

Talking Points

Potential for Affordable Care Act Repeal

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In early 2017, Congress is expected to begin its debate about repealing the Affordable Care Act (ACA). A vote to repeal portions of the ACA is expected before the end of the January. However, a congressional replacement strategy for the ACA does not appear likely in the immediate future. Most observers estimate the effective date of the repeal will be delayed at least two years, and it could be much longer. A repeal without a true replacement plan could engender further instability and unraveling of the healthcare system.

Michigan hospitals are joining hospitals across the nation in urging Congress to include a replacement strategy with any vote to repeal the ACA.

- Michigan hospitals and health systems are committed to the health and well-being of our patients, their families and our communities. We are asking Congress to make a commitment to continuing to keep health and healthcare in Michigan on the path toward improvement.
- Any congressional repeal vote must include a rational and comprehensive replacement strategy, rather than a simple delaying tactic with no substance or certainty.
 - The economic uncertainty that could be created in the event that Congress repeals the ACA without a solid replacement plan could wreak havoc on the economic stability of our hospitals and communities.
 - If patients or their families are worried about the future of their healthcare coverage, our concern is that they will forego healthcare to prevent or manage conditions and only seek care when conditions reach a critical stage. We want to ensure that our patients have access to care when and where they need it.

Despite the flaws in the ACA, nearly 1 million in Michigan now have healthcare coverage as a direct result of the law.

- More than 600,000 Michiganders receive health insurance coverage through the Healthy Michigan Plan (Medicaid expansion); another 340,000 Michiganders access health insurance benefits through Michigan's federally-facilitated insurance marketplace.
- There is ample evidence that the number of people in Michigan who are uninsured has declined substantially under the ACA. However, many Michigan hospitals and healthcare systems are concerned about the risk of losing the coverage gains finally achieved under the ACA and what that could potentially mean for the physical and economic health of patients and their families.

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Any vote for repealing the ACA should include a responsible plan for replacing the program.

- Even if changes are delayed, a repeal without a replacement plan could bring uncertainty to the healthcare marketplace and disruption to the insurance system, which needs stability for the individual health insurance market.
- A responsible replacement should include:
 - Keeping protections against rescinding health insurance benefits after a person becomes ill.
 - Keeping eligibility for people with pre-existing conditions.
 - Keeping the individual health insurance marketplace stable and solvent.
 - Keeping the promise of federal support for Medicaid expansion at the current matching rate.

As part of the ACA, Michigan hospitals and health systems were asked to forego billions of dollars in reimbursement in exchange for expanded access to care and health insurance options for Michiganders.

- Michigan hospitals and health systems began seeing declines in Medicare reimbursement in exchange for contributing to the cost of coverage expansion beginning in April 2010.
- Between 2010 and 2019, the scheduled reductions to Medicare reimbursement for Michigan hospitals are nearly \$7 billion. This amount represents Michigan hospitals' commitment to the following:
 - Universal health benefits for Michiganders
 - Improved population health to reduce the necessity of sick care
 - Better care coordination to ensure the right care is sought in the right setting
 - Reduced emergency department utilization
 - Improved quality and patient safety

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