

*Republican ACA Repeal Proposal*  
*February 21, 2017*  
*Talking Points*



- The Affordable Care Act worked in California and cannot be repealed without a viable replacement that ensures coverage, affordability, and access to care for all Californians.
- The Republican per capita cap proposal is not viable and will have catastrophic impacts on the health of California's most vulnerable communities, despite their political promises to the contrary.
  - The proposal will cost California taxpayers an estimated \$10 billion to keep the Medicaid expansion, which provides healthcare services to our most vulnerable and underserved communities.
  - It will effectively dismantle the nation's most successful healthcare exchange, Covered California, by eliminating healthcare subsidies that provide the working poor real options when they purchase coverage on the open market.
  - If individual and employer mandates are eliminated, the uninsured rate and associated state-funded emergency room costs will soar as people are forced out of more cost-effective primary care options.
- The Republican proposal states that it will use a per capita cap formula, tax subsidies and health savings accounts to offset these direct patient impacts.
- **Per Capita Cap instead of a Medicaid Entitlement Program**
  - Per capita cap is a financial solution -- not a healthcare solution. We have to be very careful that we do not balance our nation's budget on the backs of the working poor and our most vulnerable communities.
  - Per capita caps deny local communities with the flexibility that healthcare demands. They can include sharp cut-offs for anyone whose care falls outside the financial or discretionary parameters of the cap.
  - If Medicaid moved to a per capita cap, there is a strong possibility that coverage programs would be cut, care would be rationed, and the health of our patients would suffer.
- **Health Savings Accounts and Tax Credits**
  - Health Savings Accounts are a plan for bankruptcy, not healthcare. For the low-income communities we serve, who are struggling to provide their family with food and shelter, they cannot afford to set thousands of dollars aside each year in a Health Savings Account to cover their share of medical expenses before their high-deductible insurance kicks in. Saying they can shoulder this financial weight is misleading at best.
  - Flat-rate tax credits, that ignore family income, are not a solution either. At best, it will finance bare-bones plans that lack the essential elements of a coverage plan, like preventive care, and will force people into high deductible plans that will bankrupt families.
  - While these may be feasible options for more affluent communities, they are not feasible in low-income communities and only serve in providing the illusion of coverage and security.