

## Oppose the American Health Care Act (AHCA)

Passed by the House of Representatives on May 4, 2017, the American Health Care Act (AHCA), the Republican proposal to repeal and replace the Affordable Care Act (ACA), would strip health insurance from millions of New Yorkers, profoundly restructure and cut billions of dollars from the New York State Medicaid program, and cut reimbursement to the state's already financially fragile health care providers.

- The AHCA would impose per capita caps on Medicaid expenditures and drastically reduce federal Medicaid funding. **For New York State, the bill is projected to cut federal Medicaid funding by \$240 million in state fiscal year 2017-18, growing to \$2.4 billion annually by state fiscal year 2020-21.** This fundamental restructuring of Medicaid financing and the resulting cuts would destabilize long term care (LTC) providers and hurt the people and families who need LTC services. Seventy percent of people who turn 75 will, at some point, need LTC. Medicaid is the largest payer for these services in New York and elsewhere. If enacted, the AHCA would force New York and other states to impose additional limits on Medicaid eligibility, reduce the services Medicaid covers, and/or reduce payments to providers. Any of these options would threaten the welfare of frail seniors and individuals with disabilities who need LTC services.
- An amendment to the AHCA authored by Rep. Tom MacArthur permits states to apply for waivers to the "community rating" requirement, which prevents insurers from charging premiums based on enrollees' health, as well as essential health benefits, which require all insurers to cover services like mental health, maternity, and prescription drugs. A second amendment added by Rep. Fred Upton provides \$8 billion to offset insurance costs for individuals with pre-existing conditions. **These amendments and other revisions introduced during bill negotiations would not modify the proposed Medicaid provisions.**

***LeadingAge NY respectfully urges Congress to maintain essential access to high quality LTC through the current Medicaid program structure, and oppose proposals to impose block grants or per capita caps on the Medicaid program.***

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