



AdvocacyALERT

FOR n4a MEMBERS & ALLIES

American Health Care Act 2.0 Remind Congress Medicaid Cuts Unacceptable!

April 27, 2017

This week's rumors of a revised House Republican health care overhaul bill are getting closer to reality. Some reports suggest that a vote on the measure to repeal and replace the Affordable Care Act could even come tomorrow or Saturday, although with FY 2017 spending to contend with by tomorrow at midnight, or risk a federal government shutdown, we suspect that's simply impossible from a timing and political will situation. It's more likely that the measure would be advanced next week, after sufficient Republican votes have been secured to ensure passage.

But as we await news on the spending measure—will Older Americans Act and other key aging programs get new funding levels for the rest of FY 2017 or simply stay under a year-long continuing resolution (CR)?—we must also pay attention to this next push on the American Health Care Act (AHCA).

Unfortunately, the concerns with AHCA that we raised back in March when the House failed to take a vote on the bill, remain. AHCA 2.0 may even have worse implications for older adults, with enhanced state flexibility to waive the Essential Health Benefits or community rating rules, both critical provisions in ACA to a foundation of comprehensive health care coverage and prevent those with pre-existing conditions from being priced out of the market.

If states take up these new options, n4a is concerned it will lead to restricted care and more expensive premiums for many—the consequences of which will drive higher health care costs on the back end, when these people can't get the ambulatory care they need and wait to seek medical care until they need to go to the hospital or other institutions.

Perhaps most importantly to n4a, and as our March [Advocacy Alerts](#) previously detailed, the bill changes Medicaid to a per-capita cap structure. The bill would cut more than \$800 billion from Medicaid and could cause up to 24 million people to lose their health insurance coverage over a 10-year period. n4a opposes the American Health Care Act (AHCA), as it does not adequately address the ACA issues we raised in our January [ACA Policy Brief](#) and goes beyond ACA-related provisions to fundamentally undermine federal support for Medicaid, weakening this key health and long-term care safety net for older adults.

Even if you have already sent your letter and made your calls last month, please reach out to your House Member(s) ASAP to urge them to reject this new bill.

Congress must hear from local AAAs, providers and other stakeholders about the value of the life-saving home and community-based services in Medicaid. They need to hear from aging advocates about how this bill would negatively impact seniors by increasing the cost of health insurance for older adults not yet on Medicare.

Take Action Now

Call Congress!

We may only have several days to stop a massive Medicaid cut that would change this vital safety net program's ability to help the most vulnerable and respond to a rapidly aging population.

Call your Representative's DC or district offices (wherever you can get through!). Phone lines are busy these days, but keep trying—calls get Members' attention better than an email. The Capitol Switchboard is 202.224.3121 to reach DC offices, but you can find district office phone numbers on Members' websites, which may prove faster.

Engage Your Community NOW.

To slow this down for more thoughtful consideration—and to stop Medicaid restructuring—we need A LOT of voices raised in opposition, or even just polite concern. So please forward this Alert on to your provider, partner, ally, stakeholders and even consumer lists!

Use n4a's Resources

- **Key Messages**

We've given you our take on AHCA, but for your letter/email/call, customize the talking points below to fit your agency's style, your comfort with the advocacy messages and, most importantly, with local data and stories!

- **Grassroots Alert Template**

To expedite your stakeholder outreach efforts, we've developed a **Grassroots Alert Template** for you to use. Send this to your broader audience, including your clients, caregivers and other interested community members.

Key Messages on AHCA:

Medicaid is Critical to the Health and Well-Being of Many Older Adults

AHCA's per capita cap would lead to significant cuts in Medicaid long-term care for both home and community-based services (HCBS) and institutional care. By capping the federal government's funding for Medicaid, costs will be shifted to the states over time. The Congressional Budget Office estimates this would reduce federal Medicaid spending by more than \$800 billion over 10 years. The cut would put pressure on states to reduce benefits, limit eligibility, increase consumer cost-sharing or lower reimbursement rates. This in turn could lead to sicker, more vulnerable older adults. Capping Medicaid also jeopardizes recent gains toward rebalancing Medicaid long-term care from institutional care to HCBS—which would only increase Medicaid costs! We must preserve Medicaid's safety net entitlement nature and federal-state funding partnership in order to keep older adults healthy and living safely in their homes and communities.

Older Adults Should Not Be Penalized for their Age

AHCA rolls back ACA's 3:1 age rating provision, which limited how much more an insurance company could charge an older consumer vs. a younger one. AHCA would allow at minimum, a 5:1 rating, and would even let states exceed that rating. Despite the attempt in AHCA to provide older consumers with larger tax credits to offset higher premiums, we believe the bill will still mean higher costs for individuals age 55-64, most especially lower-income Americans.

Do No Harm to Medicare

Although AHCA dramatically changes Medicaid, it does not make major changes to Medicare. However, by eliminating a specific ACA tax and thus a source of revenue for Medicare, the bill would hasten insolvency of Medicare by four years (to 2024 instead of 2028, which was extended a full 11 years by the ACA).

Prevention Works for Older Adults

The AHCA would reduce funding for the Prevention and Public Health Fund (PPHF) by \$100 million (10 percent) in 2018 and completely eliminate the fund in 2019. Currently, PPHF supports Administration for Community Living grants for falls prevention activities, chronic disease self-management programs and Alzheimer's disease prevention and education efforts. These cost-effective programs that improve health are implemented by states, AAAs and Aging Network providers. Without PPHF funding, these vital, money-saving programs may be on the chopping block.

Let us know how your agency is getting involved, and thank you for your advocacy on these important issues!

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If you have questions or concerns about this *Advocacy Alert* or n4a's policy positions, please contact Autumn Campbell at acampbell@n4a.org and Amy Gotwals at agotwals@n4a.org.