

REPUBLICANS' AND TRUMP'S ATTACK ON HEALTH CARE:

THE **TRIPLE THREAT** TO AMERICA'S WORKING FAMILIES

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U.S. SENATOR BOB CASEY



FIGHTING *for* PENNSYLVANIA FAMILIES

Republicans' and Trump's Attack on Health Care: The **Triple Threat** to America's Working Families

How President Trump and Congressional Republicans are trying to Destroy, Dismantle and Defund the Affordable Care Act and End Medicaid Expansion

OVERVIEW

The *Patient Protection and Affordable Care Act* (ACA) has been working for America's middle class for almost a decade. It expanded health insurance coverage to 20 million Americans, brought the uninsured rate to historic lows and provided every individual and family across the country, including over 130 million people with pre-existing conditions, with consumer protections unlike ever before.

However, the Trump Administration and Republicans in Congress are trying to destroy the ACA. As a result of the public outcry in support of the protections, financial security and peace of mind the law has brought to families across the country, President Trump and Republicans failed to repeal the ACA and lower health care costs, even though they controlled the Executive Branch and both chambers of Congress in 2017 and 2018. Instead of shifting gears and working with Democrats to improve the ACA, they decided to wipe out the law completely by any means possible.

The obsession of the Trump Administration and Republicans in Congress to (1) destroy the ACA through the courts, (2) dismantle the law through administrative sabotage and (3) defund health care through harmful budget cuts is wreaking havoc on the coverage and protections that people receive and on the financial and emotional well-being of individuals and their families. This report provides more detail on the triple threat to the health care of working families through destroying, dismantling and defunding the ACA and all of its protections, including protections for people with pre-existing conditions.

The Triple Threat to America's Working Families:



DESTROY

the ACA
through the
courts.



DISMANTLE

the law through
administrative
sabotage.



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health care
through
harmful
budget cuts.

INTRODUCTION

The ACA changed the health care landscape for the better. It put patients in the driver's seat and diminished the power of insurance companies.

The law put in place several key consumer protections, such as establishing that insurance companies could not discriminate against people with pre-existing conditions. Over 130 million Americans are now protected from being denied coverage or being charged more for their coverage due to their health history.ⁱ The ACA also put limits on out-of-pocket spending and allowed children to remain on their parents' health insurance plan until the age of 26.ⁱⁱ As a result of these and other changes in the health care law, 20 million Americans gained health insurance coverage, cutting the percentage of uninsured Americans almost in half. In 2017, the percentage of Americans without coverage fell to a record low of 8.8 percent, down from 16 percent in 2010.ⁱⁱⁱ

Despite Americans gaining consumer protections unlike ever before, and more people securing affordable coverage through HealthCare.Gov and Medicaid, the Trump Administration and Congressional Republicans have tried to rip away coverage from individuals and families at every opportunity. For years, they argued that the ACA should be "repealed."^{iv} In 2017, they had their chance. With a newly elected Republican President and control of both the U.S. Senate and House of Representatives, Republicans redoubled their efforts. They held hearings on the law and proposed legislation. A bill even passed the U.S. House of Representatives. Worse yet, the "replacement" put forward by Republicans was a big lie; it would have caused millions of people to lose their health insurance coverage and new consumer protections. Americans saw through it, and the public outcry from individuals and families from every corner of the country ensured that the protections and coverage secured as a result of the law would not be taken away.

That should have settled things. The Trump Administration and Congressional Republicans should have shifted gears and committed to working with Democrats to improve health care for all Americans. Instead, they tripled down and pursued a three-part strategy to undermine the health care on which so many people rely. As this report outlines, they are working to destroy the ACA through a heartless lawsuit in the courts. They are dismantling the law through administrative sabotage and they aim to defund the coverage that Americans receive through the ACA, Medicare and Medicaid by cutting trillions of dollars from these vital programs.

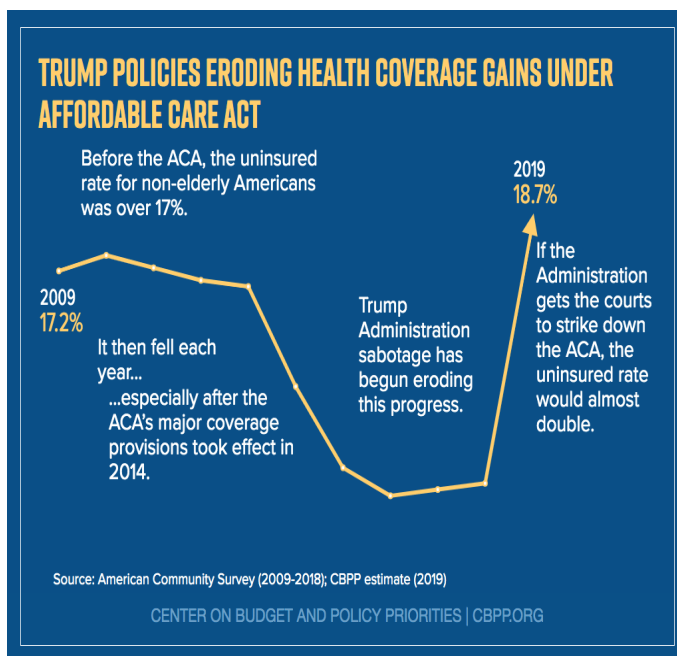
THREAT #1: Destroy the ACA through the Courts

Having failed to repeal the ACA through legislation, Republicans and President Trump have turned to the judicial system to accomplish their goal of destroying the ACA. A legal challenge filed in Texas, arguing that the ACA is unconstitutional, is currently working its way through the courts. This lawsuit, *Texas v. United States*, was set in motion by Republicans in Congress with the passage of the 2017 tax bill. In addition to being an obscene giveaway to special interests, large corporations and billionaires, the tax bill eliminated a penalty in the ACA that could be levied on people without coverage. With this statutory change, the 18 Republican Attorneys General

and two individuals serving as plaintiffs in *Texas v. United States* argue that the remainder of the law should be struck down. Further, the Trump Administration refuses to defend the ACA and has told a federal court that the entire law should be eliminated.^v

At the time of the release of this report, it is possible that the Supreme Court may decide to rule in this case, and by extension, take a position on the constitutionality of the ACA for the third time within six years. Worse still, with a federal bench packed with Republican-nominated judges at every level, including the Supreme Court, the fate of the ACA is in question once again. If the lawsuit succeeds, it will completely bypass the will of the people.

There will also be real consequences to our public health and well-being. Not only will uninsured rates skyrocket, as shown in **Figure 1**, but consumer protections for all Americans will be thrown



out, and insurance companies will again be free to ration or deny essential care. In addition, the cost of health care for all Americans will go up, and not just for those who receive coverage as a result of the ACA. This is because premiums will increase to account for the cost of uncompensated care.^{vi} The lawsuit that Republicans and President Trump are supporting to repeal the ACA should not be allowed to sail through the courts. It would reverse all of the law's consumer protections and kick millions of children and families off of their health care coverage.

Figure 1. Trump Policies Eroding Health Coverage Gains under Affordable Care Act. Center on Budget and Policy Priorities

THREAT #2: Dismantle the ACA through Administrative Sabotage

On his first day in office, President Trump began dismantling the ACA through administrative sabotage. On January 20, 2017, he issued an Executive Order directing all departments and agencies to get to work identifying ways to undermine the ACA.^{vii} The Executive Order stated:

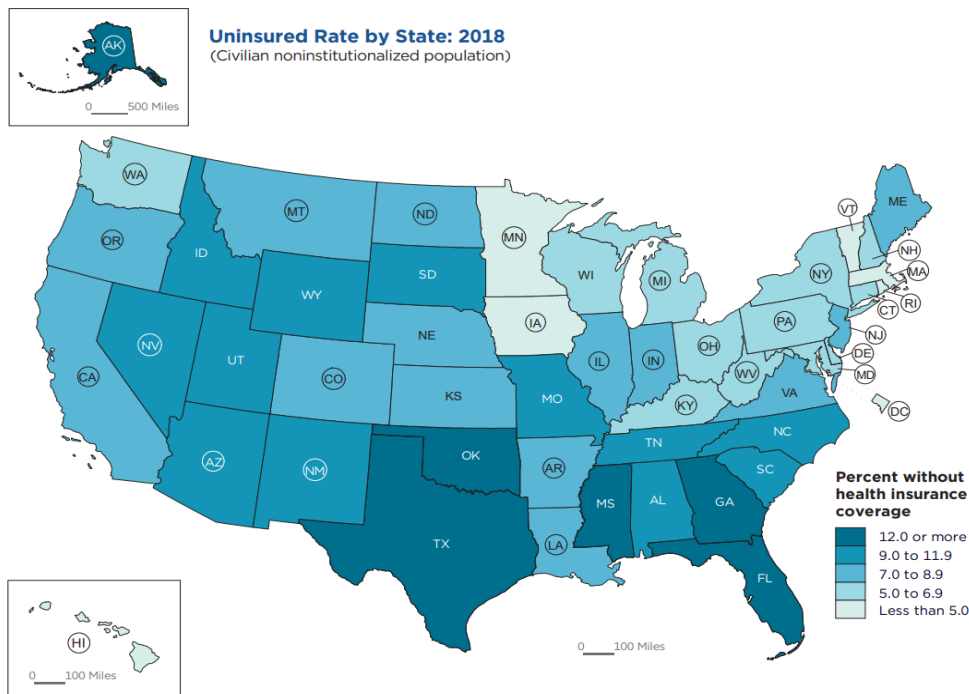
To the maximum extent permitted by law, the Secretary of Health and Human Services (Secretary) and the heads of all other executive departments and agencies (agencies) with authorities and responsibilities under the Act shall exercise all authority and discretion available to them to waive, defer, grant exemptions from, or delay the implementation of any provision or requirement of the [Affordable Care] Act....^{viii}

The Department of Health and Human Services (HHS) enthusiastically responded to Trump’s call to sabotage the health care law. HHS slashed the advertising budget for the health care marketplaces by 90 percent^x and cut the open enrollment period in half.^x These two actions alone have made it harder for people to enroll in coverage. HHS did not stop there. The Department terminated contracts with entities who help guide individuals and families through the application process.^{xi} And in 2018, they took an ax to the consumer protections provided by the ACA, making it easier for insurers to deny coverage or charge more for coverage for people with pre-existing conditions.^{xii} Now, HHS is allowing states, such as Arkansas, to put in place significant and needless barriers to enrollment in Medicaid, causing thousands of people to lose their health care.^{xiii} On top of that, the Administration has said it will not provide federal support to states seeking to expand their Medicaid programs,^{xiv} when in fact, (as shown in **Figure 2**) states that expanded Medicaid have fewer people who are uninsured.^{xv}

According to the U.S. Census Bureau, the number of Americans without health insurance in 2018 increased by nearly two million people.

As a result of this sabotage, the number of people without insurance is on the rise for the first time in a decade. According to the U.S. Census Bureau, the number of Americans without health insurance in 2018 increased by nearly two million people.^{xvi} Medicaid and the Children’s Health Insurance Program cover approximately one million fewer children today than in December 2017.^{xvii}

Figure 2: 2018 Uninsured Rate by State and Correlation with Medicaid Expansion



○ A state with a circle around its abbreviation expanded Medicaid eligibility on or before January 1, 2018.
 Note: For information on confidentiality protection, sampling error, nonsampling error, and definitions in the American Community Survey, see <https://www2.census.gov/programs-surveys/acs/tech_docs/accuracy/ACS_Accuracy_of_Data_2018.pdf>.
 Source: U.S. Census Bureau, 2018 American Community Survey, 1-Year Estimates.

THREAT #3: Defund the ACA through Budget Cuts

Every year, Presidents submit a budget proposal to Congress. The budget proposal outlines support for, and opposition to, policies and programs across the federal government. As a candidate for President, Donald Trump promised that he was “...not going to cut Medicare or Medicaid.”^{xxviii} Based on those promises, the American public rightly expected his Administration to propose a budget protecting the improvements the ACA made to Medicare and Medicaid.

Former Vice President Biden has said, concerning priorities, values and Presidents’ budget proposals: “Don’t tell me what you value. Show me your budget, and I will tell you what you value.”^{xxix} With these comments and a dose of skepticism in mind, many waited to see if now-President Trump would make good on his campaign promises. He did not. Instead, he repeatedly proposes drastic cuts to Medicare and Medicaid in his budgets. President Trump’s budget proposal for Fiscal Year (FY) 2020 not only aims to repeal the ACA – and along with it, the advances made to Medicare and Medicaid – it also proposes to slash Medicare and Medicaid spending by more than \$2.3 trillion over 10 years. President Trump’s budget proposal proves that he does not value the health care that Americans, including children, seniors and people with disabilities, receive.

By repealing the ACA, the President’s budget^{xxx} would eliminate Medicaid expansion in 36 states, leaving 12 million people,^{xxxi} including 680,000 Pennsylvanians, without coverage. This would cause irreparable harm to individuals and families. In defense of Medicaid expansion, Pennsylvania Department of Human Services Secretary Teresa Miller stated, “When our people are healthier, our commonwealth is healthier. I can say confidently that Medicaid expansion is making Pennsylvania a better place to live.”^{xxxi}

In total, over 1.4 million Pennsylvanians have gained access to health care through Medicaid expansion between February 2015 and October 2019. This means they now have access to early interventions, screenings and treatments that save lives.^{xxiii} This expansion has also played a vital role in combatting the opioid epidemic by reducing hospitalizations and expanding access to treatment.^{xxiv} Combined with other proposals relating to Medicaid, the President’s budget would slash Medicaid by more than one-third, a total of \$1.5 trillion from the program, over 10 years (**Figure 3**). This would impact the care that a significant

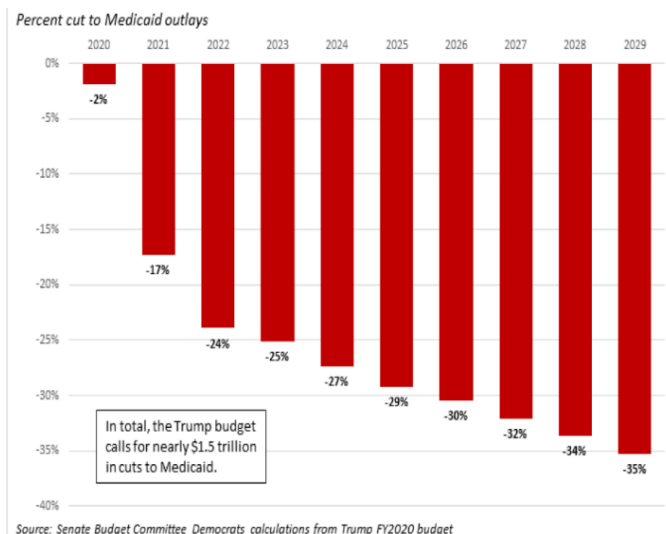


Figure 3: The Trump Budget would Cut Medicaid by More than One-Third

**Over
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portion of the population receive through Medicaid, including 38 percent of our children, 62 percent of nursing home residents and 45 percent of non-elderly adults with disabilities.^{xxv}

The President's budget could also significantly impact the health care that 44 million seniors and people with disabilities receive through Medicare as a result of the ACA. By its own admission, the Centers for Medicare and Medicaid Services (CMS) explains that the ACA lowered Medicare costs by improving care.^{xxvi} For example, people with Medicare coverage cannot be charged a fee for preventive care, such as cancer screenings and wellness visits, as a result of the ACA. Similarly, seniors no longer experience the prescription coverage gap known as the donut hole. Rolling back the ACA could expose seniors on Medicare to higher costs for health care services and prescription drugs – recreating this coverage gap. No one should have to skip a medical appointment or split pills in half in order to make ends meet. With a proposal to repeal the ACA still looming in the President's budget, these gains could be lost. In total, the President proposes slashing \$845 billion from Medicare.^{xxvii}

President Trump's budget proposal makes clear that his speeches and comments are filled with empty promises. He does not want to ensure people have affordable, quality health care. He wants to strip people of their health insurance – those with coverage through the private market, as well as Medicare and Medicaid.

CONCLUSION

Prior to President Trump taking office and Republican attempts to repeal the ACA, the health law was working to improve the lives of individuals and families all over this country. People gained protections from insurance company abuses unlike they had seen before, and the number of people with health insurance grew dramatically. With the start of President Trump's Administration, enabled by Republicans in Congress, the triple threat to Americans' health care began. The President has said, "We will always protect patients with pre-existing conditions, very importantly,"^{xxviii} but actions that he and Republicans have taken in supporting a lawsuit to challenge the ACA, sabotaging the law through administrative action and applying deep spending cuts to programs that offer coverage to millions of Americans prove otherwise. We are witness to their efforts to destroy the law in the courts, dismantle the law through administrative sabotage and defund the law through extreme budget cuts. The American people deserve better.

ENDNOTES

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