

Leadership Day, May 17-18, 2022

Access to Care

On a daily basis, internal medicine physicians see the [health risks associated with the uninsured](#) and the poorer health that results from lack of insurance. Uninsured Americans are far less likely to have a regular source of care or to have recently seen a physician. They are more likely to delay seeking care, even when ill or injured; more likely to report unmet medical needs; and are more often hospitalized for illness or disease. Now more than ever, as this nation continues to struggle through the COVID-19 pandemic, Americans need access to affordable care and coverage with all the current-law safeguards and protections in place so families do not fall into financial ruin due to a catastrophic illness, such as the coronavirus.

According to the latest data from the U.S. Centers for Disease Control (CDC) and Prevention, 31.1 million people were uninsured in 2021. Since enactment of the Affordable Care Act (ACA) in 2010, the uninsured rate has decreased from 16 percent in 2010 to 9.6 percent in 2021. The law's health insurance regulations, which include protections for persons with preexisting conditions, have made health insurance more accessible. The premium tax credit and cost-sharing subsidies have made non-group coverage more affordable. The essential health benefit package and coverage for preventive services without cost sharing have made insurance more comprehensive. Perhaps most important, Medicaid expansion in all but 12 states extended coverage to millions of low-income adults.

Despite the gains achieved by the ACA in expanding coverage and lowering costs, the cost of health insurance is unaffordable for many higher income persons ineligible for subsidies and tax credits. Higher deductibles prevent those with health insurance from being able to utilize it when they need it due to high out-of-pocket costs. Evidence suggests that underinsured persons – those with some form of insurance that does not offer complete financial protection - have more barriers to receiving health care than those with insurance. The affordability problem is particularly acute for more than 2.2 million individuals in the coverage gap (as of 2021) who reside in states that have not expanded Medicaid and do not qualify for Medicaid or premium subsidies through the ACA.

ACP has been a longstanding advocate for a health system that provides universal coverage to all Americans and we released an ambitious [New Vision for Health Care](#) that provides a series of recommendations to achieve universal coverage along with reforms to support team-based care and reduce discrimination and disparities in health care. Although a pathway to universal coverage remains uncertain, we are pleased that Congress enacted legislation last year to temporarily expand eligibility for and increase the amount of premium tax credits to purchase coverage through the ACA as well as increase incentives for states to expand their Medicaid population.

Overview of Congressional Action

Last year, Congress passed and President Biden signed into law *the American Rescue Plan Act* (ARPA). That [legislation](#) included provisions supported by ACP to expand coverage as well as reduce premium costs under the ACA. It also increased federal funding for states to expand Medicaid by raising a state's base Federal Medical Assistance Percentage (FMAP) for two years for states that newly expand Medicaid and it fully subsidized the marketplace-based health coverage of people earning up to 150 percent of the federal poverty level (FPL) in 2021 and 2022. In addition, enrollees who make over 400 percent of the FPL would become eligible for tax credits and have their premium costs capped at 8.5 percent of income for two years. According to the [Congressional Budget Office](#) (CBO), the ARPA would increase the number of people with

coverage through the marketplaces by 1.7 million in 2022. More action is needed however by Congress to expand coverage and increase affordability because these provisions of law will expire at the end of this year.

The House-passed *Build Back Better Act* (BBBA), H.R. 5376, which is currently stalled in the Senate, would provide temporary enhanced ACA Marketplace cost-sharing reduction assistance to individuals with household incomes below 138 percent of the FPL for calendar years (CY) 2022 through 2025. That bill would expand eligibility to taxpayers with household incomes below 100 percent of the FPL and specifies that taxpayers with household incomes below 138 percent of the FPL with access to employer-sponsored coverage or a qualified small employer health reimbursement arrangement can still receive credits. ACA cost-sharing reduction assistance is provided to individuals receiving unemployment compensation for CY 2022 through 2025. The BBBA would also continue expanded eligibility created by ARPA through financial subsidies for health coverage purchased through the health insurance marketplace. Enrollees who make over 400 percent of the FPL would become eligible for subsidies and have their premium costs capped at 8.5 of income for three more years. Furthermore, H.R. 5376 would provide ACA-insurance subsidies to nearly four million low- to moderate-income Americans living in 12 states that did not take advantage of incentives to expand Medicaid under the ACA, which ACP supported. These individuals residing in the “coverage gap” earn too much to qualify for traditional Medicaid, but not enough to qualify for premium tax credits and cost sharing reductions for marketplace-based coverage. The legislation provides these individuals with \$0 premiums, thus making health care affordable and accessible.

Throughout this session of Congress, multiple committees in both the House and Senate have been examining legislation and discussing the issue of health coverage accessibility and affordability. ACP has actively engaged with these committees in providing feedback on key proposals under consideration and has submitted statements to the House [Energy and Commerce](#) and [Oversight and Reform](#) Committees, among others. Many [lawmakers](#) are also actively urging House and Senate leaders to include in a budget reconciliation package a permanent fix for the Medicaid coverage gap in those 12 states that have not expanded their Medicaid programs.

Request of Congress

- ✓ **Cosponsor and pass in the House H.R. 340, *the Incentivizing Medicaid Expansion Act of 2021***, to expand federal matching assistance for states that choose to expand Medicaid, regardless of when such expansion takes place. It would expand Medicaid by providing states with 100 percent FMAP for expansion beneficiaries for the first three years and gradually declines the FMAP to 93 percent by year six of expansion. The FMAP would eventually drop to 90 percent for year seven and beyond. Senators should introduce and pass the companion bill in the Senate.
- ✓ **Cosponsor and pass in the House H.R. 369, *the Health Care Affordability Act of 2021***, to permanently expand eligibility for higher premium tax credits under the ACA. It would increase the generosity of the ACA premium tax credits across all income levels and would permanently expand the eligibility for premium tax credits to people with incomes above 400 percent of the federal poverty level. It would guarantee that anyone who buys ACA insurance can purchase a plan for 8.5 percent of their income or less. Senators should introduce and pass the companion bill in the Senate.

Additional policy priorities can be found at: [Policy Priority Issues | ACP Services](#)