



April 24, 2017

The Honorable Paul Ryan
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Charles Schumer
Minority Leader
United States Senate
Washington, DC 20510

Dear Speaker Ryan, Minority Leader Pelosi, Majority Leader McConnell, and Minority Leader Schumer:

On behalf of the American College of Physicians (ACP), I am writing to urge Congress to move away from the harmful changes to patient care that would occur if the American Health Care Act (AHCA) were to become law, and to instead work for bipartisan solutions to improve the Affordable Care Act (ACA) rather than repealing and replacing it. We believe that the AHCA, which would repeal and replace the most important coverage and consumer protections created by the ACA, is so fundamentally flawed that it cannot be made acceptable. We understand that the leadership in the House of Representatives continues to explore ways to bring a modified version of the AHCA to a vote, based on a draft amendment reportedly being developed by Representatives MacArthur and Meadows, a summary of which was made available to the public through news organizations. This amendment would make the harmful AHCA even worse by creating new coverage barriers for patients with pre-existing conditions and weakening requirements that insurers cover essential benefits.

The American College of Physicians is the largest medical specialty organization and the second-largest physician group in the United States. ACP members include 148,000 internal medicine physicians (internists), related subspecialists, and medical students. Internal medicine physicians are specialists who apply scientific knowledge and clinical expertise to the diagnosis, treatment, and compassionate care of adults across the spectrum from health to complex illness.

The draft MacArthur-Meadows amendment would create what is known as the “Limited Waiver Option” that would allow states to eliminate or severely weaken vital ACA Title I consumer protections—specifically, community rating and essential health benefits (EHBs)—returning the country to the pre-ACA days when persons with pre-existing “declinable” medical conditions in most states were priced out of the market and the insurance products available in the individual market did not cover medically necessary services.

Specifically:

The MacArthur-Meadows amendment would create an option for states to obtain Limited Waivers from certain federal standards that would gut existing law consumer protections. Based on a summary of the draft amendment, states could seek Limited Waivers for:

- Essential Health Benefits (EHBs)
- Community-rating rules, except for the following categories, which are not waivable: Gender or Age (except for reductions of the 5:1 age ratio previously established) or Health Status (*unless* the state has established a high-risk pool or is participating in a federal high-risk pool)

To obtain the waiver, states would only need to “attest that the purpose of their requested waiver is to reduce premium costs, increase the number of persons with healthcare coverage, *or advance another benefit to the public interest in the state*, including the guarantee of coverage for persons with pre-existing medical conditions. The Secretary shall approve applications within 90 days of determining that an application is complete.” [Emphasis added in italics].

In other words, as long as a state attested that there was a “benefit to the public,” insurers would be once again allowed to charge more to people with pre-existing conditions, or decline to cover needed benefits like physician and hospital visits, maternity care and contraception, mental health and substance use disorder treatments, preventive services, and prescription drugs.

This would take us back to the days when people had to fill out intrusive insurance company applications to document their previous health history, even before being advised what the premium would be based on their individual health risk. Unlike community rating, which bases premiums based on the expected costs associated with all persons in the insurance pool (adjusted only by age, tobacco use, and family size), the Limited Waiver would again allow insurers in states that obtain a waiver to **again charge people exorbitant and unaffordable premiums for their pre-existing conditions.**

Before the ACA, insurance plans sold in the individual insurance market in all but five states typically maintained lists of so-called “declinable” medical conditions—including asthma, diabetes, arthritis, obesity, stroke, or pregnancy, or having been diagnosed with cancer in the past 10 years. Even if a revised bill would not explicitly repeal the current law’s *guaranteed-issue* requirement—which requires insurers to offer coverage to persons with pre-existing conditions like these—*guaranteed issue without community rating allows insurers to charge as much as they believe a patient’s treatment will cost*. The result would be that many patients with pre-existing conditions would be offered coverage that costs them thousands of dollars more for the care that they need, and in the case of patients with expensive conditions like cancer, even hundreds of thousands more.

An amendment to the AHCA reported out of the Rules Committee on April 6th to establish a “Federal Invisible Risk Sharing Program,” which would create a fund that states could use to reimburse insurers for some of the costs associated with insuring sicker patients, would not offset the harm done to patients with pre-existing conditions by allowing the Limited Waiver of community rating and essential benefit protections. The pre-ACA experience with high-risk pools was that many had long waiting lists, and offered inadequate coverage with high deductibles and insufficient benefits. Unless a national high-risk pool is supported with a massive infusion of funding it will not be sufficient to cover the

millions of people with pre-existing conditions that would be denied or charged more for coverage under the AHCA. One paper [estimates](#) that a national high-risk pool would cost \$178.1 billion a year, roughly \$176.4 billion more than the annual funding provided to the Invisible Risk Sharing Program. Also, shifting people out of the existing health insurance marketplace to a high-risk pool would undermine the assurance that enrollees could keep their existing coverage.

The Limited Waiver Option will also allow states to seek waivers from the essential health benefits required of all plans sold in the individual insurance market, with the result that millions of patients will be at risk of losing coverage for essential services like maternity care, cancer screening tests and treatments, prescription drugs, preventive services, mental health and substance use disorder treatments, and even physician visits, prescription drugs and hospitalizations.

Prior to [passage](#) of the ACA, 62% of individual market enrollees did *not* have coverage of maternity services, 34% did *not* have substance-use disorder-services, 18% did *not* have mental-health services and 9% did *not* have coverage for prescription drugs. A [recent independent analysis](#) found that the AHCA's repeal of current law required benefits would result in patients on average paying \$1,952 more for cancer drugs; \$1,807 for drugs for heart disease; \$1,127 for drugs to treat lung diseases; \$1,607 for drugs to treat mental illnesses; \$4,940 for inpatient admission for mental health; \$4,555 for inpatient admission for substance use treatment; and \$8,501 for maternity care. Such increased costs would make it practically impossible for many patients to avail themselves of the care they need. The result will be delays in getting treatment until their illnesses present at a more advanced, less treatable, and more expensive stage, or not keeping up with life-saving medications prescribed by their physicians.

Allowing states to eliminate the EHB will threaten our nation's fight against the opioid epidemic. A [study](#) concluded that with repeal of the ACA, "approximately 1,253,000 people with serious mental disorders and about 2.8 million Americans with a substance use disorder, of whom about 222,000 have an opioid disorder, would lose some or all of their insurance coverage." Finally, allowing states to drop important benefits like maternity, substance use disorder treatment, and preventive services will do little to reduce premiums. A [report](#) by Milliman found that the main drivers of premium costs were ambulatory patient services, hospitalization, and prescription drugs. These are crucial services that form the core of any health insurance plan.

To be clear: while some younger and healthier persons might be offered lower premiums in states that obtained a "Limited Waiver" of community-rating and essential health benefits, it would be at the expense of making coverage unaffordable for those who need it most, older and sicker persons, and result in skimpy "bare-bones" insurance for many others that does not cover the medical care they would need if and when they get sick.

Finally, even without the Limited Waiver Amendment, ACP continues to believe that the AHCA has numerous other provisions and policies that that will do great harm to patients including:

- The phase-out of the higher federal match in states that have opted to expand Medicaid and the ban on non-expansion states being able to access the higher federal contribution if they choose to expand Medicaid;

- Converting the shared federal-state financing structure for Medicaid to one that would cap the federal contribution per enrollee;
- Providing states with a Medicaid block grant financing option;
- Eliminating EHBs for Medicaid expansion enrollees;
- Imposing work or job search requirements on certain Medicaid enrollees;
- Regressive age-based tax credits, combined with changes that will allow insurers to charge older people much higher premiums than allowed under current law;
- Continuous coverage requirements for patients with pre-existing conditions;
- Legislative or regulatory restrictions that would deny or result in discrimination in the awarding of federal grant funds and/or Medicaid and Children’s Health Insurance Program funding to women’s health clinics that are qualified under existing federal law for the provision of evidence-based services including, but not limited to, provision of contraception, preventive health screenings, sexually transmitted infection testing and treatment, vaccines, counseling, rehabilitation, and referrals, and;
- Elimination of the Prevention and Public Health Fund, which provides billions in dollars to the Centers for Disease Control and Prevention to prevent and control the spread of infectious diseases.

The College strongly believes in the *first, do no harm* principle. Therefore, we continue to urge that Congress move away from the fundamentally flawed and harmful policies that would result from the American Health Care Act and from the changes under consideration—including the proposed “Limited Waiver” amendment—that would make the bill even worse for patients. We urge Congress to instead start over and seek agreement on bipartisan ways to improve and build on the ACA. The College welcomes the opportunity to share our ideas for bipartisan solutions that would help make health care better, more accessible, and more affordable for patients rather than imposing great harm on them as the AHCA would do.

Sincerely,



Jack Ende, MD, MACP
President

Cc: Members of Congress



JAMES L. MADARA, MD
EXECUTIVE VICE PRESIDENT, CEO

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April 27, 2017

The Honorable Paul Ryan
Speaker
U.S. House of Representatives
232 United States Capitol
Washington, DC 20515

The Honorable Nancy Pelosi
Democratic Leader
U.S. House of Representatives
204 United States Capitol
Washington, DC 20515

Dear Speaker Ryan and Leader Pelosi:

After reviewing the MacArthur Amendment to H.R. 1628, the American Health Care Act (AHCA), the American Medical Association (AMA) remains opposed to passage of this legislation. As we have previously stated, we are deeply concerned that the AHCA would result in millions of Americans losing their current health insurance coverage. Nothing in the MacArthur amendment remedies the shortcomings of the underlying bill. The amendment does not offer a clear long-term framework for stabilizing and strengthening the individual health insurance market to ensure that low and moderate income patients are able to secure affordable and adequate coverage, nor does it ensure that Medicaid and other critical safety net programs are maintained and adequately funded.

The MacArthur Amendment would allow states to apply for waivers from critical consumer protections provided in the Affordable Care Act (ACA), including the age rating ratio of 3 to 1, the requirements that health insurers must cover certain essential health benefits, and the ban on health status underwriting. The current ban on health status underwriting protects individuals from being discriminated against by virtue of their medical conditions. Prior to the passage of the ACA, such individuals were routinely denied coverage and/or priced out of affordable coverage. We are particularly concerned about allowing states to waive this requirement because it will likely lead to patients losing their coverage. Although the MacArthur Amendment states that the ban on preexisting conditions remains intact, this assurance may be illusory as health status underwriting could effectively make coverage completely unaffordable to people with preexisting conditions. There is also no certainty that the requirement for states to have some kind of reinsurance or high-risk pool mechanism to help such individuals will be sufficient to provide for affordable health insurance or prevent discrimination against individuals with certain high-cost medical conditions.

We continue to strongly urge Congress to engage in a bipartisan, bicameral dialogue with stakeholders to work on policies that enhance coverage, choice, and affordability.

Sincerely,

James L. Madara, MD

March 8, 2017

The Honorable Greg Walden
Chair
Energy and Commerce Committee
U.S. House of Representatives
Washington DC 20515

The Honorable Kevin Brady
Chair
Ways and Means Committee
U.S. House of Representatives
Washington DC 20515

The Honorable Frank Pallone
Ranking Member
Energy and Commerce Committee
U.S. House of Representatives
Washington DC 20515

The Honorable Richard Neal
Ranking Member
Ways and Means Committee
U.S. House of Representatives
Washington DC 20515

Dear Chairmen Walden and Brady, Ranking Members Pallone and Neal:

Representing the interests of our nation's more than 3.6 million registered nurses, the American Nurses Association (ANA) respectfully wishes to express its opposition to the recently released American Health Care Act (AHCA) as written.

The American Health Care Act threatens health care affordability, access, and delivery for individuals across the nation. In its current form, the bill changes Medicaid to a per capita cap funding model, eliminates the Prevention and Public Health Fund, restricts millions of women from access to critical health services, and repeals income based subsidies that millions of people rely on. These changes in no way will improve care for the American people.

ANA also remains troubled by the absence of testimony from non-partisan experts, such as the Congressional Budget Office (CBO), Medicaid and CHIP Payment and Access Commission (MACPAC), the Medicare Payment Advisory Committee (MedPAC) or the Government Accountability Office (GAO). Input from these and other non-partisan experts would shed light on the potential long-term economic and health consequences of the legislation. Any legislation that would fundamentally alter health-care delivery and deeply impact patients and providers deserves thoughtful, deliberate and transparent consideration. ANA strongly urges Congress to allow opportunity for considered public and stakeholder feedback in the face of reforms that would have a far-reaching and personal impact on the lives of millions of people.

Nurses work in virtually every health care setting, providing expert, compassionate care for people throughout all stages of life. As the organization representing the nation's largest group of health care professionals and its most trusted profession, ANA asks Congress to keep our patients' access to affordable, quality care foremost in their discussions over how to improve our nation's health care system. ANA stands ready to work with Congress as a constructive voice and positive force for improving health care delivery, coverage, and affordability for the American people.

Sincerely,



Pamela F. Cipriano, PhD, RN, FAAN
President, American Nurses Association

cc: The Honorable Speaker Paul Ryan
The Honorable Minority Leader Nancy Pelosi
The Honorable Majority Leader Mitch McConnell
The Honorable Minority Leader Charles Schumer
The Honorable Lamar Alexander
 Chair, Senate Health, Education, Labor and Pensions Committee
The Honorable Patty Murray
 Ranking Member, Senate Health, Education, Labor and Pensions Committee
The Honorable Orrin Hatch
 Chair, Senate Finance Committee
The Honorable Ron Wyden
 Ranking Member, Senate Finance Committee

April 26, 2017

The Honorable Paul Ryan
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, DC 20515

Dear Speaker Ryan and Minority Leader Pelosi:

Our organizations, which represent over 560,000 physicians and medical students, remain concerned with ongoing efforts that in our view could destabilize our nation's health care system. We believe that pending legislation proposals would dramatically increase costs for older individuals, result in millions of people losing their health care coverage, and return to a system that allows for discrimination against people with pre-existing conditions. We are especially concerned about the changes to Medicaid and Medicaid financing contained within AHCA.

Our members are the frontline physicians who provide physical and mental health care services to millions of men, women, and children each day. They provide care to children, the aged, those with chronic conditions, people battling substance use disorders, and the many individuals who are seeking prevention and wellness services in an attempt to be healthier. Our members see firsthand the important role that health care coverage and access to affordable, high quality care plays in people's lives and their pursuit of better health and well-being. They also recall those days when patients faced discrimination based on their age, gender, or health conditions, and remember when those with mental and behavioral health needs were denied coverage.

This experience with the health care system is why our organizations strongly oppose the compromises that have been recently reported. These compromises are built on the flawed foundation of the American Health Care Act (AHCA), which would result in millions of Americans and, according to the CBO, over 7 million with employer-sponsored insurance, losing their coverage.

Further, these compromises would allow individual states to obtain waivers to opt-out of important benefit and patient protection provisions in current law. Under the proposed "Limited Waiver" authority, insurers in such states would once again be allowed to charge unaffordable premiums to people with pre-existing conditions based on their individual health risks, and decline to cover ten categories of essential services including prescription drugs, physician and hospital visits, preventive services, and mental and behavioral health benefits. We are especially concerned that these changes would:

- Allow insurers to deny millions of people facing addiction access to treatment and therapy, when such services are needed more than ever to address the opioid epidemic in the United States.
- Make health care even more expensive and further reduce access to care for millions, especially those over the age of 50;
- Force individuals with multiple chronic conditions into underfunded state-sponsored high risk pools, which have been proven ineffective numerous times;

- Allow for gender rating by enabling states to opt out of maternity care coverage.

We urge Congress to reject these “compromises” and instead focus on enacting policies that improve upon current law, thus ensuring that more people have access to affordable health care coverage. Our organizations have provided several recommendations on how current law could be improved to accomplish these goals. A few of those recommendations are:

- Ensure that coverage remains affordable by maintaining premium and cost-sharing subsidies available under current law.
- Stabilize the individual market.
- Take immediate action to provide long-term, adequate funding for the CHIP program.
- Identify and implement policies that make primary, preventive, and mental health more readily available to all Americans.
- Identify and implement policies that lower costs for individuals and families, especially the costs of pharmaceutical treatments.
- Reform our medical liability laws.
- Reduce the administrative and regulatory burdens that add costs and inefficiencies to our delivery and insurance systems, and take away valuable time for us to care for our patients.

We recognize that our health care system is not perfect and reforms are needed. Our organizations and our members stand ready to work with Congress and the Administration to improve our health care system. However, we urge Congress to reject the AHCA and instead focus on the implementation of policies that aim to improve our health care system versus those that seek to destabilize it and would make quality health care less available to millions of Americans.

Sincerely,

American Academy of Family Physicians
American Academy of Pediatrics
American College of Physicians
American Congress of Obstetricians and Gynecologists
American Osteopathic Association
American Psychiatric Association

C: The Honorable Kevin McCarthy
The Honorable Steny Hoyer
The Honorable Steve Scalise
Members, U.S. House of Representatives

Statement on the American Health Care Act

Rick Pollack

President and CEO

American Hospital Association

The latest version of the AHCA continues to put health coverage in jeopardy for many Americans. Our top concern is what this change could mean for older and sicker patients, including those with pre-existing conditions, such as cancer patients and those with chronic conditions. For these reasons, along with our previously stated concerns about the AHCA, we cannot support the bill. However, we urge Congress to continue to work with stakeholders on a solution that provides meaningful coverage.

The amendment proposed this week would dramatically worsen the bill. The changes included put consumer protections at greater risk by allowing states to waive the essential health benefit standards, which could leave patients without access to critical health services and increase out-of-pocket spending. This could allow plans to set premium prices based on individual risk for some consumers, which could significantly raise costs for those with pre-existing conditions.

Additionally, the Congressional Budget Office has not yet scored the amendment. However, CBO previously projected that the AHCA would result in 24 million fewer people covered in 2026. It is unlikely this amendment would improve these coverage estimates.

As the backbone of America's health safety-net, hospitals and health systems must protect access to care for those who need it and ensure that the most vulnerable patients are not left behind. The AHCA continues to fall far short of that goal.

<http://www.aha.org/presscenter/pressrel/2017/042717-pr-ahca.shtml>