

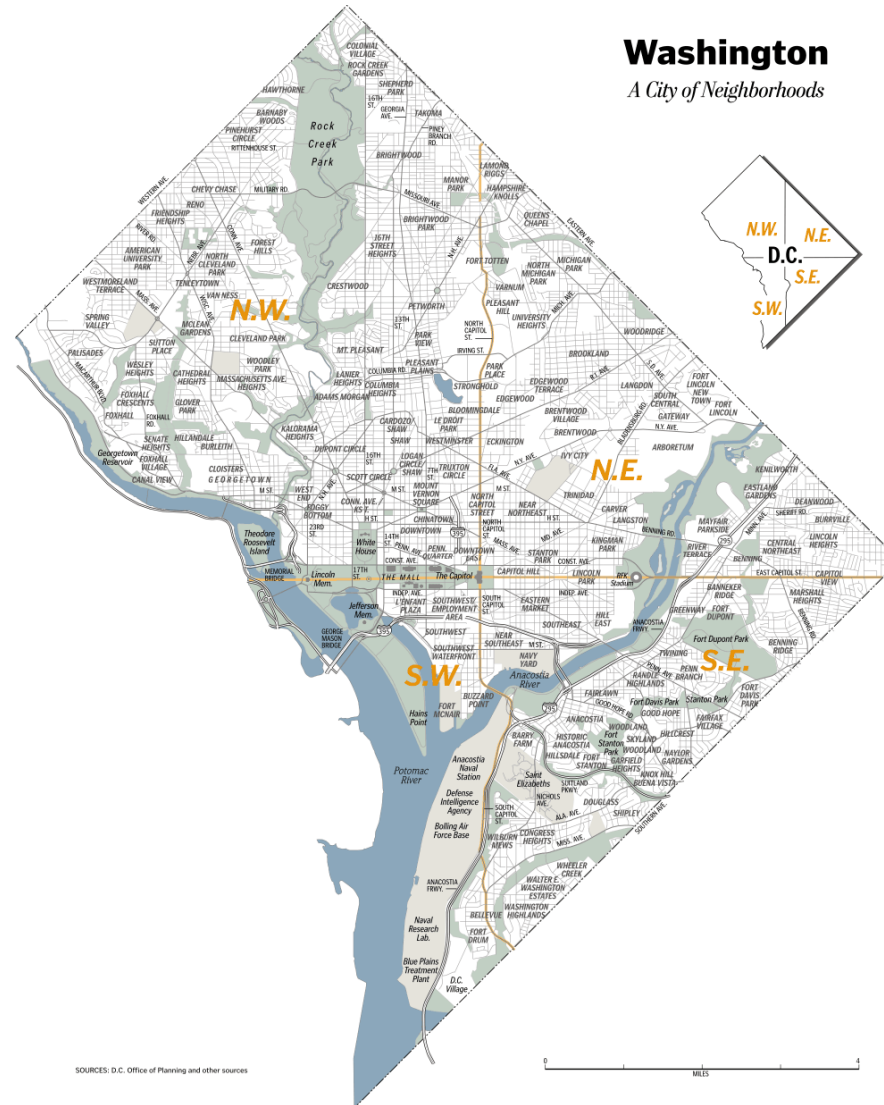


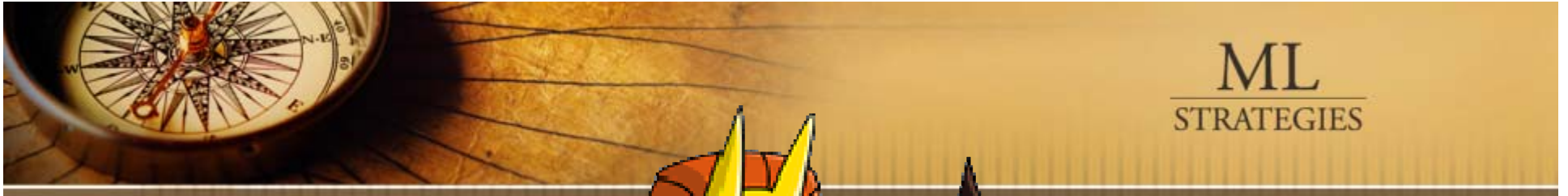
All Health Is Local: Update on Federal Health Reform Efforts and Why It Matters to Counties

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Where are we going ...

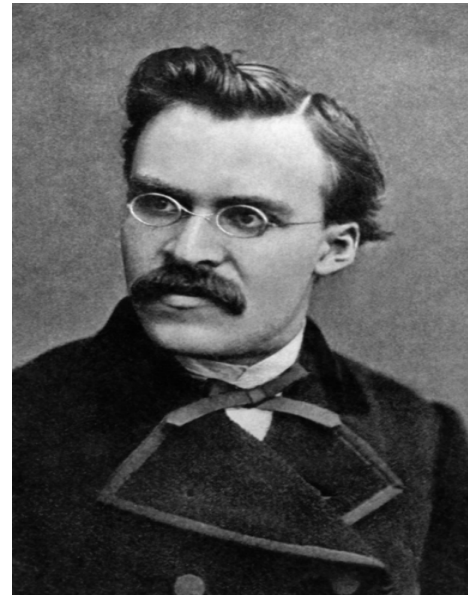


and why are we in this
handbasket?



"There are no facts, only interpretations."

Friedrich Nietzsche
(1844-1900)





“There are no solutions, only trade-offs”

Thomas Sowell (1930 -)





The Journey from Nietzsche to Sowell

- Seven years where nothing that was said truly mattered.
- Now every decision results in significant consequences.



The American Health Care Act





AHCA Provisions

- Replaced the individual mandate with a continuous coverage provision
- Repealed Affordable Care Act (ACA) taxes
- Repealed cost sharing reductions
- Replaced subsidies with tax credits



AHCA Medicaid Provisions

- Repealed state option to expand the Medicaid program
- Shifted Medicaid funding to a per-capita cap system
- State option to block grant Medicaid funding for certain populations
- Repealed hospital DSH cuts over time and provided non-expansion states with funding for safety net providers

Per Capita Caps vs. Block Grants

$$A \times B = C$$



Congressional Budget Office Score

- The CBO score estimated that the AHCA would:
 - Reduce the federal deficit by \$119 billion over ten years 2017-2026
 - Result in 23 million less people having health insurance coverage by 2026
 - Result in 14 million less people having Medicaid coverage by 2026
 - Reduce federal funding to the Medicaid program by \$834 billion from 2017-2026
 - 1/6 of the population lives in a state would utilize waivers for essential health benefits (EHBs) and community rating, which allow for underwriting



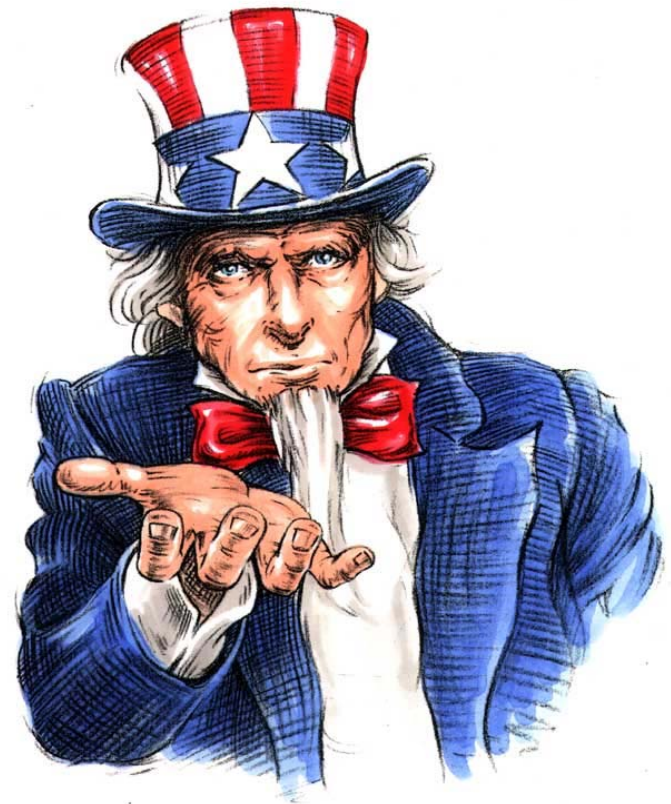
AHCA Implications

- Losses in coverage and access to services
- Increased pressures on safety net providers
- Increased pressures on other social programs that serve Medicaid beneficiaries (i.e., criminal justice)
- Continued instability in the Marketplace
- Shifted costs from federal government to states, providers, and patients



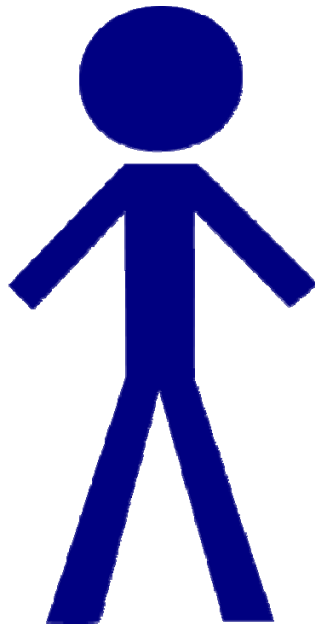
AHCA Implications for the Taxpayer

Decreases in federal
taxes that result in
increases in state and
county taxes

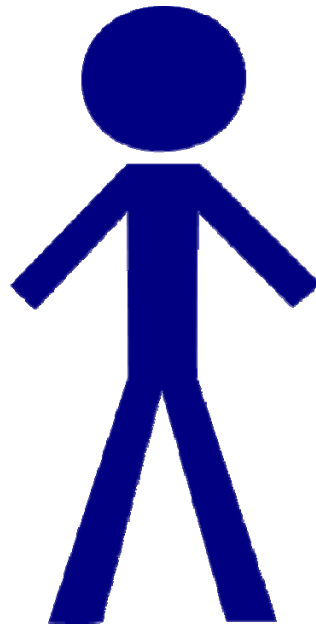




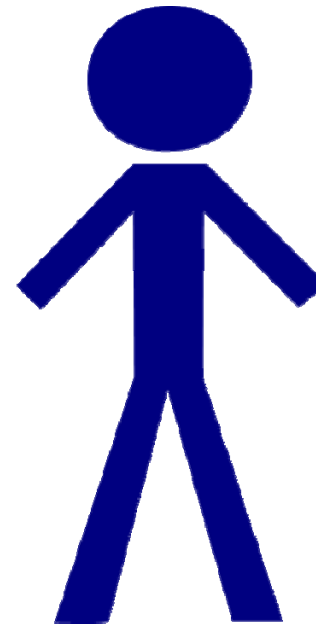
Federal



State



Local





Two Simple Facts about Health Care

1. Health Care will need to be provided.
2. Someone will need to pay for it.



Moving Money from One Pocket to the Other





Why the AHCA Failed on March 24th





VS.





The AHCA Returned from the Dead





MacArthur and Upton Amendments

- MacArthur Amendment
 - Waiver for increasing age band ratios
 - Waiver for Essential Health Benefits
 - Waiver for underwriting for certain individuals
- Upton Amendment
 - \$8billion for high-cost risk pools





The Face of Pre-Existing Conditions





The Face of Pre-Existing Conditions





Next Up: The United States Senate





Issues for the Senate

- The Marketplace
- The Medicaid Expansion
- Medicaid Per Capita Caps
- Paying for the Changes









Health Care Minibus

- Children's Health Insurance Program (CHIP)
- Special needs plans (SNP)
- Community health center funding
- Therapy caps
- Maternal, Infant, and Early Childhood Home Visiting (MIECHV)
- Disproportionate share hospital (DSH)







What to Watch for in 2017

- The Senate on the AHCA
- Cost-sharing reduction payments and the Marketplace
- Changes to the Medicaid program via CMS
- Health care minibus and how it is paid for
- The final spending bill



What Can You Do About It?



Questions?

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