State and Federal Health Care Concerns

On May 4, 2017 the United States House of Representatives, with a 217 to 213 vote, passed the **American Health Care Act of 2017 (AHCA)** to repeal and replace the **Patient Protection and Affordable Care Act (ACA)**.

The American Health Care Act then moved to the United States Senate for deliberation. On June 22, 2017 the Senate Budget Committee released a "discussion draft" as an amended version of the American Health Care Act, now named the **Better Care Reconciliation Act of 2017**. It is a budget reconciliation bill that is part of the 2017 federal budget process, meaning it cannot be filibustered in the Senate and can pass with a simple majority vote.

Now What?

Provisions of the initial Affordable Care Act fall under the federal budget and are also written within the Internal Revenue Code. They now face repeal, including existing employer mandates, tax credits for purchasing health insurance and potentially drastic changes to the existing Federal Medicaid Program

The Better Care Reconciliation Draft Presently Reads

- Individual mandates for coverage will be repealed.
- Subsidies that are in place to offset the cost of purchasing health care coverage will be affected, with older individuals paying more for health care.
- It will increase premiums an average of 74% by 2020.
- Takes health care coverage away from 22 million people in the USA.
- Caps and cuts Medicaid benefits by $772 billion dollars.
- States will have to find new money in their state budgets to offset the decrease in federal funding assistance for state Medicaid plans (TennCare).
- To do this, states will have to reduce Medicaid enrollment, reduce provider rates and cut available benefits.
- The existing TennCare match agreement with the Tennessee Hospital Association could be eliminated, affecting hospitals across Tennessee, especially in rural areas of the state.

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- Rescinds the consumer protections put in place by the Affordable Care Act.
- Managed care organizations (MCOs) cannot charge individuals more for health care coverage based on their medical history (pre-existing conditions). However, states have the option to waive the essential health benefits provision, requiring MCOs to offer comprehensive coverage.
- As written, MCOs can choose to offer reduced benefits that do not provide all the services needed by those who are experiencing illness.
- On Monday, June 26, 2017, the Senate added a provision that the uninsured will no longer have to pay a penalty. However, if the uninsured decide to purchase a health insurance plan, they will be locked out of coverage for six months (even if diagnosed with a serious illness in the interim).