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
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Rachel B. Morgan, RN, BSN
Senior Committee Director, Health & Human Services
National Conference of State Legislatures
Current Medicaid and Health Coverage Systems
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

<table>
<thead>
<tr>
<th>Region</th>
<th>Total Medicaid &amp; CHIP Enrollment (Preliminary)</th>
<th>Change in Enrollment (compared to July-September 2013)</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Net Change</td>
<td>% Change</td>
<td></td>
</tr>
<tr>
<td>Virginia</td>
<td>984,076</td>
<td>48,642</td>
<td>5.20%</td>
<td></td>
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<tr>
<td>National Totals</td>
<td>74,506,919</td>
<td>16,673,837</td>
<td>29.35%</td>
<td></td>
</tr>
</tbody>
</table>
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
<table>
<thead>
<tr>
<th></th>
<th>Current System</th>
<th>Per Capita Cap by Enrollee Category</th>
<th>Single Per Capita Cap</th>
<th>Block Grant</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Federal share/Funding Limit</strong></td>
<td>Percentage based on state per capita income with no limit as long as regulatory requirements are met.</td>
<td>Amount defined per program enrollee (state/national) by type (e.g., child, disabled adult, elderly adult, other adult).</td>
<td>Established in advance with the amount defined per program enrollee either by state or nationally.</td>
<td>Established in advance with aggregate amount allocated per state. The amount is unchanged with population growth or environmental factors.</td>
</tr>
<tr>
<td><strong>Savings/costs resulting from changes in total enrollment</strong></td>
<td>Shared between state and federal government.</td>
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<td>Shared between state and federal governments.</td>
<td>Assumed by state.</td>
</tr>
<tr>
<td><strong>Savings/costs resulting from changes in enrollment mix</strong></td>
<td>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.</td>
<td>Depends on the structure. If cap is per capita on an aid category basis, then risk is similar to current.</td>
<td>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.</td>
<td>Assumed by state.</td>
</tr>
<tr>
<td><strong>Changes in per capita costs (if costs exceed a specified threshold)</strong></td>
<td>Shared between state and federal government.</td>
<td>Assumed by state.</td>
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</tr>
<tr>
<td><strong>Enrollment Growth Risk</strong></td>
<td>Consistent risk state versus federal.</td>
<td>Consistent risk state versus federal, as long as new members don’t have higher-than-average costs.</td>
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<td>Federal government transfers risk to states.</td>
</tr>
</tbody>
</table>
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 4\textsuperscript{th} and August recess.
Unknowns

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