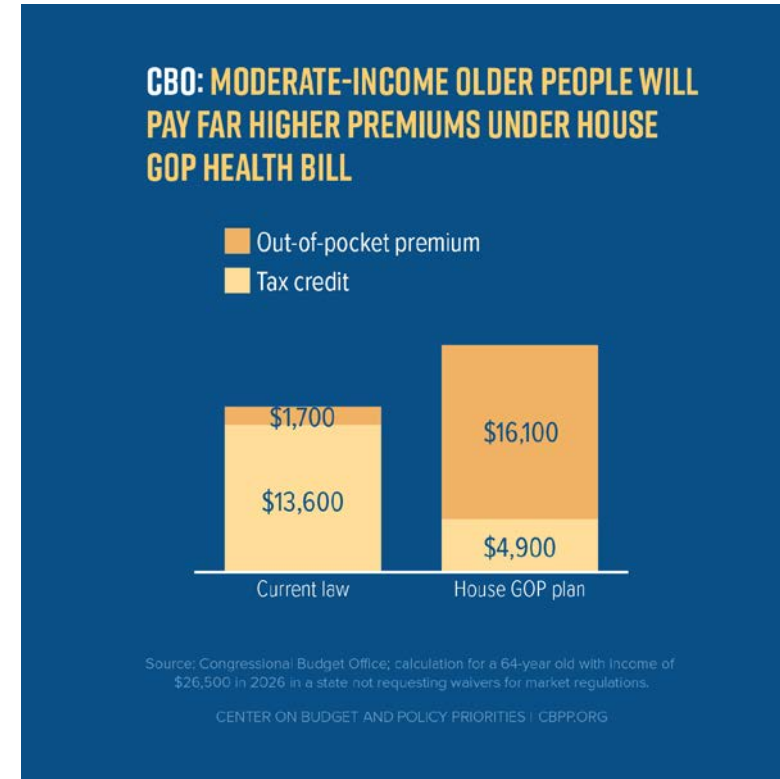
Source: CBPP calculations from CBO data

Source: Center on Budget and Policy Priorities, [People of All Ages and Incomes Would Lose Coverage Under House Bill, CBO Data Show](#), June 14, 2017



Immediate Increase in Premiums in 2018, Especially Severe for Older Adults

- ▶ Due to elimination of the individual mandate – premiums would rise immediately.
- ▶ Average premium in IL would rise \$1,242.
- ▶ Older Americans would see a huge spike in premiums.
- ▶ A 64 year old with an income of \$26,500:
 - ▶ Net premium under the ACA (2026) = \$1,700
 - ▶ Net premium under the AHCA (2026) = \$16,310

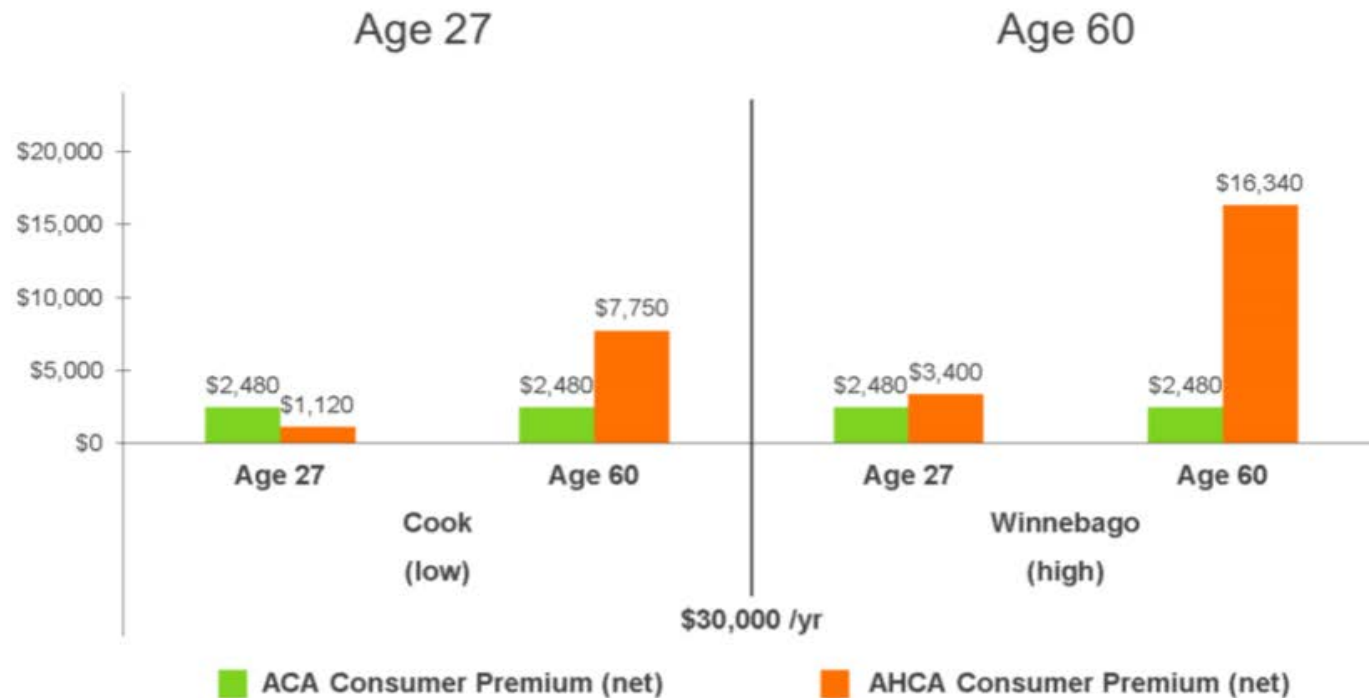


Source: Center for American Progress, [State-by-State Estimates of the AHCA's 2018 Rate Hikes and Age Tax](#), June 2017



Premium Increases Will Vary By County (Rural counties pay more)

Figure 2a – Premium Cost to Consumer after Tax Credit, under the ACA & AHCA, in 2020
(showing counties from Illinois's lowest and highest cost groupings; estimated for individual earning \$30,000 per year)





Impact By Population

The Republican health plan would hit rural America hard:

- Nearly 1.7 million people who live in rural communities gained coverage under the Medicaid expansion. **The House bill would end it.**
- More than 1.6 million people who live in rural communities buy coverage in the ACA marketplace. **The House bill would make it unaffordable for many of them.**

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Because of the **ACA**, the number of uninsured LGBTQ adults has dropped by **35%**.

We won't go back!

#SaveMedicaid



THE ACA HELPED LOWER THE RATE OF AFRICAN AMERICANS WITHOUT HEALTH COVERAGE BY MORE THAN **ONE THIRD.**

THE HOUSE GOP HEALTH PLAN THREATENS THIS PROGRESS.

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1 in 4
ILLINOIS RESIDENTS
RELY ON MEDICAID

Repealing the Affordable Care Act (a.k.a. Obamacare) would eliminate Medicaid coverage for millions of Illinoisans and remove the social safety net for many of our most vulnerable neighbors.

#ILSaveACA

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Medicaid is Crucial for Access to Mental Health and Substance Use (MH&SU) Treatment

- Medicaid covers 25% of all mental health spending in the U.S.¹
- Nearly 1/3 of Illinois' Medicaid Expansion population has a MH or SU condition.²



Impact on People with Pre-Existing Conditions

The American Healthcare Act will hurt individuals with pre-existing conditions in two ways:

- ▶ 1) by allowing states to apply for waivers that allow health insurance plans to provide less comprehensive coverage for people who have a gap in insurance coverage and
- ▶ 2) by creating pressure on states to allow insurers to re-institute pre-ACA practices, like high premiums and deductibles, annual and lifetime limits, and coverage restrictions for people with pre-existing conditions.



Estimated 5.5 million people have pre-existing conditions in Illinois

Center for American Progress Estimate: Non-Elderly w/Pre-Existing Conditions (breakout: Charles Gaba/ACASignups.net)								ACA Signups Estimate of Total w/Pre-Existing On Individual Market
Illinois	Age 0 - 17	Age 18 - 24	Age 25 - 34	Age 35 - 44	Age 45 - 54	Age 55 - 64	Total Nonelderly w/Pre-existing	
Bobby L. Rush (IL-1)	40,300	27,100	40,600	48,700	67,600	76,400	300,700	18,744
Robin L. Kelly (IL-2)	40,000	25,100	39,600	49,300	70,400	69,600	294,100	17,718
Daniel Lipinski (IL-3)	43,500	24,700	42,600	55,500	73,200	72,200	311,600	18,853
Luis V. Gutiérrez (IL-4)	43,900	27,100	58,900	61,900	62,600	50,500	304,900	18,081
Mike Quigley (IL-5)	34,000	22,000	74,700	65,300	65,200	60,200	321,400	19,544
Peter J. Roskam (IL-6)	41,100	22,400	36,900	52,600	81,900	87,400	322,200	22,953
Danny K. Davis (IL-7)	34,400	30,200	64,400	56,500	61,900	60,500	307,900	18,630
Raja Krishnamoorthi (IL-8)	39,600	22,400	47,100	58,300	75,400	69,900	312,800	20,814
Janice D. Schakowsky (IL-9)	34,800	21,000	49,400	55,000	73,000	80,700	313,800	19,849
Bradley Scott Schneider (IL-10)	42,900	25,000	38,900	53,900	74,900	72,400	308,200	20,857
Bill Foster (IL-11)	46,500	25,500	44,700	61,800	74,300	61,800	314,600	19,271
Mike Bost (IL-12)	37,100	23,300	41,900	48,900	69,200	70,700	291,100	14,096
Rodney Davis (IL-13)	33,800	39,800	39,300	48,000	60,000	69,800	290,800	13,684
Randy Hultgren (IL-14)	44,500	23,400	34,600	59,500	86,700	75,000	323,600	20,810
John Shimkus (IL-15)	37,700	23,600	39,100	47,600	64,000	72,400	284,400	16,220
Adam Kinzinger (IL-16)	38,100	23,900	36,900	47,900	71,200	75,200	293,300	16,960
Cheri Bustos (IL-17)	36,400	24,100	37,400	47,100	62,600	72,200	279,800	15,726
Darin LaHood (IL-18)	38,700	23,400	39,300	49,800	69,600	75,800	296,600	14,220
Total	707,300	454,000	806,300	967,600	1,263,700	1,272,700	5,471,800	327,030

Source: Center for American Progress, [Number of Americans with Pre-Existing Conditions by Congressional District](#), April 2017



Premiums Spike for People with Pre-Existing Conditions

LATEST HOUSE HEALTH BILL ENDS NATIONWIDE PROTECTIONS FOR PEOPLE WITH PRE-EXISTING CONDITIONS.

If insurers based premium surcharges on **actual** costs:

- People with **metastatic cancer** would pay an **extra \$140,510**
- **Pregnant women** would pay an **extra \$17,060**
- People with **depression** would pay an **extra \$8,370**
- People with **diabetes** would pay an **extra \$5,510**

Source: Center for American Progress

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Medicaid Caps in AHCA = Medicaid Cuts for IL

Reducing federal funds through a per capita cap or block grant:

Shifts costs and risks to states, beneficiaries, and providers if states restrict eligibility, benefits, and provider payment.



Locks in historic spending patterns and have an even greater impact on states that expanded Medicaid.



Limits states' ability to respond to rising health costs, increases in enrollment due to a recession, or a public health emergency such as the opioid epidemic, HIV, Zika, etc.

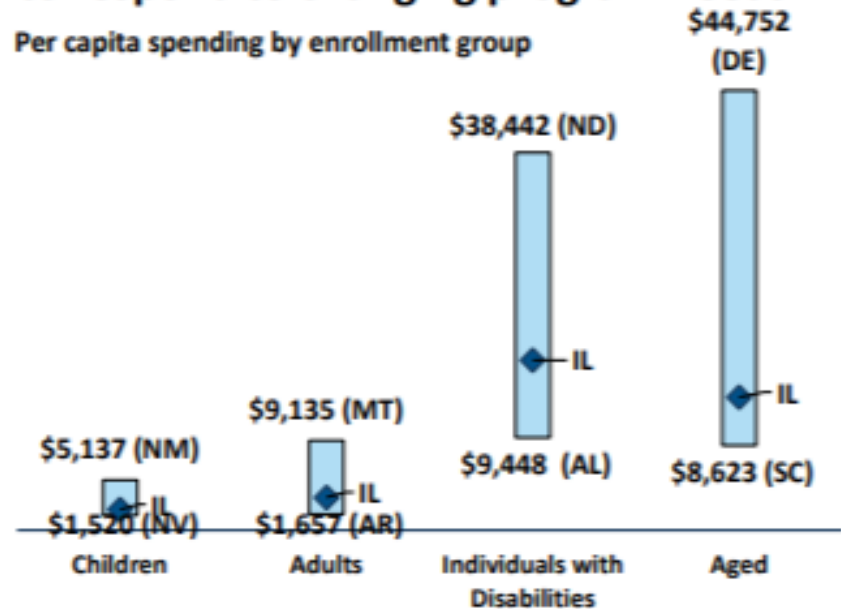


Leads to more low income uninsured Americans.



A per capita cap would lock in state spending patterns and limit states' ability to respond to changing program needs.

Per capita spending by enrollment group



Source: Kaiser Family Foundation. [Medicaid in Illinois](#), June 2017.



Impact of AHCA on Patients, State Budget, State Economy, Hospitals

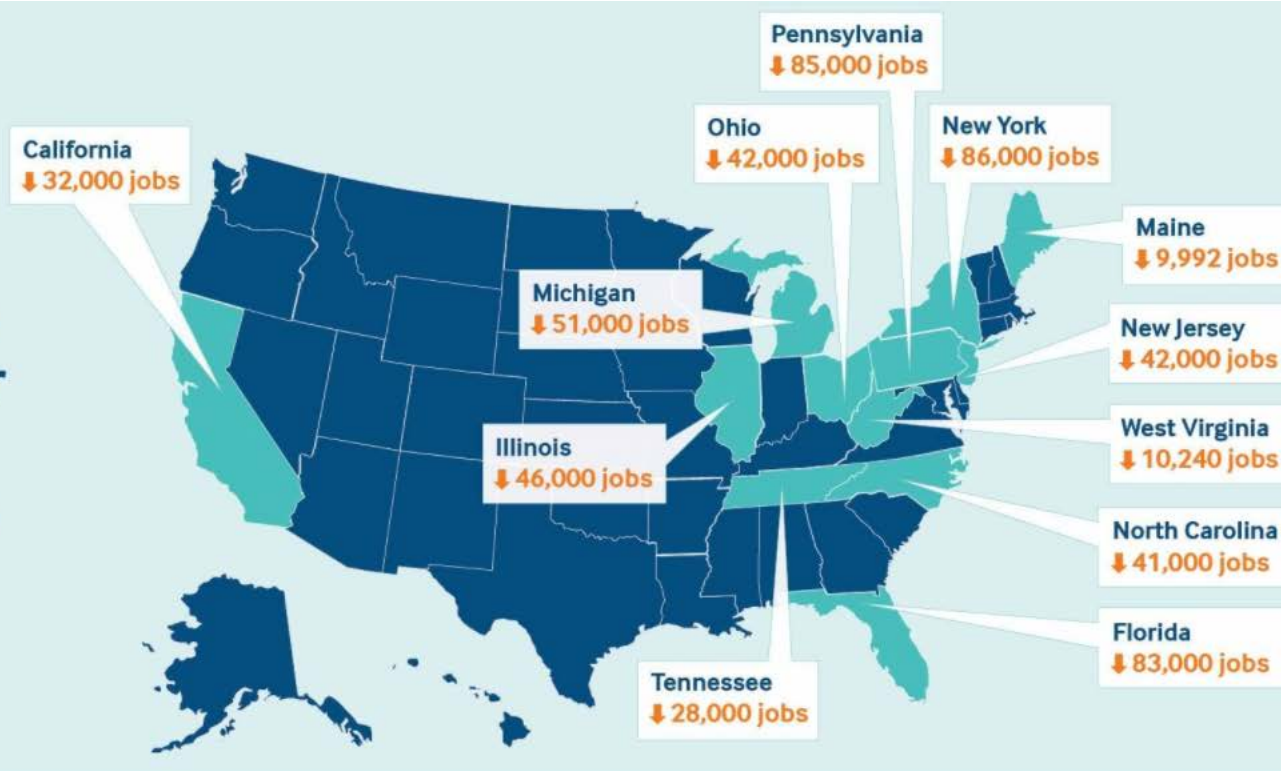
- ▶ Repeal of the Medicaid expansion will result in the loss of substantial federal funding for the state which now brings in more than \$3.2 billion annually.
- ▶ IL could lose \$40 billion in federal Medicaid funding over 10 years – and IL is not in a position to absorb the costs that would be shifted to the state.
- ▶ The AHCA will have a negative impact on the local and state economy and on jobs.
 - ▶ Hospitals will be forced to make difficult decisions, such as reducing services, laying off staff, and delaying needed facility and technology improvements.
 - ▶ Such reductions would hurt all patients, not just Medicaid beneficiaries – when a service is eliminated, it is eliminated for everyone.



AHCA - Impact on Jobs/Economy

The American Health Care Act

could cause nearly a million job losses by 2026, and trigger an economic downturn in nearly every state.



Source: L. Ku, E. Steinmetz, E. Brantley et al., *The American Health Care Act: Economic and Employment Consequences for States*, The Commonwealth Fund, June 2017.





Impact of AHCA on CD 6

Congressional District 6 – Estimated Economic Impact

- Lost spending for coverage of Medicaid ACA population: \$ 68 million
- Lost spending for coverage of Marketplace ACA population: \$ 127 million
- Lost economic impact with indirect ripple effect: \$ 471 million
- Potential job loss: 3,400 jobs

- Hospital Medicare payment cuts incurred 2010-2016: \$ 86 million
- Additional Hospital Medicare payment cuts 2017- 2021: \$208 million
- Total Hospital Medicare payment cuts 2010-2026: \$678 million

Sources:

- Illinois Department of Healthcare and Family Services (HFS) Medicaid ACA Enrollment by congressional district, June 2016. Note: HFS classified some enrollees as unknown so these enrollees are not included in any congressional district.
- HFS CY2016 MCO Rate Certification for ACA population, July 2016.
- U.S. Department of Health and Human Services (HHS) Assistant Secretary for Planning and Evaluation (ASPE) Plan Selections in Health Insurance Marketplace, March 2016. Mapping by zip codes results in some zip codes allocated to multiple congressional districts.
- ASPE Office of Health Policy Research Brief, Health Plan Choice and Premiums in the 2017 Health Insurance Marketplace, October 2016.
- IHA estimate of percentage of Marketplace beneficiaries who would obtain alternate coverage.
- CMS payment rule Impact Files, Medicare Cost Reports (2012-2014) and Medicare Claims data (2014). All impacts reflect Medicare FFS payments. Medicare impact analysis prepared by DataGen, subsidiary of Hospital Association of New York State, February 2016.

Economic Impact estimates based on Regional Input-Output Modeling System II (RIMS II), U.S. Bureau of Economic Analysis (BEA). The Final Demand Multipliers, obtained from BEA RIMS-II, were applied to estimated cost of Medicaid and Marketplace coverage to obtain the total economic impact (including "ripple effect") of jobs and spending at risk throughout the state.



AHCA - Impact on Women

- ▶ Cuts and caps to Medicaid.
- ▶ Millions would lose coverage, meaning no more preventive services (mammograms, contraception).
- ▶ Less Generous Tax Credits - health coverage unaffordable for low- to moderate-income women.
- ▶ Defunding Planned Parenthood – denying access to preventative and primary care for millions, primarily low-income women, women of color and women in rural areas.
- ▶ Maternity/newborn coverage, mental health coverage could be excluded

under a waiver.





AHCA – Impact on Children

- ▶ Medicaid cuts are especially devastating to children.
- ▶ In Illinois, **nearly 1.47 million children** have health coverage through Medicaid (which for children in Illinois is called the “All Kids” program).
 - ▶ Children with special needs and Early Intervention.
 - ▶ School Districts depend on funding.
- ▶ Kids in rural areas would be especially harmed by Medicaid cuts.
- ▶ Kids with chronic illnesses would be hurt by:
 - ▶ Waiver of Pre-Existing Condition protections (the “Jimmy Kimmel” effect.)
 - ▶ Lifetime/Annual Limits enforced again in employer plans.

42%
of kids in rural
ILLINOIS
get health care through Medicaid





Illinois: Sources of Children's Coverage by Congressional District, 2015

State	Congressional district	Percent of children with Medicaid/CHIP	Percent of children with employer-sponsored insurance	Percent of children with direct purchase	Percent of children with other coverage	Percent of children who are uninsured
Illinois	Congressional District 1	42%	48%	3%	5%	3%
Illinois	Congressional District 2	49%	43%	2%	4%	3%
Illinois	Congressional District 3	39%	52%	4%	3%	3%
Illinois	Congressional District 4	64%	28%	2%	3%	3%
Illinois	Congressional District 5	25%	64%	6%	3%	2%
Illinois	Congressional District 6	16%	69%	10%	2%	2%
Illinois	Congressional District 7	56%	34%	3%	4%	3%
Illinois	Congressional District 8	36%	51%	5%	5%	3%
Illinois	Congressional District 9	28%	62%	6%	3%	2%
Illinois	Congressional District 10	33%	53%	7%	4%	3%
Illinois	Congressional District 11	35%	52%	4%	5%	3%
Illinois	Congressional District 12	36%	46%	5%	10%	3%
Illinois	Congressional District 13	38%	48%	5%	6%	2%
Illinois	Congressional District 14	17%	69%	7%	4%	2%
Illinois	Congressional District 15	36%	47%	5%	9%	3%
Illinois	Congressional District 16	33%	55%	4%	6%	3%
Illinois	Congressional District 17	47%	40%	3%	7%	2%
Illinois	Congressional District 18	27%	59%	6%	7%	2%



AHCA – Impact on People with Employer Coverage

- ▶ No employer mandate (meaning some employers would drop coverage.)
- ▶ Premiums likely to go up because employers will not be fined if they don't provide “affordable coverage” to employees.
- ▶ Employer sponsored insurance plans will once again be allowed to impose annual or lifetime limits on their enrollees. As many as 27 million Americans could face annual limits on their coverage, and 20 million could be hit with lifetime limits.

How many could be hit by new annual, lifetime benefit limits

STATE	ANNUAL	LIFETIME
1 California	3.04m	2.28m
2 Texas	2.18m	1.63m
3 New York	1.67m	1.25m
4 Florida	1.36m	1.02m
5 Illinois	1.20m	896k
6 Pennsylvania	1.14m	857k
7 Ohio	1.01m	757k
8 Michigan	869k	651k
9 New Jersey	858k	643k
10 Georgia	817k	613k

Source: Center for American Progress, [The Emerging Senate Repeal Bill Eviscerates Protections for Millions in Employer Plans Nationwide, June 15, 2017](#)



What's Next for the AHCA?

- ▶ Even though a majority of people across every state disapprove of the AHCA*:
 - ▶ Republican Senate Caucus has convened a secret, small closed door working group to mark-up the House version – or start a new version. .
 - ▶ Senate Republicans are said to be finalizing their AHCA bill and sending to CBO, with the goal of voting before the July recess.
 - ▶ Need 50 votes for passage, the VP can cast the 51st vote.
 - ▶ If different than House version, it will need to go to Conference Committee

*https://www.nytimes.com/2017/06/14/upshot/gop-senators-might-not-realize-it-but-not-one-state-supports-the-ahca.html?_r=0



What's in the Senate bill?

Major Provisions	What the House Bill Does	Reported Senate Changes	Long-Run Impact of Reported Changes
Medicaid expansion	Effectively ends expansion, which extended coverage to 11 million low-income adults	Ends expansion a little more slowly: ACA expansion funding may phase out over several years, versus ending in 2020	<u>None</u>
Medicaid per capita cap	Caps and cuts Medicaid for seniors, people with disabilities, and families with children	No major changes reported; some senators continue to push for even deeper cuts, or other harmful changes	None or minimal — or potentially <u>deeper cuts</u>
Individual market changes	Slashes marketplace premium tax credits and eliminates cost-sharing assistance while raising premiums by eliminating the individual mandate	Unknown, but past discussions have focused on restoring less than one-third of House bill's subsidy cuts	At best small improvements: coverage would still be unaffordable for people who are older, lower-income, and live in high-cost states
State grants	Provides \$138 billion over ten years that's supposed to solve problems ranging from individual market premium increases to Medicaid cuts	May add modest additional funding for opioid treatment	Minimal: even with modest funding increases, grants would still offset only a small fraction of bill's \$1.1 trillion total coverage cuts and wouldn't get people treatment they need
Consumer protections	Lets states waive the ACA's standards for what services plans have to cover and its prohibition on charging people with pre-existing conditions higher premiums	May "only" let states waive benefit standards, which CBO found could lead plans in half the country to drop coverage for mental health, substance use, maternity care and other benefits	<u>Minimal</u> : people with pre-existing conditions still wouldn't have access to the services they need
Tax cuts	Cuts taxes by more than \$600 billion, with most benefits going to high-income households and corporations	May delay certain tax cuts — but no discussion of dropping major tax cuts in order to restore coverage	None

Source: CBPP, [Tracking Reports About the Emerging Senate Bill to Repeal the Affordable Care Act](#), June 12, 2017



Letter from Bipartisan Governors to Senate Leaders

The Honorable Mitch McConnell, Majority Leader
United States Senate
317 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Charles E. Schumer, Minority Leader
United States Senate
322 Hart Senate Office Building
Washington, D.C. 20510

Dear Majority Leader McConnell and Minority Leader Schumer:

We have watched with great interest the recent debate and House passage of H.R. 1628, the American Health Care Act. While we certainly agree that reforms need to be made to our nation's health care system, as Governors from both sides of the political aisle, we feel that true and lasting reforms are best approached by finding common ground in a bipartisan fashion.

To that end, we remain hopeful that there is an opportunity to craft solutions to these challenges that can find support across party lines, delivering improvements to result in a system that is available and affordable for every American.

We believe that, first and foremost, Congress should focus on improving our nation's private health insurance system. Improvements should be based on a set of guiding principles, included below, which include controlling costs and stabilizing the market, that will positively impact the coverage and care of millions of Americans, including many who are dealing with mental illness, chronic health problems, and drug addiction.

Unfortunately, H.R. 1628, as passed by the House, does not meet these challenges. It calls into question coverage for the vulnerable and fails to provide the necessary

reforms. Medicaid provisions included in this bill are particularly problematic. Instead, we encourage Congress address factors we can all agree need fixing.

We stand ready to work with you and your colleagues to develop a proposal that is fiscally sound and provides quality, affordable coverage for our most vulnerable citizens.

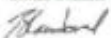
Sincerely,


John R. Kasich
Governor of Ohio


John W. Hickenlooper
Governor of Colorado


Steve Beshear
Governor of Indiana


Charles D. Baker
Governor of Massachusetts


Brian Lambert
Governor of Nevada


Tom Wolf
Governor of Pennsylvania


Ed Mansueti
Governor of Louisiana

OUR NATION'S HEALTH INSURANCE SYSTEM

Ensuring that quality health insurance is available and affordable for every American is a bipartisan responsibility. We believe there is common ground in fixing America's and stabilizing the marketplace. States have taken the lead in successfully implementing Medicaid and are uniquely positioned to help make our private health insurance sector stronger, stable, and fair.

GUIDING PRINCIPLES

- **Improve Affordability:** Insurance reforms that increase access to quality, affordable health insurance coverage must be coupled with reforms that address rising health care costs across the health care system. Insurance reforms should be based on a system that is consistent with sound and sustainable cost control practices and must also include the following three guiding principles:
- **Reduce Liability to Insurance Holders:** Americans without access to employer-sponsored coverage or government plans need to have access to a healthy, stable and competitive market of access that is clear.
- **Develop State Flexibility and Incentives:** As administrators of state-run plans can develop innovative approaches that have the potential to strengthen health insurance for all Americans. While standards that protect the most vulnerable, states should have appropriate flexibility to implement reforms in a manner that is responsive to local and regional market conditions.
- **Improve the Regulatory Environment:** As the principal regulators of insurance, states act as the best position to promote competition within state insurance markets. Federal efforts should provide appropriate standards to protect consumers while limiting duplicative or burdensome regulations and providing relief to small business owners and individuals.

*Main Message:
Fix Private
Market But Take
Medicaid Cuts
"Off the Table"*



Other Changes Hurting the ACA

- ▶ Trump administration removing key ads during the end of open enrollment.
- ▶ Recent Marketplace “Stabilization” rules may dampen enrollment.
 - ▶ Shorter open enrollment
 - ▶ SEP pre-verification process
 - ▶ Backpay of premiums past due before you can enroll
 - ▶ Ability to have higher cost sharing in Marketplace plans
- ▶ According to actuarial firm Oliver Wyman, [uncertainty caused by Trump Administration is raising 2018 premiums \(June 14, 2017\):](#)

Two market influences, in particular, are complicating 2018 rate setting: the [uncertainty surrounding continued funding of cost sharing reduction \(CSR\) payments](#) and the question of how the [relaxation of the individual mandate](#) will impact enrollment and risk pools.



PROTECT OUR CARE **IL**

Questions?



Thank you and Get Involved!

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