



### HOUSE BUDGET COMMITTEE MARKUP OF AHCA

#### EXECUTIVE SUMMARY

Today, the House Budget Committee **voted to report the American Health Care Act (AHCA) to the House of Representatives with a favorable recommendation in a recorded vote of 19 in favor and 17 opposed.** Reps. Dave Brat (R-VA), Mark Sanford (R-SC) and Gary Palmer (R-AL) – all members of the House Freedom Caucus – joined Democrats to oppose advancing the repeal bill to the House floor.

The vote preceded a discussion of non-binding **motions to seek amendments to the AHCA**, which will accompany the AHCA to the House Rules Committee – its next stop – and then the House Floor. The Committee adopted motions supporting:

- Work requirements for able-bodied childless adults enrolled in Medicaid;
- Allowing states the option of a Medicaid block grant;
- Freezing Medicaid expansion enrollment prior to 2020; and
- Targeting tax credits to those who most need them, a policy that several Democrats supported.

The adopted motions do not actually amend the AHCA; they provide instructions regarding the Committee’s support for amendments being offered in this regard.

#### OPENING STATEMENTS

**Chairman Diane Black (R-TN)** said the purpose of the AHCA was to return the focus of healthcare decisions to patient and their doctors. Deeming the bill a once in a lifetime opportunity for entitlement reform, she asked that her members give states the flexibility to modernize Medicaid and fulfill the promise the GOP has made to constituents to provide quality healthcare. She said the bill would lower costs by increasing competition and choice and recommended that opponents of the bill not cut off the discussion over differences.

**Ranking Member John Yarmuth (D-KY)** stated that you cannot cut Medicaid as severely as the bill proposes without cutting care. He said the bill was “robin hood in reverse, but far worse,” and that the bill gave insurers the ability to “cherry-pick” young healthy enrollees and sell these individuals lesser plans. He cited the CBO score and asserted the bill was being rushed to the floor so that other members would not have to defend its “real consequences.” He maintained that the gains made under the Affordable Care Act (ACA) would be lost within the first year and stated that the only reason premiums would drop was because those who needed insurance the most would be priced out of the market.

## **MOTIONS TO AMEND (FAILED TO PASS)**

Because Committee members held the vote to report the bill to the House floor before discussion, any discussion on amending the bill was discussed as a “motion to amend” that would accompany the bill to the House floor if approved. Each motion was given 20 minutes for discussion.

**Reps. Brendan Boyle (D-PA) and Hakeem Jeffries (D-NY)** filed a motion to delay the policies in the bill until HHS Secretary Tom Price could confirm that the policies would not negatively impact individuals currently covered under the ACA. Rep. Boyle stated that the American people deserve to have a better understanding of how healthcare will improve under the bill, when the CBO has projected millions will lose coverage. **Rep. Tom McClintock (R-CA)** countered that Congress could not predict the effects that would take place after the bill was implemented, and that the same arguments had ensued when the ACA was passed. The motion failed.

**Reps. Ro Khana (D-CA) and Brian Higgins (D-NY)** filed a motion to strike any language in the bill that would reduce coverage and allow tax breaks for the wealthy. Rep. Higgins stated that the bill would allow insurance executives to collect executive compensation worth millions. Rep. Khana said there was nothing wrong with attempting to decrease the deficit, but it should not be done by threatening the coverage of vulnerable constituents. The motion failed.

**Reps. Pramila Jayapal (D-WA) and Shelia Jackson Lee (D-TX)** filed a motion to strike any language that capped Medicaid or pulled back Medicaid expansion efforts. Rep. Jayapal reminded the committee that even Republican governors had expressed support for Medicaid expansion, and cuts would affect millions of people with substance abuse. **Rep. Michelle Lujan Grisham (D-NM)** added that cutting Medicaid funding would essentially take rural areas and frontier states “out of the debate.” **Rep. Bruce Westerman (R-AR)** countered that the ACA had “destroyed” Medicaid for the truly vulnerable and awarded entitlements to able-bodied individuals. The motion failed.

**Reps. Barbara Lee (D-CA) and Janice Schakowsky (D-IL)** filed a motion to strike any language in the bill that prohibited mandatory funding for Planned Parenthood. Rep. Lee said that defunding Planned Parenthood would lead to more unintended pregnancies, and cautioned against moving funding from the largest provider of critical healthcare services for women. **Rep. Debbie Wasserman Schultz (D-FL)** added that on in five women had received care from Planned Parenthood at one point in their lives. Chairman Black countered that the funding would simply be redirected to community health centers that were capable of providing comprehensive care in underserved areas. She emphasized that community health centers had been able to serve more than 20 million patients last year, whereas Planned Parenthood had only served three million. The motion was not passed.

Rep. Lujan Grisham filed a motion to strike any language that would negatively impact Medicaid funding related to mental health and substance abuse treatment. She entered a collection of opioid-related obituaries from New Mexico into the record and emphasized that cutting Medicaid funding would severely impact treatment access for individuals with substance abuse or mental health issues. Rep. Yarmuth claimed that the cuts to treatment for these populations would wipe out the gains made by Congress last year through

the 21<sup>st</sup> Century Cures Act. Although many Republicans agreed with that sentiment, they argued that the Medicaid program needed to be reined in from its current projected spending. The motion failed.

### **MOTIONS TO AMEND (PASSED)**

**Rep. Todd Rokita (R-IN)** filed a motion to provide “state flexibility in the design of their Medicaid programs.” He said there should be a “true block grant option” for states that would prefer it to per-capita capped allotments in Medicaid, adding there should be no CBO scoring implications of that option. Ranking Member Yarmuth said that states already have significant flexibility in designing their Medicaid programs, including through the use of waivers. **Rep. Suzan DelBene (D-WA)** said that per-capita caps will lead to rationing, and Rep. Schakowsky said it is a “fantasy to think you can cut \$880 billion from Medicaid and nobody is going to get hurt.” The motion passed (21Y; 12N).

**Rep. Matt Gaetz (R-FL)** filed a motion to discourage policies that “incentivize Medicaid enrollment growth,” namely by ending the ability to enroll in the Medicaid expansion group sooner. He said Medicaid access is “frequently illusory,” saying Colorado had cut reimbursement to nursing homes and California had reduced payments to providers. He said he is “modestly sympathetic to the argument for a glide path in expansion states,” though said that should not extend to permitting new enrollment in the expansion group up until 2020. The motion passed (22Y; 13N).

**Rep. Gary Palmer (R-AL)** filed a motion on requiring able-bodied childless adults to meet work requirements while enrolled in Medicaid. Speaking in favor, **Rep. Glenn Grothman (R-WI)** said Medicaid benefits discourage work and work requirements would make it a “less seductive entitlement.” He said Medicaid’s nominal cost-sharing is more favorable than the benefit design of employer coverage. Democrats strongly opposed the motion. **Rep. Barbara Lee (D-CA)** called it a “baseless attack” on the working poor and a barrier to coverage for the elderly and people with disabilities. The motion passed (21Y, 13N).

**Rep. Tom McClintock (R-CA)** filed a motion that on providing tax credits to the intended population. He highlighted populations that, under the AHCA, would experience reduced tax credits and increased premiums. He said the structure of the tax credits threatens the enactment of the bill and, if enacted, could result in “immediate repeal.” **Rep. Mark Sanford (R-SC)** said the hearing had reached an “inflection point” and urged the Committee not to “give a birthday present to the rich,” saying they should “target [tax credits] to those who need it.” Ranking Member Yarmuth supported the amendment. Rep. Wasserman Shultz said it is a “Band-Aid for a wound.” **Rep. Seth Moulton (D-MA)** said he supports the motion but strongly opposes the underlying bill. The motion was successful (27Y; 8N).