



STAT News

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FEDERAL UPDATE: Senate Debates Americans' Healthcare Access

The GOP American Health Care Act (AHCA) passed by the House on May 4, 2017 is now in the hands of the Senate. With highly conservative and moderate wings of the Republican caucus holding opposing views about Medicaid expansion, pre-existing conditions, and women's health services, the debate is expected to take many twists and turns, especially in light of the Congressional Budget Office's projection that about 22 million Americans will lose their insurance under the AHCA. Republican leaders plan to hold a vote on healthcare reform by the July 4th recess, but it is unclear whether such a tight deadline can be met. Regardless of when the Senate holds the vote, the final Senate bill is expected to differ from the House-passed AHCA, but damaging elements such as Medicaid reimbursement reductions and significant changes in the program are expected. The Senate must use the reconciliation process, which only requires a simple majority vote, to

move the legislation through the chamber. Among other restrictions, this process requires that the Senate bill achieve at least the same level of deficit reduction as the House bill, limiting the upper chambers' ability to reduce Medicaid cuts, for example. Any new changes by the Senate to the House-passed AHCA means that the bill must return to the House, where that chamber would either have to accept it as is or move to conference a compromise bill.

The House-passed AHCA retained the harmful amendment advanced by New York Representatives Faso and Collins that would end counties' responsibility to contribute toward the Medicaid program. That translates into a \$2.3 billion budget hole for the state, which could look to close that gap via coverage reductions, eligibility changes, or Medicaid reimbursement reductions to providers. The state could also resort to eliminating and/or reducing the percentage of sales tax the state allows counties to charge.

As written, the AHCA dismantles Medicaid, cutting \$834 billion from the program over 10 years and shifting the entire program to a per capita capped program. New York State is at risk of losing \$3.7 billion in the first year of repeal without a meaningful replacement if New York maintains coverage. The House bill relies on a waiver process that would allow states to eliminate the package of essential health benefits and drop consumer protections, such as a ban on pre-existing condition limitations that were guaranteed under the Affordable Care Act. The bill also includes an additional \$8 billion for states to establish high-risk pools. These components are meant to lower the cost of insurance, while ensuring that those with costly illnesses and pre-existing conditions can obtain affordable insurance. However, healthcare economists generally agree, as does the Congressional Budget Office, that the high-risk pool funding falls short of adequate levels to cover costlier patients. And, while the reduction of essential benefits could make insurance premiums less expensive, the resulting insurance product would be woefully inadequate. States could eliminate coverage for maternity care, mental health and substance abuse, and prescription drugs, among other categories.

Healthcare Voices rise up in stories told by individuals who have gained coverage through New York's health insurance exchange. These are the individuals behind the numbers, whose lives have been helped and changed by the Affordable Care Act. [Read their stories here.](#) Learn more about the

STATE UPDATE: Hospitals Counter Med Mal/Staffing Legislation

In the final days of the 2017 state legislative session, hospital leaders are pressing for the defeat of a package of medical malpractice bills and nurse staffing ratio legislation that would increase costs and weaken doctors' and hospitals' ability to deliver high-quality care. Delaying the start of the statute of limitations period until the discovery of the act for up to 10 years after injury, allowing those affected by the death of an injured party to sue for pain and suffering, and changing jury-determined computation rules when co-defendants are involved are not ways to meaningfully reform New York's malpractice system. Hospitals say true malpractice reform must balance the rights of patients with rational limitations and procedures for providers. The legislative session is scheduled to end June 21, 2017. **Permission to reprint articles granted.*