

September 19, 2017

The Honorable Mitch McConnell
Majority Leader
United States Senate
S-230 U.S. Capitol
Washington, DC 20510

The Honorable Charles Schumer
Democratic Leader
United States Senate
S-221 U.S. Capitol
Washington, DC 20510

Dear Majority Leader McConnell and Democratic Leader Schumer:

On behalf of the physician and medical student members of the American Medical Association (AMA), I am writing to express our opposition to the Cassidy-Graham-Heller-Johnson Amendment to H.R. 1628, the “American Health Care Act of 2017.” We also urge the Senate to reject any other legislative efforts that would jeopardize health insurance coverage for tens of millions of Americans. Instead, in the short term we urge Congress to pursue legislation that will stabilize health insurance premiums in the individual insurance market by continuing to fund cost-sharing reduction payments.

Earlier this year the AMA put forward our vision for health system reform consisting of a number of key objectives reflecting AMA policy. Throughout the debates this year we have consistently recommended that any proposals to replace portions of current law should ensure that individuals currently covered do not become uninsured. Proposals should maintain key insurance market reforms, such as coverage for pre-existing conditions, guaranteed issue, and parental coverage for young adults; stabilize and strengthen the individual insurance market; ensure that low- and moderate-income patients are able to secure affordable and meaningful coverage; and guarantee that Medicaid, the Children’s Health Insurance Program (CHIP), and other safety-net programs are adequately funded.

Unfortunately, the Graham-Cassidy Amendment fails to match this vision and violates the precept of “first do no harm.” Similar to proposals that were considered in the Senate in July, we believe the Graham-Cassidy Amendment would result in millions of Americans losing their health insurance coverage, destabilize health insurance markets, and decrease access to affordable coverage and care. We are particularly concerned with provisions that repeal the ACA’s premium tax credits, cost-sharing reductions, small business tax credit, and Medicaid expansion, and that provide inadequate and temporary block grant funds (only through 2026) in lieu of the ACA’s spending on marketplace subsidies and the Medicaid expansion.

We are also concerned that the proposal would convert the Medicaid program into a system that limits federal support to care for needy patients to an insufficient predetermined formula based on per-capita-caps. Per-capita-caps fail to take into account unanticipated costs of new medical innovations or the fiscal impact of public health epidemics, such as the crisis of opioid abuse currently ravaging our nation. In addition, the amendment does not take steps toward coverage and access for all Americans, and while

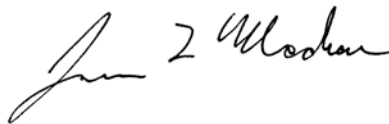
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insurers are still required to offer coverage to patients with pre-existing conditions, allowing states to get waivers to vary premiums based on health status would allow insurers to charge unaffordable premiums based on those pre-existing conditions. Also, waivers of essential health benefits will mean patients may not have access to coverage for services pertinent to treating their conditions.

Furthermore, we are concerned with other provisions of the legislation beyond those directly affecting insurance coverage. The ACA's Prevention and Public Health Fund was, according to the Department of Health and Human Services, established to "provide expanded and sustained national investments in prevention and public health, to improve health outcomes, and to enhance health care quality." These activities are key to controlling health care costs and the elimination of support for them runs counter to the goal of improving the health care system. We also continue to oppose congressionally-mandated restrictions on where lower income women (and men) may receive otherwise covered health care services—in this case the prohibition on individuals using their Medicaid coverage at clinics operated by Planned Parenthood and other similar organizations. These provisions violate longstanding AMA policy on patients' freedom to choose their providers and physicians' freedom to practice in the setting of their choice.

We sincerely urge the Senate to take short-term measures to stabilize the health insurance market by continuing to fund cost sharing reduction payments. Over the longer term, we urge Congress to work in a bipartisan, bicameral manner to increase the number of Americans with access to quality, affordable health insurance, and we extend our commitment to work with you to achieve this goal.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim L. Madara".

James L. Madara, MD

cc: United States Senate