

Rep. Upton & Rep. Long

AMENDMENT TO THE American Health Care Act

The Upton-Long amendment further strengthens the American Health Care Act's (AHCA) protections for Americans with pre-existing conditions. Specifically, the Upton-Long amendment would provide an additional \$8 billion in resources over 5 years to those with pre-existing conditions.

Background: The AHCA explicitly maintains protections for pre-existing conditions. Guaranteed issue of coverage, guaranteed renewability of coverage, or the prohibition on insurance companies denying coverage due to pre-existing conditions are all maintained. All of these protections remain the law.

The MacArthur amendment to the AHCA does allow states to seek a limited waiver to allow the insurance companies to charge higher premiums for a person with a health condition only if they do not maintain continuous coverage. The MacArthur amendment only applies to the individual insurance market, where roughly 7 percent of the country purchase coverage. This means that the MacArthur amendment does NOT apply to 93 percent of Americans with employer-provided coverage or government coverage (Medicare, Medicaid, Tricare, VA benefits, and others).

In order to obtain a waiver, the MacArthur amendment requires states to set up a program for high-risk individuals or premium stabilization, or to participate in the Federal Invisble Risk Sharing Program.

Importantly, these higher premiums could only be charged for a period of one year to an individual who did not maintain continuous coverage. After an individual has maintained continuous coverage for twelve months they would then return to standard rates. This means that the protections against being charged higher premiums for a health condition are preserved for every individual market plan holder who maintains continuous coverage.

Providing Additional Protections for Pre-Existing Conditions:

To address the concerns of higher premiums being charged in the limited circumstances detailed above, the Upton-Long amendment provides \$8 billion dedicated solely to reducing premiums or other out-of-pocket costs for the limited group of individuals who: .

- reside in a State with an approved waiver,
- have a pre-existing condition,
- are also uninsured because they have not maintained continuous coverage, and
- purchase health care in the individual market.

This funding is on top of the \$130 billion available to states through the AHCA's Patient and State Stability Fund, which helps states repair their health markets damaged by Obamacare. States can use the funds to cut out-of-pocket costs, like premiums and deductibles. States may also use these resources to promote access to preventive services, like getting an annual checkup, as well as dental and vision care. States could use these resources to promote participation in private health insurance or to increase the number of options available through the market.

Further, the AHCA provides a refundable tax credit to those without other health care options so they can get – and stay covered – before they face a serious medical event or suddenly fall ill. These combined resources reaffirm the commitment from House Republicans to ensure Americans with pre-existing conditions are protected.

Topline Messaging:

- The Upton-Long amendment strengthens the AHCA by reaffirming our commitment to protect patients with pre-existing conditions
- The Upton-Long amendment dedicates \$8 billion solely to reduce premiums and other out-of-pocket costs for patients in the individual market with pre-existing conditions who do not maintain continuous coverage and who live in states that receive a waiver to redesign their insurance market
- The AHCA as amended already includes an additional \$130 billion through the Patient and State Stability Fund, which allows states to innovate and issue additional premium assistance
- The Republican plan already ensures that insurance companies are prohibited from denying coverage on the basis of a pre-existing condition, banned from rescinding coverage based on a pre-existing condition, and prevented from raising premiums on individuals with pre-existing conditions who maintain continuous coverage.