

**Families USA
Messaging Guidance and Policy Analysis
Senate GOP Repeal Bill
June 22, 2017**

Public Messaging Guidance

- Republicans should be ashamed.
- The Senate repeal bill is as bad as, if not worse than, the bill narrowly passed by the House.
- The proposal would likely deny health care to millions of people, while giving enormous tax cuts to wealthy individuals and corporations.
- It will bleed Medicaid increasingly dry, year after year, leaving our children, seniors, and people with disabilities at ever-increasing risk.
- Do not be misled by false comparisons between the Senate and the House bill. The real comparison should be made with the health care people receive now and are guaranteed in the future under current law. Compared to that benchmark, this proposal is an abysmal failure

Policy Analysis

This bill removes critical ACA protections in Marketplace and makes the deep cuts to Medicaid in the House Bill even worse. The bill would strip affordable, comprehensive coverage from working people, make a massive cut to Medicaid services for seniors and people with disabilities, leave tens of millions uninsured and millions more facing drastically higher premiums and out-of-pocket costs, and gut protections for people with pre-existing conditions, all while giving huge tax cuts to the wealthy.

This bill would effectively end health coverage for 11 million people by terminating the ACA's Medicaid expansion. It would also dramatically cut Medicaid funding using what is called a "per capita cap" model, a radical departure from how Medicaid has operated for more than fifty years.

This bill will decimate nationwide protections for the 1 in 2 people with pre-existing conditions in this country by allowing states to eliminate essential health benefit standards that ensure plans cover the care people need.

- People could lose coverage for mental health care, substance use treatment, prescription drugs, and rehabilitative and habilitative services depending on where they live
- Women could lose maternity care coverage or be forced to pay more than a thousand dollars in higher premiums for this coverage. This would take us back in time to the days when being a woman was a pre-existing condition

This bill will increase premiums and out-of-pocket costs like deductibles for millions, forcing families to pay more for less coverage.

- The bill will gut financial assistance with premiums for working families that help them afford comprehensive coverage, forcing them into plans that cover dramatically less with significantly higher deductibles
- Most people in the marketplace would be forced to purchase plans with deductibles around \$7,350 a year, an increase of nearly \$4,000
- This bill will also eliminate assistance to lower out-of-pocket costs for almost 6 million lower income families. As a result their deductibles and out-of-pocket costs will increase hundreds or in some cases thousands of dollars

Older people's premiums will skyrocket and their financial assistance will be cut the most.

- Under this bill, insurers will be able to charge older people premiums that are 5 times the premiums charged younger people and, if they receive financial assistance, require them to pay a greater percentage of their income in premiums
- For example, a 60 year old making just over \$42,000 a year would see their premiums increase by nearly \$2,750 a year for coverage with substantially higher deductibles

The Senate bill caps and cuts Medicaid funding, ending the federal 50-plus year commitment to match state's Medicaid costs.

The bill caps federal Medicaid payments starting in 2020, using a pre-set growth rate that is artificially low. Moreover, the bill makes this cut even deeper after five years by changing to a lower pre-set growth rate, a change that underscores how easy it could be for Congress to reduce the growth rate and further cut Medicaid in the future.

This is a fundamental restructure of Medicaid that passes costs and fiscal risks to states. The end result will be cuts in coverage, benefits, and provider payments, which will hurt health care access for low-income children, seniors, and people with disabilities who have nowhere else to turn for coverage.

Ends the Medicaid expansion and replaces it with essentially nothing.

The Senate bill ends the added federal funding for the Medicaid expansion, effectively ending the expansion. Starting in 2021, the expansion's added federal funding starts to decline and completely ends by January 2024. Most of the 31 expansion states will not be able to make up the millions in lost federal funding and will pull out of the expansion, most likely before 2024. Seven states have passed laws that require that the expansion end if federal funding declines.

There is no real provision to assist the 11 million people covered by the expansion with any real, affordable alternative health coverage. People with incomes below poverty (\$20,420 for a family of three in 2017) could buy coverage in the marketplace, but with premiums at 2 percent of income and over \$7,000 exposure in out-of-pocket costs, this is not a meaningful insurance option. The expansion will end and millions will lose coverage.

The CBO estimated Medicaid cuts in the House Bill at \$839 billion, cutting Medicaid by 25% by 2026. The Senate Bill significantly deepens those dramatic cuts to Medicaid.