



Senate's "skinny" health bill is lean on logic

Insurance premiums will rise 20%, 14 million people will lose coverage, Utah insurers will enter death spiral (and that's the good scenario)

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Later tonight, or sometime on Friday Sen. Mike Lee and Sen. Orrin Hatch will be asked to vote on... something.

The trouble is that we don't know what the latest Senate health care bill will contain. And neither do Utah's senators. The Republican caucus is literally writing this bill during a closed-door lunch meeting on Thursday.

Called the "skinny" bill, this is the third attempt for Senate Republicans to pass healthcare legislation this week. After failing to pass an amended version of the BCRA on Tuesday and a "repeal now, replace later" bill on Wednesday, the "skinny" bill could be the last vote for Senate Republicans to repeal the Affordable Care Act (ACA) this year.

But instead of trying to fix the ACA, the Congressional Budget Office (CBO) predicts the latest legislation will increase premiums by 20%, double the insured rate, and cause the individual market to enter a death spiral. Earlier today, AHIP, the nation's largest health insurance confederation, [urged the Senate](#) to reject the "skinny" bill because it "does not include measures to immediately stabilize the market."

"The process, or lack of process in the Senate today is beyond belief," says Matt Slonaker, executive director of the Utah Health Policy Project (UHPP). "After years of

complaining about the process to pass of the ACA in 2009-10, and then blaming it for higher deductibles and premiums, the Senate is about to vote on a bill that will make both of those things much worse and it doesn't even repeal the ACA. We urge Sen. Hatch and Sen. Lee to stop and start over with a legitimate legislative process."

"Randomly pulling levers and pushing buttons just to draft a bill that gets 50 votes in the Senate is not only bad process, it's extremely dangerous for the 275,000 Utahns who depend on the stability of individual market for their insurance coverage," says Jason Stevenson, UHPP's education and communications director. "The Senate could crash the entire private insurance market just to score a political win for the president."

About 275,000 Utahns receive health insurance through the individual market [As of March 15, [176,000 Utahns are covered by marketplace plans](#) through healthcare.gov]. Another 1.6 million Utahns are covered by employer-based insurance. Passing the "skinny" bill could threaten both coverage types. That's because the bill would remove both the employer and the individual mandates without replacing them or removing the ACA's protections for pre-existing conditions.

Repealing the individual mandate—the ACA provision that requires all people eligible for health insurance to purchase coverage—will unbalance the risk pools as only sick people, or those who become sick or injured, will purchase insurance. Recent examples from [New York](#) and [Washington](#) indicate this will cause a death spiral in the individual market as insurers raise premiums and eventually exit the marketplace—leaving fewer options for everyone. By 2018 the [CBO predicts](#) 6 million more people will lose individual market coverage, and 3 million more people will lose Medicaid coverage if the individual mandate is repealed

Likewise, repealing the employer mandate will encourage some mid-sized Utah companies to drop health insurance for their employees. Nationally, about 6 million people will lose employer-based coverage by 2018 if the skinny bill becomes law.

In total, the [CBO predicts](#) an additional 14 million Americans will be uninsured in 2018 if Congress passes this bill.

Because this is Congress, another scenario exists where the "skinny" bill isn't really meant to become law. Instead, the bill is legislative vehicle to win 50 Republican votes to pass the Senate so that the Senate/House conference committee can write a completely different health bill behind closed doors in August.

Two scenarios are possible if the "skinny" bill passes the Senate this week:

Scenario 1: The House votes to pass the same "skinny" bill approved by the Senate. According to the latest Congressional Budget Office (CBO), this bill will cause immediate and dramatic coverage losses. The CBO predicts the bill will increase the number of uninsured Americans by 14 million by 2018. Even if this bill is not enacted immediately, it could cause Utah insurers to decide to exit the insurance marketplace by mid-August.

Scenario 2: The "skinny" bill becomes a vehicle for the Senate/House conference committee to negotiate a much deeper repeal of the ACA (similar to the House-passed AHCA) that includes drastic cuts to Medicaid, reductions in premium subsidies, and

rollback of consumer protections for both employer-based and individual market insurance. Both the House and the Senate chambers would be presented with this brand-new bill and compelled to vote after only 10 hours of debate and no amendment process.

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Media Resources:

Marketplace Coverage in Utah Status Update for Media
July 27, 2017
<http://www.healthpolicyproject.org/wp-content/uploads/17-07-Utah-Update.pdf>

Cost Estimate: H.R. 1628, Better Care Reconciliation Act of 2017
July 26, 2017
<https://www.cbo.gov/publication/52977>

AHIP Letter to the U.S. Senate Leaders McConnell and Schumer
July 27, 2017
<https://www.ahip.org/ahip-letter-to-u-s-senate-leaders-mcconnell-and-schumer/>

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Link: <http://myemail.constantcontact.com/Media-Alert--Senate-s--skinny--health-bill-will-destabilize-private-insurance.html?soid=1124320051841&aid=-11oS7E1OLY>