

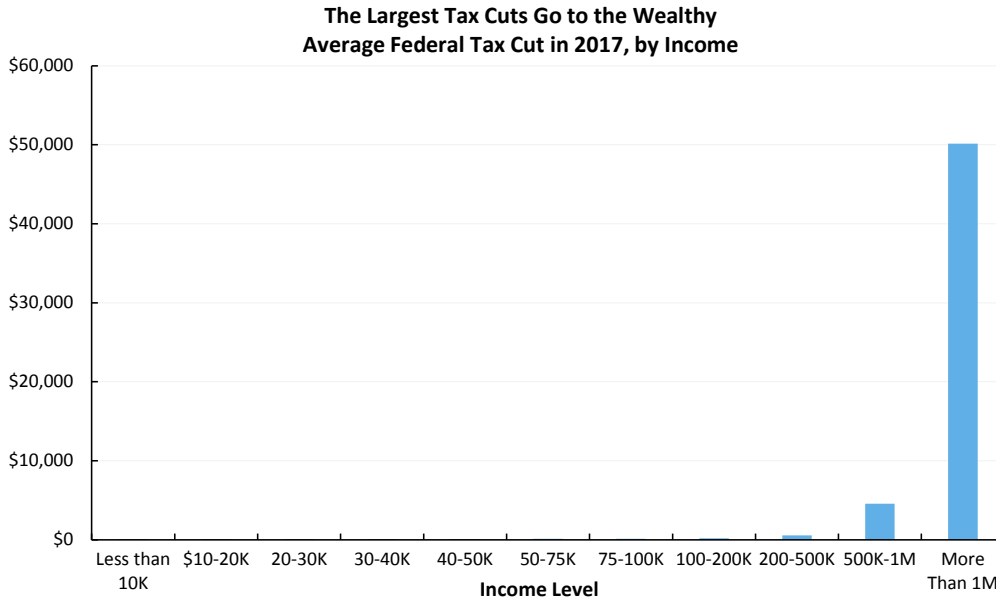


Senate TrumpCare Bill – Still Mean, Still Lacks Heart

The Senate version of TrumpCare once again helps the wealthiest at the expense of hardworking American families while putting corporate executives back in charge of Americans’ health care. The bill reverses the progress made in expanding access to, and containing costs of, health care.

Hikes Prices for Working Families; Cuts Taxes for Companies and the Wealthy

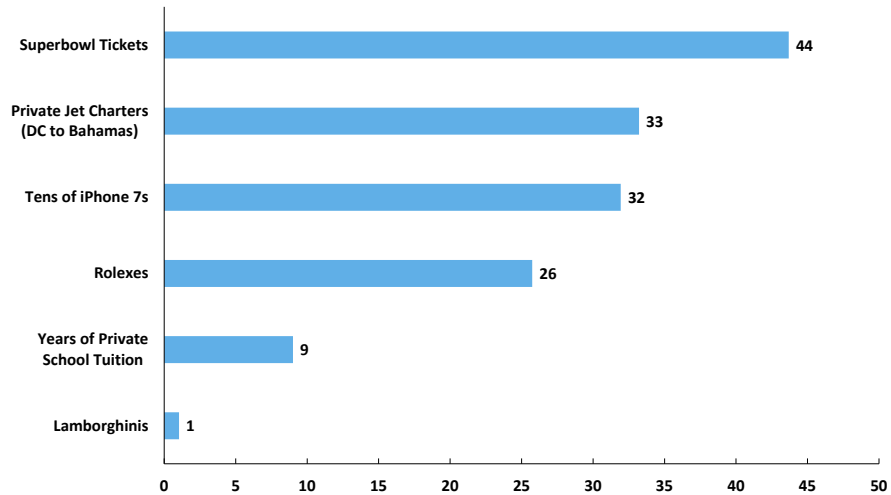
Senate Republicans seek to stick the middle class and working families with higher health care costs. Republicans would repeal almost all Affordable Care Act (ACA) taxes that contribute to making coverage more affordable, providing a giveaway to the richest Americans. For example, repealing all of the ACA taxes would give those making more than one million dollars annually an average tax break of more than \$50,000.¹



Source: Tax Policy Center, table T16-0293
Note: Assumes repeal of all ACA taxes, excluding premium tax credits.

The very wealthiest Americans would receive an even larger tax break, meaning that Republicans are taking away health care from working families in order to give nearly \$200,000 in tax breaks to families making more than \$3.7 million a year.²

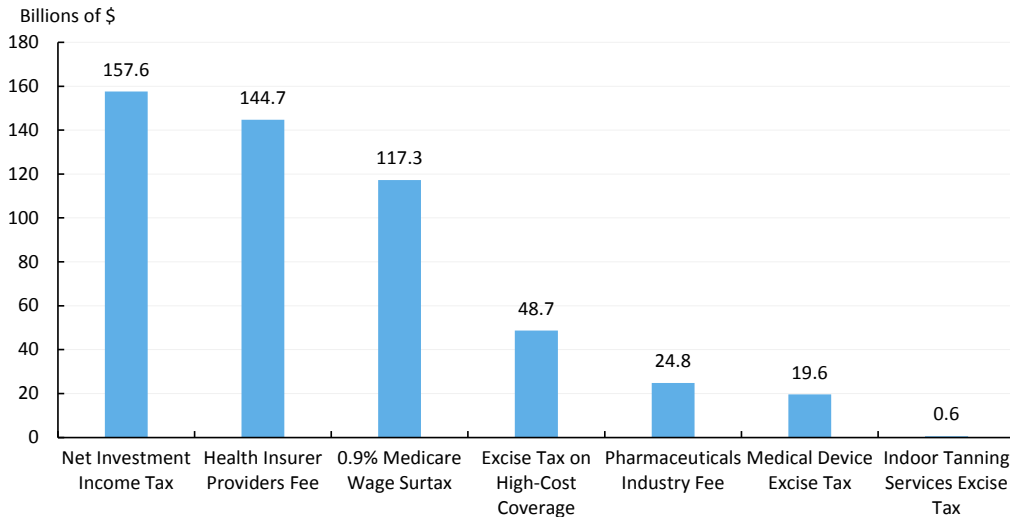
What the Super Rich Can Buy With their Tax Cut from the Republican Health Plan



Source: Tax Policy Center, TrueCar, National Center for Education Statistics, Amazon, New Flight Charters, Travelmath, Apple Store and TicketCity
 Note: Tax Policy Center estimates that the average tax cut for top 0.1 percent of Americans is \$207,390; Item prices are for the price of a Lamborghini, average 2012-13 tuition for a nonsectarian private school (indexed to February 2017 dollars using CPI-U), cost of a Rolex Submariner 116610LN, average cost of chartering a light jet for 2.5 hours, price of a 32GB iPhone 7 and the average cost of a Superbowl ticket on January 26, 2017

Repealing the ACA tax provisions will also benefit the medical device, pharmaceutical, and indoor tanning industries, costing the government more than \$513 billion in lost revenues that were previously directed to help working families afford health care.³ In order to afford these new tax breaks for millionaires and corporations, Republicans cut off help for those making above 350 percent of the poverty line. Under their plan, a person making \$42,330 a year would lose the entirety of the tax credits they currently receive in order to help pay for health insurance. Nationally, for a 60 year-old non-smoker, that is a cut of over \$5,000 per year, and that number is even larger in some states.⁴

Repealing the ACA Tax Provisions will Cost \$513 Billion from 2017-2026



Source: JEC Dems. Data from Congressional Research Service, 2017.

Note: The Senate proposed bill delays the implementation of the excise tax on high-cost coverage, more commonly known as the "Cadillac" tax, from taking effect in 2020 to taking effect in 2026, resulting in lost revenues.

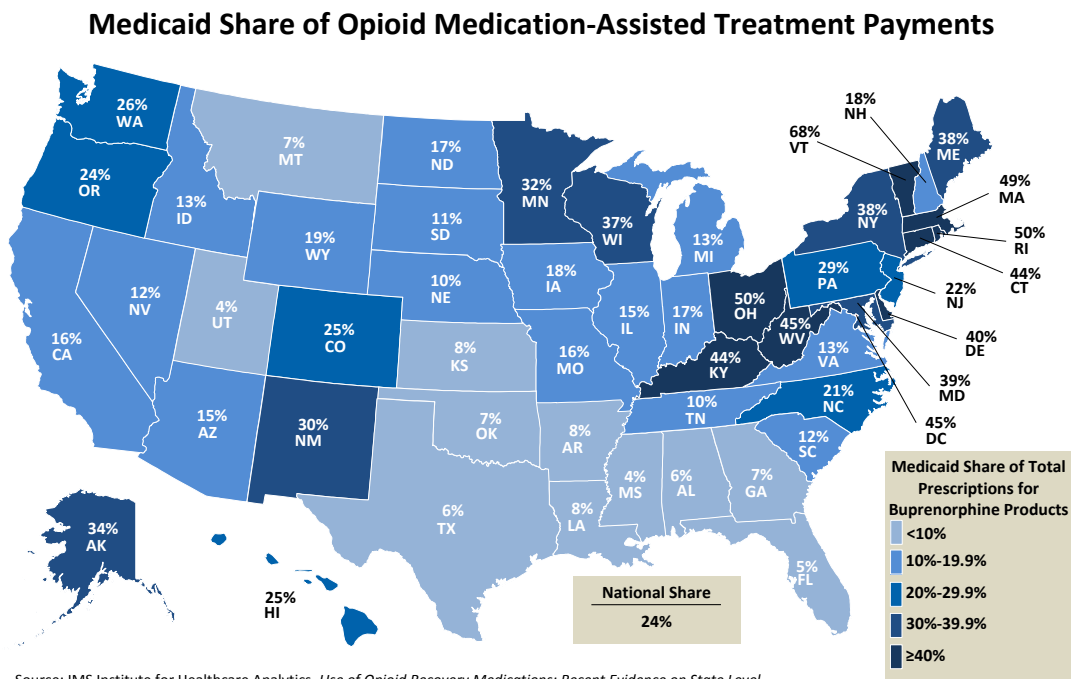
State	Current Tax Credit for a 60 Year Old Non Smoker With No Children Making \$42,330 (351 percent of the Federal Poverty Line)
Alabama	\$8,506
Alaska	\$17,990
Arizona	\$8,875
Arkansas	\$3,959
California	\$2,541
Colorado	\$3,929
Connecticut	\$6,242
Delaware	\$6,750
DC	\$3,658
Florida	\$3,692
Georgia	\$2,908
Hawaii	\$4,183
Idaho	\$4,836
Illinois	\$3,381
Indiana	\$3,246
Iowa	\$8,306
Kansas	\$5,167
Kentucky	\$1,795
Louisiana	\$6,571
Maine	\$4,651
Maryland	\$3,838
Massachusetts	\$885
Michigan	\$1,986
Minnesota	\$5,278
Mississippi	\$4,936
Missouri	\$3,866
Montana	\$6,790
Nebraska	\$5,346
Nevada	\$3,137
New Hampshire	\$2,761
New Jersey	\$4,947
New Mexico	\$2,536
New York	\$1,436
North Carolina	\$10,523
North Dakota	\$4,390
Ohio	\$1,793
Oklahoma	\$8,529
Oregon	\$3,910
Pennsylvania	\$6,609
Rhode Island	\$2,611
South Carolina	\$6,251
South Dakota	\$7,370
Tennessee	\$6,639
Texas	\$3,305
Utah	\$3,073
Vermont	\$1,859
Virginia	\$3,509
Washington	\$2,024
West Virginia	\$6,631
Wisconsin	\$5,611
Wyoming	\$7,782

Joint Economic Committee Democratic Staff based on the Kaiser Family Foundation's Health Insurance Marketplace Calculator (<http://www.kff.org/interactive/subsidy-calculator>). For each state, the calculation of the subsidy is based on the major city in each state (<http://www.kff.org/health-reform/issue-brief/2013-7-premium-changes-and-insurer-participation-in-the-affordable-care-acts-health-insurance-marketplaces/>).

Senate TrumpCare will price many people out of comprehensive coverage: tax credits would be based on a plan that covers only 58 percent of costs, down from 70 percent under the ACA. This would likely result in lower-quality plans that offer higher deductibles and limited coverage for serious and expensive medical conditions.

Threatens Coverage for Opioid Addiction Services

Senate TrumpCare will block those suffering from addiction from getting the help they need. As shown in the graphic below, Medicaid provides coverage for people receiving treatment for opioid addiction. Nationally, Medicaid pays for 24 percent of medication-assisted opioid treatment payments, but in some states that number is even higher. For example, it pays for 50 percent in Ohio and 45 percent in West Virginia.



Source: IMS Institute for Healthcare Analytics, *Use of Opioid Recovery Medications: Recent Evidence on State Level Buprenorphine Use and Payment Types*, September 2016

Note: Buprenorphine is a commonly-used drug for treatment of prescription opioid and heroin addiction; data as of June 2016; data rounded to nearest percentage point

Senate TrumpCare allocates only \$2 billion in funding, just in 2018, to help fight the opioids epidemic. In 2026, long after this funding runs out, researchers estimate that it will cost more than \$41 billion to cover treatment for opioid use disorders.⁵ With the phasing out of Medicaid expansion, funding for SUD treatment will fall far short from what is needed to treat this epidemic.

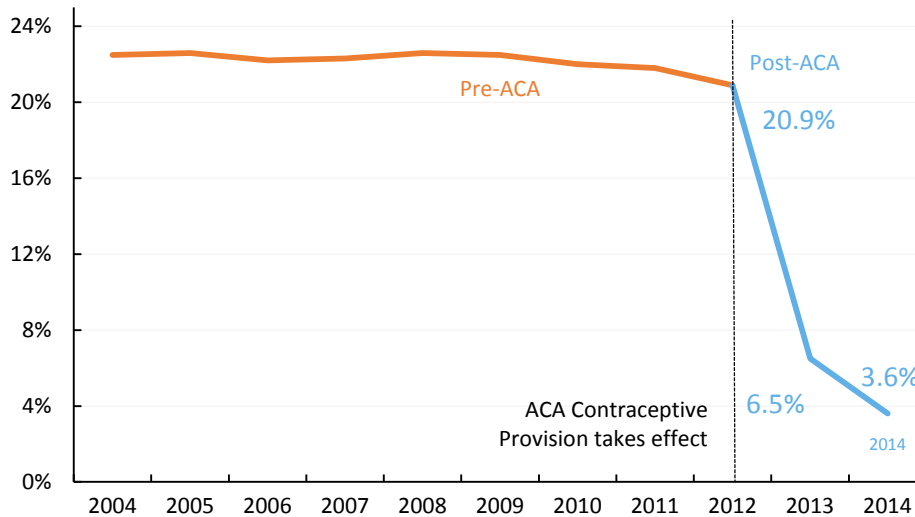
Threatens Health Care for Kids

About 36 million children receive health coverage through Medicaid and the Children’s Health Insurance Program (CHIP).⁶ Due in large part to the Medicaid expansion, only 5 percent of children in America remain uninsured—an all-time low.⁷ Medicaid also ensures that new moms get the prenatal care needed to give their babies the best start in life. Economists found that a 15 percentage point increase in Medicaid eligibility is associated with an 8 percent decrease in child deaths from factors like diseases.⁸ Yet, Senate TrumpCare undermines these services and protections by cutting Medicaid and shifting burdens onto state budgets.

Threatens Health Care for Women

The ACA established consumer protections that eliminated health care discrimination against women. These consumer protections have guaranteed women access to maternity care and no-cost preventative care. In particular, women benefit from coverage for their reproductive health needs: in 2013, women saved \$1.4 billion on birth control pills.⁹ Before the ACA contraceptive provision took effect, among those at larger firms who are covered by employer insurance, 21 percent of women of reproductive age paid out-of-pocket for birth control pills; now less than four percent do.¹⁰

Share of women who spent out-of-pocket on birth control pills fell sharply

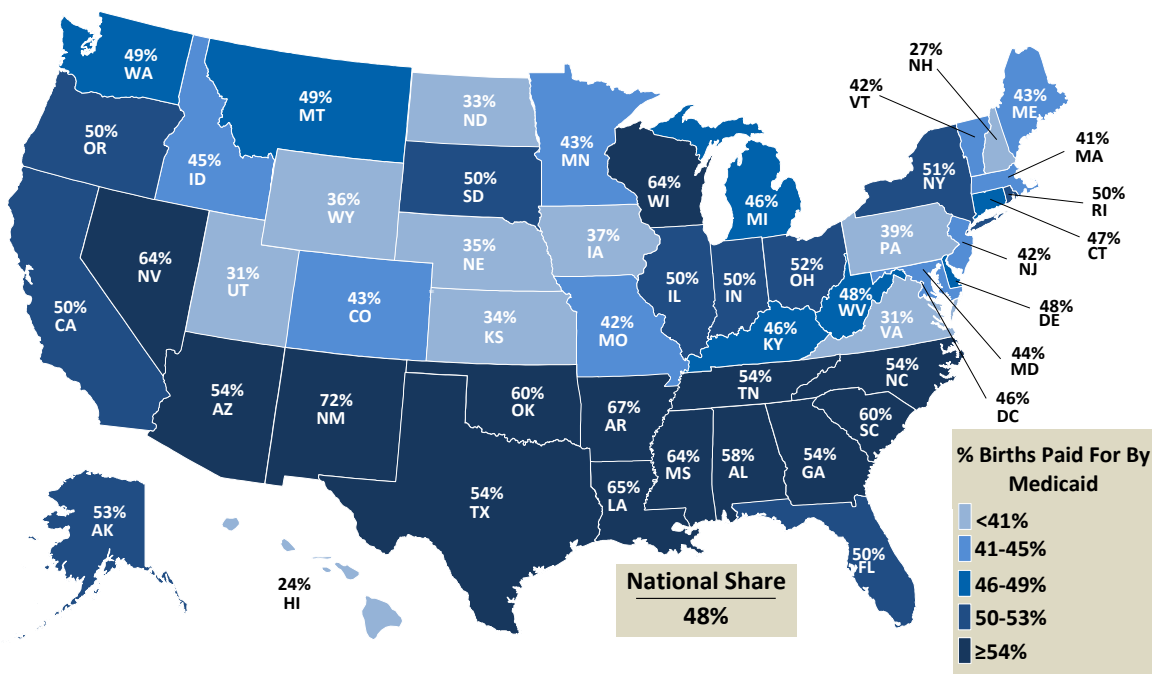


Source: Kaiser Family Foundation.

Note: Share of women age 15-44 with health coverage from a large employer with any out-of-pocket spending on oral contraceptive pills

In addition, the ACA ensures that maternity care was actually covered: before the ACA, three in four individual plans did not cover maternity care.¹¹ Women under Medicaid will also be affected by Senate TrumpCare, potentially losing access to critical services: Nationally, Medicaid covers nearly half of all births.¹²

Nearly Half of Nation's Births Paid For By Medicaid



Shift Financial Burden to States

Senate TrumpCare threatens to pull the rug out from under the Medicaid program by cutting funding by capping federal contributions beginning in 2021.¹³ To date, 31 states and the District of Columbia have expanded their Medicaid program, helping 11 million more Americans gain health care coverage.¹⁴ Senate TrumpCare would ultimately enact steeper Medicaid cuts by adjusting future Medicaid spending based on an inflation measure that severely underestimates increases in the cost of medical care: according to the Urban Institute “capping Medicaid growth at the CPI-U... would lead to \$841 billion less federal Medicaid spending than current law from 2019 to 2028.”¹⁵

With the federal government shifting its financial responsibility onto states, governors and state legislatures will face a series of tough choices as increasing program needs outpace increases in grants. When this happens, states will be forced to choose between reducing the number of people in the program, cutting the range of covered services, cutting payments to health care providers, or raising state taxes and cutting other public services and investments to balance the state budget.

Threatens Hospital Solvency

As states look to address budget shortfalls caused by Senate TrumpCare’s upending of Medicaid, states would be forced to reduce payments to health providers. Similarly, Senate TrumpCare

would increase uninsurance rates, passing health care costs onto hospitals and those who remain insured. By reducing the uninsurance rate, the ACA saved hospitals \$10.4 billion annually in uncompensated care costs—that is, the medical bills that go unpaid due to a patient having no insurance or a “skinny” insurance plan like the high-risk pool and catastrophic plans Republicans want to shift consumers to.¹⁶

Further, rural hospitals would suffer under Senate TrumpCare: on average Medicaid makes up more than 10 percent of net revenue in rural hospitals, so cuts to that program would seriously threaten their financial health.¹⁷ Rural hospitals are also important engines of growth for their communities: more than 40 percent of rural counties in the United States rely on hospitals for more than 10 percent of their employment.¹⁸

¹ Tax Policy Center. 2016. “[T16-0293 - Repeal of all ACA Taxes, Excluding Premium Tax Credit by Expanded Cash Income Level, 2017.](#)” Urban Institute and Brookings Institution. December 15.

² Tax Policy Center. 2016. “[T16-0294 - Repeal of all ACA Taxes, Excluding Premium Tax Credit by Expanded Cash Income Percentile, 2017.](#)” Urban Institute and Brookings Institution. December 15. Families refers to tax filing units. The 99.9th percentile is \$3,749,600.

³ Lowry, Sean. 2017. “[Taxes and Fees Enacted as Part of the Affordable Care Act.](#)” Congressional Research Service. March 14.

⁴ Joint Economic Committee Calculations based on the Henry J. Kaiser Family Foundation [Health Insurance Market Place Calculator](#) for a 60 year old non-smoker with no children, earning 351 percent of the federal poverty line.

⁵ Gee, Emily and Richard Frank. 2017. “[Senate’s Opioid Fund Cannot Substitute for Health Coverage.](#)” Center for American Progress. June 20.

⁶ Henry J. Kaiser Family Foundation. 2017. “[Monthly Child Enrollment in Medicaid and CHIP.](#)” Data for March 2017. Accessed June 22, 2017.

⁷ Artiga, Samantha and Petry Ubri. 2017. “[Key Issues in Children’s Health Coverage.](#)” The Henry J. Kaiser Family Foundation. February 15.

⁸ Currie, Janet and Jonathan Gruber. “Health Insurance Eligibility, Utilization of Medical Care, and Child Health.” *The Quarterly Journal of Economics*. Vol 111, no 2. (May 1996). Note that the 8 percent decrease in child mortality is from death due to internal factors.

⁹ National Women’s Law Center. 2016 “[The Affordable Care Act’s Birth Control Benefit is Working for Women.](#)” December.

¹⁰ Sobel, Laurie, Aline Salganicoff, and Caroline Rosenzweig. 2017. “[The Future of Contraceptive Coverage.](#)” The Henry J. Kaiser Family Foundation. January 9.

¹¹ Claxton, Gary, et al. 2017. “[Would States Eliminate Key Benefits if AHCA Waivers are Enacted?](#)” Henry J. Kaiser Family Foundation. June 14.

¹² The George Washington University School of Public Health and Health Services. “[Medicaid Pays for Nearly Half of All Births in the United States.](#)” September 10, 2013.

¹³ Kliff, Sarah. 2017. “[The Better Care Reconciliation Act: the Senate bill to repeal and replace Obamacare, explained.](#)” Vox. June 22.

¹⁴ The Henry J. Kaiser Family Foundation. 2017. “[Status of State Action on the Medicaid Expansion Decision.](#)” January 1; Cross-Call, Jesse. 2016. “[Repealing Health Reform’s Medicaid Expansion Would Cause Millions to Lose Coverage, Harm State Budgets.](#)” Center on Budget and Policy Priorities. December 22.

¹⁵ Buettgens, Matthew. 2017. “[Senate health bill would lower the Medicaid per capita cap rate, causing greater state budget shortfalls.](#)” Urban Wire blog from the Urban Institute. June 21.

¹⁶ Council of Economic Advisers. 2017. “[Chapter 4: Reforming the Health Care System.](#)” In *Economic Report of the President*. January.

¹⁷ Kauffman, Brystana G. et al. 2016. “[Medicaid Expansion Affects Rural and Urban Hospitals Differently.](#)” *Health Affairs* 35(9): 1665-1672.

¹⁸ JEC and Senate Aging Democratic Staff. 2017. “[TrumpCare Threatens Rural Hospitals.](#)” Minority Staff Report. June.