

WHAT YOU NEED TO KNOW:

The Affordable Care Act (ACA), or “Obamacare,” made many changes to our health care system that improved access to healthcare for millions of Americans, including by expanding Medicaid, creating new tax credits and subsidies that help low-income people buy insurance, and mandating that insurance cover many basic services such as mental health and substance use disorder services. The Senate is currently considering another bill to repeal the ACA: the Graham-Cassidy plan. This plan caps federal reimbursement in the traditional Medicaid program that has been in place since long before the ACA, resulting in compounding cuts every year, with particularly deep cuts after 2024. The plan also eliminates the Medicaid Expansion and the tax credits and subsidies in 2020, replacing that guaranteed healthcare coverage with a temporary, shrinking block grant that is eliminated altogether after 2026. It also allows states to waive protections against higher premiums for people with pre-existing conditions and the mandate that all insurance plans cover basic healthcare services, including mental health services.

Whose healthcare coverage is threatened by Graham-Cassidy?

North Carolinians on Medicaid will lose coverage under massive Medicaid cuts:

- More than **2 million** North Carolinians have Medicaid coverage.
- In 2016, over **1 million** children in North Carolina relied on Medicaid for services and supports, and more than **465,000** North Carolinians with disabilities have health insurance through Medicaid. As cuts to traditional Medicaid deepen over time, these populations will see services disappear and eligibility tighten.

People and families who rely on ACA subsidies and tax credits to help pay for insurance will lose guaranteed coverage:

- In 2016, more than **499,000** North Carolinians, including **55,000** children, received subsidies and tax credits to help them pay for insurance. The Graham-Cassidy plan would eliminate these subsidies and tax credits in 2020, replacing them with an insufficiently funded temporary block grant.

People with pre-existing conditions will no longer have guaranteed protections from insurers refusing to cover them, charging them higher premiums, or denying coverage of needed services.

- In 2015, 27% or over **1.65 million** non-elderly North Carolinians had pre-existing conditions that would allow insurers to deny them coverage without the ACA protections. These protections will no longer be guaranteed under Graham-Cassidy.

What will Graham-Cassidy cost North Carolina?

Under Graham-Cassidy, North Carolina will face a perpetual Medicaid and healthcare budget crisis. Over the next ten years, North Carolina will lose **\$9 billion** in federal funds (a 6% reduction). This loss that would compound over subsequent years due to cuts to traditional Medicaid and by 2036, North Carolina will have lost **\$98 billion** in federal funds (a 28% reduction).