

Talking Points

Better Care Reconciliation Act

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In June, Republican members of the U.S. Senate introduced the Better Care Reconciliation Act (BCRA), legislation designed to repeal and replace the Affordable Care Act. While the Michigan Health & Hospital Association is open to reforms to the Affordable Care Act, the association is opposed to the bill given the devastating effect it could have on hospitals, patients and communities throughout the state. In fact, the legislation poses a larger threat in Michigan and the country than the American Health Care Act, the bill approved by House Republicans earlier this summer.

Deep cuts to Medicaid in the Senate's bill will devastate the health and well-being of Michigan residents.

- The Senate's cuts to Medicaid threaten services for senior citizens, particularly those in nursing homes; children from low-income families; pregnant women; and individuals with disabilities. In this way, the bill is much more devastating to Michigan and the nation than the American Health Care Act approved by House Republicans earlier this summer.
- There is no money in Michigan's state budget to absorb a Medicaid cut of this magnitude; cuts this deep will impact every community in the state and threaten the economic benefits hospitals provide to communities, particularly – jobs will be lost and there will be a reduction in the availability of healthcare services
- The plan threatens healthcare coverage and access to care for more than 1 million Michigan men, women and children who rely on such programs as the Healthy Michigan Plan, Medicaid or the state's federally-facilitated exchange

We need to protect our state's investment in making Michigan a healthier state

- According to recent data from the American Hospital Association, Michigan hospitals alone face a \$4 billion increase in uncompensated care costs under the Senate plan over the next 10 years. Such high uncompensated care numbers impacts patients' access to care and drives up premium costs on private and public health insurance plans.
- Michigan hospitals committed to a \$10 billion reduction in Medicare payments to ensure state residents have access to expanded health insurance coverage under the Affordable Care Act. 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
- Michigan deserves its fair share from Washington, DC. Money our state sends to the federal government needs to be invested in our state to continue benefitting the health and well-being of our families and communities.

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Rather than starting from scratch, Congress needs to fix the Affordable Care Act

- Congress must engage in a process that is thoughtful and focused on ways to improve our healthcare system, particularly when it comes to vulnerable populations like seniors, children, the disabled and the poor.
- The uncertainty created for patients, communities, insurers and hospitals under congressional attempts to repeal and replace the ACA is concerning and needs to be addressed before proceeding through the legislative process.
- A responsible replacement should include:
 - The promise of federal support for Medicaid expansion at the current matching rate
 - A plan for keeping the individual health insurance marketplace stable and solvent
 - Eligibility assurances for people with pre-existing conditions
 - Protections against rescinding health insurance benefits after a person becomes ill

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

- Any changes to the Affordable Care Act must ensure continued healthcare coverage for Michiganders who have benefitted from the law.
 - More than 650,000 Michiganders receive health insurance coverage through the Healthy Michigan Plan (Medicaid expansion)
 - Another 320,000 Michiganders access health insurance benefits through Michigan's federally facilitated insurance marketplace
 - In many Michigan counties, more than 30 percent of the population uses Medicaid for its healthcare benefit
- Healthcare coverage is vitally important to working Michigan residents and their families. State residents rely on hospitals and health systems to provide them with:
 - A full range of high-quality, lifesaving services, including preventive benefits
 - Community education and resources that further improve the quality of their lives and the health of the communities in which they live.
- There is ample evidence that the number of people in Michigan who are uninsured has declined substantially under the Affordable Care Act. However, many Michigan hospitals and healthcare systems are concerned about the risk of losing the coverage gains finally achieved under the Affordable Care Act and what that could potentially mean for the physical and economic health of patients and their families.

Listed below is a summary of the MHA's major concerns with the coverage and access components of the BCRA:

- Cutting Medicaid threatens care for vulnerable populations, including children from low-income families, the elderly and individuals with disabilities. The state budget cannot cover the costs of these cuts, so access to care and healthcare services will be impacted.
- A provision allowing insurers to offer cheaper, slimmed down health plans as long as they offer one plan meeting ACA standards could severely threaten access to coverage for sick patients.
- The latest version of the bill would end the innovative Healthy Michigan Plan and lead to more Michigan residents not having health insurance coverage.
- The repeal of the insurance mandate for both individuals and employers, as well as several other taxes employed by the Affordable Care Act to help pay for coverage expansion, including the tax on health insurers, the medical device tax and more, without a realistic replacement for meaningful healthcare coverage.

For more information, contact [Ruthanne Sudderth](#) or [Laura Appel](#) at the MHA.