

REPUBLICANS' AND TRUMP'S ATTACK ON HEALTH CARE:

THE **TRIPLE THREAT** TO AMERICA'S WORKING FAMILIES

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The **Triple Threat** to the Affordable Care Act (ACA) Puts U.S. Response to Novel Coronavirus in Jeopardy

How President Trump & Congressional Republicans' Effort to Destroy, Dismantle and Defund the ACA and End Medicaid Expansion Will Lead to More Illness and Higher Health Costs from Novel Coronavirus

INTRODUCTION

The Patient Protection and Affordable Care Act (ACA) has been working for America's middle class for almost a decade. With the number of cases of the novel coronavirus (which causes the illness called COVID-19) on the rise, the importance of protecting the ACA cannot be overstated.

The ACA expanded health insurance coverage to 20 million Americans, brought the uninsured rate to historic lows and provided every individual and family across the country, including over 130 million people with pre-existing conditions, with consumer protections unlike ever before.

However, the Trump Administration and Republicans in Congress are trying to destroy the law through the courts, dismantle the law through administrative sabotage and defund the law through massive budget cuts. This obsession is seriously jeopardizing the care that individuals receive and impacting the costs that they may incur for services associated with COVID-19 infections.

News reports support this concern. Recently, Osmel Martinez Azcue sought treatment for the flu and confirmation that he did not contract COVID-19 during recent travel to China. Seeking medical assistance, he took the appropriate steps to protect himself and others from serious illness. He tested negative for COVID-19, but he is now facing a mountain of debt. Little did he know, he had enrolled in a junk plan, a health insurance plan that failed to cover the essential health benefits mandated by the ACA.ⁱ

This issue brief outlines how President Trump and Congressional Republicans' efforts to destroy, dismantle and defund the ACA and Medicaid expansion will lead to more illness and higher health care costs associated with the novel coronavirus.ⁱⁱ

THE TRIPLE THREAT TO THE ACA

THREAT #1: Destroying the ACA through the Courts will Jeopardize Coverage for Millions of Americans Who May Require Health Care Services for COVID-19.

On March 2, 2020, the Supreme Court agreed to review the most recent lawsuit, *Texas v. United States*, to repeal the ACA. This lawsuit, which argues that the ACA must be struck down in its entirety, was set in motion by Republicans in Congress with the passage of the 2017 tax

bill and is supported by the Trump Administration. As the number of cases of COVID-19 in this country continues to rise, the consequences of this lawsuit to the health and well-being of individuals and families could be serious—individuals may be forced to pay out-of-pocket for care or choose to go without insurance entirely. This could have the secondary consequence of causing premiums and out-of-pocket costs to increase for other insured Americans.

If the Supreme Court strikes down the ACA:

- 130 million people with pre-existing conditions could, once again, be denied care or charged more for care due to illness or injury;
- 20 million people are at risk of losing coverage, including 12 million people who gained coverage through Medicaid expansion;
- Insurance companies will be able to reinstate annual and lifetime limits on coverage;
- Nearly 12 million seniors could be forced to pay more for prescription drugs because the Medicare ‘donut hole’ would be reopened;
- Adult children up to age 26 could be kicked off of their parents’ health insurance; and
- Hospitals will face even more financial strain if they are treating patients with COVID-19 while seeing more patients uninsured.

If the Supreme Court strikes down the ACA, 130 million people with pre-existing conditions could be denied care or charged more; 20 million people could lose coverage entirely.

President Trump should immediately file a brief with the Supreme Court in support of the ACA. This would help ensure that Americans do not lose coverage while trying to seek care for COVID-19.

THREAT #2: Dismantling the ACA through Administrative Sabotage Means Fewer People with Coverage and Key Protections During a Public Health Emergency.

On his first day in office, President Trump began dismantling the ACA through administrative sabotage. As such, for the first time in a decade, the number of people without insurance is on the rise.ⁱⁱⁱ According to the Kaiser Family Foundation, people without coverage are less likely to have access to the medical care that they need.^{iv} As the number of people with COVID-19 continues to climb, the consequences of administrative sabotage are more apparent—it is putting individuals’ health at risk and may contribute to the spread of the virus.

For example, the Trump Administration:

- Promoted junk health insurance plans, which may not cover essential health benefits, like emergency care, hospital services, and laboratory testing that are critical to identifying and treating patients with COVID-19;
- Ended marketing activities that encourage enrollment in health insurance, which means fewer people are aware of their coverage options;
- Slashed the amount of time in which people can shop for coverage through the Marketplace in half; and

- Terminated contracts with navigators and call centers designed to help guide individuals and families through the application process.

In order to ensure that uninsured Americans and Americans enrolled in junk plans have the coverage they may need should they become exposed or fall ill due to COVID-19, President Trump should immediately establish a Special Enrollment Period (SEP) through Healthcare.gov for individuals and families to secure comprehensive coverage. The SEP should last through the duration of the current public health emergency.

THREAT #3: Defunding the ACA through Steep Budget Cuts Will Result in Fewer Resources to Protect Against a Pandemic.

Every year, Presidents submit a budget proposal to Congress. The budget proposal outlines support for, and opposition to, policies and programs across the federal government. President Trump's Budget Proposal for fiscal year (FY) 2021 repeals the ACA and along with it, the advances made to Medicare and Medicaid. It also proposes to slash funding for these programs by almost \$1.5 trillion over 10 years. The ACA, Medicare and Medicaid are the backbone of our health care system. Cutting funding for these programs is short-sighted. During a pandemic, cuts to these programs could be devastating.

Worse yet, contained within the budget is an amorphous cut of \$844 billion over ten years that includes a \$744 billion cut to Medicaid and \$100 billion in "private insurance reform". Through this initiative, the Trump Administration is extending an invitation to members of Congress who want to work with them on proposals to cut Medicaid and private insurance, undermining Medicaid and the ACA.^v

President Trump's budget proposal repeals the ACA and slashes funding for Medicare and Medicaid by \$1.5 trillion over ten years.

When people lose coverage, they delay treatment when they are sick, and providers face an additional burden of treating sicker patients, whose care is more expensive. President Trump's obsession with repealing the ACA harms people and threatens the financial stability of our hospitals and other frontline providers.

The President's budget contains further cuts to key programs, such as a \$25 million cut to the Office of Public Health Preparedness and Response, an \$18 million cut to the Hospital Preparedness Program and an \$85 million cut to the Centers for Disease Control and Prevention's Emerging and Zoonotic Infectious Diseases program, all programs that are directly involved in the response to the novel coronavirus. These programs are bolstered by funding through the Prevention and Public Health Fund, a significant investment into public health that was signed into law as part of the ACA and are integral to the health of every American.

In the face of a global pandemic, these cuts are dangerous. President Trump should rescind his budget proposal.

CONCLUSION

For nearly a decade, Americans have benefited from the ACA—its coverage expansion, consumer protections and innovative approaches to care. With the start of President Trump’s Administration, enabled by Republicans in Congress, the triple threat to the ACA began. And now, with the number of cases of COVID-19 growing, the consequences of repeal, administrative sabotage and budget cuts are serious. To ensure that we are prepared for any health care emergency—illness, injury, pandemic or otherwise—President Trump’s maniacal^{vi} obsession with destroying, dismantling and defunding the ACA must end.

RECOMMENDATIONS

In order to demonstrate his commitment to protecting the health and well-being of individuals and families during this public health emergency, President Trump must:

- File a brief with the Supreme Court outlining his support for the ACA;
- Establish a Special Enrollment Period through Healthcare.gov in order to ensure people have coverage; and
- Rescind his harmful budget proposal.

ⁱ Conarck, B. (2020, February 24). A Miami man who flew to China worried he might have coronavirus. He may owe thousands. Retrieved March 5, 2020, from <https://www.miamiherald.com/news/health-care/article240476806.html>

ⁱⁱ U.S. Senator Bob Casey of Pennsylvania. (2019, November). Retrieved March 5, 2020, from <https://www.casey.senate.gov/download/casey-report-on-the-triple-threat-to-americas-working-families>

ⁱⁱⁱ Witters, D. (2019, September 4). U.S. Uninsured Rate Rises to Four-Year High. Retrieved March 5, 2020, from <https://news.gallup.com/poll/246134/uninsured-rate-rises-four-year-high.aspx>

^{iv} Tolbert, J., Orgera, K., Singer, N., & Damico, A. (2020, February 10). Key Facts about the Uninsured Population. Retrieved March 5, 2020, from <https://www.kff.org/uninsured/issue-brief/key-facts-about-the-uninsured-population/>

^v Department of Health and Human Services. (2020) *Putting America's Health First FY 2021 President's Budget for HHS*. Retrieved from <https://www.hhs.gov/sites/default/files/fy-2021-budget-in-brief.pdf>