



REPRODUCTIVE RIGHTS & HEALTH

## THE AFFORDABLE CARE ACT REPEAL BILL'S RADICAL CHANGES TO MEDICAID THREATEN THE HEALTH AND ECONOMIC SECURITY OF LOW-INCOME WOMEN

The American Health Care Act, the budget reconciliation proposal to repeal the Affordable Care Act (ACA), would dismantle Medicaid and jeopardize access to affordable health care and coverage for many of the nation's low-income women. By effectively eliminating the ACA's Medicaid expansion option, and allowing states to convert Medicaid into a per capita caps or block grant program, the ACA Repeal Bill would fundamentally alter the Medicaid program and take health insurance away from low-income women. The ACA Repeal bill would impose punitive work requirements on Medicaid enrollees, further threatening their health and economic security.

The ACA Repeal Bill also takes important benefits away from women by eliminating the Essential Health Benefits (EHB) requirement for the ACA's Medicaid expansion population and permitting states that block grant the program to also eliminate coverage for family planning services. The bill also allows states to deny a patient's ability to access the family planning provider of her choice, which, coupled with the bill's defunding of Planned Parenthood, would severely limit women's access to trusted family planning providers and services. These changes would jeopardize low-income women's access to critical health services.

### THE ACA REPEAL BILL'S RADICAL CHANGES TO THE MEDICAID PROGRAM WOULD END MEDICAID AS WE KNOW IT AND TAKE IMPORTANT HEALTH COVERAGE AWAY FROM WOMEN

**Eliminating Medicaid Expansion:** The ACA Repeal Bill would effectively eliminate Medicaid expansion. As of 2018, it would end the enhanced federal matching rate for new

enrollees under the Medicaid expansion, meaning that states wanting to continue enrolling low-income adults in expanded Medicaid coverage would be forced to pay more to do so.<sup>1</sup> This would be true for any enrollees newly eligible for Medicaid and for those who were not continually enrolled for more than 30 days. Losing continuous coverage is not uncommon due to changes in income or family circumstances.

Without the enhanced federal financial assistance, it is unlikely that states would be able to continue to offer critical health insurance coverage to a population of lower-income individuals who cannot otherwise afford it. The non-partisan Congressional Budget Office (CBO) predicts that no additional states would expand eligibility, and that some that have already expanded Medicaid would no longer offer that coverage.<sup>2</sup>

**Converting Medicaid into a Per Capita Caps System:** The ACA Repeal Bill allows states to convert Medicaid into a per capita caps system beginning in 2020. Under this system, the federal government would set a limit on the amount of reimbursement it provides to states.<sup>3</sup> If a state spent more than that limit, it would not receive any additional funding to match that spending. This system does not account for geographic differences in health care costs, significant changes in health spending, or any significant health crisis – like the Zika virus – that might require considerably more funding. It would force states to make tough decisions about what to cut to address increased costs – such as cuts to benefits or enrollment or provider payments.

**Converting Medicaid into a Block Grant Program:** The ACA Repeal bill would also allow states to convert their Medicaid programs into block grants for a ten-year period, beginning in 2020. Under a Medicaid block grant program, states would receive a lump federal contribution and be given broad discretion to decide which benefits to provide and which individuals to cover above minimum requirements.<sup>4</sup> States would no longer be required to cover family planning services, instead, states would—at minimum—have to cover limited services like hospital care and prescription drugs.



A state would not receive any additional funds for population increases or financial crises—like a recession—meaning that states would be forced to make cuts to enrollment, provider payments, or benefits or even increase premium payments.

### **Jeopardizing the Health and Wellbeing of Low-Income**

**Women and Families:** These radical changes to the Medicaid program would hit women especially hard, since women comprise the majority of Medicaid enrollees.<sup>5</sup> CBO predicts that the changes to the Medicaid expansion and to switching to a per capita caps system would result in roughly 9 million fewer people enrolling in Medicaid in 2020, and up to 14 million fewer enrolling in 2026.<sup>6</sup> Between 2013-2015, as states expanded their Medicaid programs due to the ACA, 3.9 million women gained Medicaid coverage – an increase of 29 percent nationally.<sup>7</sup> These women – and many others – stand to lose that coverage.

Taking insurance away from low-income women would put their health and lives at risk. Uninsured low-income women are more likely to go without care because of cost, are less likely to have a regular source of care, and utilize preventive services at lower rates than low-income women with health insurance. A growing body of research has demonstrated how important Medicaid coverage is to enrollees' access to care, overall health and mortality rates.<sup>8</sup> Among all sources of coverage, Medicaid disproportionately covers the poorest and sickest population of women.<sup>9</sup>

At the same time, Medicaid has played a critically important role in advancing women's economic security.<sup>10</sup> It keeps women and their families from medical debt and bankruptcy. By providing health coverage to women and their families that is not tied to employment, Medicaid allows women to seek positions that may offer higher wages or better opportunities, and it also has improved the economic security of future generations. Medicaid's coverage of birth control allows women to determine whether and when to start a family, expanding their educational and career opportunities. And Medicaid payments to health care providers directly support women's jobs. The changes proposed in the ACA Repeal Bill would put the financial wellbeing of women and families on the line.

### **THE ACA REPEAL BILL'S PUNITIVE WORK REQUIREMENTS WOULD HARM WOMEN**

As early as October 2017, the bill incentivizes states with a 5 percent bump for administrative costs if they opt to eliminate Medicaid benefits for non-disabled, non-elderly, non-pregnant adults who do not fulfill punitive work requirements. These work requirements are based on stereotypes that contradict the reality, which is that the majority of low-income families already work.<sup>11</sup> In fact, about 6.7 million working women ages 18-64 – about 1 in 10 – across the United States now have health insurance through Medicaid.<sup>12</sup> These work requirements would be particularly harmful to certain groups:

**New moms still recovering from childbirth.** These work requirements would force a new mom to work a short time after giving birth—just 60 days after the end of the month her pregnancy ends, as little as a mere 8 1/2 weeks after delivery. New mothers caring for an infant need sufficient time to recover from child birth—and this time period varies depending on a woman's specific circumstances. The work requirement forces new mothers to make the untenable choice between working before they are ready or risk the loss of health coverage and needed medical care.

**Married parents of a school-aged child or child with disabilities.** The ACA Repeal bill does not allow married parents of a school-aged child or a child with disabilities to qualify for an exemption to stay home to care for their children. Perversely, both parents are then required to work and may not be able to afford childcare. Many low-income parents already struggle to afford child care on their own, and child care assistance is already very limited due to insufficient funding. Requiring these parents to meet a work requirement ignores the reality of their lives and threatens their entire family's health and economic security.

### **THE ACA REPEAL BILL'S ELIMINATION OF CERTAIN BENEFITS AND DEFUNDING OF TRUSTED PROVIDERS WOULD LEAVE WOMEN WITHOUT CRITICAL SERVICES**

**Eliminating the Essential Health Benefits Requirement for the Medicaid Expansion Population:** The ACA Repeal Bill would end the Essential Health Benefit requirement for plans offered to the Medicaid expansion population starting in 2020. The essential health benefits include a set of 10 categories of care, including many of particular importance to women such as maternity and newborn care, mental healthcare, prescription drugs, and preventive care.

**Excluding Coverage for Family Planning Services:** Family planning services are currently a mandatory benefit under Medicaid, and Medicaid currently covers three-quarters of publicly-funded family planning services nationwide.<sup>13</sup> Yet, the ACA Repeal bill allows states that opt to block grant their Medicaid programs to exclude coverage of family planning services and supplies *entirely*. This would devastate access to affordable family planning for many women.

**Allowing States to Eliminate an Individual's Freedom of Choice for Family Planning Providers:** The ACA Repeal Bill allows states that choose to block grant Medicaid to eliminate an individual's choice of provider provision. Also known as "freedom of choice," this provision protects Medicaid enrollees by giving them the authority and responsibility for choosing the qualified health care provider best equipped to care for them. Freedom of choice guarantees that enrollees will have ready access to family planning services they need when they need them, and from a provider they trust. This is critical for family planning, which can often entail time-sensitive issues and for which accessibility is key.



## Preventing Medicaid Beneficiaries from Seeking Care from Planned Parenthood, a Trusted Provider:

The ACA Repeal Bill eliminates the ability of Medicaid enrollees to obtain care from Planned Parenthood health centers for a one year period after the bill becomes law. These centers currently provide Medicaid enrollees with a range of preventive services, including birth control, cancer screenings, and STI screenings and treatment.

## Leaving Low-Income Women Without Coverage for or

**Access to Critical Services:** By allowing states to eliminate family planning as a benefit entirely, the ACA Repeal Bill takes away a critical benefit, which could mean more unintended pregnancies for Medicaid enrollees, with the accompanying risks to their health and economic security.

Moreover, by allowing states to eliminate the freedom of choice provision from Medicaid, the ACA Repeal bill compounds restrictions on women's access to trusted family planning providers, like Planned Parenthood. It would also allow states to exclude trusted providers for arbitrary reasons unrelated to their ability to provide safe, confidential health services. As the CBO recognized with respect to defunding Planned Parenthood, "The people most likely to experience reduced access to care would probably reside in areas

without other health care clinics or medical practitioners who serve low-income populations."<sup>14</sup> Low-income women would be forced to go without the care they need, including birth control. The CBO estimates that by preventing individuals from receiving birth control services at Planned Parenthood, "in the one-year period in which federal funds for Planned Parenthood would be prohibited under the legislation, the number of births in the Medicaid program would increase by several thousand."<sup>15</sup>

Yet at the same time, the ACA Repeal Bill would end the requirement for maternity coverage, alongside other critical services women need. The EHB requirement has helped to provide women with the health coverage they need for a range of medical conditions, such as pregnancy, cancer, arthritis, and autoimmune conditions. It provides critical preventive care, like breast and cervical cancer screenings, breastfeeding supports and supplies, and birth control – without cost sharing. The EHB requirements are especially important for women of color who suffer from a variety of health disparities, including higher breast cancer death rates and higher maternal mortality rates.<sup>16</sup> The ACA Repeal Bill would take away a guarantee of coverage for these critical services, leaving women to pay out-of-pocket for care or unable to afford the care they need.

- 1 According to the nonpartisan Congressional Budget Office, states would have to pay 2.8 to 5 times what they currently pay if they wanted to continue to enroll new individuals. Edwin Park et al., CTR. ON BUDGET AND POLICY PRIORITIES, *House Republican Health Plan Shifts \$370 Billion in Medicaid Costs to States* (Mar. 8, 2017), <http://www.cbpp.org/research/health/house-republican-health-plan-shifts-370-billion-in-medic-aid-costs-to-states>. The CBO report only addresses the per capita caps and changes to Medicaid expansion, since the block granting was added in a Manager's Amendment after the CBO report came out.
- 2 *Id.* at 9.
- 3 The amount would be calculated by looking at the 2016 average per enrollee cost, which would then be inflated for each state by growth in the consumer price index for medical care services. "The final limit on federal reimbursement for each state for 2020 and after would be the average cost per enrollee for five specified groups of enrollees (the elderly, disabled people, children, newly eligible adults, and all other adults), reflecting growth in the CPI-M from 2016 multiplied by the number of enrollees in each category in that year." *Id.* at 10.
- 4 This means that states would only have to cover children under age 6 up to 138 percent of the federal poverty line, older children ages 6 to 18 up to 100 percent of the federal poverty line, and pregnant women up to 138 percent of the federal poverty line. States would no longer have to cover parents with incomes at least as high as the income levels at which they covered parents prior to the 1996 welfare reform law, as they do today. Edwin Park, Judith Solomon, and Hannah Katch, Center on Budget and Policy Priorities (March 21, 2017), available at <http://www.cbpp.org/research/health/updated-house-aca-repeal-bill-deepens-damaging-medic-aid-cuts-for-low-income>.
- 5 KAISER FAMILY FOUNDATION, *Distribution of Nonelderly Adults with Medicaid by Gender* (2015), <http://kff.org/medicaid/state-indicator/distribution-by-gender-4/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>.
- 6 CONGRESSIONAL BUDGET OFFICE, *supra* note 1, at 20. CBO has not released a report yet on the effect of the Manager's Amendment to the AHCA.
- 7 NATIONAL WOMEN'S LAW CENTER, *Affordable Care Act Repeal and Changes To Medicaid Threaten the Health and Economic Security of 3.9 Million Women Who Recently Gained Medicaid Coverage* (Feb. 2017), <http://nwlc.org/wp-content/uploads/2017/02/Medicaid-Coverage-by-State-1.pdf>.
- 8 Benjamin D. Somers et al., *Mortality and Access to Care Among Adults after State Medicaid Expansions*, NEW ENGLAND JOURNAL OF MEDICINE (July 25, 2012); Julia Paradise & Rachel Garfield, *What is Medicaid's Impact on Access to Care, Health Outcomes and Quality of Care? Setting the Record Straight on the Evidence*, KAISER COMMISSION ON MEDICAID AND THE UNINSURED (Aug. 2013), available at <https://kaiserfamilyfoundation.files.wordpress.com/2013/08/8467-what-is-medicaids-impact-on-access-to-care1.pdf>.
- 9 KAISER FAMILY FOUNDATION, *Women's Health Insurance Coverage* (Oct. 21, 2016), <http://kff.org/womens-health-policy/fact-sheet/womens-health-insurance-coverage-fact-sheet/>.
- 10 See generally, NATIONAL WOMEN'S LAW CENTER, *MEDICAID AT 50: CELEBRATING MEDICAID'S CONTRIBUTIONS TO WOMEN'S ECONOMIC SECURITY* (July 2015), available at [http://nwlc.org/wp-content/uploads/2015/08/final\\_nwlc\\_medicaid50th\\_whitepaper\\_3.pdf](http://nwlc.org/wp-content/uploads/2015/08/final_nwlc_medicaid50th_whitepaper_3.pdf).
- 11 *Id.*
- 12 NAT'L WOMEN'S LAW CTR., *Affordable Care Act Repeal and Changes To Medicaid Threaten the Health and Economic Security of 2.3 Million Working Women Who Recently Gained Medicaid Coverage* (February 2017), available at <http://nwlc.org/wp-content/uploads/2017/02/Working-Women-Health-Coverage-by-State-3.pdf>.
- 13 NAT'L FAM PLANNING AND REPRODUCTIVE HEALTH ASSOC., *CELEBRATING MEDICAID AT 50*, (Fall 2015) available at [https://www.nationalfamilyplanning.org/file/FPM\\_Fall2015\\_R5.pdf?erid=1141254](https://www.nationalfamilyplanning.org/file/FPM_Fall2015_R5.pdf?erid=1141254).
- 14 CONGRESSIONAL BUDGET OFFICE, *supra* note 1, at 23.
- 15 *Id.*
- 16 Black women suffer maternal mortality rates that are four times the rates of white women. Amie Newman, OUR BODIES OURSELVES, *What's Behind the Increased Numbers of Black Women Dying During Pregnancy and Childbirth in the United States?* (Mar. 16, 2016), <http://www.ourbodiesourselves.org/2016/03/increased-numbers-of-black-women-dying-during-pregnancy-and-childbirth/>.

