



Legislative Brief

APRIL 19, 2017

OBAMACARE'S REPEAL HAS BECOME PRESIDENT TRUMP'S NIGHTMARE!

The Republican plan to replace Obamacare led by the Speaker of the House, Paul Ryan is called the American Health Care Act (AHCA) They planned to scrap the mandate for most Americans to have health insurance in favor of a new system of tax credits to induce people to buy insurance on the open market. He tried to speed up the House consideration of this legislation and planned to vote it out very quickly before the spring break on April 7th. However, Senators in the 31 states that had agreed to the Medicaid Expansion program including Ohio expressed their concern about how that was going to continue. Trump knew that the Democrats would not be helpful in passing this legislation however, he hadn't counted on the opposition from a large group of conservative Republicans known as the Freedom Caucus led by its Founder Ohioan Jim Jordan and Chairman Mark Meadows. They controlled enough votes to prevent the bill from passing. Jordan said, "That 15 months ago every Republican voted to support a clean repeal of Obamacare, nothing more, nothing less." In particular, they were most opposed to the plan to provide tax credits to all participants. Jordan said, "That would become a handout, should the recipient already not have a tax liability. The real measure should be does it bring down our health care costs. I don't see how that bill achieves that." The result despite some threatening by Trump to campaign against some of the conservatives in the next election, the Speaker of the House had to cancel the Friday vote before spring break.

The Congressional Budget Office completed its analysis of the Republican bill and they announced that it would leave 24 million Americans without insurance. It estimates that by 2026 52 million if the AHCA becomes law compared to 28 million of Obamacare were to remain in place. Speaker Ryan points to the federal budget deficits that would be reduced by \$337 billion over the next ten years under their plan. But Senate Democratic Leader Chuck Schumer of New York said, "The report shows how empty the President's promises that everyone will be covered and cost will go down have been." "He said it shows tens of millions will lose coverage and more particularly seniors, will have to pay more for health care." Ohio Senator Sherrod Brown was also critical. "He said that the report offers Ohioans' fears that the GOP plan will kick millions off their insurance and drive-up costs for others, especially older Americans."

"Oppressing the poor in order to enrich oneself, and giving to the rich, will lead only to loss. The words of the wise."

(Proverbs 22: 16-17 NRSV)

**Tell President Trump
Not to sacrifice the
Essential Health Benefits
And Pre-existing conditions
To get the votes to pass
The AHCA Bill because
He wants to move on to
Tax Cuts for the rich!**

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**You are welcome to copy or quote
from the Legislative Brief.
Tom Smith, Editor**

Senator Rob Portman-Ohio and three other GOP Senators from Medicaid Expansion States wrote a letter to Senate Majority Leader Mitch McConnell from Kentucky expressing their concerns that the AHCA doesn't protect those who have received insurance through the federally subsidized program. The present draft doesn't guarantee continuance of health care for Medicaid Expansion for 700,000 Ohioans beyond 2018. The AHCA will threaten jobs across our State by cutting funding for local hospitals that employ hundreds of thousands of Ohioans.

Making the Republican argument even weaker is statements by House Freedom Chairman Rep. Mark Meadows that they may be planning to use the \$15 billion saved by cutting Medicaid to pay for Trump's Mexican wall estimated between \$15 -20 billion.

Westerville Republican Pat Tiberi said, "their plan will lower premiums and provide relief from the massive tax burden that Obamacare has put on middle income Americans and small business owners."

Obamacare was a redistributive one by transferring money from rich to poor by establishing health care for those a little above the poverty level. The Republican plan would alter that by giving all Americans not covered through work a flat credit by age, regardless of income. Healthcare is changing from benefit to the poor to one that may benefit those older regardless of income.

The unknown remains the same even if the Freedom Caucus wins its changes in the bill it still must pass the U.S. Senate. I believe that it will be difficult to get enough votes since Senators from the 31 states who agreed to establish Medicaid Expansion like Ohio have many thousands of families that have become dependent in that insurance coverage. Even Republican Governor John

Kasich will be pushing their Senators very hard to keep that funding alive.

The irony is President Trump promised not to cut Medicaid Expansion. The House Republican AHCA makes a mockery of that promise as it cuts \$880 billion from Medicaid in the next 10 Years and most likely the financial health of Ohio's Community hospitals. Eliminating Medicaid Expansion will surely threaten many Ohio lives and many Ohio jobs.

The Freedom Caucus has demonstrated it has the votes to sink the legislation—to extract concessions on the Essential Health Benefits section of the bill, which mandates that insurers offer plans covering 10 services: outpatient care, emergency room visits, hospitalization, maternity and newborn care, mental health, and addiction treatment, prescription drugs, rehabilitative services, lab services, preventive care, and pediatric services.

Trump offered to eliminate the Essential Health Benefits portions of the Affordable Care Act—potentially lowering premiums, but only by giving insurers incentive to drop expensive benefits that some people need.

Many conservatives want changes in Title 1 of the AHCA, which contains protections for people with pre-existing conditions. Although Trump has insisted he wants to keep those protections. Remember in January when he promised better and cheaper insurance for everybody? The CBO says the current health care bill would insure 24 million fewer people in 10 years, weaken coverage, and raise premiums on seniors.

The *New York Times* writes that the Republican plan would substantially give the same tax credit to a 64 year-old millionaire as someone his age, living in poverty, and he would get substantially more than a poor young person.