

# Affordable Care Act Repeal and Replace

## MYTH vs. FACT

**MYTH:** The Affordable Care Act (ACA) has made health care affordable and accessible for all Americans.

**FACT:** Under the so-called Affordable Care Act, the average family's premium has soared by \$4,300, and some deductibles have gone up 60%. Nearly 6 million people have chosen to pay a fine to remain uninsured rather than enroll in an insurance plan.

**MYTH:** Republicans have no plan to replace the ACA.

**FACT:** The House Republican replacement plan, the Better Way: Health Care, has been publicly available since June 22, 2016. It can be viewed [here](#). Also, the presumed incoming Health and Human Services (HHS) Secretary, Dr. Tom Price, introduced a bill that is similar to the Better Way in 2015. The full legislative text of this bill, the Empowering Patients First Act, can be viewed [here](#).

**MYTH:** Repealing the ACA would mean that millions of Americans will suddenly lose their insurance plans, their premium subsidies, and Medicaid coverage.

**FACT:** The repeal of the ACA will contain a reasonable transition period to prevent disruption for families and the insurance market while we move to a new and better system.

**MYTH:** When the ACA is repealed, people will lose the premium tax credits that help them afford insurance.

**FACT:** The Better Way plan provides more universal help than the ACA premium subsidies. Aside from driving down insurance costs through more choice and competition, the Better Way plan provides refundable tax credits to individuals who cannot access health insurance through their employer or government programs. Currently, the ACA premium tax credits are only available to certain people in the exchanges.

**MYTH:** When the ACA is repealed, individuals with pre-existing conditions won't be able to get insurance.

**FACT:** The Better Way plan prohibits insurers from denying coverage due to a pre-existing condition. In addition, it applies protections that were already in place in the employer-based market to the individual market so that patients cannot be charged discriminatory rates based on their condition if they maintain insurance coverage.

**MYTH:** When the ACA is repealed, young and healthy adults will drop coverage and won't be able to stay on their parents' plans up to age 26.

**FACT:** The Better Way plan allows young adults to stay on their parents' plans until age 26

and will reverse ACA policies that are already driving young and healthy adults from the insurance market. By severely limiting the ability of insurers to adjust premiums based on age, the ACA essentially forces young people to subsidize older adults. This is likely a factor in why young adults make up only 28% of those covered by the exchanges instead of the 40% that was anticipated by the Obama Administration. The Better Way plan sets more reasonable age-rating standards while offering larger tax credits for purchasing insurance as people age.

**MYTH:** The nonpartisan Congressional Budget Office confirmed that repealing the ACA would cause a massive loss of insurance coverage and a spike in premiums.

**FACT:** The CBO analysis, which can be viewed [here](#), is incomplete, and therefore, meaningless. Democrats asked CBO to examine the partial repeal that could be addressed through reconciliation procedures in the last Congress, which under budget rules could not tackle many of the burdensome Obamacare mandates that make insurance expensive. CBO did not take into account future replacement legislation or actions the current Administration is taking to lower costs and expand insurance choices. If anything, the CBO showed how broken Obamacare is by predicting its costly mandates would cause people to drop coverage in droves unless the federal government forces Americans to buy insurance.

**MYTH:** When the ACA is repealed, millions will lose their Medicaid and Children's Health Insurance Program (CHIP) coverage.

**FACT:** The Better Way plan will maintain CHIP at historic levels and provide states greater flexibility with Medicaid. Under the current system, states must beg the federal government for waivers (which are not always granted) if they want to adjust Medicaid requirements to better suit the needs of their population. The Better Way plan gives states more authority to design Medicaid to fit the needs of their state, including allowing them to expand coverage. It will also provide transition relief in the states that have already expanded coverage. In addition, the Better Way plan would give Medicaid recipients the choice of purchasing a higher-quality private plan with refundable tax credits.

**MYTH:** Repealing and replacing the ACA will harm senior citizens who receive Medicare benefits.

**FACT:** The ACA made no structural changes to the Medicare program, so repealing and replacing the law will have no little-to-no impact on Medicare beneficiaries. Programs under the ACA have impacted the Medicare Part D drug benefit program, which contains a "donut hole" that leaves some seniors required to pay the full cost of their medications. Current law is set up to completely eliminate the donut hole by 2020, and the ACA repeal and replacement plans would not affect those efforts.

Sources: *Repealing and Replacing Obamacare: Myth vs. Fact*, United States Congress Joint Economic Committee, <http://www.jec.senate.gov/public/index.cfm/republicans/analysis?ID=612DA51A-483A-49A0-8F24-CC138D15BB57>.