March 15, 2017

U.S. House of Representatives
Washington, DC 20515

Dear Representative:

On behalf of the National Hispanic Leadership Agenda (NHLA), the coalition of the nation’s 40 preeminent Latino advocacy organizations, we urge you to vote against passage of the American Health Care Act (AHCA) because Hispanics face the prospect of enduring the greatest decline in access to affordable health care should this bill become law. NHLA will closely monitor votes on the AHCA and consider their inclusion in future NHLA congressional scorecards or other informational outreach efforts.

Following enactment of the Affordable Care Act, 4.2 million Latinos gained health insurance coverage. The Latino uninsured rate has fallen to a record low of 16.2 percent, and down to 7.5 percent among Latino children. The AHCA would reverse this progress by creating barriers to affordable coverage while giving massive tax cuts to higher income earners. In particular, the AHCA would reverse the uninsured rate through the following:

- The AHCA replaces the individual mandate with a 30 percent surcharge on individuals’ insurance rates for a year if they experience a gap in coverage that lasts more than 63 days. This would punish those who lose their job and employer-sponsored health insurance, making it more expensive to get insured again in the future, and at the same time resulting in fewer healthy people signing up for insurance coverage, thus driving up insurance premiums in the long run for everyone.

- The AHCA would replace income-based tax credits with tax credits based on age. They are gradually phased out for those making more than $75,000 per year or joint filers making $150,000 per year. The AHCA’s tax credits would cover less of the cost of health insurance than the ACA’s tax credits, especially for adults between the ages of 50 and 65. And the availability of tax credits to upper income workers will create a strong incentive for employers to drop their sponsorship of coverage sending more to the individual insurance market.

- Medicaid, which is now the largest health insurance program in the nation, serving 74 million people, including 18 million Latinos, would face significant changes starting in 2020. In the 31 states that opted to expand Medicaid under the ACA so that people under 138 percent of the federal poverty line could enroll, this expansion will be frozen. No new enrollees would be accepted and anyone already enrolled who drops out of coverage due to changes in their income could not return to the program later if their economic circumstances change. This creates a perverse incentive to remain in poverty.
In addition, the entire Medicaid program would be converted into a per capita allotment program, which would decrease federal funding for Medicaid over time, shifting more of the burden of funding Medicaid to the states, which they are unlikely going to be able to afford, resulting in cutbacks to enrollment. Standard and Poor estimates that four to six million fewer people will be enrolled in Medicaid as a result of these changes and the freezing of the expansion.

Furthermore, the AHCA fails the Hispanic community and the nation as a whole in the following ways:

- The AHCA includes a provision to specifically block people with Medicaid coverage from accessing preventive health care at Planned Parenthood health centers, including birth control, cancer screenings, and STD testing and treatment. Planned Parenthood health centers have played a vital role in ensuring quality reproductive healthcare for low-income women and women of color, including Latinas. Any attacks on Planned Parenthood health centers and other abortion providers threaten to unravel the reproductive health safety net that our Latino/a community relies on for trusted care. In 2014 alone, 23 percent of Planned Parenthood patients were Latino — over half a million people. For many Latinas, Planned Parenthood health centers and other family planning clinics are the only healthcare providers they will see.

- The AHCA does nothing to address access to health care services in our health professional shortage areas. It lacks incentives to encourage more physicians to participate in the Medicaid program.

- The AHCA eliminates the Prevention and Public Health Fund, which was established by the ACA to promote changes in communities that promote healthier living and prevent the development of chronic diseases.

- The AHCA eliminates the essential benefits requirement for certain Medicaid plans in 2020. Essential benefits requirements ensure that insurance plans cover hospital, physician, dental and mental health, reproductive health, preventive, and vision services. Instead, states will determine what insurance plans need to include.

In summary, NHLA believes the AHCA will not increase access to much needed health care in our community and we therefore urge you to oppose passage of this bill. If you have any questions, please do not hesitate to contact NHLA through Ann Marie Benitez, Senior Director of Government Relations, at National Latina Institute for Reproductive Health at annmarie@latinainstitute.org.

Sincerely,

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Executive Director, Labor Council for Latin American Advancement

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