

Defunding the Affordable Care Act in the House 2011 Budget Resolution Will Hurt Women

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The House of Representatives passed a continuing resolution (“CR”) to fund the federal government for the remainder of the 2011 fiscal year. Included in the CR are multiple and duplicative amendments to defund various parts of the Affordable Care Act, which would effectively halt implementation of many key parts of the new law. As intended, these harmful amendments would prevent women from benefiting from many of the important advances the law makes for women’s access to health care. The new health care law protects women from discriminatory health insurance practices, makes health coverage more affordable and easier to obtain, and improves access to many of the health services women need. Defunding implementation of this important law would hurt women across the country by returning to the days when insurance companies could treat women like a pre-existing condition.

The House CR prohibits paying the salaries of employees working hard to put the new consumer protections in place.

- The passage of the health care law was just the first step in ensuring access to affordable high quality health care for all Americans. Successful implementation of the new health care law now requires the hard work to develop necessary details.
- The CR includes several amendments which prohibit payment of salaries of officers, employees, and contractors who are working to implement the new law.

Work on making sure that insurance plans cover a wide range of important benefits would be defunded.

- The new health care law requires that health plans sold to individuals and small employers include coverage important to women’s health, including maternity care, prescription drugs, and mental health care, which would take effect in 2014.
- Without funding, the Department of Health and Human Services will not be able to provide important and needed details regarding these covered services.

No money would be available to set up health insurance exchanges

- Starting by 2014, Exchanges are the new the easy-to-use “insurance shopping centers” where women and their families, as well as small employers, can compare and choose the high-quality health plan that best fits their needs.
- In addition, approximately 11 million low- and middle-income women will receive subsidies to help them purchase health coverage through the new Health Insurance Exchanges.ⁱ
- Currently, almost every state has applied for and received preliminary funding from the federal government to help set up their exchanges. If continued funds are not available, it will be nearly impossible for states to establish their exchanges to meet the 2014 deadline.

Funding would be halted to enforce the medical loss ratio - an important consumer protection requiring insurance companies to use a minimum amount of our premium dollars on medical care versus profits and administrative costs.

- An important consumer protection in the new law is the requirement that insurers to spend at least 80 to 85 percent of premium revenues on medical care. This ensures that consumers get the most value for their premium dollars by making sure insurance companies aren't using consumers' premium dollars for excessive administrative costs and profits.
- The CR would end funding to enforce this provision, so that in practice, consumers would lose this important protection.

The CR aims to end the individual responsibility provision.

- The new health care law ensures that everyone pays their fair share and has health insurance coverage. This provision is an important component of the new law because it makes it possible to require insurance companies to sell coverage to everyone, even people with pre-existing conditions, while still keeping premiums affordable.
- Women especially benefit from this provision, as insurers often rejected women for health coverage because they've previously had a C-section, breast or cervical cancer, or received medical treatment for domestic or sexual violence. The new health care law prohibits coverage denials and exclusions for women with pre-existing conditions, but the ultimate success of this provision is dependent on the individual responsibility provision.

In addition to the important provisions mentioned above, other provisions of the Affordable Care Act at risk include:

- Requiring no-cost access to important preventive screenings such as mammograms and pap smears.
- Expanded coverage through Medicaid, which could provide coverage for up to 8.2 million women when expanded to those up to 133% of the federal poverty level (FPL), or roughly \$30,000 a year for a family of four.ⁱⁱ
- State and/or federal review of proposed insurance premium increases to determine if proposed increases are "unreasonable."
- Closing the Medicare Part D "donut hole," or the coverage gap that requires seniors to spend a considerable amount out-of-pocket for prescription drugs. In 2007, 64% of the Medicare beneficiaries in the "donut hole" were women.ⁱⁱⁱ

For more information on what women gain with the Affordable Care Act, visit the National Women's Law Center website: www.nwlc.org/reformmatters

ⁱ National Women's Law Center calculations based on health insurance data for women ages 18-64 from the Current Population Survey's 2008 Annual Social and Economic Supplement, using CPS Table Creator, http://www.census.gov/hhes/www/cps/cps_table_creator.html (Includes an estimated 8.1 million uninsured women and 2.9 million women who currently purchase coverage from the individual health insurance market.)

ⁱⁱ Collins, Sarah R., Sheila D. Rustgi, and Michelle M. Doty, The Commonwealth Foundation, Realizing Health Reform's Potential: Women and the Affordable Care Act of 2010, (July 2010), http://www.commonwealthfund.org/~media/Files/Publications/Issue%20Brief/2010/Jul/1429_Collins_Women_ACA_brief.pdf

ⁱⁱⁱ U.S. Department of Health and Human Services, *Strengthening the Health Insurance System: How Health Insurance Reform Will Help America's Older and Senior Women*, <http://www.healthreform.gov/reports/seniorwomen/index.html>, Last Accessed on April 26, 2010.