

OVERVIEW OF FEDERAL PROPOSALS TO AMEND / REPEAL THE ACA

Joint Subcommittee for Health and Human Resources Oversight
of the
House Appropriations and Senate Finance Committees
May 17, 2017

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Legislatures

Agenda

- ▣ Current Medicaid and Health Coverage Systems
- ▣ Provisions of H.R. 1628, The American Health Care Act of 2017
- ▣ Senate Perspectives on Repeal and Replace
- ▣ Discussion

The Virginia Federally Facilitated Marketplace

Data for Timeframe Nov. 1, 2016–Jan. 31, 2017

- Total Marketplace Enrollees: **410,726**
- Marketplace Enrollees with Advance Premium Tax Credits: **82%**
- Marketplace Enrollees with Cost Sharing Reductions: **59%**
- Estimated Total Annual Premium Tax Credits Received by Marketplace Enrollees, 2016: **\$1,056,753,000**

Virginia Medicaid & CHIP by the Numbers



State Medicaid & CHIP Enrollment as of February 2017

| Region | Total Medicaid & CHIP Enrollment (Preliminary) | Change in Enrollment (compared to July-September 2013) | |
|-----------------|---|---|----------|
| | | Net Change | % Change |
| Virginia | 984,076 | 48,642 | 5.20% |
| National Totals | 74,506,919 | 16,673,837 | 29.35% |

Provisions of H.R. 1628, The American Health Care Act of 2017



Provisions in the American Health Care Act (AHCA)

PRIVATE HEALTH INSURANCE

- ▣ Health Insurance Tax Credit & Cost-Sharing Subsidies
- ▣ Continuous Coverage
- ▣ Other Market Reforms
- ▣ Implementation Funding

MEDICAID

- ▣ ACA Medicaid Expansion
- ▣ Medicaid Financing
- ▣ Medicaid Eligibility & Enrollment

Public Health & Taxes



- **Public Health**
 - Repeal of the Prevention & Public Health Fund
 - Provides \$422 Million in Funding to the Community Health Center Program
- **Tax Advantage Accounts**
 - Repeals the Tax on Over-the-Counter Medications
 - Repeals the Increase of Tax on Health Savings Accounts
- **Tax Provisions**
 - Repeals the Tanning Tax

Comparison of Federal Funding of Current System, Per Capita Caps, and Block Grants

| | Current System | Per Capita Cap by Enrollee Category | Single Per Capita Cap | Block Grant |
|--|--|---|--|--|
| Federal share/Funding Limit | Percentage based on state per capita income with no limit as long as regulatory requirements are met. | Amount defined per program enrollee (state/national) by type (e.g., child, disabled adult, elderly adult, other adult). | Established in advance with the amount defined per program enrollee either by state or nationally. | Established in advance with aggregate amount allocated per state. The amount is unchanged with population growth or environmental factors. |
| Savings/costs resulting from changes in total enrollment | Shared between state and federal government. | Shared between state and federal governments. | Shared between state and federal governments. | Assumed by state. |
| Savings/costs resulting from changes in enrollment mix | Shared between state and federal governments. Federal risk varies by FMAP: if populations with higher rate than overall population, state share of bill is lower. For states with low/no expansion enrollment, match is relatively stable. | Depends on the structure. If cap is per capita on an aid category basis, then risk is similar to current. | Depends on the structure. If not based on aid category, mix of members by aid category could negatively impact states as population groups age and Long-term Services and Supports (LTSS) become more prevalent. | Assumed by state. |
| Changes in per capita costs (if costs exceed a specified threshold) | Shared between state and federal government. | Assumed by state. | Assumed by state. | Assumed by state. |
| Enrollment Growth Risk | Consistent risk state versus federal. | Consistent risk state versus federal, as long as new members don't have higher-than-average costs. | Consistent risk state versus federal, as long as new members don't have higher-than-average costs. | Federal government transfers risk to states. |

Senate Perspectives on Repeal and Replace



Current Actions

- Waiting on the Congressional Budget Office Scoring
- Reviewing AHCA Language
- Budget Release Next Tuesday
- Draft language available for consideration between the July 4th and August recess.

Unknowns

- ▣ Will the AHCA meet savings targets?
- ▣ Will the Senate version of repeal and replace cap Medicaid funding?

Discussion

