

March 7, 2017

The Honorable Kevin Brady
Chairman
Committee on Ways and Means
U.S. House of Representatives
1102 Longworth HOB
Washington D.C. 20515

The Honorable Richard Neal
Ranking Member
Committee on Ways and Means
U.S. House of Representatives
1139E Longworth HOB
Washington, D.C. 20515

The Honorable Greg Walden
Chairman
Committee on Energy and Commerce
2125 Rayburn HOB
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Frank Pallone
Ranking Member
Committee on Energy and Commerce
2322A Rayburn HOB
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Brady, Chairman Walden, Ranking Member Neal and Ranking Member Pallone:

On behalf of the American Medical Association, I am writing to share our views on the “American Health Care Act” (AHCA) as detailed in committee prints released by the Committee on Ways and Means and the Committee on Energy and Commerce.

More than 20 million Americans currently have health care coverage due to the Affordable Care Act (ACA) and among the AMA’s highest priorities for on-going health system reform efforts is to ensure that these individuals maintain that coverage. While we agree that there are problems with the ACA that must be addressed, we cannot support the AHCA as drafted because of the expected decline in health insurance coverage and the potential harm it would cause to vulnerable patient populations.

The AMA has long supported advanceable, refundable tax credits as a preferred method for assisting individuals in obtaining private health care coverage. It is important, however, that the amount of credits available to individuals be sufficient to enable one to afford quality coverage. We believe that credits should be inversely related to an individual’s income. This structure provides the greatest chance that those of the least means are able to purchase coverage. We believe credits inversely related to income, rather than age as proposed in the committee’s legislation, not only result in greater numbers of people insured but are a more efficient use of tax-payer resources.

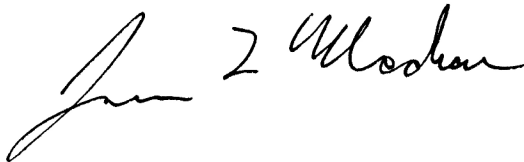
AMA policy also supports increased flexibility in the Medicaid program so that states may pursue innovations that improve coverage for patients with low incomes. We are concerned, however, with the proposed rollback of the Medicaid expansion under the ACA. Medicaid expansion has proven highly successful in providing coverage for lower income individuals. Beyond the expansion, the underlying structure of Medicaid financing ensures that states are able to react to economically driven changes in enrollment and increased health care needs driven by external factors. The Medicaid program, for example, has been critical in helping many states cope with the increased demand for mental health and substance abuse treatment as a result of the ongoing crisis of opioid abuse and addiction. Changes to the

program, therefore, that limit the ability of states to respond to changes in demand for services threaten to force states to limit coverage and increase the number of uninsured.

In addition to the concerns listed above, the AMA cannot support provisions that repeal the Prevention and Public Health Fund or that eliminate the ability of patients to receive their care from qualified providers of their choice. The Public Health and Prevention Fund has supported many critical projects, including investments in immunization, childhood lead poisoning, and health-care associated infections. Currently the fund comprises approximately 12 percent of the budget of the Centers for Disease Control and Prevention and should be preserved. In addition, choice of health care provider is an important element of a reformed health care system. The AMA cannot support provisions that prevent Americans from choosing to receive care from physicians and other qualified providers, in this specific case, those associated with Planned Parenthood affiliates, for otherwise covered services.

As you consider this legislation over the coming days and weeks, we hope that you will keep upmost in your mind the potentially life altering impact your decisions will have on millions of Americans who may see their public, individual or even employer-provided health care coverage changed or eliminated. We encourage you to ensure that low and moderate income Americans will be able to secure affordable and adequate coverage and that Medicaid, CHIP, and other safety net programs are maintained and adequately funded. And critically, we urge you to do all that is possible to ensure that those who are currently covered do not become uninsured.

Sincerely,

A handwritten signature in black ink, appearing to read "James L. Madara". The signature is written in a cursive style with a large, sweeping initial "J".

James L. Madara, MD