

Congress of the United States
Washington, DC 20510

February 3, 2017

The Honorable Larry Hogan
Governor of Maryland
100 State Circle
Annapolis, MD 21401

Dear Governor Hogan:

As members of the Maryland Congressional Delegation, we are extremely concerned about current Republican proposals to repeal the Affordable Care Act (ACA). The ACA expanded coverage to 20 million Americans, including 400,000 individuals in Maryland, provided vital consumer protections in health insurance plans, and created thousands of healthcare-related jobs. For these important reasons, we encourage you to add your voice to those who are forcefully and publicly opposing efforts to simply repeal the ACA by, among other measures, sending a letter to the President of the United States, the Majority Leader of the United States Senate, and the Speaker of the United States House of Representatives.

As you know, Maryland's uninsured rate has dropped significantly as a result of the ACA – from 10.2 percent in 2013 to 6.6 percent in 2015, with over 400,000 Marylanders gaining health care coverage.¹ These individuals and families are now at risk of losing that insurance. While you have been vocal about defending Maryland's All Payer Model, a goal we all share, it is absolutely critical that you also go on record defending the expansion of coverage. Wholesale repeal of the ACA will result in more uninsured patients which will drive up costs for the entire system and could put the All Payer Model at risk. To properly defend one, you must also defend the other.

A repeal of the ACA would affect millions in Maryland— not just those who gained health coverage. That's because the ACA was successful in reforming predatory practices by insurance companies that were used to exclude millions of consumers from purchasing affordable, quality health insurance. Often referred to as the Patient's Bill of Rights, these consumer protections require insurance companies to cover emergency services, adults and children with preexisting conditions, and preventive services with no cost-sharing, as well as eliminate annual and lifetime limits and allow children to stay on their parents' plan until they turn 26.

Repealing the ACA will not only dissolve these patient protections, it will eliminate critical financial assistance such as premium tax credits and cost-sharing reductions. Congressional Republicans have proposed either eliminating premium tax credits entirely or replacing them with fixed, flat amounts that don't account for income, age or plan cost like they do under the ACA. This would reduce people's ability to afford comprehensive coverage and would hit lower and moderate-income families the hardest. In 2015, 70 percent of the consumers who enrolled in

¹ "Assessing the Impact of Health Care Reform in Maryland." Maryland Department of Legislative Services. Office of Policy Analysis, 9 Jan. 2017. http://dls.state.md.us/data/polanasubare/polanasubare_heandhumser/Assessing-the-Impact-of-Health-Care-Reform-in-Maryland_FINAL.pdf


private plans through the Maryland Health Connection were eligible for premium tax credits and 50 percent were eligible for cost-sharing reductions or subsidies so this would have a devastating impact on many of our constituents.²


Our state's economy would also suffer if the ACA is repealed with the loss of critical federal funding and thousands of jobs. In 2012, the Hilltop Institute at the University of Maryland estimated that the ACA with Medicaid expansion would add nearly 27,000 jobs in all sectors of Maryland's economy.³ But the State of Maryland actually surpassed those initial estimates and stands to lose approximately 52,000 jobs in 2019 if the ACA's premium tax credits and Medicaid expansion provisions are repealed.⁴

Eliminating Medicaid expansion would strip billions of dollars in Federal Medical Assistance Percentage (FMAP) funds from Maryland. According to the Center on Budget and Policy Priorities, Maryland would lose an estimated \$1.9 billion in federal Medicaid funding in 2019 and \$23.4 billion between 2019 and 2028.⁵ Further, turning Medicaid into a block grant or per capita cap program will affect the state's ability to provide comprehensive, affordable health coverage for millions of otherwise uninsured low-income Marylanders and would also weaken the state's ability to address public health emergencies and other crises that require quick and immediate action. According to estimates, states would see a reduction of almost \$170 billion in federal funding in the tenth year of the plan—a 33 percent cut to state Medicaid budgets.⁶

Without a doubt, repealing the ACA and eliminating comprehensive, affordable coverage for the 400,000 Marylanders who have gained insurance along with critical consumer protections will have dire consequences for our state. But promoting the repeal of the ACA without a proposal that safeguards the progress we have made in helping millions gain quality, affordable coverage is unacceptable. Both Democratic and Republican governors across the country have said they oppose the repeal of the ACA. We ask you to stand with us and them in keeping the promise of affordable, accessible, high quality health care for Marylanders.

Sincerely,


Benjamin L. Cardin
United States Senator


Chris Van Hollen
United States Senator

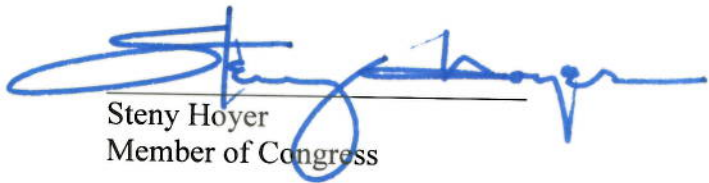
² "June 30, 2015 Effectuated Enrollment Snapshot." Centers for Medicare & Medicaid Services, 8 Sept. 2015. <https://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2015-Fact-sheets-items/2015-09-08.html>

³ Fakhræi, S. H. "Maryland Health Care Reform Simulation Model: Detailed Analysis and Methodology." The Hilltop Institute, UMBC. Table 10, July 2012. <http://www.hilltopinstitute.org/publications/MarylandHealthCareReformSimulationModel-Feb2014.pdf>

⁴ Ku, Leighton, et.al. "The Economic and Employment Consequences of Repealing Federal Health Reform: A 50 State Analysis." Center for Health Policy Research (2017): Table A-1. Milken Institute School of Public Health, 5 Jan. 2017 https://publichealth.gwu.edu/sites/default/files/downloads/HPM/Repealing_Federal_Health_Reform.pdf

⁵ "476,000 Maryland Residents Would Lose Coverage in 2019 Under ACA Repeal." Center on Budget and Policy Priorities, 7 Dec. 2016. <http://www.cbpp.org/sites/default/files/atoms/files/12-7-16health-factsheets-md.pdf>

⁶ Park, Edwin. "Medicaid Block Grant Would Slash Federal Funding, Shift Costs to States, and Leave Millions More Uninsured." Center on Budget and Policy Priorities. Center on Budget and Policy Priorities, 30 Nov. 2016. http://www.cbpp.org/sites/default/files/atoms/files/11-30-16health_0.pdf



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