

The AHCA in Colorado

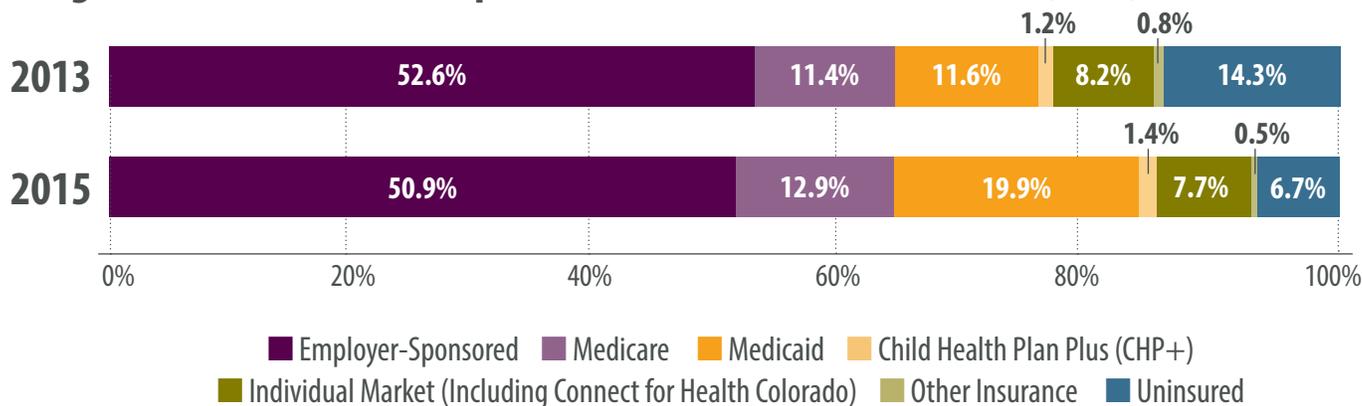
Potential Effects of the Bill to Replace the Affordable Care Act

MARCH 10, 2017

Part 1: The Affordable Care Act's Legacy

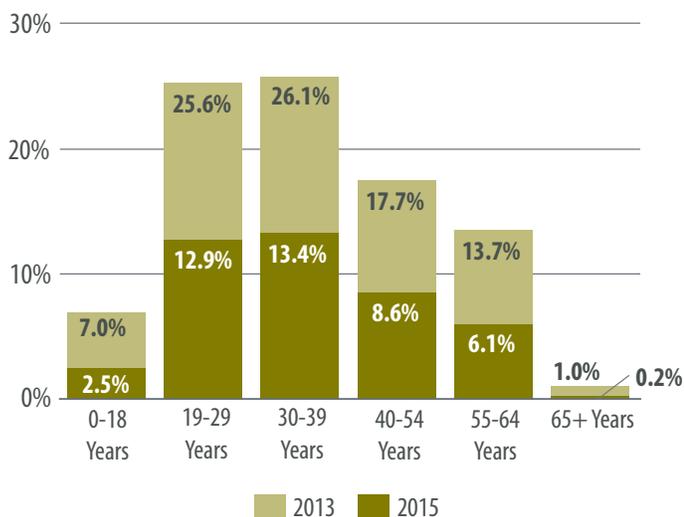
A Surge in Medicaid and a Drop in Uninsured

Colorado Health Insurance Coverage, All Ages, 2013-2015



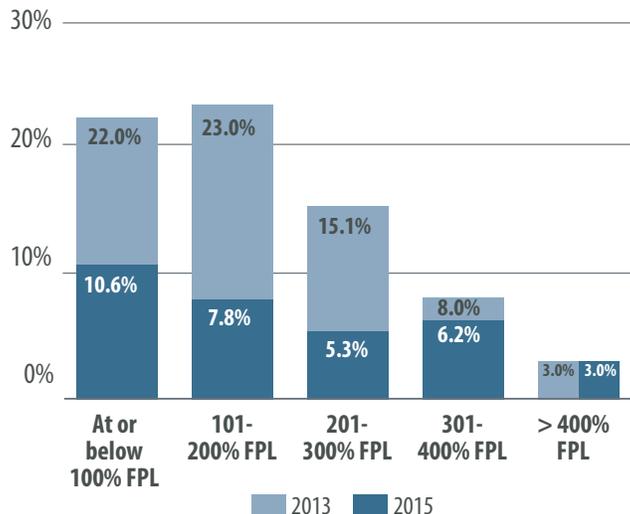
Young Adults: Highest Uninsured Rate

Uninsured Rates by Age, 2013-2015



Biggest Gains for Lowest Incomes

Uninsured Rates by Federal Poverty Level, 2013-2015



Source: Colorado Health Access Survey

94% Feds 6% States

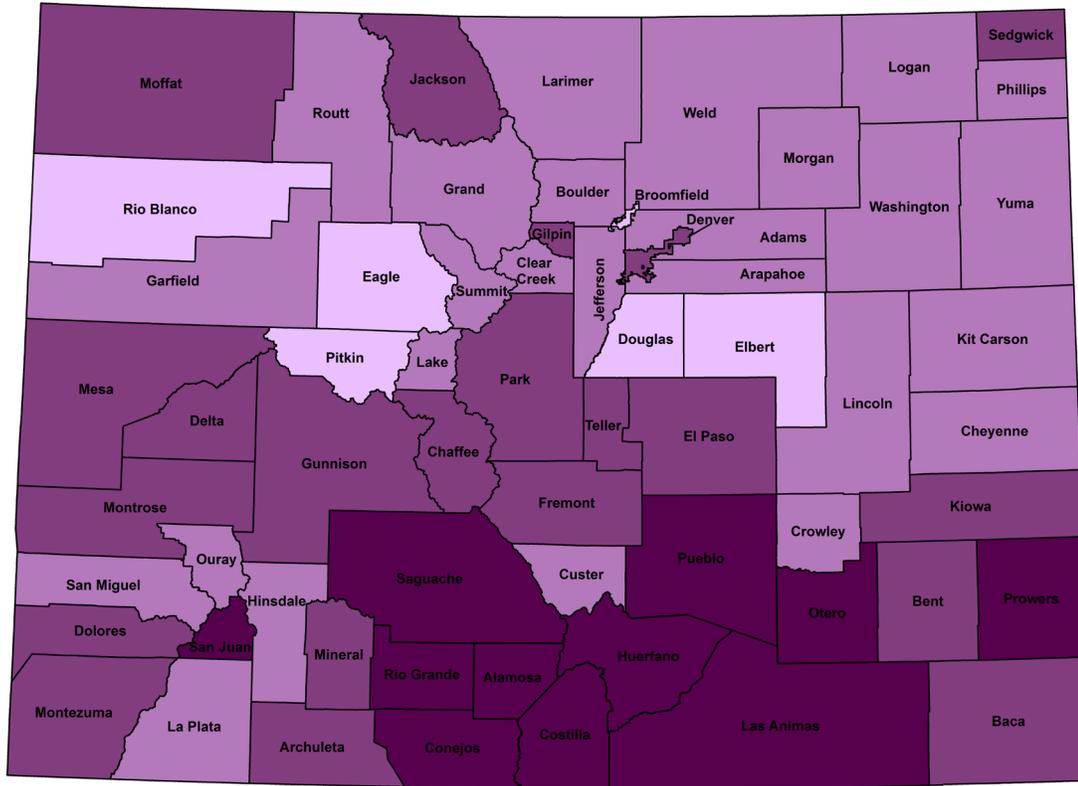
Current funding for ACA Medicaid expansion

Source: Colorado Health Institute calculations of state budget data

\$907 Million per Year

Cost to Colorado without generous federal match for expansion, Fiscal Year 2017-18. (Estimate updated March 10.)

Medicaid Expansion: A Rural Story

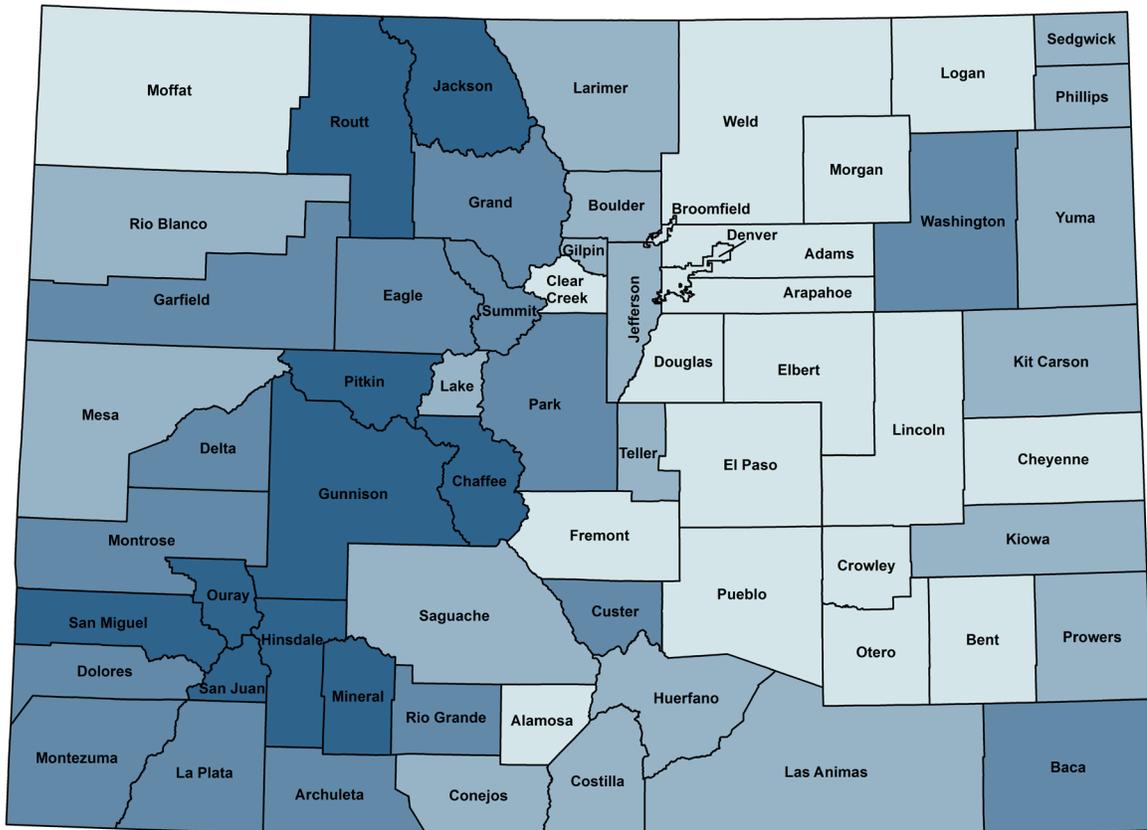


Percentage of County Residents Covered Through the ACA Medicaid Expansion

- 2.6% to 5.1%
- 5.2% to 7.9%
- 8.0% to 11.2%
- 11.3% to 18.9%

Source: Colorado Department of Health Care Policy and Financing

Ski Country Loves Exchange Subsidies



Percentage of County Residents Receiving ACA Subsidies to Buy Individual Market Insurance

- 0.8% to 2.4%
- 2.5% to 4.4%
- 4.5% to 7.1%
- 7.2% to 10.2%

Source: Connect for Health Colorado

Part 2: Washington's Power Centers

The GOP's Three Factions



Sen. Lamar Alexander and GOP moderates:
Repeal(?) and repair



Speaker Paul Ryan: Repeal and replace



Sen. Rand Paul and House conservatives:
Repeal now

Focus: Coverage levels and consumer costs **Focus: No tax credits or Medicaid expansion**

Other Players



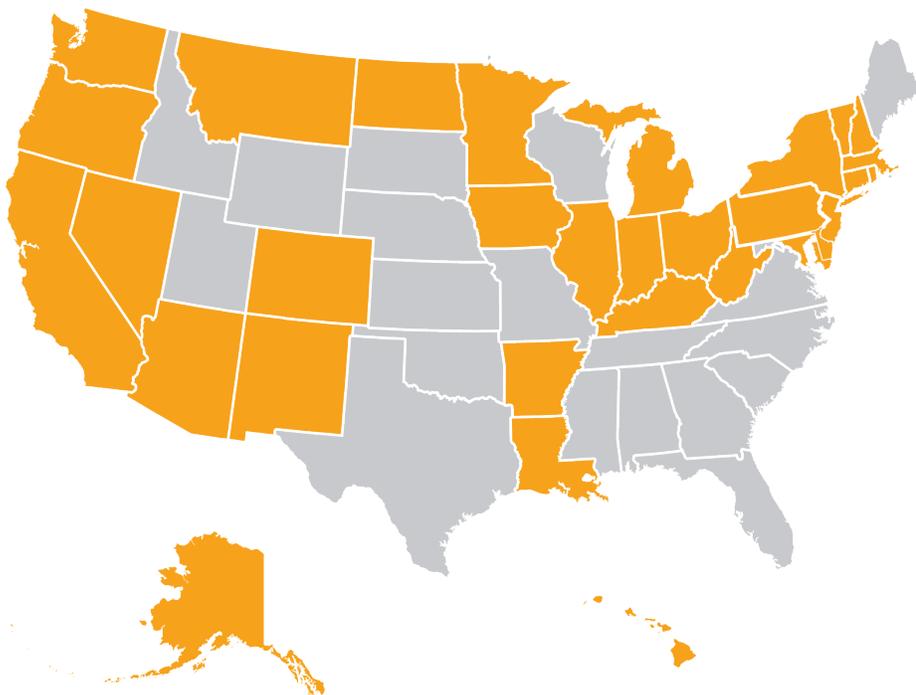
Sen. Chuck Schumer and Democrats: United to oppose all GOP repeal efforts. Able to delay and filibuster.



President Donald Trump: Voiced support for Ryan's bill, but extent is unclear.

Part 3: The AHCA's Billion-Dollar Question: Medicaid

ACA Medicaid Expansion States (31 plus District of Columbia)



Two important changes:

Eligibility Expansion

- Closed as of 2020
- Medicaid members in ACA expansion who lose eligibility after 2020 can't return and get federal funding

Per Capita Caps

- Starting in 2020
- Funding grows by medical inflation

Part 4: The AHCA and the Individual Market

Two important changes:

Tax Credits

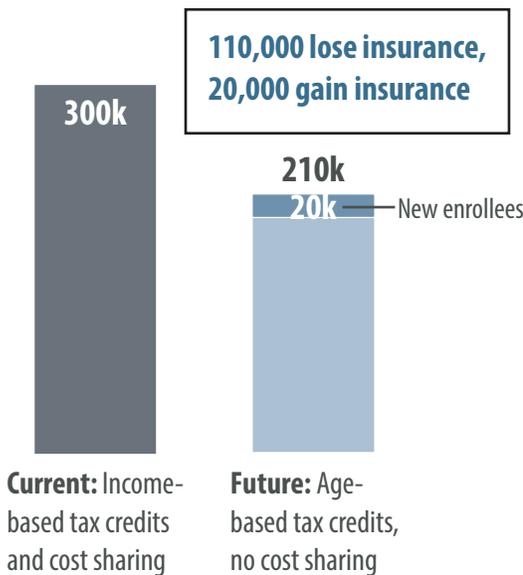
- Based on age, rather than insurance price and income
- Phase out between \$75,000 and \$115,000 income for a single person

Age Rating

- Oldest customer could be charged five times as much as the youngest (compared with 3-to-1 ratio in ACA)

Avalare Analysis of Ryan Plan

Individual market enrollment for a hypothetical state



Source: Avalare consulting

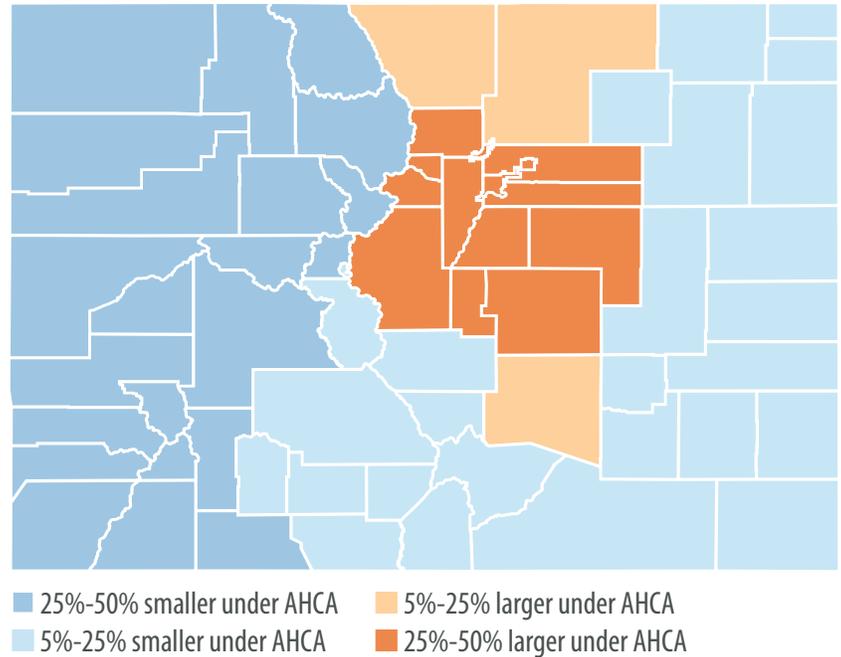
Projected Effects on Premiums

Age	3:1 Age Rating (ACA)	5:1 Age Rating (AHCA)	Annual Change
21	\$2,840	\$2,120	(\$720)
64	\$8,510	\$10,600	\$2,090

Source: RAND Corp.

Geographic Shifts in Tax Credits

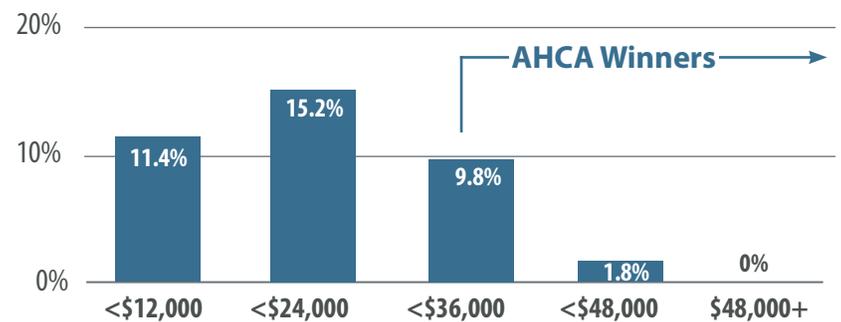
AHCA Credits Compared with ACA for a 40-year-old making \$30,000



Source: Kaiser Family Foundation

ACA Favored Middle, Lower Incomes

Increases in Insured Population by Income Levels, 2013-2015



Source: Colorado Health Access Survey

GOP Plans in 35 Words

Republican plans cover **fewer people** than the ACA currently does. They are generally **better** for people who are young, healthy, and higher income and **worse** for those who are older, sicker, and lower income.

Sarah Kliff, Vox.com