

ASSEMBLY RESOLUTION No. 252

STATE OF NEW JERSEY 217th LEGISLATURE

INTRODUCED MAY 18, 2017

Sponsored by:

Assemblyman VINCENT PRIETO

District 32 (Bergen and Hudson)

Assemblywoman ELIZABETH MAHER MUOIO

District 15 (Hunterdon and Mercer)

Assemblyman JOSEPH A. LAGANA

District 38 (Bergen and Passaic)

Assemblyman TIM EUSTACE

District 38 (Bergen and Passaic)

Assemblywoman SHAVONDA E. SUMTER

District 35 (Bergen and Passaic)

Assemblywoman VALERIE VAINIERI HUTTLE

District 37 (Bergen)

Co-Sponsored by:

Assemblyman Coughlin and Assemblywoman Jasey

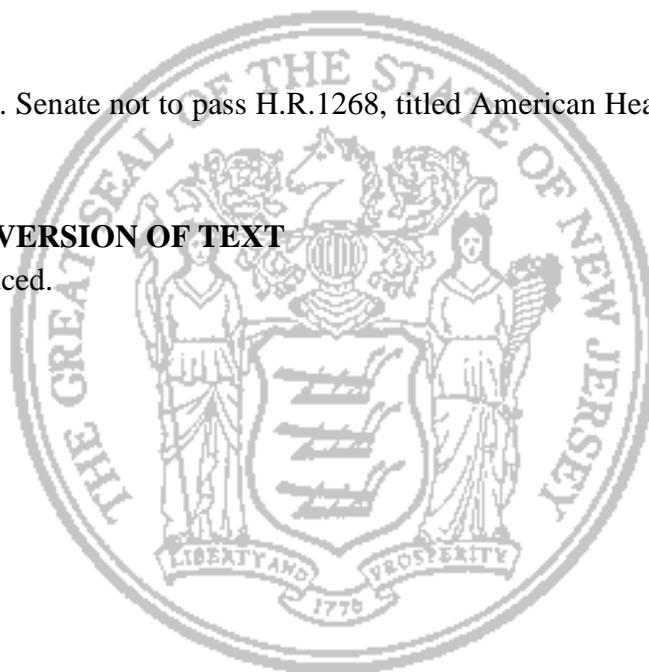
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SYNOPSIS

Urges U.S. Senate not to pass H.R.1268, titled American Health Care Act of 2017.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/23/2017)

1 **AN ASSEMBLY RESOLUTION** urging the United States Senate not to
2 pass H.R.1628, the American Health Care Act of 2017.
3
4 **WHEREAS**, The Patient Protection and Affordable Care Act (ACA),
5 which was signed into law on March 23, 2010, established a
6 comprehensive series of health insurance reforms designed to make
7 universal, quality, affordable health coverage available to all
8 Americans while ending certain common health insurance industry
9 practices that limited access to coverage; and
10 **WHEREAS**, Since its enactment, the ACA has helped reduce the
11 number of people without health insurance through the use of tax
12 subsidies, coverage mandates, and expansions to Medicaid. In New
13 Jersey alone, an additional 480,000 people obtained coverage under
14 the Medicaid expansion, and the uninsured rate in the State was
15 reduced to 8.7 percent, representing a 34 percent decrease in the
16 uninsured population between 2013 and 2015; and
17 **WHEREAS**, On March 20, 2017, H.R.1628, the American Health Care
18 Act of 2017 (AHCA), sometimes known as “Trumpcare,” was
19 introduced in the United States House of Representatives. On May
20 4, 2017, the House voted to pass the bill; and
21 **WHEREAS**, On March 23, 2017, the nonpartisan Congressional Budget
22 Office (CBO) estimated that the AHCA would result in an
23 additional 24 million people being without health insurance by
24 2026, as compared with the uninsured rate under the ACA.
25 Although the House of Representatives amended the bill prior to
26 passage, the membership did not wait for a new CBO score before
27 holding a vote, suggesting the House passed the bill without the
28 benefit of an impartial analysis of its potential effects; and
29 **WHEREAS**, As passed by the House of Representatives, the AHCA
30 would eliminate many of the provisions of the ACA that were
31 designed to expand access to health insurance, including rolling
32 back the Medicaid expansion; and
33 **WHEREAS**, In its current form, Trumpcare would revise the way tax
34 subsidies are structured and allow states to opt out of certain ACA
35 protections designed to prevent certain industry practices that
36 limited access to health care for women and individuals with
37 preexisting conditions; and
38 **WHEREAS**, Specifically, under the current version of the AHCA, states
39 would be allowed to opt out of the requirement that all health
40 insurance policies include coverage for essential health benefits,
41 including emergency services, habilitative and rehabilitative
42 services, inpatient care, outpatient care, maternity and newborn
43 care, mental health and addiction treatment, lab tests, preventative
44 care, prescriptions, and pediatric services; and
45 **WHEREAS**, Before enactment of the ACA, women who wanted
46 coverage for maternity and newborn care were frequently charged
47 premiums and deductibles that nearly matched the out of pocket
48 costs for those services. Experts predict that, in states that opt out

1 of the maternity and newborn care coverage requirement, women
2 will again be charged significantly higher rates for this coverage;
3 and

4 **WHEREAS**, The nation is currently in the midst of an opioid addiction
5 epidemic that has caused overdose and mortality rates to skyrocket.
6 Efforts to address and curtail opioid addiction could be significantly
7 hampered in states that opt out of mandatory coverage for mental
8 health and addiction treatment; and

9 **WHEREAS**, Prior to enactment of the ACA, insurers denied coverage
10 to people with preexisting conditions or charged them significantly
11 higher premiums and deductibles; 35 states and the federal
12 government created high risk pools to attempt to provide coverage
13 to these individuals, however, the pools were expensive to operate
14 and required significant governmental subsidies. Even with the
15 subsidies, the pools were generally unable to provide coverage to
16 everyone with a preexisting condition, and many pools
17 implemented waiting lists, annual and lifetime limits on coverage,
18 high deductibles, and waiting periods before coverage began; and

19 **WHEREAS**, In its current form, Trumpcare would replace coverage
20 protections for people with preexisting conditions with the same
21 high risk pools that failed in the past. According to an analysis
22 published by Avelere, the \$23 billion included in the Trumpcare
23 plan to fund the pools would cover approximately five percent of
24 the 2.2 million people with preexisting conditions; the
25 Commonwealth Fund estimates that high risk pools will require
26 \$178 billion in funding each year to cover everyone with a
27 preexisting condition; and

28 **WHEREAS**, New Jersey Policy Perspective predicts that rolling back
29 the Medicaid expansion will eliminate coverage for 562,000 people
30 in New Jersey, and permanent structural changes to Medicaid will
31 jeopardize coverage for an additional 1.8 million State residents,
32 including seniors, people with disabilities, and children; and

33 **WHEREAS**, Under the AHCA, it is estimated that a total of 1.25
34 million New Jersey residents will be uninsured by 2020. This
35 would be an increase of 127,000 over the number of uninsured
36 people prior to the enactment of the ACA, and includes 86,000
37 people who had coverage under Medicaid prior to enactment of the
38 ACA, but are expected to lose coverage because the State will not
39 be able to replace lost federal funding; and

40 **WHEREAS**, It would cost New Jersey an estimated \$8.8 billion over
41 the next decade to maintain Medicaid coverage at the expanded
42 levels, assuming there is no increase in enrollment; and

43 **WHEREAS**, According to New Jersey Policy Perspective, caps on
44 Medicaid spending under Trumpcare will cost New Jersey \$30
45 billion in federal funds and potentially result in tens of thousands of
46 lost jobs; and

47 **WHEREAS**, The AHCA is expected to increase out-of-pocket health
48 care costs by an average of \$2,740 per year for each of the 250,000

1 New Jersey residents who purchase insurance through the ACA
2 marketplace; and

3 **WHEREAS**, Although the AHCA would provide 250 New Jersey
4 millionaires with a federal tax break averaging \$57,000 per year, it
5 is expected to increase federal taxes by 30 percent for middle and
6 lower income New Jerseyans; and

7 **WHEREAS**, The Center for American Progress conservatively
8 estimates that it will cost \$790 million per year to provide health
9 coverage for the 37,000 New Jerseyans with a preexisting
10 condition. Currently, the AHCA would allocate an average \$353
11 million to each state, leaving New Jersey with a \$437 million
12 funding gap, the 11th highest in the nation; and

13 **WHEREAS**, Numerous health care groups have expressed opposition to
14 the AHCA, including the American Medical Association, the
15 American Hospital Association, the American Academy of Family
16 Physicians, the National Alliance on Mental Illness, and the
17 American Diabetes Association; and

18 **WHEREAS**, An increase in the number of uninsured individuals will
19 likely increase costs for hospitals, which are required to treat
20 anyone who presents at the emergency department, regardless of
21 their coverage status. In New Jersey, expanded Medicaid coverage
22 under the ACA resulted in \$400 million in cost savings from
23 payments to hospitals to offset the cost of caring for individuals
24 without insurance. These gains are likely to be erased under
25 Trumpcare in its current form; and

26 **WHEREAS**, If enacted, the AHCA will eliminate health security for
27 millions of Americans, particularly older adults, women, and
28 individuals with preexisting conditions. The United States Senate
29 has both the opportunity and the responsibility to stop this
30 disastrous legislation from becoming law; now, therefore,

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32 **BE IT RESOLVED** by the General Assembly of the State of New
33 Jersey:

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35 1. The General Assembly of New Jersey respectfully urges the
36 United States Senate not to enact H.R.1628, titled the American
37 Health Care Act of 2017.

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39 2. Copies of this resolution, as filed with the Secretary of State,
40 shall be transmitted by the Clerk of the General Assembly to the
41 President and Vice President of the United States, the Majority and
42 Minority Leaders of the United States Senate, the Speaker and
43 Minority Leader of the United States House of Representatives, and
44 every member of the Congress of the United States elected from the
45 State of New Jersey.

STATEMENT

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This resolution respectfully urges the United States Senate not to enact H.R.1268, the American Health Care Act of 2017 (AHCA). The AHCA, as amended and passed by the U.S. House of Representatives on May 4, 2017, would eliminate many of the provisions of the 2010 Patient Protection and Affordable Care Act (ACA) that provided expanded access to quality health insurance coverage for millions of Americans. Specifically, the AHCA would roll back the ACA's Medicaid expansion, allow states to eliminate coverage protections for those with preexisting conditions and opt out of coverage mandates for essential health benefits, and revise the tax subsidy provisions that help individuals afford coverage in a way that disproportionately affects older adults. In New Jersey, enactment of the AHCA would result in an even larger uninsured population than existed prior to enactment of the ACA.