

CWA Local 1101 Retired Members Council

What Trumpcare would mean for us as retirees

Trumpcare, the Republican plan to repeal the Affordable Care Act (Obamacare), rolls back government provided health care and provides massive tax cuts for the rich, insurance companies, and drug companies. If the Republicans succeed in dismantling the Affordable Care Act, they will go after Medicare next. Many Republicans want to turn Medicare into a voucher program where we would get money to find our own insurance. We cannot afford to let this happen. We need to fight now to protect the Affordable Care Act—for ourselves, our families, our neighbors, and our communities.

Trumpcare: the good news:

Our negotiated health plans are probably safe until the next contract (August 2019 for Verizon), unless Republicans reduce Medicare payments and we will have to make up the difference.

- The plan keeps some provisions of Obamacare, like no lifetime limits, no discrimination for pre-existing conditions, and people up to age 26 staying on their parents' policies.

The bad news:

Health Insurance

- 14 million people will lose their health care this year. That means our families, our friends, and our neighbors are at risk. Another 10 million will lose health care by 2026. This is because Trumpcare eliminates the subsidies that help people afford insurance and drastically cuts Medicaid funding. Trumpcare proposes new subsidies based on age, rather than income or the cost of care, but the subsidies will be much too low for most people to afford insurance
- The plan also repeals the Obamacare taxes on rich people, drug companies, and insurance companies that pay for the subsidies. An estimated \$285 billion in tax breaks would go to the top 2% of the population in return for millions of people losing their health care.
- People age 55-64 who buy their own plans are especially at risk because Trumpcare will allow insurance companies to charge them five times more than younger people for the same insurance coverage. It's estimated that their costs will rise 25%, even with the subsidies.
- The requirement that everyone buys insurance will be eliminated. This means many healthy young people won't bother to buy insurance, even if the costs drop for them, further pushing the costs up for everyone else. Bargaining for health care in the future will become even more difficult than it is now.

Medicare

We may be facing higher premiums.

- Trumpcare repeals the Medicare surtax paid by people earning over \$200,000 (couples over \$250,000). This will benefit mostly millionaires and cost the Medicare Trust Fund, which pays for Medicare Part A, over \$23 billion, which puts the fund at risk of running out of money by 2024.
- It also repeals a tax on drug companies that would have added \$25 billion to the Part B Fund.
- It does nothing to reduce runaway drug costs.

Medicaid

Some of the biggest changes will hit Medicaid, which pays for health care for nearly one in seven Americans including nearly seven million seniors. People receiving both Medicare and Medicaid account for one third of all Medicaid spending. Much of this is for long-term care at home and in nursing homes, which Medicare does not cover.

- Payments will be frozen at last year's levels, meaning the federal government will spend an estimated \$880 billion less over the next decade. States will also have much more leeway deciding how the money is spent. This has several implications for us.
- Medicaid now pays for nearly all long-term care, either for home health aides or nursing homes. As the baby boomer generation ages, Medicaid will not be able to handle the increased demand for this care. As much as we don't want to think about it, some of us, or our parents, will need it and it may not be available.
- The Obamacare expansion of Medicaid to cover people over the poverty level will end after 2019. Seven million people will lose Medicaid coverage as a result.
- Hospitals will close or cut back services as Medicaid reimbursements drop. Care may not be there when we need it.
- Medicaid will not be able to respond to health emergencies such as Ebola or the Zika virus because no increased funds will be available from the federal government.
- Medicaid would be prohibited from paying for reproductive health services including birth control, sex education, screening and treatment for infections, and cancer screenings provided by Planned Parenthood, which provides these services to 2.8 million women and men in the U.S. every year. (The federal government already does not pay for any abortions.) Many women would lose access to family planning services, and unintended pregnancies would rise. This won't affect many retirees directly, of course, but it will affect members of our families and our communities.

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3/15/17