

REPEAL & REPLACE ACTIVITY REPORT **FOR THE WEEK OF MARCH 24TH, 2017**

ACA Repeal and Replace

ACA repeal and replace bill dead after Ryan, Trump pull AHCA before vote¹

Speaker Paul Ryan pulled the Republican ACA repeal and replace bill known as the American Health Care Act (AHCA) before it could be voted on in the House on Friday, March 24th, just 18 days after the legislation had been introduced. The move came after the planned vote on Thursday had been postponed. On Thursday evening and Friday morning, additional last minute changes were made to the bill by Speaker Ryan to convince ultra-conservatives in the Republican Party to vote for the AHCA, including removing the essential health benefits requirement, a move that would have allowed insurance companies to return to the pre-ACA era practice of offering skimpy health plans to consumers, and allowing for work requirements in Medicaid. President Trump also issued an ultimatum on Thursday in hopes of getting the final votes that he needed from moderates and the Freedom Caucus for the bill to pass, but this too failed.

It is unclear how many votes away the bill would have been from passing, but clearly the Speaker felt they were not at their required 216 votes for passing, despite the Republican majority in the House. In the press conference he held after pulling the bill, Speaker Ryan emphasized the challenge of going from an opposition party to the ruling party. President Trump also spoke to press from the Oval Office and tried to put the blame on Democrats by highlighting that not a single Democrat was willing to vote for the bill. He also forecast an implosion of the ACA in the years to come, which is not what policy analysts and researchers expect nor what was indicated by the CBO scoring that showed a stabilization of the insurance marketplace.

The AHCA was opposed by groups across the aisle including the Koch network which announced a plan to set up a fund to support the re-election campaigns of those who voted against the bill.² Democrats, on the other hand, are claiming the win against ACA repeal and have begun eyeing the possibility of moving forward with more progressive health reform bills. Senator Bernie Sanders says he will introduce a “Medicare-for-all” single-payer bill.³

¹ https://www.washingtonpost.com/powerpost/house-leaders-prepare-to-vote-friday-on-health-care-reform/2017/03/24/736f1cd6-1081-11e7-9d5a-a83e627dc120_story.html?utm_term=.2f47be079b8f&wpisrc=nl_evening&wpmm=1

² <http://www.politico.com/story/2017/03/koch-brothers-obamacare-house-republicans-236389>

³ <http://www.politico.com/story/2017/03/sanders-to-introduce-single-payer-health-care-plan-236516>

Late move to dump essential health benefits⁴

As part of the push by House GOP leaders to gain more support for their plan, they amended the bill Thursday to allow states to decide, starting next year, what if any benefits insurers must provide on the individual market, rather than requiring health plans to include the law's essential health benefits, according to House Ways and Means Chairman Kevin Brady (R-Texas).

Trump demands AHCA vote⁵

After cancelling the planned House vote on the AHCA on Thursday, Trump gave House Republicans an ultimatum: vote to approve the measure to overhaul the nation's health-care system on the House floor Friday, or reject it and the president will move on to his other legislative priorities. The President, through his aides in a closed-door meeting, signaled that the time for negotiations was over with rank-and-file Republicans who were meeting late at night on Capitol Hill to try to find common ground on the embattled package crafted by House Speaker Paul D. Ryan (R-Wis.). The move was a high-risk gamble for the president and the speaker, who have invested significant political capital in passing legislation that would replace the 2010 Affordable Care Act. For Trump, who campaigned as a skilled negotiator capable of forging a good deal on behalf of Americans, it could either vindicate or undercut one of his signature claims. If the measure fails, it would be a defeat for Trump in his first effort to help pass major legislation and it may also jeopardize other items on his wish list, including a tax overhaul and infrastructure spending.

AHCA could price Californians out of exchange coverage⁶

The average 40 percent drop in subsidies proposed under the AHCA could potentially put coverage out of reach for many Californians on the state exchange. The most seriously affected would be individuals living in expensive cities like Los Angeles and San Francisco, and low income individuals or the elderly. This is because the Affordable Care Act takes into account geographic location as well as income level, where the AHCA offers flat-rate tax credits based on brackets determined by age. According to the California Healthline, the Covered California analysis provides some shocking comparisons between subsidies through the ACA and what consumers might see under the GOP Plan:

- Under the ACA, a 62-year-old living in San Francisco making \$20,000 a year would pay \$84 a month with a tax credit for silver plan coverage (the second-least-costly plan). Under the GOP plan, that person would pay \$668.
- A San Francisco family of four earning \$41,000 a year would pay \$346 more in premiums per month under the GOP plan for coverage tantamount to an ACA silver plan.
- A 27-year-old making \$30,000 a year in San Francisco would pay \$9 per month less under the GOP plan under the ACA. However, a 62-year-old would pay \$460 more.

⁴ <http://khn.org/news/late-move-to-dump-essential-benefits-could-strand-chronically-ill>

⁵ https://www.washingtonpost.com/powerpost/gop-health-care-plan-hangs-in-balance-as-house-leaders-push-for-thursday-floor-vote/2017/03/23/6e8bf05a-0fbd-11e7-9d5a-a83e627dc120_story.html

⁶ <http://californiahealthline.org/news/many-californians-could-be-priced-out-of-exchange-coverage-analysis-finds/>

According to the analysis, many individuals in Los Angeles would pay less under the GOP plan vs. the ACA, especially young people and families, according to the analysis. Consumers making at least \$50,000 a year would pay less in premiums under the proposed law, because it offers tax credits to more affluent people who wouldn't qualify under the ACA.