

 April 26, 2017

Dear Representative Frelinghuysen:

On March 24, 2017, you had the wisdom and courage to withhold your support from the American Health Care Act on grounds that the bill "would place significant new costs and barriers to care on my constituents in New Jersey. In addition to the loss of Medicaid coverage for so many people in my Medicaid-dependent state, the denial of essential health benefits in the individual market raise serious coverage and cost issues."

Amendments recently added to the bill do not satisfactorily address your core stated concerns -- protection of coverage for New Jersey's Medicaid enrollees, and protection for people with pre-existing conditions. We urge you to continue to reject it.

An amendment introduced by Rep. Tom MacArthur would enable states to seek waivers to allow insurers resume medical underwriting, on condition only that the state establish a high risk pool or reinsurance program. A long history shows high risk pools to be an inadequate and chronically underfunded solution. Reinsurance helps keep premiums down but does not provide protection to people with pre-existing conditions. States may also seek waivers to bypass the ACA's Essential Health Benefits. and guaranteed issue requirements.

A Center for American Progress study finds that 320,000 people in NJ-11 and 3.8 million in the state as a whole have pre-existing conditions that could be grounds for rejection under medical underwriting.

The amended AHCA, like the original, will repeal the ACA Medicaid expansion, ultimately ending access to Medicaid for some 500,000 New Jerseyans. The bill will also impose per capita caps on Medicaid, making federal funding inadequate to serve the needs of the diverse populations Medicaid serves.

We urge you to continue steadfast in rejection of a bill that will reduce the ranks of the insured by over 20 million.

Sincerely,