

Media Alert: Utahns with pre-existing health conditions at risk with passage of AHCA today

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Utahns with pre-existing health conditions at risk with passage of AHCA today

GOP bill eliminates protections from pre-existing conditions, allows cuts to essential health benefits, and brings back annual and lifetime caps on coverage for employer-based insurance

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Earlier today the U.S. House of Representatives voted 217-213 to pass the American Health Care Act (AHCA), the GOP-sponsored legislation to repeal major aspects of the Affordable Care Act (ACA). All four members of Utah's House delegation voted in favor of the bill.

The bill would allow states like Utah to bring back discrimination against pre-existing health conditions, cut essential health benefits, and raise premiums on people over age 40 even above the pre-ACA levels. In addition, a recently discovered loophole in the AHCA allows insurers to bring back annual and lifetime caps on coverage for employees covered by job-based insurance ([WSJ](#), [Brookings](#)).

The bill also represents the largest restructuring and financial cut to the Medicaid program since its inception—exposing Utah's 340,000 Medicaid recipients to cuts in benefits, enrollment, and access.

“Over 85% of Americans want strong protections for pre-existing conditions, yet this bill allows insurance companies to once again discriminate against sick Utahns by charging them much higher premiums with the goal of driving them out of coverage,” says Matt Slonaker, executive director of the Utah Health Policy Project (UHPP). “The misfortune of being born prematurely, having asthma or autism, or even suffering from depression will create a huge hurdle to buy and keep health insurance with the passage of this bill.”

According to a December 2016 report from the Kaiser Family Foundation, 23% of non-elderly Utahns (391,000 people) have a declinable pre-existing condition, which prior to the ACA included anything from chronic back pain, asthma, depression, cancer, or pregnancy ([pdf](#)).

Prior to the implementation of the ACA in 2014, insurance companies in Utah and across the

country used pre-existing health conditions as the basis to deny coverage or raise premiums beyond affordable limits for many consumers. From 2007 through 2009, the four largest for-profit health insurance companies (Aetna, Humana, UnitedHealth, and WellPoint) used medical history as the basis to deny health insurance coverage to 651,000 people, an average of one out of every seven applicants ([pdf](#)).

UHPP believes any opportunity to eliminate ACA policies like pre-existing condition protections or essential health benefits would be welcomed and pursued by Utah lawmakers and administrative agencies based on their multi-year track record of opposition to Obamacare's federal regulations. The waiver process has minimal requirements, few guardrails, and an automatic approval clause if the Dept. of Health and Human Services does not act within 60 days.

Supporters of the AHCA claim that high risk pools—segregated and federally-supported insurance markets for people with chronic and expensive conditions—will enable consumers with pre-existing conditions to maintain coverage. But the additional funds allocated to states do not require them to be spent on high risk pools or to help consumers with pre-existing conditions.

“The only way that high risk pools work is by kicking sick people off coverage,” explains Matt Slonaker. “Instead of trying to heal people with cancer, diabetes, and other treatable but chronic conditions, insurers are incentivized to deny them coverage to bring down premiums for everyone else.”

In addition, the pre-ACA experience with high risk pools in Utah and across the nation demonstrates their inadequacy. Not only did Utah's former high risk pool constantly run short of money, but it also excluded coverage of pre-existing conditions for 6 to 10 months, charged expensive premiums, locked out people with coverage gaps of 62 days or more, and attracted a maximum of 3,900 people to purchase its coverage.

As amended, the American Health Care Act (AHCA) will:

- Allow states to use waivers to bring back discrimination against Utah kids and adults with pre-existing conditions and raise premiums for older consumers
- Allow insurers to bring back annual and lifetime caps on coverage benefits for Utah workers covered by employer-sponsored health insurance
- Raise premiums and deductibles for tens of thousands of Utah families
- Allow insurers to limit and cut benefits like maternity care, mental healthcare, prescription drugs, lab tests, and hospitalization
- Cut benefits, enrollment, and reimbursements for Utah's 350,000 kids, pregnant women, and seniors who depend on Medicaid

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Media Resources:

H. R. 1628 American Health Care Act (as amended)

<https://www.gpo.gov/fdsys/pkg/BILLS-115hr1628rh/pdf/BILLS-115hr1628rh.pdf>

MacArthur Amendment to H.R. 1628

<http://docs.house.gov/billsthisweek/20170424/MacArthur%20Amendment.pdf>

UHPP Talking Points on the AHCA with the MacArthur Amendment

<http://www.healthpolicyproject.org/wp-content/uploads/ACA-Repeal-1pager-8js.pdf>

UHPP Report on Impact of Replacing ACA with AHCA in Utah

<http://www.healthpolicyproject.org/wp-content/uploads/17-03-UHPP-CongUpdate-1js.pdf>