

Local reaction: GOP health care plan would hurt elderly, low-income Americans

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- Mar 12, 2017
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Nancy Richman, executive director, Volunteers in Medicine

Kerry Conway, executive director of Area 10 Agency on Aging.

- David Snodgrass | Herald-Times

Nancy Woolery, the city's health projects coordinator

U.S. Rep. Trey Hollingsworth, R-9th District

The American Health Care Act, the Republicans' plan to repeal and replace the Affordable Care Act, would be devastating to low-income individuals and the elderly, according to local health experts.

Trumpcare, as it's been called — although the White House would prefer you not — was introduced recently and has been almost universally panned by hospitals and health care groups.

Locally, the response has been much the same. But Republican lawmakers who represent this area, U.S. Sen. Todd Young and U.S. Rep. Trey Hollingsworth, have denounced the ACA — which is also called Obamacare — and said they will look carefully at the GOP plan before making specific comments.

The plan largely guts the ACA, removing the individual mandates requiring insurance and the subsidies meant to help people afford coverage, and freezes expansion of Medicaid after 2019. In addition, the Republican AHCA outlines a new plan with tax credits based largely on age, not just income as with Obamacare.

Bloomington's Volunteers in Medicine Executive Director Nancy Richman said the AHCA would be a disaster for low-income folks, who would quickly find themselves priced out of health insurance. VIM provides medical care for people without health insurance and regularly helps people sign up for coverage under the ACA marketplace.

"My understanding is that it (the AHCA) fundamentally changes the way Medicaid is funded," Richman said. "History has shown when you freeze Medicaid, it dramatically affects how many people are covered."

The GOP's bill caps federal payments to states to an annual per-capita allotment, rather than the current open-ended federal commitment.

"That essentially decimates Medicaid," Richman said. "The state will be unable to cover as many people. If you change how Medicaid is funded, and add federal caps, there's no doubt about it, more people will fall through the cracks."

Nancy Woolery, the city of Bloomington's health projects coordinator, agreed.

"That's going to hurt a lot of low-income people," Woolery said, adding that providing fewer tax credits directly affects the poor. "When I sign people up for insurance, and they've never had insurance before, they look at the plans and go, 'Oh my God, I can't afford that.' But then we look at the available tax credits and find them an affordable plan on the marketplace," she said.

"With fewer tax credits available, that will really hurt those people."

Woolery said more people will end up going uninsured, especially without the requirement of an individual mandate, which penalizes people who don't buy insurance. That in turn will likely raise premiums for the chronically ill and elderly who desperately need health coverage.

"If healthy people don't sign up, then sick people will pay for their coverage. We all need healthy people in that pool," she said.

Kerry Conway, executive director at Area 10 Agency on Aging, said the flat tax credits across age brackets would hit an aging elderly population extremely hard. Conway cited an AARP statement, which calls it an "age tax." In an open letter to Congress, AARP laid out the math: A 55-year-old making \$25,000 a year would pay \$3,600 more a year for coverage; and a 64-year-old making \$15,000 would end up paying \$8,400 more a year for coverage, the senior citizens advocacy group said.

That will price many elderly Americans out of receiving health care at a time when they need it most, Conway said.

"Old people will be leashed to jobs with benefits for much longer than they would care to, squashing creativity and a chance at a second career at an age when creativity is flourishing," Conway said. "Overall, I have to give this plan a thumbs down."

Meanwhile, the AHCA has advanced out of two U.S. House committees and is on its way to a floor vote.

Young, who is from Bloomington, said in a statement emailed to the H-T that he hoped policy makers would be able to come together.

“Hoosiers are reeling from the disastrous effects of Obamacare. That is why they gave us a mandate to repeal and replace this unsustainable law last November. Unlike the partisan process in 2009, I want to vote for the best solution possible,” Young said. “This will require transparency and input from both sides of the aisle. I hope my Democratic colleagues will constructively join us in this effort and not be content to sit on the sidelines.”

When asked if Young would support the AHCA, Young’s Indiana Communications Director Jay Kenworthy said it would be premature to predict what would happen in the U.S. Senate, as the bill is still in the House.

Ninth District Rep. Hollingsworth said via email he is currently studying the AHCA and speaking with Hoosiers about the proposed replacement.

“Obamacare drastically failed to meet the promises that were made to the American people: premiums skyrocketed, choices plummeted and many families were jettisoned from their plans. Hoosiers sent me to Washington, D.C., with the mandate to repeal this disastrous legislation,” Hollingsworth said. “Any viable plan needs to ensure that coverage is actually affordable and embraces a free-market system where providers compete for our business. I encourage any constituents who have an opinion about this bill to reach out to their congressional office and share that view with me.”

