



CALIFORNIA STATE ASSOCIATION OF COUNTIES

April 27, 2017

Dear California Congressional Delegation:



CALIFORNIA ASSOCIATION OF PUBLIC HOSPITALS AND HEALTH SYSTEMS

The undersigned California county associations strongly oppose the American Health Care Act (AHCA). California is a state of nearly 40 million people and counties care for up to one third of Californians. If enacted, the bill would shift tens of billions of dollars in costs to counties and reverse the significant progress our state has made in providing health care coverage to millions of our residents.

Among our numerous concerns are the following:



COUNTY BEHAVIORAL HEALTH DIRECTORS ASSOCIATION

- The bill eliminates the Medicaid expansion in 2020, which has enabled counties to cover 3.7 million new individuals in Medi-Cal;
- The bill places a per-capita cap on federal Medicaid spending, ending the federal state and county partnership that has lasted 50 years and penalizing our state’s efforts to keep costs low through managed care and other cost containment measures;



COUNTY HEALTH EXECUTIVES ASSOCIATION OF CALIFORNIA

- The legislation institutes a number of administrative changes to Medicaid that would make it more difficult to maintain health coverage;
- The AHCA eliminates the enhanced federal match California uses to ensure persons with disabilities and older Americans are able to stay in their homes with In-Home Supportive Services (IHSS); and,
- The bill ends the \$90 million a year the state has received under the Prevention and Public Health Fund, which is used by local health departments to invest in public health prevention activities protecting all Californians.



COUNTY MEDICAL SERVICES PROGRAM

Since the enactment of the Affordable Care Act, the state’s uninsured rate has been cut by nearly two-thirds - - to 7.1 percent, according to the Centers for Disease Control and Prevention. The Congressional Budget Office (CBO) estimate confirms our deep concern that the bill would seriously harm the residents of our state. According to CBO, over the next ten years:



COUNTY WELFARE DIRECTORS ASSOCIATION

- 14 million fewer individuals would be insured through Medicaid -- a reduction of roughly 17 percent relative to the number projected under current law;



URBAN COUNTIES OF CALIFORNIA

- Federal contributions to Medicaid would be cut by 25 percent (\$880 billion);
- The national safety net of public hospitals and health systems, including county systems, would be under further stress with 14 million more people uninsured next year, rising to 24 million by 2026; and
- Providing states with the options to select a Medicaid block grant and/or require work for coverage would shift even more costs to states and increase the uninsured rate.

Finally, the recently proposed MacArthur Amendment drives the American Health Care Act further away from what California’s county associations consider acceptable. The amendment permits states to allow insurers to sell plans that do not contain all ten of the Essential Health Benefits required of ACA plans, which include maternity care, substance use and mental health treatment, and prescription drugs. The amendment also allows states to approve insurance plans to charge higher premiums for persons with chronic and costly conditions such as cancer, which may lead to states creating high risk pools partially funded by the federal government to help pay for sicker individuals. These pools, however, have been woefully underfunded in the past and California’s counties are concerned that these changes will negatively impact access to care for individuals with preexisting conditions. For these reasons, we urge you to vote ‘no’ on the American Health Care Act.

Sincerely,

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