



September 25, 2017

The Honorable Mitch McConnell  
Majority Leader  
United States Senate  
Washington, DC 20510

The Honorable Charles Schumer  
Minority Leader  
United States Senate  
Washington, DC 20510

Dear Majority Leader McConnell and Minority Leader Schumer:

On behalf of the American College of Physicians (ACP), I am writing to reaffirm our strongest possible opposition to the Graham-Cassidy-Heller-Johnson (GCHJ) proposal as released last night. We believe these changes will make the bill even more harmful to our patients **by creating new and perhaps insurmountable coverage barriers for patients with pre-existing conditions, for Medicaid enrollees, and for many of the millions of Americans who will be priced out of coverage, or will pay more for less coverage.** In a [September 13<sup>th</sup> letter](#), ACP detailed many of the reasons why the original version of GCHJ will undermine the coverage, the benefits, and consumer protections for millions of people and could lead to losing their coverage entirely, including many of our most vulnerable citizens in Medicaid. GCHJ, with today's revisions, continues to fall unacceptably short of meeting the [criteria](#) that ACP established that any reforms to current law, including the Affordable Care Act (ACA), the Medicaid program, and the Children's Health Insurance Program should *first, do no harm* to patients.

The American College of Physicians is the largest medical specialty organization and the second-largest physician group in the United States. ACP members include 152,000 internal medicine physicians (internists), related subspecialists, and medical students. Internal medicine physicians are specialists who apply scientific knowledge and clinical expertise to the diagnosis, treatment, and compassionate care of adults across the spectrum from health to complex illness.

We are alarmed by the anticipated impact of the new provisions of this version because they will do even more harm. **States will be able to more easily opt out of essential health benefits (EHBs) and could also allow annual and lifetime limits on patient coverage, resulting in bare-bones coverage. States will only have to submit to the Department of Health and Human Services a broad, undefined statement that they "shall" provide access to affordable coverage with insufficient or non-existent guardrails of what that is or requirements to ensure that such coverage is truly affordable. States could offer plans with lower or no "actuarial equivalent" standards, meaning higher deductibles and out-of-pocket costs for patients. GCHJ still has devastating cuts and caps on Medicaid and puts an end to the program's expansion.**

The estimates from the bill's sponsors and/or administration showing that many states will receive more federal dollars under the GCHJ revised block-grant formula does not appear to take into consideration the impact of the Medicaid per-capita limits and reduction in the federal contribution to

Medicaid. In addition, all federal funding to the states will sunset in 2027, when all states would lose federal block grant funding unless funding is reauthorized. Even in the select states that the sponsors (questionably) assert will experience short-term gains in funding, all states are expected to experience reductions when the impact of Medicaid caps and cuts, and the expiration of funding in 2027, are taken into account. The bill also is a massive redistribution of funding from states that expanded Medicaid coverage to the most vulnerable to those that did not, resulting in billions of dollars in cuts to Medicaid expansion states. Any temporary increase in funding to a few states does not make up for the damage that will be done to their residents, and those of other states, resulting from eliminating essential patient protections and capping and cutting Medicaid. GCHJ would plunge the country back to the pre-ACA days when people with pre-existing “declinable” medical conditions in most states were priced out of the market and the insurance products available in the individual market did not cover medically necessary services.

We also strongly oppose provisions in the bill that would discriminate against Planned Parenthood by denying it access to federal funds, reducing access to primary and preventive care for millions of women.

Finally, the bill requires all states to establish their own systems for financing health care by 2020, or risk losing all federal block grant funding. This would be a highly disruptive and nearly-impossible task for most states to accomplish in that timeframe.

We are dismayed that the revised bill is an even more blatant violation of regular order because it was released just hours ago, with a vote expected in the Senate by Friday. As a result, the Congressional Budget Office (CBO) will have no time to do a complete cost and coverage estimate of GCHJ’s impact by the time a vote is taken, there will be no committee mark ups, no time for other independent analyses and stakeholder input, and just a single, cursory hearing today that does not even allow time for the public to offer testimony that reflects a thorough review of the latest revised bill.

The College strongly believes in the *first, do no harm* principle. The GCHJ proposal—especially with the latest modifications—will undermine essential coverage, benefits and consumer protections, and access to care for both currently insured and uninsured individuals, children and families. **Therefore, we strongly urge that the Senate move away from the fundamentally flawed and harmful policies that would result from the GCHJ proposal.** We urge the Senate to vote down this legislation and instead return to seeking agreement on bipartisan ways to improve and build on the ACA and to make other improvements in patient care, such as the effort that was taking place in the Committee on Health, Education, Labor and Pensions and as proposed in [ACP’s statement for the record to the HELP Committee](#) and in [ACP’s Prescription for a Forward-Looking Agenda to Improve American Health Care](#).

The College welcomes the opportunity to share our ideas for bipartisan solutions for improving current law that would help make health care better, more accessible, and more affordable for patients.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Ende", with a stylized flourish extending to the right.

Jack Ende, MD, MACP  
President

Cc: Members of the United States Senate