



POLICY & ACTION FROM CONSUMER REPORTS

U.S. Senate
Washington, D.C. 20510

May 25, 2017

Dear Senator:

On behalf of Consumers Union, the public policy arm of nonprofit Consumer Reports, we write to express our strong opposition to the American Health Care Act (AHCA) and to urge you to make preserving consumers' health and financial security your top priority.

[The AHCA is fundamentally flawed and would have dire consequences for many consumers.](#)

The Congressional Budget Office (CBO) determined that the bill passed by the House of Representatives would lead to 23 million consumers losing their insurance coverage by 2026. Plans would raise deductibles -- shifting even more out-of-pocket costs onto consumers and, at the same time, consumers would face higher premiums due to reduced premium subsidies. The new CBO analysis also warns that the individual markets in states that seek full waivers from Essential Health Benefits and community rating would become unstable by 2020, as predominantly older and sicker consumers will buy comprehensive coverage, thus continually driving up premiums until they are out of reach for many. Consumers with pre-existing conditions in these states will no longer have the guarantee that the insurance offered to them will be affordable or cover the care they need, and many will likely see annual and lifetime caps on necessary services reinstated.

The bill would also threaten millions of consumers who rely on Medicaid for coverage by effectively eliminating the expansion and forcing states to cut back on coverage and benefits due to capped funding. Without preserving the current financing structure of Medicaid, states will not be able to respond to future public health crises or other unanticipated health emergencies, such as addiction epidemics. Additionally, the AHCA would threaten the financial security of American families by removing key protections that have contributed to a decrease in personal bankruptcies, explained in a May 2nd, Consumer Reports Online article, [How the ACA Drove Down Personal Bankruptcies: A look at how expanded healthcare helped cut the number of filings by half.](#)

As a nonpartisan, independent organization that, for more than 80 years, has advocated for products, marketplace practices, and policies that best protect consumers, we believe any Senate legislation must follow the fundamental tenet in the medical profession to "do no harm." We implore you to reject this bill and instead:

- 1) Protect and preserve the current structure and financing of Medicaid;
- 2) Protect and maintain the Medicaid expansion;
- 3) Maintain or increase the number of people with health coverage;
- 4) Ensure that consumers do not experience higher out-of-pocket costs or reduced benefits.

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Consumers do not want to go back to a time when health insurers ran unchecked and coverage was out-of-reach and unreliable. Americans deserve better, more affordable healthcare and coverage than the AHCA offers.

Rather than proceed in the non-transparent manner employed by the House, the Senate should hold public hearings, gather testimony from expert witnesses and a wide range of stakeholder groups, and the Senate should proceed through regular order. A measure that touches the life of every American--and accounts for one-fifth of our economy--deserves a full and public debate.

Sincerely,



Elizabeth Imholz
Special Projects Director



Victoria Burack
Health Policy Analyst