

The GOP's Recycled Ideas for Health Care

Republicans repackage failed ideas to give them political cover during recess

Right before leaving Capitol Hill for recess, House Republican Leaders released recess talking points, claiming it's their "replacement plan", when in reality, it's another attempt to rebrand their failed "repeal and delay" strategy.

The document is a concession that Republicans don't have a way of squaring their rhetoric – everyone keeps their coverage, at a lower cost and improved quality – with what repeal will mean for families. Republicans have no plan to undo that damage: 30 million more uninsured and premiums could double. This document shows they haven't progressed beyond the half-baked Better Way plan and other vague outlines from last year, and if scored by CBO, the ideas would fall far short of the bar that set by the Affordable Care Act.

Here's what you need to know about the points put out by Republicans:

- **The House is doubling down on an extreme approach that will gut Medicaid.** Conservatives have insisted on repeal, while Senate Republicans – supported by governors who have expanded Medicaid – have made clear that expansion needs to be preserved. This document shows how far they are from resolving this question: House Republicans have doubled down on repealing expansion, and actually commit to even deeper cuts to Medicaid that would affect all states, not just expansion states. Rather than solve the divide with the Senate, House conservatives double down.
- **Protections for people with pre-existing conditions are among most popular pieces of the Affordable Care Act, and yet Republicans have no solution to maintain them without skyrocketing premiums.** The best this document offers? State innovation grants that "build on" a high-risk pool approach that doesn't work, and with no detail about funding or what the grants would actually do.
- **House Republicans are doubling down on cutting taxes for the wealthy, pharma and insurance companies – and this shows how they'll have to cut Medicaid even more deeply to pay for it.** Conservatives have insisted on repealing revenue provisions that provided two-thirds of the financing for the Affordable Care Act. A few Senate Republicans have suggested that some of these revenues must be kept – especially since removing them would provide big tax cuts for the wealthy, pharma, and insurance companies. The House Republican document doubles down on the extreme approach, and creates a new set of problems by requiring cuts from Medicaid (through the caps/block grants described above) to make up the lost money.

Let's take a closer look at what the Republican recycled ideas actually mean:

Medicaid Block Granting or Per-Capita Caps

Rationing care for seniors, children and people with disabilities by ending Medicaid as we know it

- Medicaid provides nursing home and other long term care to millions of seniors, covers important services that help Americans with disabilities live independently, and enables millions of children to see a doctor.
- Block granting or capping Medicaid is not a real solution – it [shifts costs](#) from the federal government to states putting [seniors, children and people with disabilities](#) at risk of losing their health coverage.
- Eventually states would have to [cut services](#) and eligibility for the millions of seniors, people with disabilities, and families that rely on Medicaid for quality health care – all to help pay for other Republican priorities, like tax cuts for the wealthy.
- Cuts to Medicaid aren't about making sure people have better care, it's about getting savings that can pay for tax cuts to the wealthiest while rationing care for millions.
- [Rural areas](#) will particularly be hurt by cuts to Medicaid because these funds have helped keep rural hospitals in business. Rural hospitals are often an economic lifeline for a community, not to mention the only choice for people when they get sick.

Expanded Health Savings Accounts

A tax shelter for the wealthy, while everyone else is stuck paying more

- Because of the Affordable Care Act, [20 million](#) people have gained health coverage and are no longer uninsured with many receiving financial help to make coverage more affordable.
- Republicans want to take away that coverage and the robust tax credits that put it within reach and replace it with [savings accounts](#) that most will not be able to afford to take advantage of – and is really just another tax shelter for the wealthy.
- If you are a wealthy family who could already afford insurance, you win big. If you are struggling to make ends meet, you get less than you do now.
- This isn't an idea you put forward if you want to help people get health insurance – it's an idea you put forward if you want to give wealthy people a tax break.

Refundable Tax Credits

There is a plan with refundable tax credits - it's called the Affordable Care Act

- Because of the Affordable Care Act, about 9 million Americans are receiving an average of \$5,000 in financial assistance, including refundable tax credits, to keep premiums, deductibles, and other out-of-pocket costs manageable.
- The GOP's plan for a [refundable tax credit](#) does not take into account a person's income level – only their age. That means if you are living paycheck to paycheck, the GOP proposal likely just made it more expensive for you to afford care.
- The Republican playbook seems to go something like this: repeal the ACA to make insurance less affordable, with higher premiums, deductibles and out-of-pocket charges. Then replace tax credits that effectively helped working families pay for insurance with new ones that provide those families with far less and would leave coverage financially out of reach.
- We have a plan with refundable tax credits that actually work: it's called the Affordable Care Act.