

# American Health Care Act CBO Talking Points

*Revised May 25, 2017*



## Overview

- The version of the American Health Care Act that was narrowly adopted by the House of Representatives with a vote of 217-213 threatens the healthcare of millions of Californians, including many of your constituents.
- The House added the MacArthur amendment to appease the more conservative republicans making this bill worse.
  - It allows states to waive community rating requirements and mandated health insurance coverage of the 10 essential health benefits, which will result in massive health inequities from state to state and dramatic premium increases for older and sicker individuals.
- The ACA works well in California and has provided sorely-needed health care to our most vulnerable residents, and the AHCA cannot be considered a replacement.
- Community health centers are economic drivers in our lowest-income communities and contributed more than \$8 billion to California's economy and supported nearly 60,000 jobs in 2015 the AHCA threatens all of our hard work.
- We cannot abandon the progress and success of the Affordable Care Act. If an ACA Repeal bill comes back from the Senate we ask that you not vote for any bill that dismantles the Medicaid Program, rolls back Medicaid Expansion, or threatens health care coverage for low income Californians.
- The California Department of Health Care Services' analysis found that the AHCA would shift \$6 billion in costs to California by 2020 and \$24 billion in costs by 2027, amounts that the California state budget cannot begin to absorb. Even with the amendments, and new CBO projections, the cost to California will be exorbitant.
- The state will be forced to cut eligibility and benefits, and a loss in coverage of that magnitude will increase the fiscal burden on safety net providers due to an increase in providing uncompensated care.
- Counties with high Medi-Cal enrollment, like those in the central valley and rural areas would be particularly hard hit, with roughly 388,757 Californians at risk of losing their insurance in Districts represented by Congressman Jeff Denham (CA-10), Congressman David G. Valadao (CA-21), Congressman Devin Nunes (CA-22) and Congressman Kevin McCarthy (CA-23).

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## Congressional Budget Office Score

- The Congressional Budget Office (CBO) score estimates that 23 million people across the country will lose coverage by 2026 as a result of the AHCA, further demonstrating what a bad alternative it is to the current ACA.
- The AHCA would cut spending on Medicaid by \$834 billion, cutting insurance for 14 million vulnerable people.
- One-sixth of the population live in areas where states are likely to take waivers that will make the insurance markets unstable and drive up prices or make insurance impossible to obtain for people who need health insurance the most – those with pre-existing conditions or new illnesses, which includes pregnancy.
- Poor, older Americans would be hit the hardest. The average 64-year-old earning just above the poverty line would have to pay about 9 times more in premiums, almost half of their annual income.
- In 2026, 51 million people under age 65 would be uninsured, which is almost twice as many as the 28 million who would have lacked coverage under Obamacare.
- Bottom line: The AHCA is not a good bill for community health centers or the people we serve.