

What Will Repeal of the Affordable Care Act Mean for New York?



Health Care For All New York: Building Quality, Affordable Health Care for ALL New Yorkers

What NEW YORK STATE Could Lose

The new administration and members of Congress are discussing repeal of the Affordable Care Act (ACA). HCFANY wants consumers to know what is at stake for them and for New York. If the ACA were repealed, more than 2.7 million New Yorkers would lose their health coverage and New York State would lose more than \$4 billion annually in federal funding for health coverage programs. New York would also lose more than 130,000 jobs by 2019.

Essential Plan

New York would lose an estimated **\$900 million** in federal funding for the Essential Plan (EP). The EP is New York's Basic Health Plan, an option under the ACA to provide free or low cost coverage with no deductible and low copayments. More than 665,000 New Yorkers are currently enrolled and could lose coverage.

Medicaid Expansion

Under the ACA, New York State expanded Medicaid to New Yorkers with incomes up to 138 percent of the Federal Poverty Level (FPL) or \$16,642 for an individual. New York State would lose more than **\$3 billion** in enhanced federal matching funds for Medicaid for this group of low-income New Yorkers if the ACA is repealed. Medicaid enrollment in New York State could decrease by about **one million people**. Most of these beneficiaries are working adults.

Advanced Premium Tax Credits (APTCs) and Cost Sharing Reductions (CSRs)

APTCs and CSRs are subsidies provided to moderate income consumers to make health coverage purchased through the Marketplace more affordable. Currently **242,000 New Yorkers** are enrolled in the Marketplace with **\$250 million in subsidies**. Under a repeal of the ACA, New York would lose the funding for these subsidies and health insurance would become unaffordable for many individuals and families. Elimination of APTCs/CSRs and repeal of the individual mandate would cause huge price increases for the **385,000 people** in the individual market, causing a "death spiral."

Small Business Tax Credits

The ACA provides substantial tax credits to small businesses that provide health coverage to their employees. If the ACA were to be repealed, **3,200 NY businesses** would lose these tax credits. Some of these small businesses may not be able to afford to continue offering health coverage to their **13,200 employees** without the tax credits from the ACA.



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Subsidies that Make Coverage More Affordable

Repeal of the ACA would eliminate the **advanced premium tax credits** and **cost sharing reductions** that help low and moderate income Americans afford health insurance if they do not receive insurance through their employers. Huge premium hikes will hit the individual insurance market due to lack of financial aid and lack of penalties for not having coverage.

Free and Low Cost Insurance for Low-Income Adults

Repeal of **Medicaid expansion** and the **Essential Plan** (New York's Basic Health Plan) under the ACA means that many New Yorkers who rely on these programs for coverage could become uninsured.

Employer-Based Insurance

Large employers will no longer be required to provide insurance to employees and their families. Small businesses will no longer receive **tax credits** for offering insurance to their employees. People who receive insurance through their employer could lose coverage or face higher premium costs.

Consumer Protections

The ACA has rules in place to protect consumers, including bans on exclusions for people with **pre-existing conditions**, bans on **discrimination by health insurance companies**, and coverage of **essential health services** under all plans. Repeal of the ACA would eliminate these protections.

HOW SOON WOULD THIS TAKE EFFECT?

The parts of the ACA that affect subsidies, Medicaid, the Essential Plan, and employer-based insurance can be repealed right away, but could take from one to three years to go into effect.



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