

September 19, 2017

Graham-Cassidy Bill: What You Need to Know

On Wednesday, September 13, 2017, a new proposal to repeal and replace the Affordable Care Act (ACA) was introduced in the Senate. The House passed its version of ACA repeal and replace legislation in May, and the Senate considered legislation in July that failed to gain a majority of votes for passage.

The latest proposal, by Sens. Lindsay Graham (R-SC) and Bill Cassidy (R-LA), would create a block grant system, giving states wide flexibility to administer health care, but also allowing them to waive some provisions of the ACA. The Senate must act by September 30 to pass a bill with a simple majority.

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. Read on to learn more about some of the ways this bill could impact the arthritis community.

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 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](#). This legislation allows states to choose their own essential health benefits, so the out-of-pocket cost protections would vary depending on what your state chooses. For example, if your state chooses to eliminate prescription drug coverage as an essential health benefit, your spending on drugs will not be capped or limited.

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. The legislation would allow states the option to not cover all the costs associated with some conditions. Since essential health benefit requirements could be altered, insurance companies may be able to impose lifetime caps on health care services.

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

That depends on your age 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 more than the current limit of three times as much.

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 the deductible and annual out-of-pocket caps. In addition, it allows for HSAs to pay for health care premiums and the coverage of medical expenses of children up to age 27.

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

That will depend on what your state decides to do. Under the proposed plan, states can get federal waivers that would allow them to choose which essential health benefits they will require. States will be able to cover all ten as they do now under current law, or they may choose to cover fewer essential health benefits.

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

Possibly. The bill would eliminate 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.

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 the option for children to remain on their parent's plan until age 26.

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 rolls back important essential health benefit protections, and potentially opens the door to eliminating annual out-of-pocket spending caps and the ban on lifetime caps on coverage, endangering access to critical care for millions of 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.

- The Arthritis Foundation continues to strongly urge Congress to focus on bipartisan solutions to strengthen the health care system, most recently by joining 15 other patient and provider groups in a [statement](#) expressing concerns about the legislation.
- Last month, the Arthritis Foundation also sent a [letter](#) to congressional leadership that outlines several bipartisan policy solutions.
- Learn more about the Arthritis Foundation's activities on health care reform [here](#).
- We welcome your feedback and questions at advocacy@arthritis.org, and want you to know you can always use the Arthritis Foundation as a resource. We are here for you.