

JUSTICE IN AGING

FIGHTING SENIOR POVERTY THROUGH LAW

Medicaid, the AHCA and Older Adults



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FIGHTING SENIOR POVERTY THROUGH LAW

Justice in Aging is a national organization that uses the power of law to fight senior poverty by securing access to affordable health care, economic security, and the courts for older adults with limited resources.

Since 1972 we've focused our efforts primarily on populations that have traditionally lacked legal protection such as women, people of color, LGBT individuals, and people with limited English proficiency.

AMERICAN HEALTH CARE ACT

H.R. 1628

“Repeal and Replace” ACA
Passed House on May 4, 2017
Pending in the Senate

AHCA Impact on Older Adults

1. Loss of coverage
2. Cuts Medicaid
3. Weakens Medicare

1. LOSS OF COVERAGE

ACA

Need
Based
Premium
Subsidies

Essential
Health
Benefits

Medicaid
Expansion

Limited
Age Rating

Pre-
Existing
Condition
Protections

AHCA

Need
Based
Premium
Subsidies

Essential
Health
Benefits

Medicaid
Expansion

Limited
Age Rating

Pre-
Existing
Conditions
Protections

UNDER AHCA

14M

LOSE Coverage
in 2018

UNDER AHCA

23M

LOSE Coverage

in 2026

UNDER AHCA

5.1M

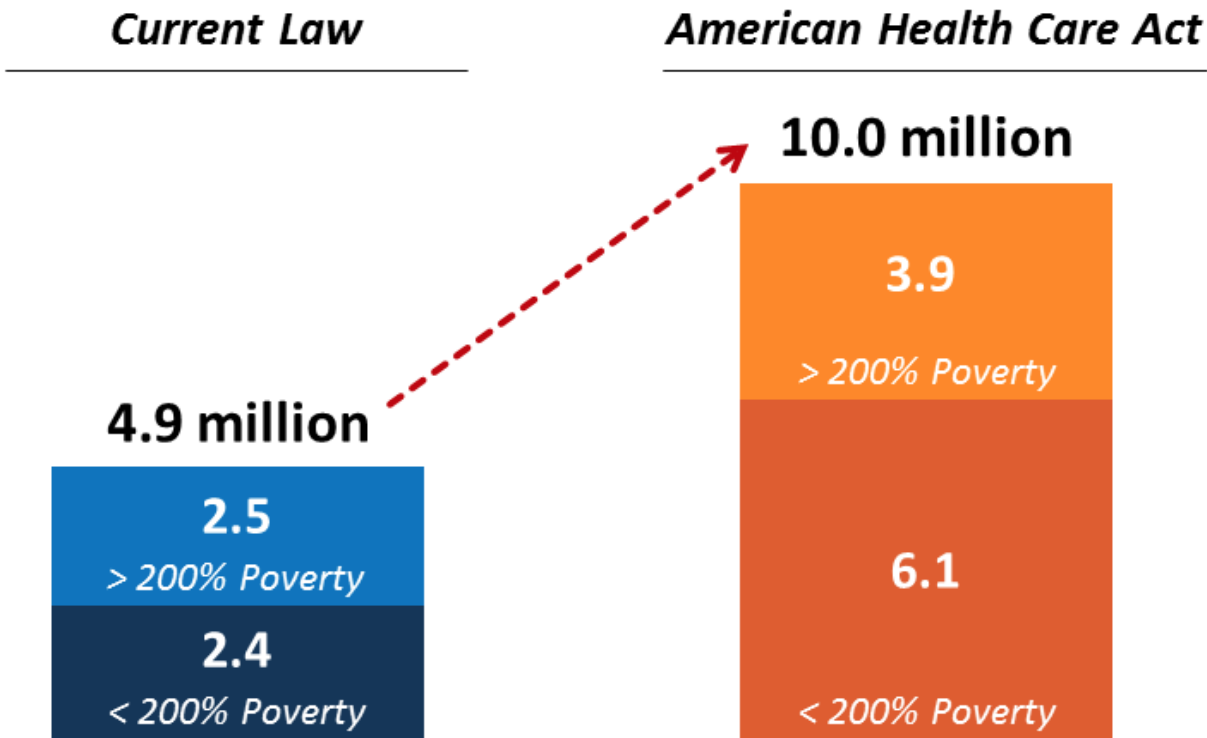
Age
50-64

LOSE Coverage
in 2026

Figure 1

Over five million older adults are projected to lose health insurance by 2026 under the AHCA

Number of adults ages 50-64 without health insurance in 2026, in millions:

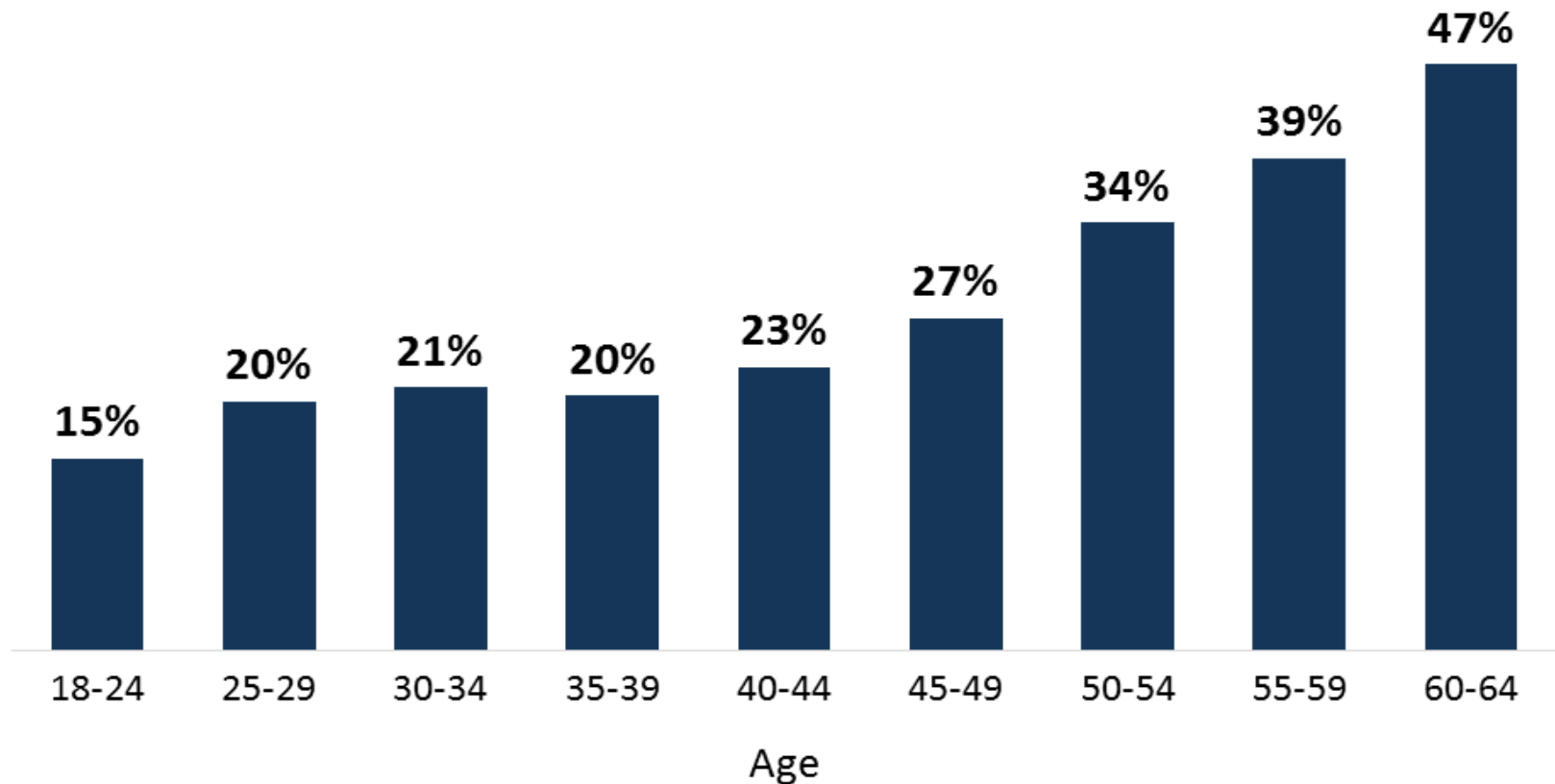


SOURCE: Congressional Budget Office Cost Estimate, H.R. 1628, American Health Care Act of 2017, May 24, 2017.



Figure 2

Share of Adults with Pre-Existing Conditions Generally Increases with Age



SOURCE: Kaiser Family Foundation analysis of National Health Interview Survey, 2015. For list of pre-existing conditions, see Kaiser Family Foundation, “Pre-existing Conditions and Medical Underwriting in the Individual Insurance Market Prior to the ACA,” December 2016, Methods Table 1, <http://kff.org/health-reform/issue-brief/pre-existing-conditions-and-medical-underwriting-in-the-individual-insurance-market-prior-to-the-aca/>.



Table 5 - ILLUSTRATIVE EXAMPLES OF SUBSIDIES IN 2026 FOR NONGROUP HEALTH INSURANCE UNDER CURRENT LAW AND UNDER H.R. 1628, THE AMERICAN HEALTH CARE ACT, AS PASSED BY THE HOUSE OF REPRESENTATIVES ON MAY 4, 2017

Dollars

	Premium ^a	Premium Tax Credit ^b	Net Premium Paid
SINGLE INDIVIDUAL WITH ANNUAL INCOME OF \$26,500 (175 PERCENT OF FPL)^c			
Current Law			
21 years old	5,100	3,400	1,700
40 years old	6,500	4,800	1,700
64 years old	15,300	13,600	1,700
H.R. 1628 in an Illustrative State Not Requesting Waivers For Market Regulations			
21 years old	4,200	2,450	1,750
40 years old	6,550	3,650	2,900
64 years old	21,000	4,900	16,100
H.R. 1628 in an Illustrative State with Moderate Changes to Market Regulations			
21 years old	3,700	2,450	1,250
40 years old	5,750	3,650	2,100
64 years old	18,500	4,900	13,600
SINGLE INDIVIDUAL WITH ANNUAL INCOME OF \$68,200 (450 PERCENT OF FPL)^c			
Current Law			
21 years old	5,100	0	5,100
40 years old	6,500	0	6,500
64 years old	15,300	0	15,300
H.R. 1628 in an Illustrative State Not Requesting Waivers for Market Regulations			
21 years old	4,200	2,450	1,750
40 years old	6,550	3,650	2,900
64 years old	21,000	4,900	16,100
H.R. 1628 in an Illustrative State with Moderate Changes to Market Regulations			
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Sources: Congressional Budget Office; staff of the Joint Committee on Taxation.

Premium Increases

64 y/o with income of \$26,500

CURRENT LAW

AHCA

\$1,700

\$13,600

*State with some waivers

Premium Increases

64 y/o with income of \$26,500

CURRENT LAW

AHCA

\$1,700

\$16,100

*State with no waivers

Premium Increases

64 y/o with income of \$26,500

800%-950%

2. CUTS MEDICAID (BIGGEST THREAT)

CUTS MEDICAID

\$839B

Over 10 Years

Three Kinds of Medicaid Cuts

1. Unwinds Medicaid Expansion

2. Per Capita Caps & Block Grants

3. "Other"

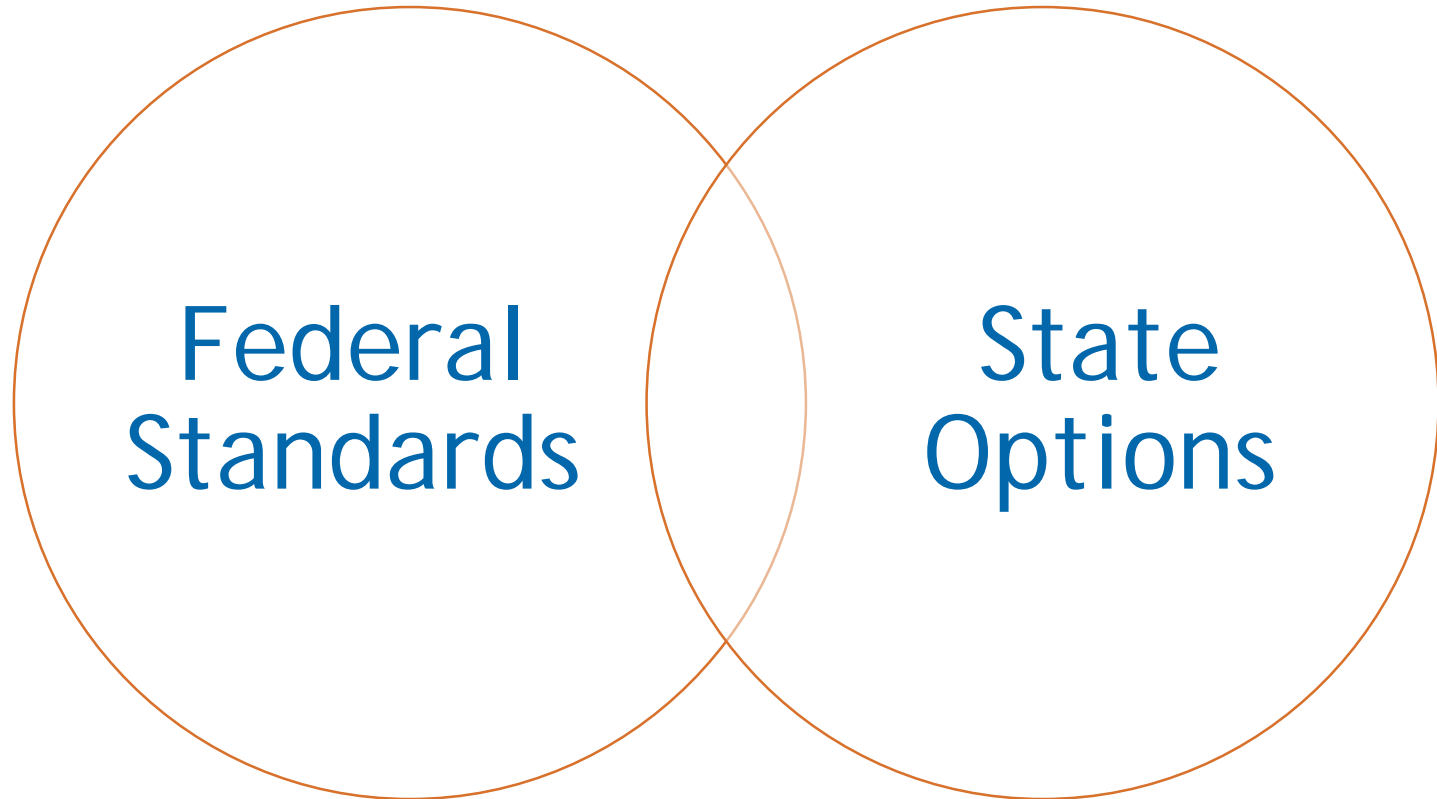
MEDICAID

6M Older Adults

LTSS, Medicare co-pays

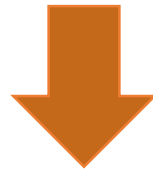
22% of Medicaid spending

MEDICAID



ENTITLEMENT

NEED EXISTS



STATE SPENDS



FEDS MATCH

A FUNDAMENTAL CHANGE

CAPS=CUTS

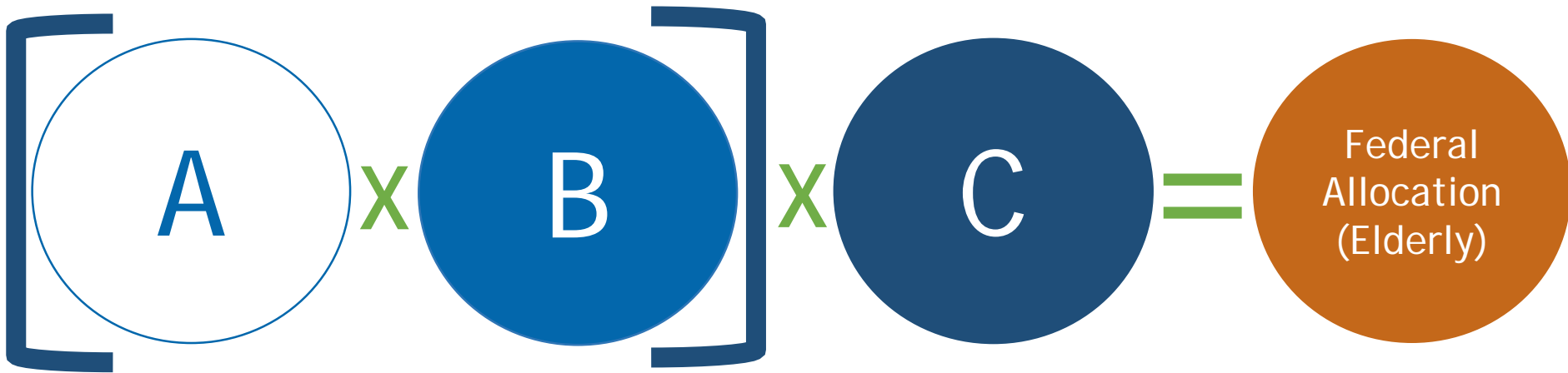
Block Grant

Feds send fixed amount to state
for whole program

Per Capita Cap

Feds send fixed amount to state
for each enrollee

NO ENTITLEMENT



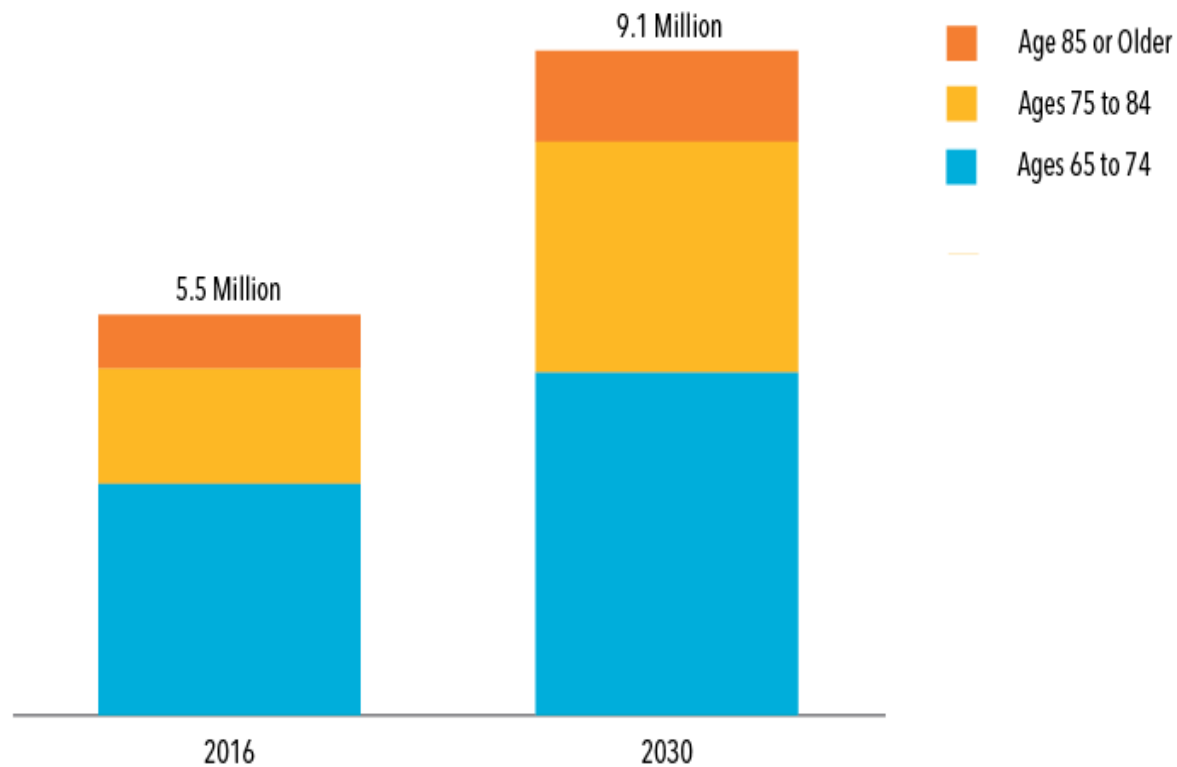
A Avg cost of Medicaid per 65+ in 2016

B CPI-M + 1%

C # of 65+ enrollees in YEAR

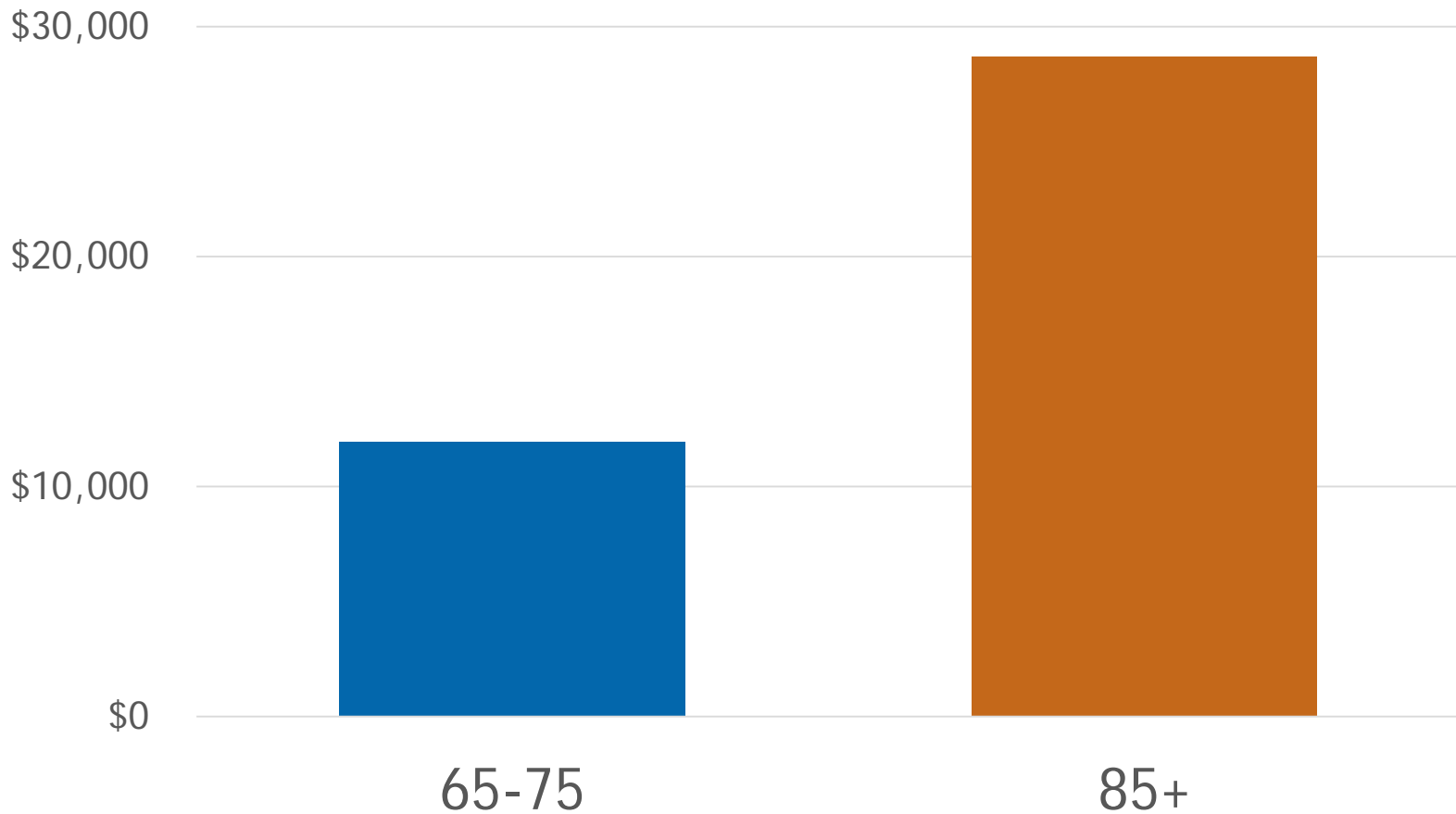
The first factor  doesn't account for aging population

The Number of Californians Age 65 or Older Is Projected to Rise by Two-Thirds Between 2016 and 2030



Note: Population is estimated for July 1, 2016 and projected for July 1, 2030.
Source: Budget Center analysis of Department of Finance data

Average Medicaid Cost per Beneficiary (2011)



HUGE IMPACT ON SENIORS

Loss of eligibility

Loss of services

Loss of access

If the goal is to save
\$\$, there is no saving
older adults from
Medicaid cuts

3. WEAKENS MEDICARE

TAX CUT



\$883B

Partly Medicare Payroll Tax

Medicare Trust Fund Solvency



ACA AHCA
2028 2025

THE PROCESS

TAKING ACTION

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