



April 6, 2017

The Honorable Paul Ryan
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, DC 20515

Dear Speaker Ryan and Minority Leader Pelosi:

It is our understanding that the U.S. House of Representatives may reconsider a modified version of the American Health Care Act (AHCA) this week. The American Academy of Family Physicians (AAFP) remains opposed to the AHCA and we are concerned that the proposed modifications are not improvements upon the original legislation.

The modifications under consideration do not address or attempt to mitigate the fact that the AHCA will result in over 24 million individuals losing their health care coverage, including over 7 million with employer-sponsored insurance. These modifications fail to lessen the profoundly negative impact the AHCA has on older adults, particularly those with one or more chronic conditions. These modifications do nothing to lower the actual cost of health care for individuals and families. In fact, these modifications will only worsen the underlying problems with the AHCA, resulting in more uninsured, higher cost, less access, and a complete deterioration of the consumer protections that, until this proposal, had strong bi-partisan support.

The proposed modifications would:

- Restore medical underwriting, ending requirements under current law that require insurers to use community rating when establishing premiums.
- Allow insurance companies to charge people with pre-existing conditions more for their health insurance coverage. While the proposal requires that individuals with pre-existing conditions be offered coverage, it eliminates all consumer protections against excessive charges for such coverage.
- End the requirement that insurance products cover the ten essential health benefits required under current law, thus allowing insurers to sell so-called “skinny plans,” which can be insurance in name only. The EHBs ensure that coverage is meaningful. Given the cost of health care, there is no incentive for insurers to offer adequate coverage for benefits such as mental and behavioral health, maternity coverage, and hospitalization outside of the EHBs.

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- Ends the current prohibition on annual and lifetime caps on insurance benefits. Under current law, insurance companies are not allowed to establish annual or lifetime limitations on benefits. Since these caps are directly tied to the essential health benefits and the proposed modifications eliminate the EHBs, the prohibition on annual and lifetime caps are also eliminated.
- Allow insurers to charge older adults more for their health insurance coverage based on age not health condition. The rating bands in the AHCA allow insurers to charge older adults significantly more for coverage than under current law. This provision, when coupled with the elimination of community-rating, EHBs, and pre-existing conditions protections means that older adults will pay significantly more for their health care in the individual market. In fact, this collection of provisions will negatively impact low-income adults over the age of 50 especially hard.

There is important work to be done to ensure that all Americans have affordable health care coverage and the AAFP is committed to working with you to achieve this goal. We welcome the opportunity to work with you to stabilize the individual market, ensure that individuals receive adequate subsidies, and identify ways to lower the cost of health care and decrease out-of-pocket cost for individuals. Each of these objectives can be achieved. The AAFP has policy recommendations on how to achieve these goals and welcomes the opportunity to work with you on solutions.

The AHCA, including the proposed modifications under consideration, worsen coverage and increase costs. In fact, the non-partisan Congressional Budget Office has projected they will result in millions of newly uninsured and higher cost for individuals – especially older adults. In addition, the AHCA guts the safety-net and would force Medicaid into a downward spiral – denying health care to millions of low-income women, men, and children.

For the reasons outlined in this letter, the AAFP must continue to oppose the AHCA and must express our clear and strong opposition to the underlying bill and the modifications being proposed. Again, we recognize fully that there is needed and timely work that needs to be done to improve our health care system. We stand ready to work with you on this important work.

Sincerely,



Wanda D. Filer, MD, MBA, FAAFP
Board Chair

C: The Honorable Kevin McCarthy, The Honorable Steny Hoyer, The Honorable Steve Scalise