

JOINT ECONOMIC COMMITTEE DEMOCRATS

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U.S. Senator Martin Heinrich • Ranking Member

Cassidy-Graham: Same Failed Republican Ideas

Since the U.S. Senate, the American people, and stakeholders across the health care industry rejected Republicans' efforts to repeal the Affordable Care Act (ACA), bipartisan discussions are showing promise towards solutions to stabilize the health insurance marketplaces and lower health care costs for all Americans. We are now moving forward towards a compromise proposal under regular order. Yet, the Cassidy-Graham-Heller-Johnson bill undermines this bipartisan progress and threatens to send us backwards by simply repeating the failed ideas of the former TrumpCare bills.

Like past iterations, the Cassidy-Graham bill will increases costs and kicks millions of Americans off their health care. The bill ends Medicaid expansion, premium tax credits, and cost-sharing reduction payments, all of which help millions of Americans afford health care. In its place, the bill offers an arbitrary, short-term block grant funding with no guarantee on how states will use funding. If this new TrumpCare bill becomes law, funding for Medicaid and premium tax credits between 2020 and 2026 will be \$239 billion less than under current law, and block grant funding would disappear completely after 2026. Republicans claim they want to lower costs and expand access to coverage, but this bill does the exact opposite.

The Cassidy-Graham bill also ends Medicaid as we know it, shifting huge financial burdens onto state budgets. The bill imposes arbitrary per-capita caps on Medicaid which are as harsh as the failed policies under the previous Senate bill. Under the previous TrumpCare bill, 15 million fewer people would be enrolled in Medicaid, including low-income people, children, elderly, and people with disabilities.² Many Republican senators and governors spoke out about the effect of drastic Medicaid cuts to their states, and this bill would have similar devastating effects.

The previous Senate bill would have slashed Medicaid by 35 percent in the long term, and the current proposal will have similar effects. These cuts will force states to make tough choices about whether to deny coverage, restrict benefits, or cut other parts of their budgets to keep offering people health care. If a 35 percent cut occurred today, on average a state would have to cut 90 percent of its budget for higher education to cover the loss and maintain its current Medicaid coverage.³

Republicans say they are ready to chart a new course and Democrats are ready to join them, but the Cassidy-Graham bill is shutting this crucial window of bipartisanship. The American people want Congress to work together to expand coverage and lower health care costs, not rehash failed ideas of the past. Democrats stand ready to move forward with Republicans and deliver the solutions that Americans deserve.

¹ https://www.cbpp.org/research/health/like-other-aca-repeal-bills-cassidy-graham-plan-would-add-millions-to-uninsured

² https://www.cbo.gov/publication/52849

³ https://www.jec.senate.gov/public/index.cfm/democrats/blog?ID=019E5F94-BD54-446B-BF97-21195B06F44B