

Immediate Release

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House GOP Health Plan Would Make Health Insurance Coverage Far Less Affordable for West Virginia Residents

Tax Credits Would Be Cut by Nearly \$4,200 on Average, Making West Virginia One of Hardest Hit States in Nation

(Charleston, WV) -- West Virginia would be among the states facing the biggest cuts to tax credits in the nation under the Affordable Care Act (ACA) repeal plan being considered by House Committees this week, according to new estimates released today by the Center on Budget and Policy Priorities. Tax credits would fall by an average of \$1,700, or 36 percent, for marketplace consumers across all states but they would fall even further by an average of \$4,183, or 57 percent in West Virginia.

That is largely because the House plan's tax credits, unlike those in the ACA, would not adjust for geographic variation in premiums. Under current law, a 45-year-old woman with an income of \$22,000 annually could purchase health insurance coverage for \$1,200 or less anywhere in the country. Under the House plan, she would pay at least \$4,500 to purchase comparable coverage in West Virginia.

The reduction in tax credits would be even more severe for lower-income and older consumers. Older people would also be hit hard by a provision in the House bill that would let them be charged higher premiums, and lower-income people would lose help with deductibles, copays, and coinsurance.

"The House Republican health plan would drive insurance costs so high that many West Virginia residents could no longer afford it - especially low-income and older people," said Ted Boettner, Executive Director of the West Virginia Center on Budget and Policy. "West Virginia's uninsured rates have dropped from nearly 18 percent to six percent as the ACA's major coverage reforms, including Medicaid expansion, took effect. Reversing these historic gains and putting West Virginia's health insurance market in jeopardy would be highly irresponsible."

House Plan Could Destabilize, or Even Collapse, Individual Market

President Trump has promised to replace the ACA with a plan that provides "good coverage at much less cost." However, the House plan's severe cuts to tax credits in West Virginia would almost certainly result in large coverage losses for low- and moderate-income people. Those coverage losses would be bad for the people losing access to care, but they could also destabilize West Virginia's individual market for everyone. That is because the enrollment declines could lead to large increases in premiums, resulting in further enrollment declines and further premium increases. The feedback loop could continue until West Virginia's individual market shrank substantially, and coverage for everyone became far less affordable.

House Plan Would End Medicaid As We Know It

The House Republican health plan would also effectively end West Virginia's Medicaid expansion under the ACA, under which 175,000 West Virginia residents have gained coverage. It would also radically restructure Medicaid's federal financing system and cut federal Medicaid funding for states over time. This would quickly squeeze the state budget, and lead to cuts in Medicaid coverage and services for seniors, people with disabilities, and families with children.

To read the Center on Budget and Policy Priorities' full analysis of the impacts of the House Republican ACA repeal plan tax credits, please visit: <http://bit.ly/2m9YmwF>

To find county specific data on the impacts of the House Republican ACA repeal plan tax credits, please visit: <http://kaiserf.am/2ISCggd>

To learn more about the impacts on states of the House Republican plan to radically overhaul Medicaid, please visit: <http://bit.ly/2m0sTv4>

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The West Virginia Center on Budget and Policy is a public policy research organization that is nonpartisan, nonprofit, and statewide. The Center focuses on how policy decisions affect all West Virginians, especially low- and moderate-income families.