



Talking Points

Individual Mandate Repeal

November 2017

Maryland's hospitals oppose the Senate tax plan's weakening of health care coverage that is essential for people to get the care they need.

- By repealing the Affordable Care Act's individual mandate, the Senate's tax reform bill would cut the number of people with health insurance by 4 million in 2019 and 13 million in 2027, according to the nonpartisan Congressional Budget Office.
- While it is difficult to assess the impact of the individual mandate, Maryland's uninsured rate dropped from 10 to 6 percent over the past five years, bringing coverage to an additional 450,000 Marylanders.
- The increase of individuals being covered by insurance helped hospitals reduce costs and reinvest in innovative approaches to care; care provided for people who had no insurance or could not afford their care dropped by \$350 million as a result of the Affordable Care Act.

The proposed bill would hit the state's and individuals' budgets.

- The bill cuts \$179 billion from federal Medicaid spending, and \$185 billion from health insurance subsidies.
- The Medicaid cuts make it more challenging for the state to balance its budget, particularly since Medicaid has taken on an additional 300,000 people over the past five years in Maryland. The resulting options would be grim: raise taxes, cut spending, or take of fewer people.
- Cuts to insurance subsidies mean fewer Marylanders would be able to afford coverage; the cost of their care would be passed on to others in the form of higher health care costs and insurance premiums, and severely impact a Medicaid program facing its own cuts.

The loss of broad-based, continuous coverage jeopardizes Maryland's unique All-Payer Model.

- Maryland's unique all-payer system encourages hospitals to lower costs by working in their communities to get people the right care, at the right time, in the right setting, from primary care to nursing home care. Without the coverage that allows them to seek that care, more Marylanders would turn to hospital emergency departments – health care's highest-cost setting.