

Repealing the Affordable Care Act Puts Maine's Health Care and Economy at Risk

U.S. Senate Proposal Maintains Most Damaging Elements of House Republican Plan and Would Especially Hurt Older and Rural Mainers

Executive Summary

Congressional efforts to repeal the Affordable Care Act (ACA) will put health coverage at risk for tens of thousands of Mainers, increase costs for hundreds of thousands more, and reduce access to services in many communities. The House bill, the “American Health Care Act”, and the Senate bill, the “Better Care Reconciliation Act,” ultimately have the same effect—less care for Mainers in exchange for tax cuts for the wealthiest.

A new analysis of the proposals by the Maine Center for Economic Policy (MECEP) finds that repealing the ACA in favor of either the House or Senate plan would have dire consequences for Maine people and communities. It would especially hurt older and rural Mainers.

Beyond the impacts on individuals and families, the Republican proposals would drive up costs for the state and destabilize Maine's health care system. Like the House Republican plan, the Senate Republicans' repeal proposal is no solution to the challenges remaining in the nation's health care system and should be scrapped.

The Senate bill ends the Medicaid expansion. Whether the expansion ends right away or a little more slowly, the end result is the same: millions of Americans lose coverage, access to care, and financial security.

The Senate bill drastically cuts and caps the entire Medicaid program – putting coverage at risk for 263,000 Mainers, largely people with disabilities, seniors, and families with children. In fact, because its cap is harsher, the Senate draft's overall cuts to Medicaid are even deeper than the House bill's 24 percent federal funding cut over the long run.

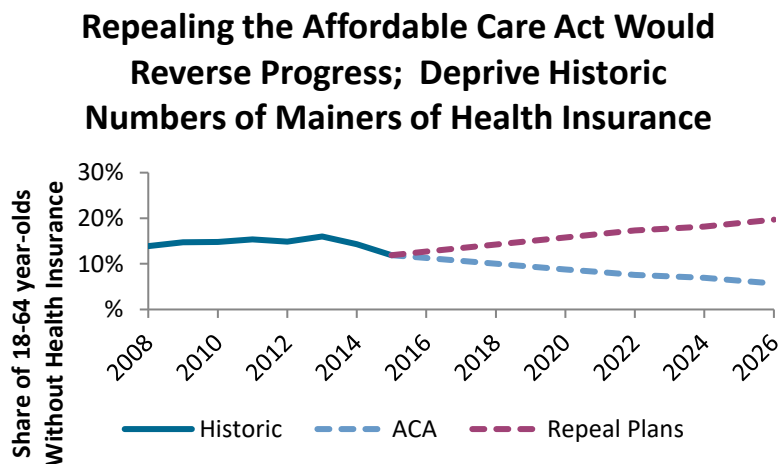
The Senate bill would raise premiums and deductibles for millions of Americans who buy coverage in the individual marketplace by slashing tax credits and eliminating cost-sharing assistance. Older people and people living in high-cost states like Maine would see especially large increases in costs.

The Senate bill would gut consumer protections, leaving people with pre-existing conditions without access to needed health care. Specifically, the Senate bill would let states drop requirements that plans cover basic services. In its estimates of the House bill, CBO predicted that could leave half of individual market consumers without access to coverage for maternity care, mental health, or substance use treatment.

The Senate bill – like every version of this bill – would cause millions to lose coverage.

Key findings from MECEP's report:

- About 111,000 more Mainers would lack health insurance, including 11,000 children, by 2026.
- Most areas of the state would see a double-digit increase in the number of uninsured, with rural areas suffering the greatest impact.
- By 2026, almost one in five non-elderly adults in Maine would be without health insurance.
- Health insurance premiums for older Mainers would skyrocket, increasing as much as 18 times more than current costs.
- Medicaid, which provides health insurance for 263,000 Mainers, would face drastic cuts, shifting more than \$2.4 billion in costs to Maine.
- The House and Senate efforts to repeal the ACA would cripple the health care sector, which employs about one in five Mainers, and destroy an estimated 10,000 jobs.
- Business output would decline by \$1.6 billion and the gross state product would be \$1 billion smaller, a two percent decline that's larger in real terms than the decline from the recession of 2008-2009.



Source: MECEP analysis of data from CBO; US Census Bureau, Small Area Health Insurance Estimates

Repealing the ACA in favor of either the House or Senate proposals would be a reckless action that would endanger the lives, health, and economic well-being of tens of thousands of Mainers. Both proposals contain provisions that would make health insurance more expensive, putting it out of reach for thousands of Mainers, and attempt to shift costs from the federal government onto the states, or their residents. Maine cannot afford the widespread destruction that would be wrought by either proposal, and Mainers do not deserve legislation that causes them harm for the sake of tax breaks for the wealthiest Americans.

The Maine Center for Economic Policy is a non-partisan, policy research organization committed to advancing economic justice and prosperity for all Maine people. Visit MECEP's web site for a copy of our full report, "Repealing the Affordable Care Act Puts Maine's Health Care and Economy at Risk, U.S. Senate Proposal Maintains Most Damaging Elements of House Republican Plan and Would Especially Hurt Older and Rural Mainers."