# Looking Through the Federal Lens (Albeit Foggy!)

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Rebecca C. Farley, MPH
National Council for Behavioral Health





#### **Revised AHCA Draft**

- UNCHANGED: Draft maintains key provisions of AHCA:
  - Repeals Medicaid expansion option for new states
  - Repeals enhanced match for Medicaid coverage up to 138% of poverty
  - Converts Medicaid to a per capita capped or block grant system
  - Cuts over \$800 billion from Medicaid over ten years
- NEW: States can now determine for themselves:
  - Definition of essential health benefits (2020)
  - Whether to impose increased premiums for uninsured individuals (2019)
  - Coverage rates based on individual's age and health status (2019)





#### What does this mean?

#### Waiving essential health benefits

 States could remove or alter required health services from plans in their states, including mental health and addiction care.

#### Waiving protections based on health and age

- States could allow insurers to charge people w/ preexisting conditions higher premiums, pushing some out of affordable coverage.
- States could allow insurers to charge older individuals more for coverage than younger people, again pushing some out of affordable coverage.





#### **AHCA Timeline**

March 6 – American Health Care Act introduced March 8-16 – House committees consider and

approve the bill

March 21 – Manager's Amendment released

March 23 – Vote by full chamber postponed; add'l changes proposed overnight

**March 24** – AHCA withdrawn from consideration; "Obamacare is the law of the land"

April 25 - MacArthur Amendment released

April 28 - Vote by full chamber postponed





### **AHCA's prospects**

- Unclear whether House can get to 216 votes
- Major hurdles still exist to pass the Senate.



"These kinds of estimates are going to cause revisions in the bill, almost certainly."

Senator Susan Collins

(R-ME) 3/13/17



"Can't sugarcoat it. Doesn't look good. The CBO score was, shall we say, an eyepopper." Senator Bill Cassidy (R-LA) 3/13/17



"We're not going to vote for it." **Senator Rand Paul** (R-KY) 3/12/17





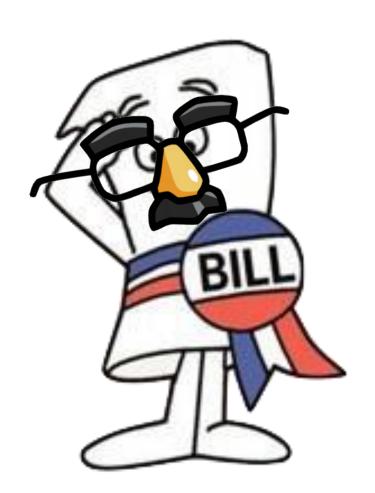
#### "After months of partisan bickering, Congress has finally agreed to put a Slinky on an escalator and see if it goes forever."







### What's next for AHCA?









#### **Lessons** learned

## Tom Price and Seema Verma are the most important health care people in Washington.



Dr. Tom Price
Secretary of the
Dept. of Health and
Human Services



Seema Verma,
Administrator of
the Centers for
Medicare and
Medicaid Services



# Policymaking through regulations

- Essential Health Benefits
- Commercial market reforms
- Presumptive eligibility
- Preventive services
- Medicaid state "flexibility"



#### **Medicaid waivers**

#### Concerning proposals emerging via waivers

- Work requirements
- Lock-out periods
- Increased cost sharing
- Drug testing
- Penalizing enrollees for "inappropriate" use of services
- And more...?





#### **Medicaid waivers**

#### **Promising approaches**

- Increased focus on integrated care
- Expanding service array for first-episode psychosis
- Improving care transitions postincarceration
- Increased use of medication-assisted treatment
- Permitting residential SUD treatment >16 beds





#### Where does that leave states?

- Federal deference to state "flexibility"
  - Potentially paired with decreased federal funding
  - Potentially significant admin costs of new requirements
- Waivers to increase access to MH/SUD care
  - Without addressing rates and capacity → empty promises
- Lessons from MD and MA





## Looking ahead...

#### ...the uncertainty isn't over.

- Government funding expires early May
- FY 2018 must be settled by October 1
- Debt ceiling set to expire this year
- CHIP expires Sept. 30
- Other proposals include: tax reform, infrastructure, border wall, national security





## Your advocacy worked!

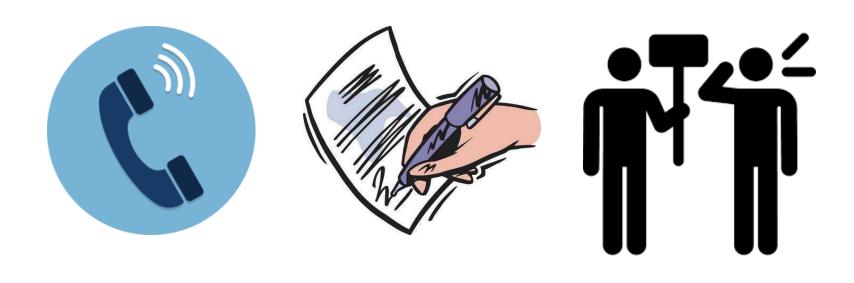


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FYI for all the focus on the Freedom Caucus, what brought down this bill were moderate Rs who bailed bc of grassroots pressure back home.



## Stay engaged

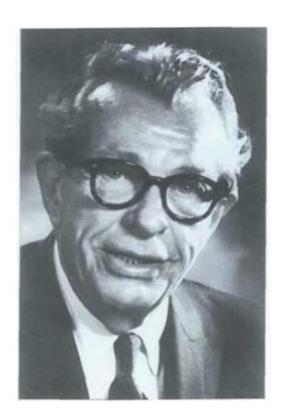








## As former Senate Majority Leader Everett Dirksen (R-IL) said...



"When I feel the heat, I see the light."





## **Questions?**



#### Rebecca Farley

Vice President, Policy and Advocacy <a href="RebeccaF@thenationalcouncil.org">RebeccaF@thenationalcouncil.org</a>



