



The American Health Care Act passed by House Republicans on May 4, 2017 will hurt people living with HIV and others with chronic health conditions.

Process:

- The ***American Health Care Act (AHCA)*** was introduced on March 6, 2017 and after several amendments, was passed by the US House of Representatives on May 4, 2017.
- The legislation now moves on to the Senate.
- The Congressional Budget Office (CBO) released cost estimates for the originally introduced legislation on March 13, 2017 but has not yet scored the amended legislation.

Selected Provisions of the proposed American Health Care Act that are of Concern to Persons Living with Pre-existing Conditions.

- **Continuous Coverage Requirement:** The Legislation requires health plans to cover ***pre-existing conditions***, however it adds a ***continuous coverage requirement*** for all individuals. Any person who has a ***lapse in coverage of more than 63 days*** will be charged ***30% more*** for their health insurance for one year regardless of their health status.

States will also be able to apply for a ***waiver*** from the federal government to allow insurers to charge ***higher premiums based on health status*** for persons who have had a lapse in coverage of more than 63 days. In these states, health status ratings could be used instead of the 30% late enrollment penalty. These premium increases would generally apply for one year.

These provisions will make it difficult if not impossible for low-income people with pre-existing conditions to re-enter the insurance market once they have had more than a two-month lapse in coverage for a variety of reasons, such as loss of employment.

- **Tax Credits:** Under the ***Affordable Care Act***, individuals received ***tax credits pegged to their income, local cost of insurance, and age*** to help purchase private health insurance. Under the ***American Health Care Act***, ***tax credits are pegged to age only***. According to the [Kaiser Family Foundation](#), the proposed plan will result in low-income

people getting less help to pay for their health insurance premiums. The **tax credits would increase** based on the **Consumer Price Index plus one** and **would not be tied to increases in health care spending nor the cost of insurance.**

- **Cost-Sharing Reductions:** Currently, under the **Affordable Care Act**, persons with incomes between 100-250% of the Federal Poverty Level who purchase insurance on the ACA marketplace are entitled to cost-sharing reductions that limit their out-of-pocket expenses. **The American Health Care Act does away with these cost-sharing reductions**, which will make it more difficult for low-income persons to afford health insurance.
- **Waivers of Essential Health Benefit Requirements:** The **Affordable Care Act** requires that health insurance plans offered in the individual or small group market cover **10 “essential health benefits.”** This requirement would remain under the **American Health Care Act**, but states would be allowed to seek a **waiver** of this requirement which could result in **less generous minimum benefit requirements.**
- The legislation creates a **Patient and State Stability Fund** that states can use for high risk pools, reinsurance, and other purposes. The bill appropriates \$15 billion/year for 2018 and 2019 and \$10 billion/year each year through 2026. The Fund also includes \$8 billion to be used for high-risk pools or other financial help for people in states that obtain waivers to allow premium ratings based on pre-existing conditions. We know from past experience that **high risk pools do not work for low-income people** because of high premiums and high deductibles, among other factors.
- **Issues related to abortion services and Planned Parenthood.**
 - The new tax credits **cannot be used to purchase any health insurance plans that offer elective abortion coverage.**
 - The legislation **prohibits funding for Planned Parenthood for one year** beginning with the law’s enactment. [Planned Parenthood](#) operates 650 health centers in the US and provides more than 4.2 million tests and treatment for sexually transmitted infections, including more than 650,000 HIV tests.

Proposed Changes to the Medicaid Program

- **The Medicaid Program will no longer be a federal entitlement program** under the proposed legislation.

- **Federal Medicaid funding** would be provided to the states on a *per-capita cap* basis. The federal government would provide the states a *pre-set cap per Medicaid enrollee* based on each state's spending in 2016. This proposal puts a cap on federal funding for Medicaid and **shifts responsibility to the states** for all costs over the per beneficiary cost. The proposal also locks in disparities between states in the amount of per-enrollee Medicaid spending and **will likely result in heavy pressure on the states to cut benefits and eligibility in their programs.**

As an alternative to per-capita funding, **states would be allowed to opt for block grant funding** for certain Medicaid-eligible populations for a period of ten years beginning in 2020. States would be given significant discretion on cost sharing, delivery system model, and eligibility determination.

- **Medicaid Expansion:**
 - The American Health Care Act **repeals the state option to extend Medicaid expansion coverage** to adults above 138% of the Federal Poverty Level after December 31, 2017.
 - The Act **limits the enhanced match for the Medicaid expansion populations to states that expanded Medicaid as of March 1, 2017.** The **enhanced federal match is eliminated altogether by January 1, 2020** (except for a limited number of grandfathered Medicaid enrollees.)

Take Action

You can find out who your US Senators are [here](#).

And you can find **state-specific fact sheets** on the **Impact of the Affordable Care Act in Deep South states** [here](#).

1. Ask your Senators to **hold hearings on the American Health Care Act** and to **allow for public comment**;
2. Call your Senator and ask him/her to oppose the American Health Care Act.

Resources to learn more about the House American Health Care Act:

- [NASHP Chart: A Crosswalk of ACA Provisions with Proposed Language Under the House American Health Care Act](#). National Academy for State Health Policy.
- [Compare Proposals to Replace the Affordable Care Act](#), Kaiser Family Foundation.
- [What is at Stake in ACA Repeal and Replace for People with HIV?](#) Kaiser Family Foundation, May 2017.
- [Ten Ways That the House American Health Care Act Could Affect Women](#), Kaiser Family Foundation, May 8, 2017.
- [Amended American Health Care Act](#) (H.R. 1628)