

June 23, 2017

## The Senate Health Care Bill: What You Need to Know

On Thursday, June 22, 2017, the Senate introduced its version of health reform legislation, the Better Care Reconciliation Act (BCRA). In May, the House of Representatives voted to pass the American Health Care Act (AHCA). While the two bills are similar, the Senate legislation contains some key differences. The Arthritis Foundation previously wrote an [FAQ](#) on the House bill, explaining how it could affect people with arthritis. Below are some facts about the Senate bill and its potential impact.

We want you to know that the Arthritis Foundation and our army of volunteer Advocates are on the job, working hard to ensure that YOU have affordable access to the care you need. If you want a better understanding of this bill, how it might change your coverage, costs and access to medical care, as well as what actions we are taking, read on.

**Following are some common questions raised by the proposed bill.**

**Will I be able to get insurance, since I have \_\_\_\_\_ [fill in type of arthritis], a pre-existing condition?**

The current requirement to cover people with pre-existing conditions has not changed. So yes, you will be able to get a policy. But whether or not you will be able to get an adequate, affordable policy is not clear. Since essential health benefit requirements would be eliminated (see below), insurance companies may be able to impose lifetime caps on health care services.

The House bill included funding for states to set up high-risk pools. The Senate bill does not designate funding for high-risk pools, but it does include a fund to reimburse insurance companies that may lose money by selling plans under the bill's new requirements.

**I have insurance now, but it is definitely a strain on my budget. Would the new plan give me a break?**

That depends on your age and income as well as your health status. Right now, insurance companies are limited in how much more they can charge an older person than a younger person for the same policy. The proposed plan would loosen that restriction, allowing insurers to charge older people up to five times more than they charge younger people, instead of the current limit of three times as much.

### **Can I count on the same basic benefits I get now?**

That will depend on what your state decides to do. The proposed plan doesn't remove the requirement for plans to cover the 10 essential health benefit categories (drug coverage, outpatient care, lab tests, hospitalization, emergency services, maternity and newborn care, mental health and substance abuse treatment, physical and occupation therapy and devices). But there's a catch. States can get federal waivers that would allow insurers in their states to sell plans that exclude some or all of the essential health benefits. More specifically, the bill makes it easier for states to apply for and receive a waiver.

### **Will I still be protected by the cap on annual out-of-pocket costs and the ban on lifetime limits? The medical care and drugs I need are pretty expensive.**

The bill leaves those protections in place, but in reality your state will determine whether you will get the full protections you have now. Those protections only apply to spending on care covered by your plan's [essential health benefits](#). So if your state gets an essential health benefits waiver, what you spend for those services will not be protected by the annual cap or lifetime limit. For example, if your plan doesn't have prescription drug coverage, your spending on drugs will not be capped or limited.

### **Am I at risk of losing Medicaid coverage under the proposed plan?**

Possibly. The bill would essentially create a rollback of the Medicaid expansion that occurred under the Affordable Care Act and take steps to limit the federal government's spending on Medicaid, tightening who is covered, so your coverage may be at risk. States would be given a set amount of money by the federal government to manage their Medicaid programs. This means the bill would significantly decrease funding to states for Medicaid, which will lead to coverage losses for many people.

### **I currently use a Health Savings Account (HSA) as part of my health care coverage. Will these accounts be affected?**

The bill increases the maximum contributions allowed to HSAs to the amount of deductible and annual out-of-pocket limitations. In addition, the legislation would lower the additional tax on distributions not used for qualified medical expenses from 20 percent to 10 percent.

### **My daughter who is 23 has juvenile idiopathic arthritis, and I need to keep her covered under my plan. Will I be able to do that?**

Yes. The bill leaves in place that option, which was implemented with the ACA.

In conclusion, this bill would have a disproportionately negative impact on older Americans and those with pre-existing conditions. While the bill does maintain some protections, such as allowing children to remain on their parent's insurance until age 26, it opens the possibility for states to drastically change coverage and benefits. The new tax credit structure, coupled with the new age-rating structure that allows insurers to charge more for older adults, would likely raise cost sharing for older Americans.

### **What is the Arthritis Foundation doing about this?**

- Our staff and Arthritis Foundation Advocates are actively engaged with the Senate as they consider this bill. Our goal is to ensure that senators know how these policies would impact people with arthritis, and to offer constructive policy proposals that will help make health care truly patient-centered.
- **You are invited to [attend a webinar](#) we are hosting with the American College of Rheumatology on Wednesday June 28, at 4:00 p.m. ET, to talk about how this bill affects the arthritis community.**

We welcome your feedback and questions to [advocacy@arthritis.org](mailto:advocacy@arthritis.org), and want you to know you can always use the Arthritis Foundation as a resource and sounding board. We are here for you.