Federal Update

House Moves to Replace the ACA

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TO: County Welfare Directors Association

FROM: Tom Joseph, Director, CWDA Washington, D.C. Office

DATE: March 8, 2017

RE: Federal Update

Affordable Care Act Repeal: Today, the House Energy and Commerce and Ways and Means Committees are marking up the GOP bill repealing and replacing the Affordable Care Act (ACA). Only 36 hours after being made public, the American Health Care Act is being rushed through the committees without the normal cost estimate prepared by the non-partisan Congressional Budget Office (CBO). The CBO analysis would also likely indicate the effects on insurance coverage.

CWDA and the California State Association of Counties (CSAC) sent a letter (attached) to the California congressional delegation opposing the bill. Not only does it end the Medicaid expansion in 2020, it also caps the federal contribution to the entire Medicaid program that same year. Other administrative mechanisms in the bill will serve to make it more difficult for recipients to remain on the program, and other provisions will reduce the enhanced federal match for a significant number of In-Home Supportive Services recipients.

Both committees are expected to pass their respective portions on party line votes, with floor action on the overall bill expected later this month. Some conservative Republicans are voicing concerns that the bill's tax credits for purchasing health insurance marks a new entitlement and more should be done to totally repeal the ACA. Whether they will actually oppose the bill once it reaches the House floor is an open question.

Senate action on the measure is expected to occur soon after the House acts. No hearings on the measure are expected and the House bill will likely go straight to the Senate floor. Given a 52-member GOP Senate majority, it would take only three Republican Senators to
vote against the bill for it to die on the Senate floor. A handful of them have expressed reservations over the elimination of the enhanced Medicaid match, the defunding of Planned Parenthood, and the caps on federal Medicaid spending. Again, it remains to be seen if those concerns will translate into ‘no’ votes.

**FFY 2017 and 2018 Budgets:** Congress has not completed the federal fiscal year (FFY) 2017 appropriations bills. The current continuing resolution expires April 28 and funds nearly all federal programs, including all health and human services discretionary programs. It is likely that the House and Senate will extend current funding for FFY 2017 through the end of the fiscal year.

The Trump administration is expected a release a rough outline of a FFY 2018 budget proposal next week, followed later in the spring by a more detailed submission. The proposal is expected to increase defense spending by $54 billion next year by cutting the same amount from domestic programs. If distributed evenly, the domestic program reduction would amount to a 10 percent across-the-board cut.

**Congressional Visits During the NACo Legislative Conference:** Cathy Senderling-McDonald joined me on a number of visits to House offices on February 27. Meetings on the ACA and the Family First Act were held with staff to Representatives Cook (R-San Bernardino, Mono and Inyo counties), Knight (R-Los Angeles and Ventura counties), Thompson (D- Napa, Contra Costa, Lake, Solano, and Sonoma counties) and Sanchez (D-Los Angeles County). Meetings focused solely on the Family First Act where held with staff to Rep. Bass (D-Los Angeles) and Christine Calpin, Managing Director of Casey Family Programs. Also visited was the minority staff director for the Ways and Means Human Resources Subcommittee which has jurisdiction over foster care, TANF and most other human services programs.

The visits were held to brief staff on the possible impact of an ACA repeal to California and its residents. We also focused on answering questions of why the Family First Act was detrimental to California’s landmark Continuum of Care Reform efforts and how it would have reversed certain prevention efforts underway in the state.