

Repealing the Affordable Care Act without an Adequate Replacement Threaten Consumers' Access to Care and Coverage

Repeal of the Affordable Care Act (ACA) without a substantively adequate and viable replacement would trigger a financial, medical, and public health crisis for consumers. Health insurance would become even further out-of-reach for consumers, instability would propel the individual market towards collapse, and the dramatic increase in the number of people who lack any insurance would transfer higher costs to everyone.

1) Health insurance will be out-of-reach for many consumers

- Repealing the ACA would not just turn the clock back to 2010. Experts predict that even a partial repeal of the ACA without a viable simultaneous replacement would lead to even *higher* uninsurance rates than pre-ACA: in the first plan year after a partial repeal, an estimated 18 million people would become uninsured; the number expands to 32 million by 2026, following the elimination of Medicaid expansion and tax subsidies for products purchased over the marketplaces.ⁱ
- An estimated 9.3 million Americans could lose tax credit-supported coverage, making health insurance unaffordable.ⁱⁱ
- In the first plan year following a partial repeal, premiums are projected to rise by 20 to 25 percent, and could increase by up to 50 percent if the individual mandate, federal subsidies and Medicaid expansion were eliminated.ⁱⁱⁱ
- Moreover, the 8.4 million consumers who purchase individual insurance products without a subsidy,^{iv} as well as small businesses, would face rising premiums and fragmented products as shrinking numbers make the market less stable and reduce available coverage options.
- In 2015, a reported 50% of the non-elderly population lacked access to Medicare or employer-sponsored health insurance and depended on the individual market or Medicaid.
- Not having insurance can be fatal. Before the ACA, research showed that tens of thousands of Americans died due to their uninsured status: from approximately 17,000 in the year 2000 to about 22,000 by 2006, totalling around 137,000 over those 7 years alone.^v In other words, a lack of insurance caused an average of one death every 24 minutes.^{vi}

2) Instability would virtually guarantee the collapse of the individual market

- In the absence of a strong replacement plan, health plans indicate they will either exit the individual market or substantially raise premiums.^{vii}
- Substantially higher premiums, fewer offerings, and the lack of an individual mandate with penalties are likely to drive healthier people away from coverage. As the pool of insureds skews less healthy, premiums will rise further creating the so-called death spiral until fewer healthy enrollees are left and the market becomes unsustainable.
- In the first year after the repeal of marketplace subsidies, it is estimated that about half of Americans would live in an area with no insurer participating in the individual market.^{viii} By 2026, that number could rise to 75% of the nation's population.^{ix}

3) Increasing the Ranks of the Uninsured Hurts Us All

- In addition to cuts in spending by insurers (public and private) following a potential partial ACA repeal, it is estimated that the newly uninsured would seek \$88 billion in care in 2019, for which they could not pay; \$24.6 billion would come from hospitals alone. By 2028, that number rises to \$1.1 *trillion*, of which \$296.1 billion is hospital care.^x The cost of this care will be shared by all, whether through government programs, or cost shifting.
- In the short-term, the dramatic increase in the number of consumers who cannot pay for their care will result in:
 - An estimated 1.2 million^{xi} to 2.6 million^{xii} jobs by 2019 nationally, both within and outside of the healthcare sector, rising to 3 million by 2021^{xiii}; and
 - Increased medical debt and personal bankruptcies.

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ⁱ Congressional Budget Office, *How Repealing Portions of the Affordable Care Act Would Affect Health Insurance Coverage and Premiums*, January 2017.

ⁱⁱ Urban Institute, *Implications of Partial Repeal of the ACA Through Reconciliation*, December 2016.

ⁱⁱⁱ Congressional Budget Office, *How Repealing Portions of the Affordable Care Act Would Affect Health Insurance Coverage and Premiums*, January 2017.

^{iv} Urban Institute, *Implications of Partial Repeal of the ACA Through Reconciliation*, December 2016.

^v Urban Institute, *Uninsured and Dying Because of It: Updating the Institute of Medicine Analysis on the Impact of Uninsurance on Mortality*, January 2008.

^{vi} *Id.*

^{vii} Urban Institute, *Uncertain Future for Affordable Care Act Leads Insurers to Rethink Participation, Prices*, January 2017.

^{viii} Congressional Budget Office, *How Repealing Portions of the Affordable Care Act Would Affect Health Insurance Coverage and Premiums*, January 2017.

^{ix} *Id.*

^x Urban Institute, *The Impact on Health Care Providers of Partial ACA Repeal through Reconciliation*, January 2017.

^{xi} Economic Policy Institute, *Repealing the Affordable Care Act Would Cost Jobs in Every State*, January 2017.

^{xii} Commonwealth Fund, *Repealing Federal Health Reform: Economic and Employment Consequences for States*, January 2017.

^{xiii} *Id.*