

LWVMP-Evening Community Team  
Healthcare Update 6/15/17

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LWV has long standing position on HC. We support affordable, quality HC for all. This includes a basic level of care. NWMC/MP currently preparing an issue analysis-resource guide for health issues. Plan to share in AZ and beyond. Currently-AHCA has passed house, it is a reconciliation bill. Only contains those aspects that affect budget. Only needs 50 votes to pass. HHS Tom Price can also make administrative changes.

ACA provided insurance markets, Medicaid expansion, consumer protections, individual mandate, raised taxes, reforms to Medicare. On exchanges, you could qualify for subsidies-tax credit for premium, if between 100-400% of FPL. Under AHCA subsidies aren't based on income but are based on age, and above 150% FPL. Get between \$2k-4k depending on age, more if older. Cost sharing subsidies-deductibles, copays and out of pocket-eliminated in AHCA. Consumer protections in ACA-pre-existing conditions, stopped lifetime limits, defined essential benefits, cap on profits of insurance company, 3:1 ratio in increased premiums on elderly, kids can stay on insurance until 26. In AHCA-cannot exclude preexisting conditions, still cover to 26, age rating goes to 5:1 unless states do something different, 30% charge if you have a gap in coverage.

Individual mandate-required to provide insurance as an employer and individuals have to buy, with option to use the exchange. Penalty if otherwise. AHCA-mandate is repealed. IRS is not going to enforce penalty (already happening now).

Pre-existing conditions-27% of adults under 65 affected. State can request a waiver if gap in coverage for 63 days, and charge you more. Waiver requires creation of a high-risk pool. States can also have a waiver of the requirement to provide essential health benefit or can redefine what is essential. This means low premium but skimpy coverage-higher out of pocket.

\$138B over 10 years for Patient and State Stability Fund. States can use for subsidizing premiums, pre-existing conditions, paying for MH. Much falls on the state-will require advocacy at state level for spending. AHCCCS/Medicaid spending is \$12B in a single year (for whole US, 75% paid by feds). This is insufficient funding for both.

Medicaid expansion-funding and eligibility under ACA. For those earning up to 138% of FPL. 37 states applied for expansion including AZ. \$70M (1 in 5) people in US get Medicaid. AZ 1.9M people on AHCCCS and CHIP (27% or 1 in 4 in AZ). 14% in AZ on Medicare. AHCA converts Medicaid to a per capita cap. Caps amount of money given to each state-would affect low income people particularly. Could have more people enrolled than the fed govt will fund. State can also elect a block grant-have more flexibility in how they can spend. States can require people to work to be eligible. Repeals essential health benefits-states can decide what is "essential". No Planned Parenthood funding for a year.

Taxes-raises on health industry and high income earners are what paid for ACA. AHCA repeals all of them. CBO report-deficit would be reduced by \$119B-due primarily to cuts in Medicaid and tax credits. Decrease in Medicaid spending \$834B, with a revenue decrease due to repeal of taxes of \$664B. So they are cutting taxes for wealthy by taking funds from Medicaid-"income transfer program". By 2026, 51M will be uninsured compared with 28M who would lack insurance under current law. Also, repealing Medicare payroll tax will mean Medicare part A will be insolvent 3 years earlier-2025 instead of 2028.

Respectfully submitted,  
Michelle Dorsey, MD