The American Health Care Act: A Look Ahead

2017 MID-ATLANTIC REGIONAL CONFERENCE IN OCCUPATIONAL AND ENVIRONMENTAL MEDICINE
U.S. Healthcare Coverage

- Employer provided
  - 156 million

- Individual market
  - 17-18 million (Inc. 10 million in market place plans)

- Medicaid expansion
  - 15 million
Federal exchange platform serves 39 states

12 states fully operate their own exchanges
American Health Care Act

May 4, 2017 – House passed the AHCA

July 28, 2017 – Senate voted down “skinny repeal”
Protect Insurance Coverage

- Ensure workers in individual market continue to have access to insurance that covers preventive services; chronic disease management; and treatment for substance abuse; and that no worker currently insured loses coverage.

Continue Essential Health Benefits

- Prohibit states from opting out of EHBs for prevention and chronic disease management, and for treatment of substance abuse.

Preserve the Public Health & Prevention Trust Fund
Repealed ACA mandates

Modified tax credits – increased for younger adults; decreased for older adults

Repealed cost-sharing subsidies

Repealed the Prevention & Public Health Trust Fund

Made significant changes to Medicaid

Imposed a late enrollment penalty

Modified age-rating limit of 3:1 to allow 5:1 ratio

Allowed state option to redefine essential health benefits
Skinny Repeal

- Repealed individual mandate
- Eliminated Prevention & Public Health Trust Fund
- Increased HSA contributions
- Repealed employer mandate
- Provided greater State flexibility
Skinny Repeal did not:

- Touch Medicaid
- Eliminate federal subsidies
Question

• Is there life to ACA Repeal/Reform?

Answer

• If the Senate can “beat the clock”
Needed now: Stabilize the Individual Market!

- 2018 premium agreements due 9/27
- Nov. 1 open enrollment begins
- Gov’t decision on cost sharing reductions

Uncertainty has led some insurers to propose higher premiums for 2018.
85% of consumers on the exchange receive tax credits

More than 50% receive additional assistance with deductibles, etc.

For individuals with incomes of 100% to 250% of federal poverty level
Policy Options

Short-term:
• Funding for CSRs
• Individual mandate enforcement
• Strong outreach & enrollment enforcement

Long-term:
• Tax credits & CSRs available to people with higher incomes
• Medicaid expansion in all states
• Reinsurance
“Congress doesn’t do comprehensive well.”

- Sen. Lamar Alexander (R-TN)

- Short term funding of the CSRs
- Looking at short-term stabilization of the individual marketplace
- Goal: advancing legislation by September’s end
Kasich-Hickenlooper

- State innovation waivers
- Fund CSR payments through 2019
- Ramp up outreach & marketing
- $15B annual reinsurance fund
- Enforce individual mandate
ACA funds reallocated as block grants to States

Converts Medicaid funding into per-capita caps

Eliminates subsidies

Eliminates employer & individual mandates
## Going Forward: OEM Goals

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<tr>
<th>Keep healthy people healthy</th>
<th>Address chronic health conditions and their precursor health risk factors more aggressively</th>
<th>Integrate safety and health in the workplace</th>
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<tr>
<td>Leverage power of prevention to graduate healthier workers to Medicare</td>
<td>Encourage employee involvement in workplace wellness programs</td>
<td>Engage employers, insurers and policy makers on value of and need for functional measurement in all medical/health care</td>
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Questions