

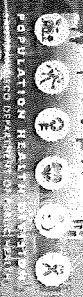
Received in committee  
4.13.17



The San Francisco Department of Public Health

# Federal Update

Budget & Finance Federal Select Committee  
April 13, 2017





# Current Status of the Affordable Care Act

**The Affordable Care Act remains the law and all health insurance programs and benefits remain in place**

On March 24, 2017, majority leaders in the **House of Representatives canceled a key vote** on the American Health Care Act

This is a **win for 133,000 San Franciscans** who obtained health insurance since the ACA was implemented

# The American Health Care Act

The American Health Care Act (AHCA) would **repeal and replace the Affordable Care Act (ACA)**

As currently proposed, the AHCA would:

- **Repeal** the individual and employer **mandates**
- **Repeal** the income-based **exchange subsidies** and replace them with age-based subsidies
- **Reduce** federal **Medicaid funding** to states like California that opted into the Medicaid Expansion
- **Restructure** the **pre-ACA Medicaid** program by capping federal funding



# Future of the American Health Care Act

Though a reprieve, the White House and Congressional leaders have indicated a **desire to continue the repeal effort**

**Significant uncertainty** about the future of the ACA remains

- Unclear whether the AHCA will pass
- If the AHCA does pass
  - *It may look different than the current version*
  - *Many details will be left to the Administration to interpret*
  - *What California does in response will be as important as federal level actions*

# Administrative Authority

The ACA can be rolled back administratively as well as legislatively

- **Reduce or eliminate subsidies** that make insurance affordable for low- and middle-income individuals
- Allow states to **impose restrictions on Medicaid beneficiaries** (e.g., work requirements)
- **Weaken the individual mandate**
- **Redefine essential health benefits**



# President's Budget

**No new information;** not enough detail to determine impact on SFDPH

President's **"skinny" budget** provides very little detail on health spending

- Health & Human Services budget to decrease 18%
- Specifics of how that will be achieved are not provided
- Excludes spending on entitlement programs, like Medicaid

In many areas, local impacts will depend on California responds



# California's Role

**California's response is as important** as the federal action

- How to fund and structure Medi-Cal and other programs with **less federal funding**
- The **uptake of federal options** that states could be allowed (e.g., work requirements, essential benefits)

**California** Legislature currently **considering other options** (e.g., single payer, universal health care)



# What SFDPH is doing

## **Advocacy**

- Federal and state delegations
- City's lobbyists
- National and statewide associations

## **Maximizing current programs**

- Educating clients/patients that nothing has changed
- Maximizing revenues for which we are eligible

## **Analyzing the impact of proposals**

- DPH remains committed to ensuring health care access for our residents
- We will continue to work toward this goal alongside our healthcare partners citywide, as we did when we created Healthy San Francisco





# Key Takeaways

**Nothing has changed** – health insurance benefits remain in place

**Federal change** is still possible, but details and impact **remain uncertain**

**California's response** to any federal changes **will be critical**

**Coverage for 133,000 San Franciscans** who obtained insurance under the ACA **could be lost or reduced**

To **preserve the gains we have made as a result of the ACA**, we would need to determine how we can maintain continuity of care for this population

The **Healthy San Francisco** infrastructure remains in place

