



Hampton Health Care Town Hall

Monday, December 3, 2018

Congressman Robert C. "Bobby" Scott

Third District of Virginia



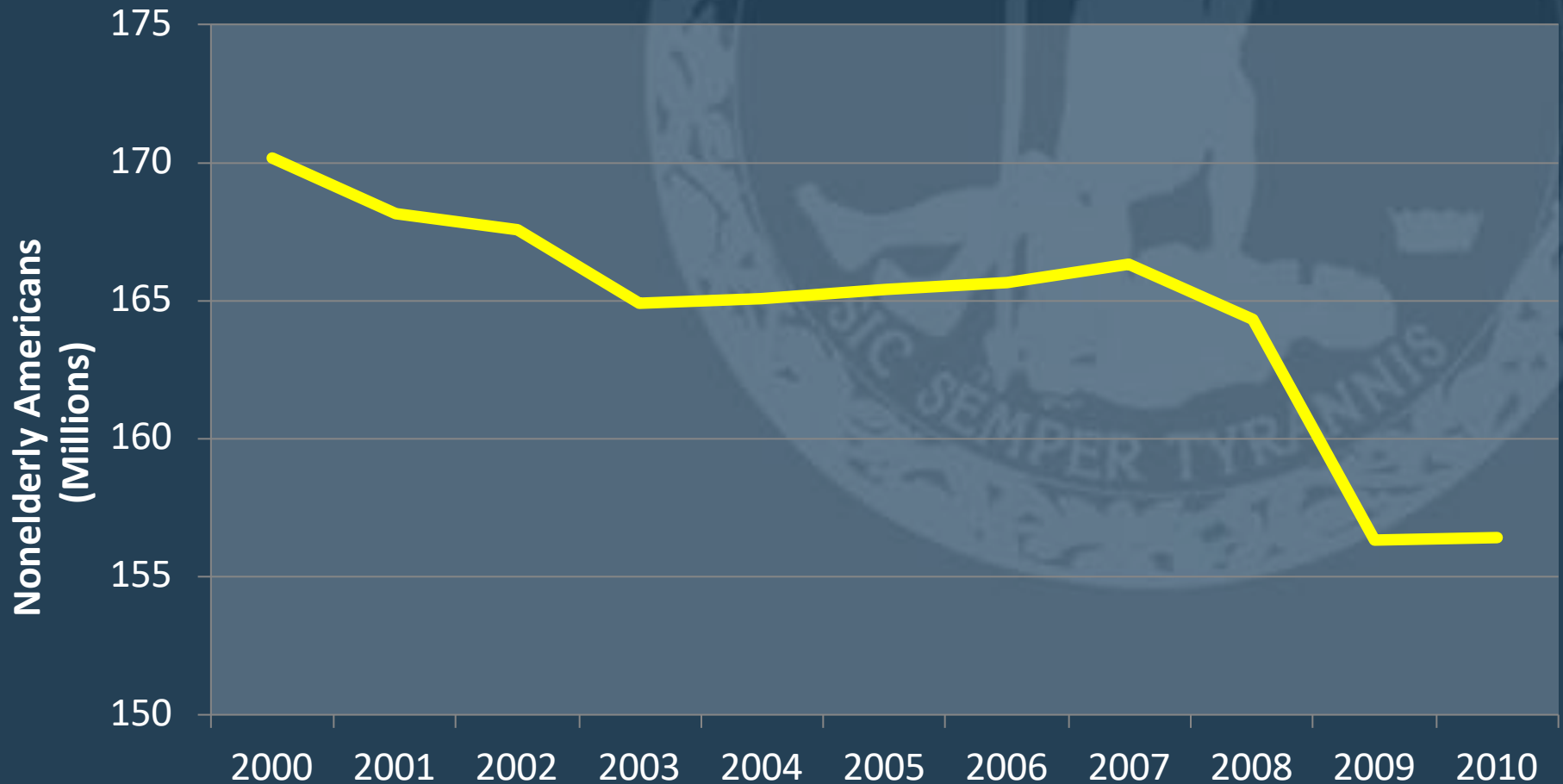
CONGRESSMAN BOBBY SCOTT

Before the Affordable Care Act (ACA)

- Health care cost increases were out of control.
- You could be denied coverage or charged exorbitant premiums if you had a preexisting condition.
- Employer-based coverage was declining and those who lost job-based coverage had few or no options.
- The cost of caring for the uninsured was shifted onto American families through higher premiums – an additional \$1,000 annually.

Declining Employer-Sponsored Coverage

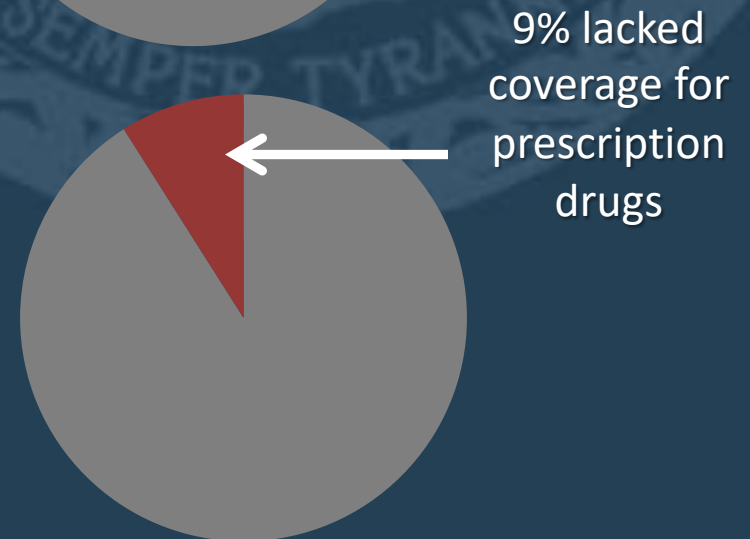
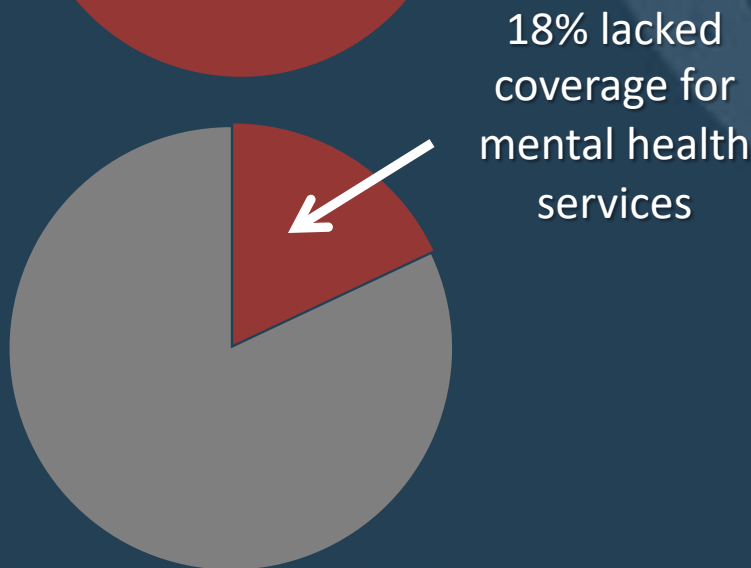
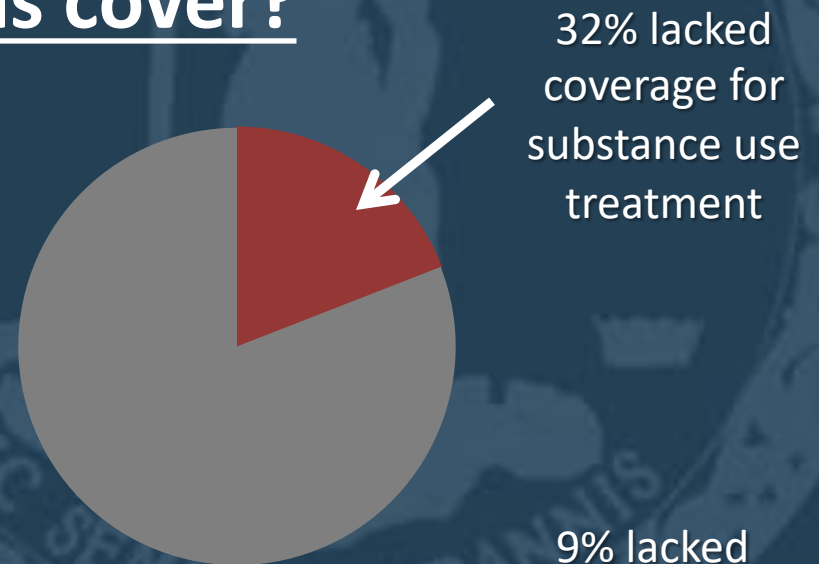
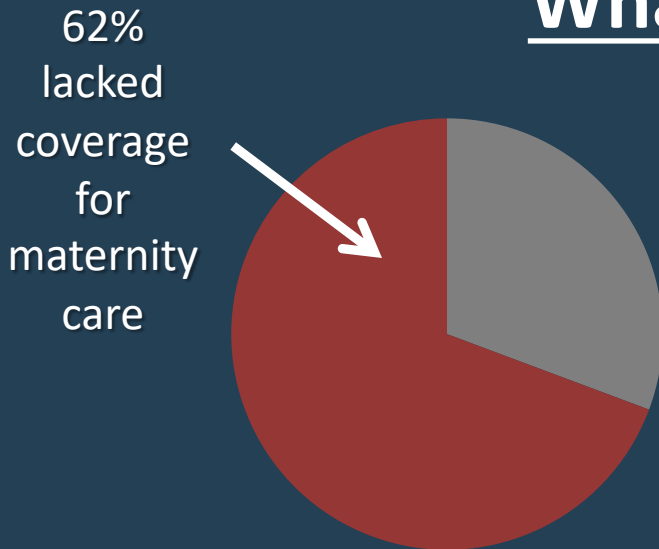
2000–2010



A Look at Insurance Policies Before the ACA

Individual Coverage, 2008

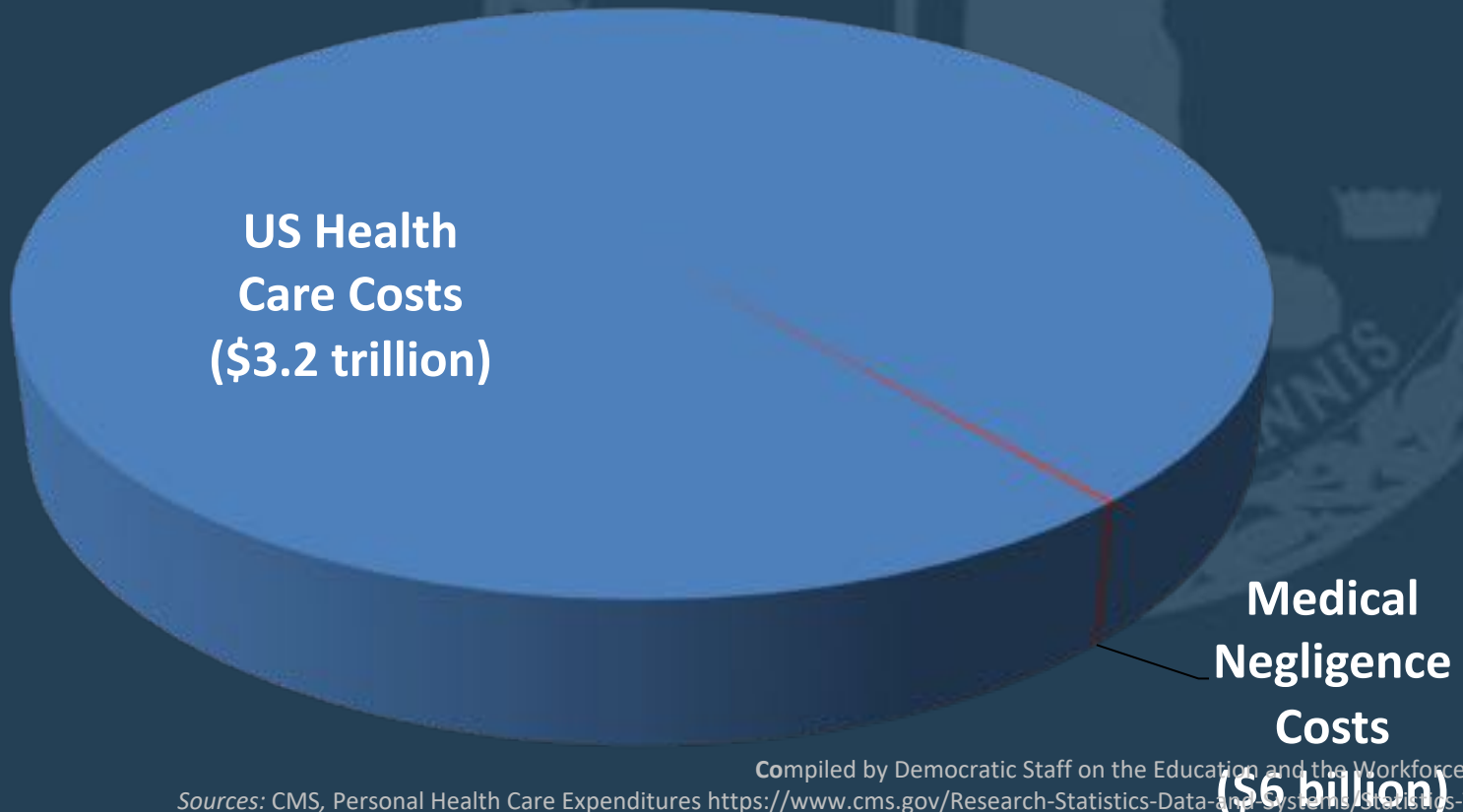
What did plans cover?



Health Care Costs in the United States

2015

In 2015, the total spent defending claims and compensating victims of medical negligence was \$6 billion—just 0.2% of total health care costs.



Compiled by Democratic Staff on the Education and the Workforce Committee

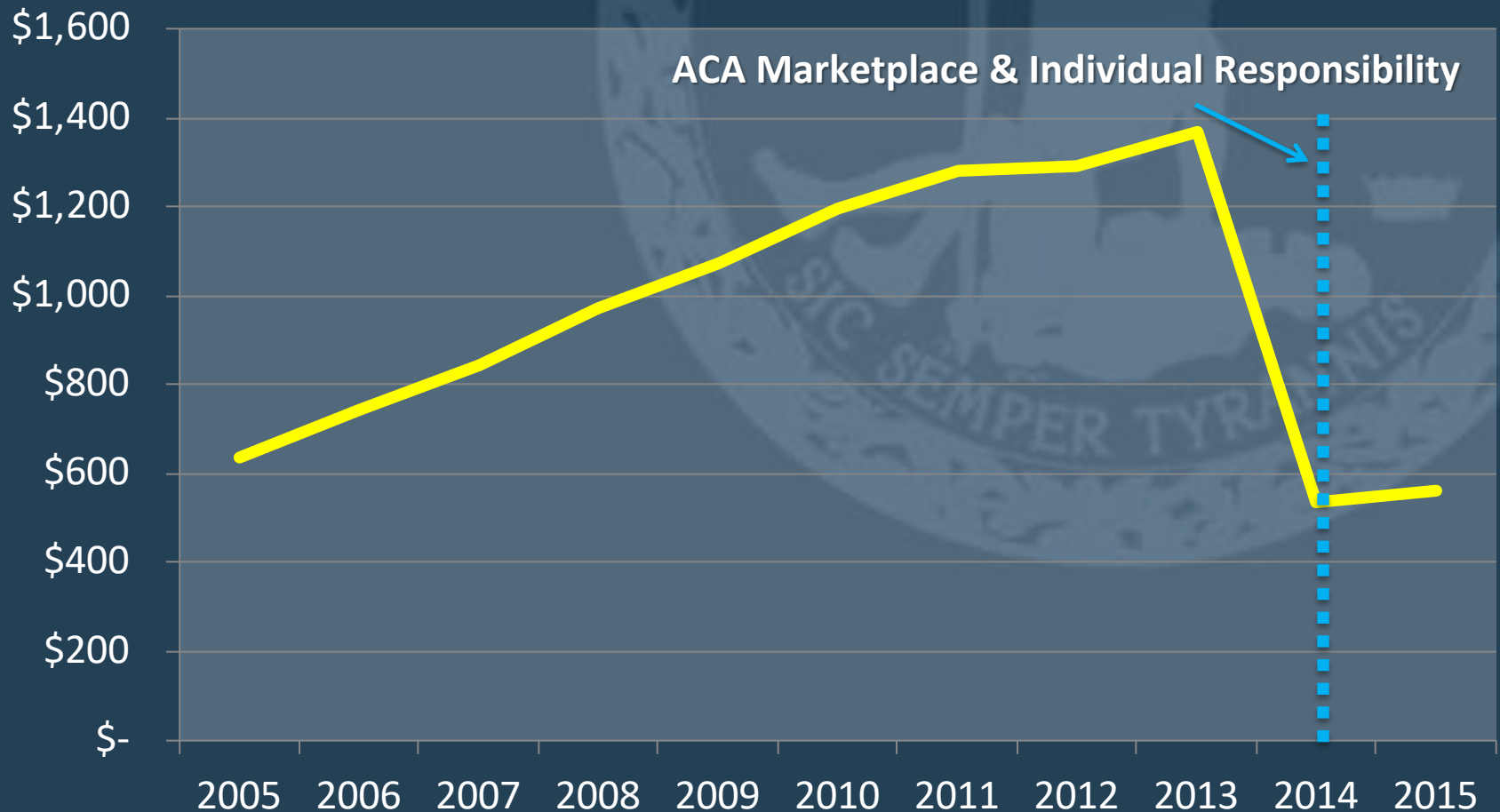
Sources: CMS, Personal Health Care Expenditures <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/index.html>.

Notes: Total spent on paying and defending medical malpractice claims from National Association of Insurance Commissioners (Countrywide Summary of Medical Professional Liability, National Association of Insurance Commissioners (NAIC), 2015), is \$6 Billion. Data further compiled and provided by American Association for Justice.



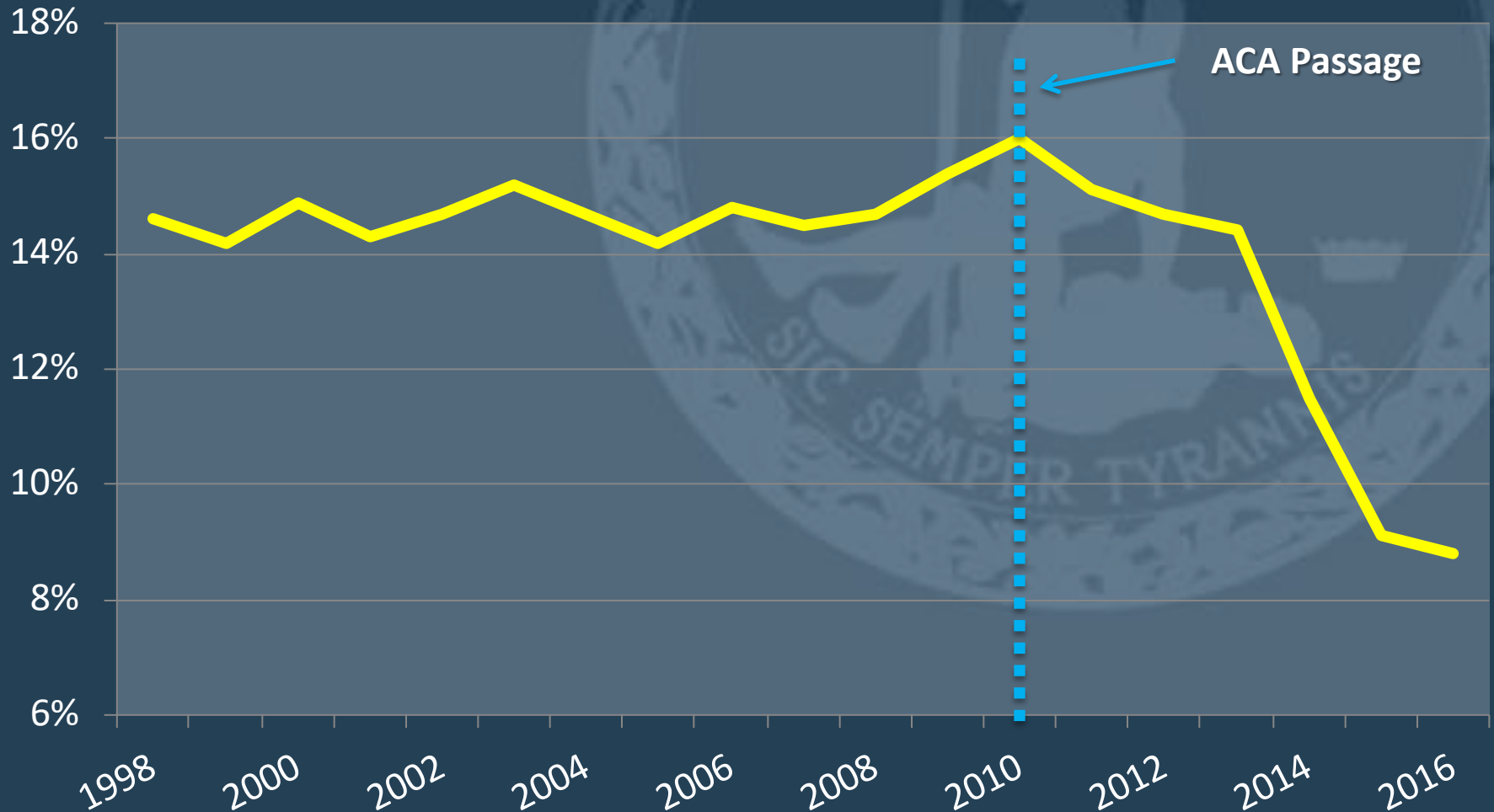
New York State Case Study: Average Statewide Individual Health Insurance Premiums

2005 – 2015



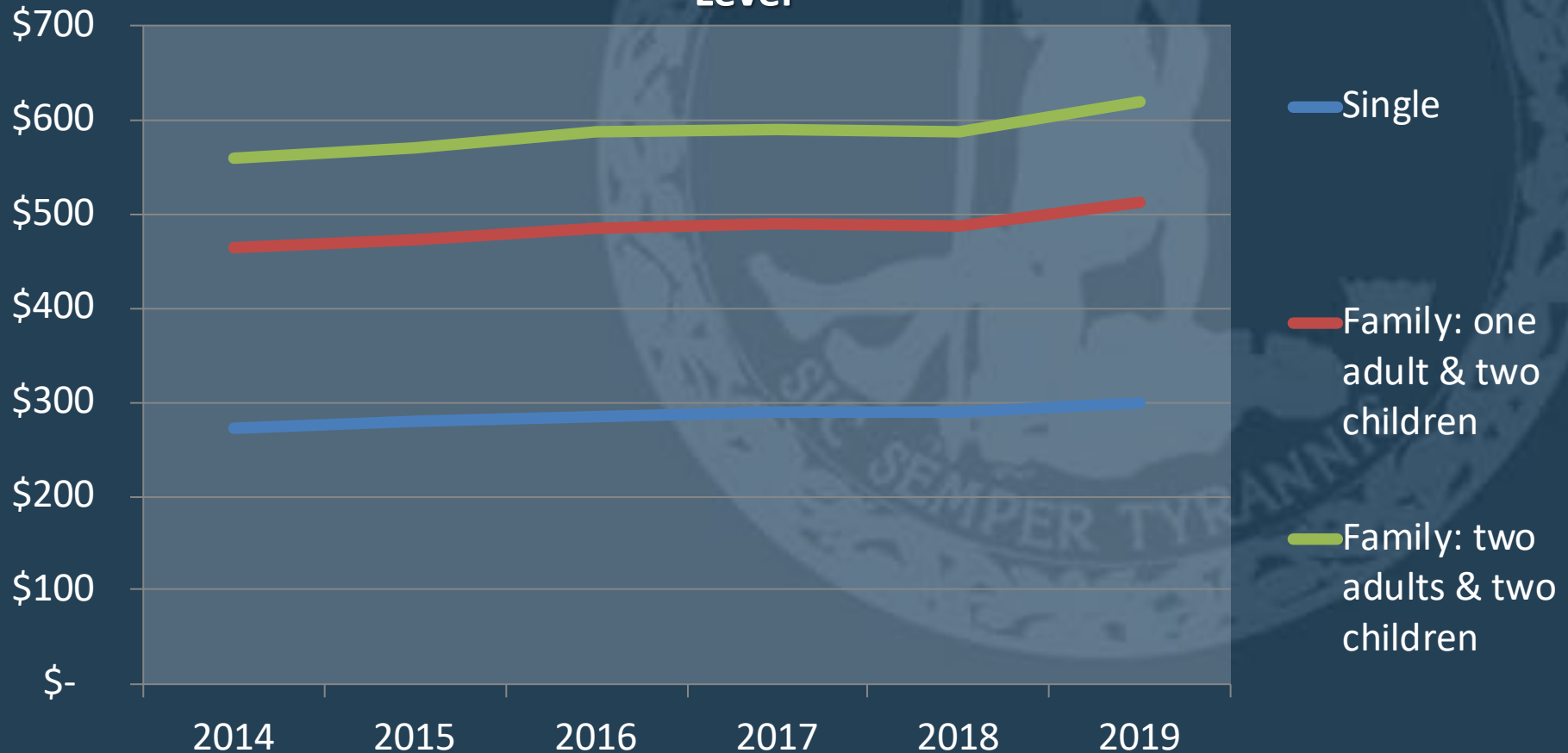
National Uninsurance Rate Drops Dramatically after ACA

1998 – 2016



ACA Tax Credit Adapts to Actual Cost

Example: Out of Pocket Monthly Premium for Silver Plan at 300% Federal Poverty Level



For 2019 plans, 300% FPL is \$36,420 for a single person; \$75,300 for a four-person family.

Compiled by Democratic Staff on the Education and the Workforce Committee

Source: Kaiser Family Foundation Premium Calculator & Healthcare.gov

Notes: 2014 values divide annual premiums by 12; All estimates assume residency in Newport News and adults are non-smokers, 40 years of age without an offer of employer-sponsored insurance; children are non-smokers, 10 years of age.



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ACA Repeal Efforts

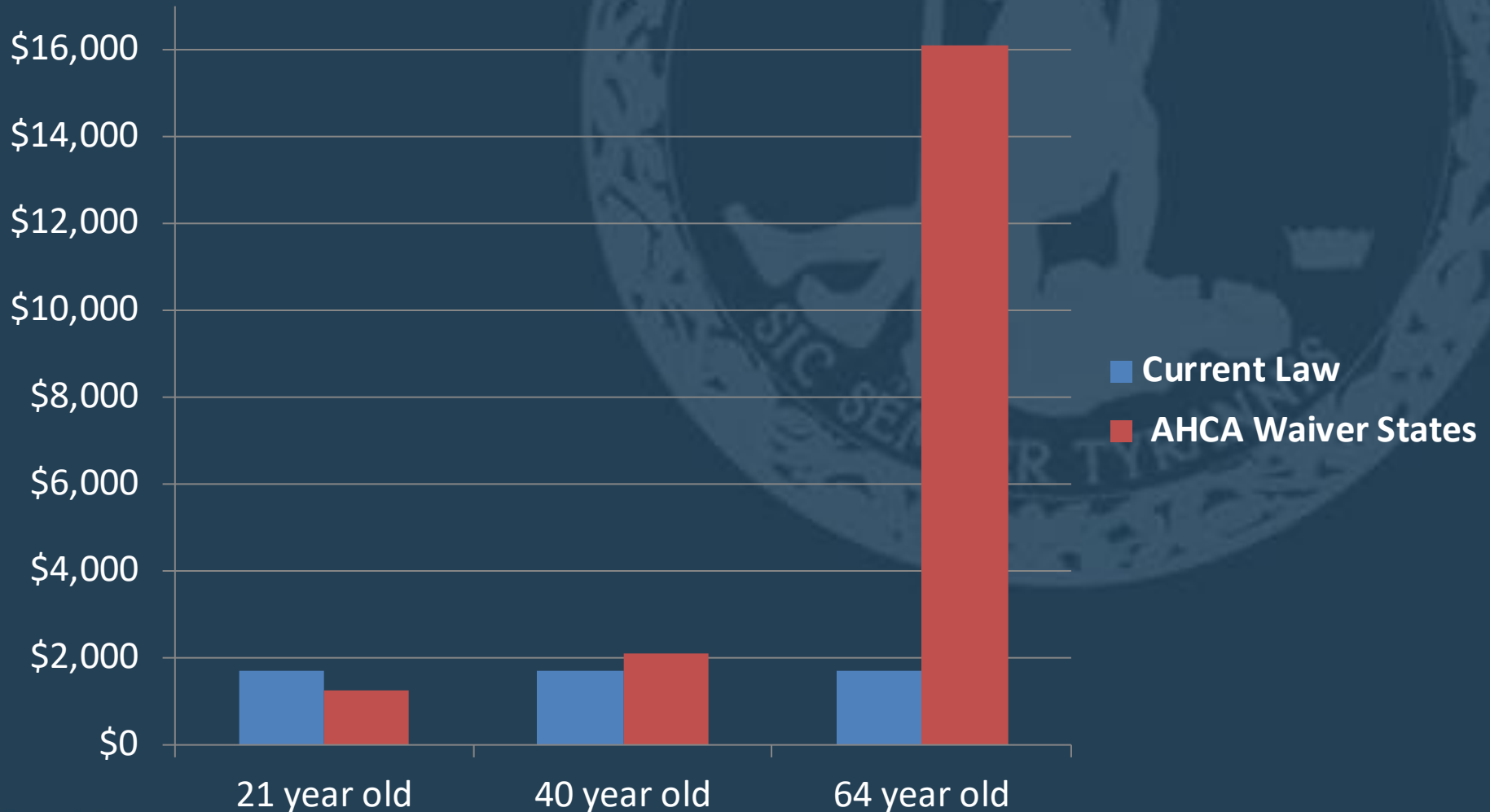
- Over the past eight years, Republicans have voted over 60 times to repeal parts or all of the Affordable Care Act.
- In May of 2017, House Republicans passed the *American Health Care Act*, also known as Trumpcare, to repeal and replace the Affordable Care Act.
 - The legislation was passed before any nonpartisan CBO analysis on the legislation was complete.
- The Senate crafted various versions of ACA repeal legislation; none of them garnered enough support to pass the Senate.



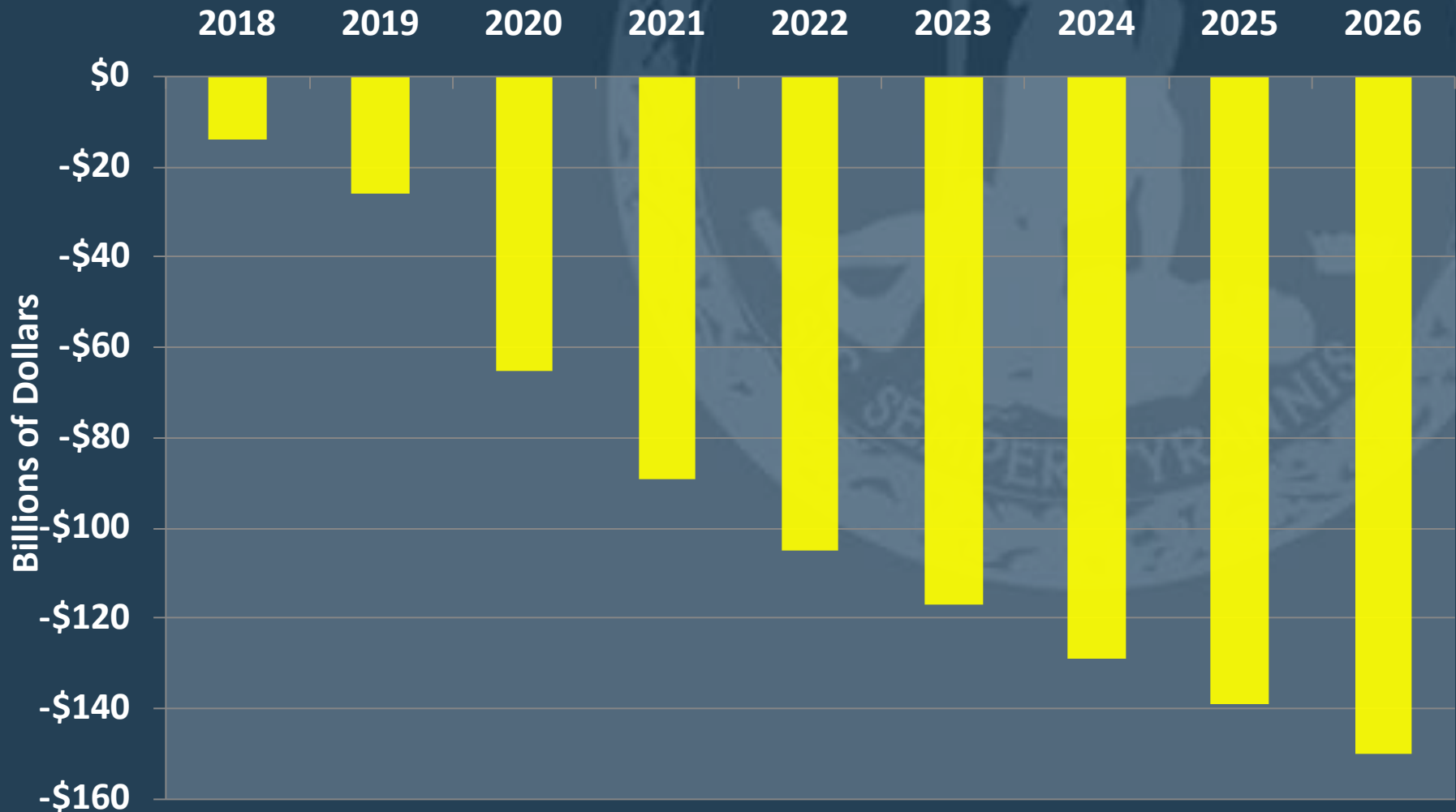
A Look at the House-Passed Trumpcare Bill

House-Passed Plan Increases Costs

Out of Pocket Average Annual Premium For Single Individual with Income of \$26,500



House-Passed Plan Includes Over \$800 Billion in Cuts to Medicaid



Congressional Budget Office's Analysis

“The increase in the number of uninsured people relative to the number projected under current law would reach 19 million in 2020 and 23 million in 2026.”

“People who are less healthy (including those with preexisting or newly acquired medical conditions) would ultimately be unable to purchase comprehensive nongroup health insurance at premiums comparable to those under current law, if they could purchase it at all...”

“...Insurance, on average, would pay for a smaller proportion of health care costs.”



By Every Measure, Trumpcare is Worse Than Current Law

Number of People with Insurance ↓

Millions more people without insurance.

Quality of Coverage ↓

Many versions of Trumpcare would severely limit coverage of essential health benefits, such as maternity care, prescription drugs, mental health services, and addiction treatment. Insurers would also again be able to put annual and lifetime caps on coverage, including in large employer plans.

Protections for People with Preexisting Conditions ↓

By eviscerating the ACA's guaranteed comprehensive essential health benefits package, under various versions of Trumpcare insurers could charge extra for the coverage that people with preexisting conditions need, such as coverage for chemotherapy.

Source: Congressional Budget Office, *Cost Estimate of H.R. 1628, American Health Care Act of 2017*; Congressional Budget Office, *Cost Estimate of H.R. 1628, the Better Care Reconciliation Act of 2017: An Amendment in the Nature of a Substitute*; Congressional Budget Office, *Cost Estimate of H.R. 1628, Obamacare Repeal Reconciliation Act of 2017*; Congressional Budget Office, *Estimate of Direct Spending and Revenue Effects of H.R. 1628, the Healthcare Freedom Act of 2017, an Amendment in the Nature of a Substitute [S.A. 667]*



By Every Measure, Trumpcare is Worse Than Current Law

Continued...

Cost of Coverage ↑

Many versions sought to impose an “age tax” on older Americans between the ages of 50 and 64. Under the House-passed bill, CBO projected that premiums for low-income, older enrollees could go up 850%.

Jobs ↓

All else being equal in the economy, estimates showed that Trumpcare could result in 1 to 1.5 million fewer jobs, hurting workers and the economy.

Tax Breaks for the Wealthy & Corporations ↑

Billions in tax breaks to the rich and corporations. For example, the House-passed bill provided, on average, those making more than \$1 million a year with a tax cut of \$50,000 a year.

Sources: CBPP, *House GOP Health Plan Eliminates Two Medicare Taxes, Giving Very Large Tax Cuts to the Wealthy*; Commonwealth Fund, *The Better Care Reconciliation Act: Economic and Employment Consequences for States*; Commonwealth Fund, *The American Health Care Act: Economic and Employment Consequences for States*; Congressional Budget Office, *Cost Estimate of H.R. 1628, American Health Care Act of 2017*



Repeal Efforts: What Happened in the Senate?

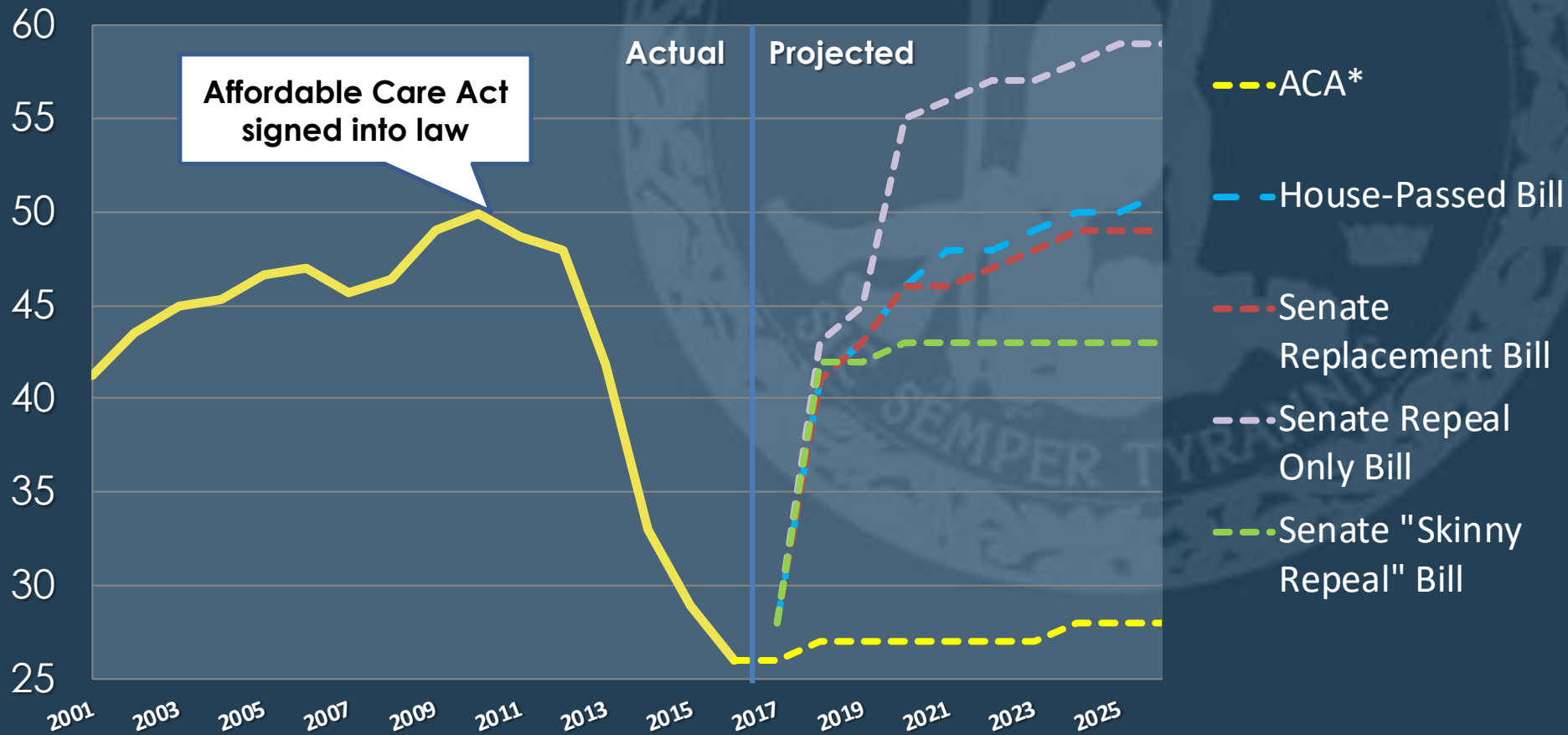
The Senate considered three separate versions of Trumpcare:

- 1) Obamacare Repeal Reconciliation Act of 2017 (**repeal only**) – would have repealed major pieces of the ACA without any replacement
- 2) Better Care Reconciliation Act (**repeal and replace**) – would have repealed the ACA and made major changes to the health system
- 3) The Healthcare Freedom Act of 2017 (**“skinny repeal”**) – a last resort effort that would have repealed only a few provisions of the ACA, including the mandates

None of these versions passed.

Every Trumpcare Version Would Have Skyrocketed Number of Uninsured

Uninsured in millions



Compiled by Democratic Staff on the Education and the Workforce Committee

Source: Census Bureau, *Health Insurance Coverage Status and Type of Coverage by Selected Characteristics*, years 2001-2015; Congressional Budget Office, *Cost Estimate of H.R. 1628, American Health Care Act of 2017*; Congressional Budget Office, *Cost Estimate of H.R. 1628, the Better Care Reconciliation Act of 2017: An Amendment in the Nature of a Substitute*; Congressional Budget Office, *Cost Estimate of H.R. 1628, Obamacare Repeal Reconciliation Act of 2017*; Congressional Budget Office, *Estimate of Direct Spending and Revenue Effects of H.R. 1628, the Healthcare Freedom Act of 2017, an Amendment in the Nature of a Substitute [S.A. 667]*;
 ACA = current law at time of consideration.



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Sabotage Instead of Repeal

Major Actions

- On his first day in office, Trump issued an executive order directing agencies to take all legal steps to undermine the ACA.
- In the fall of 2017, the Trump Administration shut down HealthCare.gov for 12 hours nearly every Sunday during open enrollment; outreach and advertising efforts were also cancelled.
- Trump cancelled cost-sharing reduction payments, which help reduce deductibles and copays for low-income Americans.
- The Trump Administration issued rules to expand plans that bypass the ACA's requirement to cover essential health benefits.
- The Republican tax bill zeroed out the individual mandate penalty.
- The Trump Administration has twice cut funding for navigators who help individuals enroll in coverage; navigator funding has now fallen more than 80 percent since 2016.
- The Department of Justice has decided to not defend the ACA's protections for people with preexisting conditions.



Sabotage Instead of Repeal

Texas v. the United States

- On February 28, 2018, Attorneys General from 20 states, led by the Texas Attorney General, filed a lawsuit seeking to strike down the entirety of the ACA. The plaintiffs argue that the entire ACA is invalid because Congress zeroed out the individual mandate penalty.
- On June 7, 2018, the Trump Administration announced it will not defend the constitutionality of the ACA's provisions that protect people with preexisting conditions from paying more.
- On July 26, 2018, a House resolution was introduced to allow the House Committees on Education and the Workforce, Ways and Means, Energy and Commerce, and Judiciary to intervene in the case. A similar resolution was introduced in the Senate.



Sabotage Instead of Repeal

Texas v. the United States

- **In the short term** – the administration's failure to defend these critical protections is creating chaos and uncertainty for insurers.
- **In the long term** – invalidating these protections would once again allow insurers to charge the millions of Americans with preexisting conditions as much as they want or deny them coverage altogether. This would cut coverage dramatically and raise costs for everyone.

Sabotage Impact in Virginia

Anthem on its Initial Decision in 2017 to Pull out of Virginia's Marketplace

"[P]lanning and pricing for ACA-compliant health plans has become increasingly difficult due to . . . continual changes and uncertainty in federal operations, rules and guidance, including cost sharing reduction subsidies and the restoration of taxes on fully insured coverage."

Cigna on its 15 percent rate increase request for 2019 in Virginia

"The risk pool is significantly impacted by changes in. . . elimination of the Individual Mandate penalties [and] anticipated changes to regulations regarding Short Term Medical and Association Health Plans that will impact the Affordable Care Act risk pool."

Sources: Anthem Blue Cross and Blue Shield August 2017 Statement
Cigna Written Description Justifying the Rate Increase

Marketplace Open Enrollment: The Facts

Timing

- Open enrollment started **November 1st** and runs through **December 15th** – you must sign up by **December 15th** for coverage to start **January 1, 2019**.
- Open enrollment for Marketplace coverage only happens once a year.

Who Should Enroll

- If you don't have health insurance through your job, Medicare, Medicaid or another source, **Healthcare.gov** helps you find and enroll in a plan that fits your budget and meets your needs.
- Those who already have Marketplace coverage for 2018, should come back and shop. Plans change and there may be a better option for you and your family.



Marketplace Open Enrollment: The Facts

Continued...

Affordability

- Coverage could be more affordable than you think.
 - 80% of people can find plans for less than \$75 per month.

Enrollment Assistance

- Free in-person help is available.
- If you have questions about signing up or want to talk through your options with a trained professional, free help is just a call or click away. Call **1-800-318-2596** or visit **localhelp.healthcare.gov**.



Open Enrollment: How this Year is Different

- Widespread consumer confusion because of efforts to repeal and sabotage the law.
 - Remember, financial help is still available in the form of premium tax credits.
- Open enrollment is **ONLY SIX WEEKS** – half as long as previous years.
- Funding for enrollment assistance nationally has been cut over 80% since 2016.
- The Trump Administration is encouraging enrollment in association health plans and short-term, limited-duration insurance.
 - ***These plans do NOT have to comply with many of the ACA's consumer protections that shield people — particularly those who have pre-existing conditions — from high out-of-pocket costs and skimpy benefits.***






Medicaid Expansion in Virginia

- Virginia voted to expand Medicaid for **400,000 uninsured** and low-income Virginians earlier this year.
- Virginia is now accepting applications for the newly expanded Medicaid program for coverage to begin on January 1, 2019.

Medicaid Expansion in Virginia

Eligibility

	Childless Adult	Parent (family of 3)	Person with Disability
			
Currently:	Not Eligible	Eligible with annual income at or below \$6,900	Eligible with annual income at or below \$9,700
Beginning 2019:	Eligible with annual income at or below \$16,754	Eligible with annual income at or below \$28,677	Eligible with annual income at or below \$16,754

Medicaid Expansion in Virginia

Income Limits

Family Size	Yearly*	Monthly*
1	\$16,754	\$1,397
2	\$22,715	\$1,894
3	\$28,677	\$2,391
4	\$34,638	\$2,887
5	\$40,600	\$3,384
6	\$46,562	\$3,881
7	\$52,523	\$4,378
8	\$58,485	\$4,875

Medicaid Expansion in Virginia

Covered Services

- Doctor, hospital and emergency services including primary and specialty care
- Prescription drugs
- Maternity and newborn care
- Home health services
- Behavioral health services, including addiction and recovery treatment services
- Medical equipment and supplies

Applying for Coverage

MEDICAID

➤ Cover Virginia

Website: coverva.org

Phone: 1-855-242-8282

➤ Local Department of Social Service Offices

MEDICAID AND/OR MARKETPLACE

➤ ACA Marketplace

Website: Healthcare.gov

Phone: 1-800-318-2596

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